

Restrictions and export duties: a pending issue

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“It is very usual, in nations ignorant of the nature of commerce, to prohibit the exportation of commodities, and to preserve among themselves whatever they think valuable and useful. They do not consider, that, in this prohibition, they act directly contrary to their intention;”

(Hume, Of the Balance of Trade, 1742)

Legal treatment under GATT-WTO

Export barriers (or controls) can take a variety of forms -such as prohibitions, taxes, quotas or licenses, among others- and have been applied to industrial and agricultural products, both by developed and developing countries, while pursuing economic and non-economic goals. When both the Havana Charter - legal instrument intended to establish the International Trade Organization³⁷- and the General Agreement on Customs Tariffs and Trade - GATT - were negotiated, measures of this type were not a major issue of concern.

Born amid fear of protectionism after the 1930 crisis, the GATT focused mainly on access to markets, thus leaving matters related to export behavior almost aside. Hence one of the main reasons why export restrictions and duties -both being analyzed in this paper- are scarcely regulated by GATT rules, and later by the Agreements of the World Trade Organization (WTO)³⁷. However, the treatment for measures of this type is a different one.

By quantitative export restrictions we mean a condition restricting the export sales of a specific product. In the case India - Measures Affecting the Automotive Sector, the WTO's Dispute Settlement Body (DSB) held that a “restriction” need “not be a blanket prohibition or a precise numerical limit.” Furthermore, it “suggests the need to identify not merely a condition placed on [exportation], but a condition that is limiting, i.e. that has a limiting effect.”³⁸

37. As OIT was not created, GATT – which was conceived of as a temporary agreement- was left as the sole international instrument regulating the development of world trade.

38. India – Measures Affecting the automotive industry, WT/DS146 /R Paragraph: 7.270

In the event that a restriction becomes absolute, thus preventing exports, it would then be a prohibition on exports right away.

As a general principle, Art. XI.1 of GATT stipulated the prohibition of this type of measures. However, this is mitigated by paragraph 2 of Art. XI, sections 1 and 2, and the exceptions provided for in Art. XX, especially subsections i and j. Additionally, Article of GATT establishes disciplines regarding export prohibitions and restrictions. In any case, the grounds laid down in Art. XX are of an exceptional nature, and are to be interpreted with a restrictive view.

The regulation of export duties is even more diffuse. GATT distinguishes two types of customs duties: those applied to imports and those applied to exports³⁹ (Art. XI GATT). However, there is no definition in such instrument as to what should be understood by one or the other. Although the legal nature of the measure in question must be decided in the specific case, there is no doubt that if a fixed or variable amount of money is applied to the exports of a given product, it would be a customs duty levied on exports, and not of a quantitative restriction on exports prohibited by Art. XI.1 of the GATT.

The analysis of Art. XI of GATT serves as a starting point to establish the legality of export duties under GATT rules. Art. XI, in its first paragraph, generally prohibits the application of restrictions on imports and exports. However, it contemplates the chance to apply “customs duties, taxes or other charges” to those same imports or exports. Given that everything that it’s not explicitly prohibited it’s permitted, export duties are allowed by the WTO Agreements.

Treatment after Uruguay Round and Doha negotiations

Unlike import tariffs, countries are not required to establish lists of export duty concessions and do not have quantitative limitations on their application. However, some countries that entered the WTO after the Uruguay Round had to consolidate export duties and accept not to apply duties to products outside of these lists, and also had to accept reducing rates during a given period of tax relief.

China, through its 2001 Protocol of Accession to the WTO⁴⁰, agreed to eliminate all export taxes and charges except for a group of 84 products, for which a maximum consolidated tariff was set. Ukraine, upon entering the WTO in 2008⁴¹, agreed to the progressive reduction of export duties applied up to that time. When Russia joined in 2012⁴², it consolidated export tariffs for around 700 products, establishing a schedule for the progressive reduction of rates. Except for 200 products, the complete elimination of export duties was agreed within a maximum period of 5 years counted from its accession.

