ITC Project on Non-Tariff Measures (NTMs)

To: Presentation to WTO STDF
By: Poonam D. Mohun
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The ITC programme on non-tariff measures

Main Objective:

To ensure stakeholders in beneficiary countries are aware of NTMs and other obstacles affecting their trade, so that they are in a better position to address these challenges.

Key activities (2010 - 2013):

<table>
<thead>
<tr>
<th>NTM Survey</th>
<th>Official NTM data</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Comprehensive company surveys on NTMs in 23 countries</td>
<td>• Collection, classification and dissemination of NTM regulations</td>
</tr>
<tr>
<td>• E.g. Malawi, Trinidad and Tobago, Uruguay</td>
<td>(in collaboration with UNCTAD, World Bank and African Development Bank)</td>
</tr>
</tbody>
</table>

Main donor of phase 1 (2010-13):

DFID, UK

Ongoing activities/collaboration with other organisations/groups, e.g.:

ACP, ICTSD, COMESA, SADC, SVEs, WB, UNCTAD, WTO
What are NTMs?

“Non-tariff measures may include any policy measures other than tariff that can impact trade flows.”

NTMs can include

- Mandatory requirements, rules or regulations
  - Market access and trade policy measures
  - Public policy measures
# International NTM classification

<table>
<thead>
<tr>
<th>Measures regulating imports</th>
<th>Technical measures</th>
<th>Non-technical measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>SPS measures</td>
<td>C</td>
</tr>
<tr>
<td>B</td>
<td>Technical regulations</td>
<td>D</td>
</tr>
<tr>
<td>C</td>
<td>Pre-shipment inspection</td>
<td>E</td>
</tr>
<tr>
<td>D</td>
<td>Price-control measures</td>
<td>F</td>
</tr>
<tr>
<td>E</td>
<td>Licenses, quotas, prohibitions and QRs</td>
<td>G</td>
</tr>
<tr>
<td>F</td>
<td>Charges, taxes &amp; para-tariff measures</td>
<td>H</td>
</tr>
<tr>
<td>G</td>
<td>Finance measures</td>
<td>I</td>
</tr>
<tr>
<td>H</td>
<td>Anti-competitive measures</td>
<td>J</td>
</tr>
<tr>
<td>I</td>
<td>TRIMs</td>
<td>K</td>
</tr>
<tr>
<td>J</td>
<td>Distribution restrictions</td>
<td>L</td>
</tr>
<tr>
<td>K</td