39. Articles. I.1, VII, VIII 1.a; XI.1; XXVIII bis of GATT 1994.

40. China Accession to WTO Protocol, WT/L/432

41. Ukraine Accession Protocol to WTO OMC, WT/ACC/UKR/152

42. Russia Accession Protocol to WTO, WT/ACC/rus/70

Quin⁴³ (2013) points out that the specific obligations established in the Accession Protocols for Members are enforceable under WTO law, since each of these instruments declares itself as “an integral part” of the Agreement on the WTO, which is itself a “covered agreement” for the purposes of the dispute settlement body (DSB). In other words, in case of violating their commitments, these countries can be brought to the DSB, as the “China - Rare Earths⁴⁴” case.

In the case of the negotiations, as part of the WTO Doha Round, there were attempts to put the issue on the agenda. In 2002, the Negotiating Group on Market Access brought the issue of export duties to the table. At that time, the United States proposal sought that only developing countries could apply export taxes at a uniform rate to agricultural exports and only for one year. Instead, the EU directly proposed the removal of all kinds of restrictions on the export of raw materials. Some net food importing countries, concerned about food security, such as Japan and Switzerland, proposed a complete elimination of both export restrictions and duties.⁴⁵

Further progress was made in the field of export restrictions. In fact, during 2008 - when the negotiations were reaching a closing point - a proposal was made so that members should justify any prohibition or restriction 90 days after these were affected. All existing restrictions were also eliminated within a year of their implementation, and the new measures would be limited to 12 or 18 months, with the consent of importers⁴⁶.

However, as time went by and negotiations stagnated, an agreement was not reached in the negotiations of the Doha Round of the WTO, so the issue did not make any progress either.

Which countries are applying duties and restrictions? And what do they apply to? The situation in Latin America

As part of a study by INAI Foundation (2009), a survey was made on the situation of duties and restrictions on exports among members of the WTO as from the time the Organization entered into force in 1995. As regards duties, findings showed that they were applied by 64 countries, that is, at least one third of the WTO members had applied or applied duties on exports. These measures were used much more frequently by developing and less developed countries than by developed countries.

As far as restrictions are concerned, the number amounted to 68 Members that applied this type of measures to limit the export of one or more products either in whole or in part. Point was made about the application of export restrictions among developed countries, in the sense that it was very frequent, to the extent that all of them used these measures, except for Iceland and New Zealand. Adoption was frequent as well by developing and less developed countries, as around half of them were using these measures in the period under investigation.

43. Quin surveyed 29 countries that joined the WTO in 2013 for his research. However, only nine of them were required to do so: Mongolia (1997), Latvia (1999), Croatia (2000), China (2001), Arabia Saudi (2005), Vietnam (2007), Ukraine (2008), Montenegro (2012) and Russia (2012).

44. https://www.wto.org/spanish/tratop_s/dispu_s/cases_s/ds431_s.htm

45. EXPORT CONTROLS: AN OVERVIEW OF THEIR USE, ECONOMIC EFFECTS, AND TREATMENTS IN THE GLOBAL TRADING SYSTEM. Joanna Bonarriva, Michelle Koscielski, and Edward Wilson. Office of Industries. US International Trade Commission, August 2009

46. <https://www.reuters.com/article/us-trade-wto-agriculture-export/factbox-export-issues-in-wtos-doha-round-farm-talks-idUSL037308920080722>

For this case, the decision has been to focus only on Latin American countries. The baseline information comes from the WTO⁴⁷ trade policy reviews, reports that examine trade policies and practices of each member of the institution on a regular basis and describe the institutions responsible for trade policy, as well as the macroeconomic situation. Except for the case of Argentina, whose latest version dates from 2013, in the rest of the countries these are documents that record policies in force between 2015 and 2020, years in which the reports were published.

According to reports, the Latin American countries can be grouped into three categories. A first grouping refers to those countries that directly establish the prohibition of the application of export duties in their national regulations. Such is the case of Bolivia, Chile, Ecuador⁴⁸, El Salvador, Grenada, Haiti, Jamaica, Nicaragua, Paraguay⁴⁹, Peru and the Dominican Republic.

A second group refers to those countries where export duties have been applied during the period under analysis to a reduced group of products. This is the case of Antigua and Barbuda (lobsters and fish), Brazil (cigarettes, hides and skins and weapons), Colombia (mild coffee, unset emeralds and charcoal), Costa Rica (bananas, coffee and live cattle), Dominica (sand and stone), Guatemala (coffee), Honduras (coffee and some minerals), Mexico (bitumen and asphalt, and bituminous mixtures), Panama (processed wood from natural forests), Saint Kitts and Nevis (live animals, cotton and some other products), and Uruguay (raw, salted, pickled or wet-blue hides).

Argentina is in the third group, Guyana and Suriname, countries that apply this type of measures to almost all of their exports. In the case of Guyana, duties are applied to all exports of “non-manufactured goods” at the general rate of 1.5%, with the exception of aquarium fish (5%) and seven other products, subject to specific rates. These provisions do not cover exports to the EU or the CARICOM countries, due to the provisions of their respective trade agreements.

In the case of Suriname, all exports, except those destined for CARICOM countries, are subject to an approval rate of 0.1%. In addition, a statistical rate of 0.5% is applied to exports of all products, except bauxite, which is subject to a statistical rate of 2%.

With regard to Argentina, the application of this type of measure is strongly linked to its economic history. Some authors trace its origin to the middle of the XIX⁵⁰ century, but in this study, it is more relevant to focus on the last two decades. In early 2000 Argentina

47. https://www.wto.org/spanish/tratop_s/tpf_s.htm

48. Ecuador does not impose export taxes, with the exception of bananas and coffee. However, the application of these measures was suspended in 2013 and 2015, respectively. WT / TPR / S / 383 / Rev.1. Page 76.

49. A bill submitted to the Senate in 2016 which contemplated the application of a tax on the export of grains did not come to a successful outcome. In the past, a tax was applied to the export of agricultural products in their natural state, which was repealed on January 1, 2005 by Executive Order No. 2,939 / 04, of July 26, 2004. WT / TPR / S / 360 / Rev. one. Page 62

50- “LAS RETENCIONES SOBRE LA MESA. Del conflicto a una estrategia de desarrollo”. Lucio Castro y Luciana Diaz Frers. CIPPEC. 2008

did not resort to this type of measure, but as result of the economic and social crisis of late 2001 and early 2002, export duties began to be applied. Castro and Diaz Frers (2008) point out that, after the devaluation of the Argentine currency in January 2002, an export duty of 10% was established on a wide list of agricultural and energy goods, and 5% on the rest of the products exported by Argentina. As time went by, rates were modified, reaching levels between 20% and 35% for the main export products of the country. In 2015, along with the change of political administration, most of the taxes were eliminated, but the economic crisis led to them being reinstated in 2018 and in 2020, with corrected values⁵¹.

As for agricultural products, the scheme is as follows: soybeans and derivatives with a rate of 33%; corn, wheat and sorghum at 12%; powdered milk, beef and poultry meat at 9%; sunflower, sunflower oil, wheat flour, peanuts and frozen fish at 7% and the rest of the products, regional economies in general at 5%. Industrial products and even the export of services are also subject to this type of export tax. This places Argentina as the Latin American country with the highest levels of export duties.

Regardless of whether or not they apply export duties, all Latin American countries - a pattern that is also observed in other countries in the world⁵² - have established the possibility to apply restrictions or prohibitions to exports for various reasons: public health; safety; the preservation of fauna and flora; protection of cultural, historical and archaeological heritage; compliance with international agreements and United Nations resolutions; among other issues.

Frequently enough, we can see that the exports of certain products are subject to some type of control such as obtaining authorizations, certificates, records, prior control documents and licenses, among others. Problems come up whenever a discretionary power is used, which can turn those controls into a de facto prohibition.

A more complex case is that of export controls used to support specific industries or to encourage national production of certain specific industries (Ecuador); ensure the supply of basic products or raw materials for the domestic market (Mexico, Honduras); for reasons of convenience for the economic interests of the country are determined by the Executive Branch (Panama); to considerations related to the promotion of national industry, such as the intention to increase added value or ensure the internal supply of raw materials (Paraguay); to ensure that the domestic demand for basic necessities is met (Uruguay).

Effects in international markets

Historically, export barriers have not only been set aside in multilateral negotiations but have also received less attention in terms of impact assessment on international trade than import tariffs. However, after the peak of food prices in 2008, they have become increasingly important as an object of study in an interesting series of research carried out through quantitative models.

51. Executive Order 230/2020. <https://www.boletinoficial.gob.ar/detalleAviso/primera/226273/20200305>

52. See Paper by INAI 2010

Trade barrier analysis is usually grouped into three sets of tools: computable general equilibrium models that include all economic sectors, including factor markets; partial equilibrium models that focus on the behavior of supply and demand in the sectors of interest; and gravity models, which explain trade in terms of “mass” variables, such as each country’s GDP, and “distance”, such as transportation costs. Each of these approaches has its strengths and weaknesses. But an interesting aspect about the recent literature on export barriers is that it embodies all three methodologies, so that the conclusions that can be drawn are broad and robust.

The first question that can reasonably be addressed is whether policy responses to isolate markets from international prices are sufficient to amplify upward dynamics significantly. Using a general equilibrium model, Bouët and Laborde Debucquet (2010) analyzed the case in which a demand shock raises international wheat prices by 10%. Given that context, if exporters implement an increase in export duties to cushion the impact on domestic prices, the international price would increase by 17%. Furthermore, in case importers implement the analogous measure (which may include import subsidies), the impact would rise to 41.1%.

Based on this analysis, the authors conclude that these types of policies effectively worsen the negative impact of food crises, especially for small importing countries. Moreover, they describe the situation as a non-cooperative equilibrium that decreases global well-being, calling for international cooperation in this matter.

Even though the conclusions are relevant, the scenarios posed by the work of Bouët and Laborde Debucquet (2010) are hypothetical. Thus, a second question that should be analyzed is whether the phenomenon was present during important events such as the 2008 crisis. To understand the impacts on observed historical prices, Will Martin and Kym Anderson (2011) developed in their research work from the World Bank a partial equilibrium model. Through a quantitative analysis, they found that the restrictions implemented by the countries explain 45% of the increase in international rice prices between 2005 and 2008, and 29% of the increase in the case of wheat.

Martin and Anderson thus conclude that the application of variable barriers to trade that, in principle, sought to cushion the impact of external shocks within each country, in fact amplified the volatility of international prices. Based on this, although the authors highlight the advances in the Uruguay Round on the import side, they find that the export side is still pending.

A third line of research seeks to answer whether, in fact, the policies applied by the countries respond endogenously. Giordani, Rocha and Ruta (2014) argue that there is a “multiplier effect” of trade policy, that high international food prices motivate the taking of policy measures that push them even further up, in a feedback loop. By using econometric techniques, they found that this hypothesis is not only verified empirically, but that it effectively explains many of the events between 2008 and 2011. They estimate that, on average,

an increase of 1% in trade covered by export restrictions or impulse to imports is associated to an increase in staple food prices of between 0.4% and 2.1%.

Since barriers to trade can take greatly diverse forms, it is worth asking specifically about the role of export duties. In this regard, Laborde, Estrades, and Bouët (2013) analyzed the impact of this policy on global welfare measures through the MIRAGE general equilibrium model. Interestingly, they found that eliminating these taxes would lead to an increase in global welfare of 0.23%, a more prominent improvement compared to what is expected as a result of the current agenda by the time of the Doha Round study. They find, however, that some countries, such as Argentina, could be affected by lower duties in the energy sector. The decline in the agricultural sector, on the other hand, would generate positive effects for the country, since the positive effect of removing distortions outweighs the loss in terms of trade.

A different strategy on the impact analysis of export duties was adopted by Olga Solleder (2013), who resorted to gravitational models. In particular, she found that a one percent increase in export duties translates into a 1.8% drop in trade, or up to 5.5% in extractive sectors. Among other conclusions, the author added that the cost of these measures is paid by both exporting and importing countries, and that some degree of responsibility can indeed be attributed to these taxes for the rise in international prices.

Finally, Estrades, Flores and Lezama (2017) extended the empirical analysis to various types of barriers to exports. As one of the main difficulties they faced was lack of data, they highlighted the importance of notifications and the need for effective information systems in the multilateral framework. To make up for this, they built a detailed database which, combined with the use of gravitational models, allowed them to characterize the importance of barriers to exports in the dynamics of international prices in the period 2005-2013. They found increases explained by export duties on dairy products, trees and plants, edible vegetables, oilseeds, fats and oils, sugar, food preparations, beverages, and residues from the food industry. Regarding other restrictions (prohibitions, quotas, licenses and reference prices), they found effects on live animals, dairy products, cereals, oilseeds, lacquers, gums and resins, preparations and raw leather.

Based on several studies with differing approaches, it is possible to draw some relevant conclusions. Firstly, there is a certain consensus that the multilateral system should play a role as a regulator of barriers to exports. However, it is not possible to draw from these studies which characteristics the applied rules should have. Those rules should rather be subject to negotiation. Secondly, although the reduction of these barriers could imply global benefits, there are countries that would be harmed if there are restrictions on these types of measures. Thus, they are reasonably unwilling to give up a valid policy tool without receiving an adequate compensation in return. Thirdly, it is necessary not to focus only on export duties, but rather on the fact that non-automatic quotas and licenses can be important barriers, especially since their effect is more pronounced. Finally, a proper information system is essential to ensure transparency in commodity markets.

The option of bilateral or regional regulation

Although this is an issue that requires a multilateral approach, as discussed above, this has not been possible. On the contrary, the prolonged stagnation in the Doha Round of the WTO has been one of the factors that have driven the mega-regional negotiations. These have been characterized by the number and size of the economies involved, their great geographic scope, and the breadth and complexity of the topics covered⁵³.

Among the most important ones are the negotiations for the Transatlantic Agreement on Trade and Investment between the European Union and the United States (TTIP); the Trans-Pacific Partnership Agreement (TPP); and a Comprehensive Regional Economic Partnership (RCEP) among the 10 ASEAN member countries, Australia, India, New Zealand, China, Japan and South Korea. Each has had mixed luck: the TTIP was discarded with the arrival of Trump to the US government, a situation that also led to the departure of the TPP, which was reconverted to the Comprehensive and Progressive Agreement of Trans-Pacific Partnership, and RCEP has yet to take off. To this set, even the Agreement reached by Mercosur and the EU may be added, mainly because of its magnitude, but not so much because of the scope or novelty of its provisions.

These initiatives, by that time, were seen as the only way to establish new commercial disciplines with a global scope. This was especially so in those domestic measures, which are more difficult to negotiate at a multilateral level, due to large differences in preferences and regulatory needs among countries. And one of the issues is precisely that of export duties.

In the final text of CCTPP it was stipulated that⁵⁴ no Party will adopt or maintain any duty, tax or other charge on the export of any good to the territory of another Party, unless such duty, tax or charge is also adopted or maintained on that merchandise, whenever it is intended for internal consumption. Exceptions are established for Malaysia - which consolidates tariffs at a certain level - and for Vietnam - which undertakes to reduce them progressively.

Regarding TTIP, although negotiations did not go on, there was a clause that specifically prohibited the application of export duties⁵⁵. This is logical since throughout the trade agreements that the EU has negotiated, from the constituent itself⁵⁶, such as those that it has initiated with third parties⁵⁷, a prohibition was imposed on this type of measures.

53. inai.org.ar/archivos/notas/Mega-Regionalismo%20y%20Comercio%20Agroindustrial.pdf

54. Article 2.15: Tariffs, Taxes or other Charges. <https://www.mfat.govt.nz/assets/Trans-Pacific-Partnership/Text-SP/3.-Trato-Nacional-y-Acceso-de-Mercancias.pdf>

55. https://trade.ec.europa.eu/doclib/docs/2016/march/tradoc_154369.pdf

56. TFUE, Art 28.1. establishes that "The Union shall comprise a customs union which shall cover all trade in goods and which shall involve the prohibition between Member States of customs duties on imports and exports and of all charges having equivalent effect, and the adoption of a common customs tariff in their relations with third countries" and Art. 35 stipulates that "Quantitative restrictions on exports, and all measures having equivalent effect, shall be prohibited between Member States."

57. [https://www.europarl.europa.eu/RegData/etudes/STUD/2016/534997/EXPO_STU\(2016\)534997_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2016/534997/EXPO_STU(2016)534997_EN.pdf)

Jiang (2018) analyzes about 50 regional trade agreements (RTAs), concluded between 2012 and 2016. It is pointed out that, in terms of export restrictions, many RTAs directly incorporate Article XI of the GATT, which prohibits the countries from using quantitative export restrictions in general. To restrict the scope of this provision, its application is reduced through the use of positive lists, which allow a party to restrict the export of certain products, or negative lists, which prevents a party from imposing restrictions on the export of certain products. In some cases, it goes beyond the provisions of the WTO, by restricting or excluding Article XI: 2 (a) in the RTAs. In this way the parties cannot impose quantitative export restrictions on reciprocal trade to prevent or alleviate “critical shortages” of food or other essential products. And with regard to export duties, there is a growing regulation of this type of measure. Of the 50 RTAs examined, only 15 lack provisions restricting the use of export duties. The other 35 RTAs prohibit contracting parties from using export duties in three ways: general prohibition of export duties (22 RTAs); using the negative list system (9 RTAs); and through a positive list (4 RTAs). As for the Strategic Association Agreement between Mercosur and the European Union, there are specific commitments regarding export duties. In this sense, the parties have agreed not to introduce or maintain any duty or tax on the export of a good to the other Party after 3 years from the entry into force of the Agreement. Nonetheless, there are some exceptions.

In the case of Argentina, export duties can be maintained for exports destined for the EU for a specified list of products that includes the soy chain, hydrocarbons, cork, paper and scrap.

In exceptional circumstances where relief from serious fiscal imbalances or a sharp and sudden depreciation of the local currency that requires immediate action is justified, the Agreement allows a Mercosur country, for a limited period of time, to introduce new ones or raise the level of export duties for those goods whose duties were in force as of December 31, 2018.

Said measure will be activated only as part of an economic program executed to address said exceptional situation and must be temporary, proportionate, so that it does not constitute a disguised restriction on international trade. And it will be phased out as that situation improves. In this case, a transparent channel for consultation and communication of such measure is proposed.

As it can be observed, the regulation of these measures has had a broad development at the regional level, ranging from the prohibition of their application in reciprocal trade, to less restrictive options enabling their application, under exceptional circumstances, though.

Towards the consolidation of export restrictions and duties. In exchange for what?

The effects of duties and restrictions on exports are well known and have been duly registered. To illustrate an example, the Buenos Aires Grain Exchange has produced a series

of studies referring to the impact of these measures on Argentine production and trade. And the results, based on the use of quantitative models and the qualitative contribution of specialists, are in line with the usual results in literature: export taxes (or duties) result in efficiency losses, reduction of exportable balances and contraction of the agricultural frontier (Tejeda Rodriguez, Ibarguren, Rossi, & Gianatiempo, 2018). And at the international level, the price crises in 2008 and 2011 were due to a multiplicity of factors, but there is usually a consensus that the use of this type of restrictive trade measures played an important role, by exacerbating the effects of increases in the prices.

A similar situation can be seen regarding the Coronavirus pandemic (COVID-19). Keeping in mind the policies that contributed to the 2007-2008 food price crisis, IFPRI have been tracking food export restrictions and documenting their impact. In the current COVID-19 crisis, there has been a movement of some national governments to restrict food exports. As result of that, the G20⁵⁸ has called for avoiding disruptions to trade, based on the need to ensure the flow of vital medical supplies, critical agricultural products and other goods and services across borders, avoiding unnecessary interference. These concerns are due to measures that countries such as Russia, Vietnam, Cambodia, Thailand, Kazakhstan and Serbia⁵⁹ have already put in place.

These measures can exacerbate shortage and volatility in commodities, having unintended consequences for vulnerable people in food-importing countries, and also negatively affecting producers in the export-restricting countries. According to IFPRI findings, by the end of august 2020, fortunately only two countries have measures restricting trade: Turkey and Kyrgyzstan. But during the months of greatest application of quarantine measures, restrictions were applied to the trade of food products in more than 20 countries⁶⁰.

Although they are not currently within the negotiating mandate in the WTO, in a somewhat near future, barriers to exports should be included in the negotiating agenda. In this sense, we have already observed that the GATT / WTO legal order, as a general principle, establishes the prohibition or quantitative restriction to exports (Art. XI.1 - GATT). The rationale behind this provision is the conception that customs duties (tariffs) applied in borders are more transparent, predictable and trade-stimulating measures than quantitative restrictions on imports or exports.

In relation to export duties, they are allowed and without quantitative or qualitative limitation. Regarding the countries that entered the WTO after its creation, there has been a tendency to prohibit its application and to consolidate them in lists, with maximum ceilings, in keeping with the approach of import tariffs during the Uruguay Round.

58. [https://g20.org/en/media/Documents/G20_Extraordinary%20G20%20Leaders%E2%80%99%20Summit_Statement_EN%20\(3\).pdf](https://g20.org/en/media/Documents/G20_Extraordinary%20G20%20Leaders%E2%80%99%20Summit_Statement_EN%20(3).pdf)

59. <http://inai.org.ar/archivos/otros/Coordinaci%C3%B3n%20global%20coronavirus%201-ABR-20.pdf>

60. <https://www.ifpri.org/project/covid-19-food-trade-policy-tracker>

With respect to regional agreements, the vast majority have opted for the prohibiting this type of measure in reciprocal trade. An exception seems to be the agreement between Mercosur and the EU, which, while prohibiting them, makes room for certain exceptions in some cases with maximum limits and for a specified time.

In the context of WTO, it is generally accepted that among the various types of export barriers, export taxes are the least damaging export control measure compared to other forms of controls. It should also be borne in mind that export taxes generate revenue for the government, are transparent and easy to administer⁶¹. However, the use of these tools be fitted into a legal framework. More frequently than one would expect, the alleged stimulated activity did not respond accordingly, but ended up having consequences on proprietary and third parties' food safety.

Anania (2013) analyzes various options with the aim of regulating restrictions and export duties that are part of multilateral negotiations. It ranges from the strictest application of existing regulations, to the total ban on its use. In any case, one of its proposals, perhaps the most feasible, contemplates a "total symmetry in the regulation of import and export restrictions".

To this end, it is necessary to replicate the tariffication process prior to the Uruguay Round, by which import restrictions that did not take the form of tariffs were converted into tariffs and subsequently consolidated. Here, all existing export restrictions would be taken to transform them into their equivalent in export taxes or duties, which would be consolidated. To guarantee minimum export volumes, export quotas with lower in-quota duties will be introduced, the volumes of which will be defined in terms of a certain percentage of national production in a reference period. Finally, the author remarks that special and differential treatment would be applied to developing countries; through longer implementation periods, exemption from tax reduction commitments, among other provisions.

Moving towards the elimination of restrictions - or their tariffication if that is the case - and consolidating export duties should be a topic on the agenda of trade. If countries wish to monitor and eventually limit their exports, they should do so through a transparent and efficient system. The current WTO rule, unfortunately, provides countries with great discretion over which exports are to be banned or approved.

61. Piermartini, "Role of Export Taxes in the Field of Primary Commodities," 2004, 3.

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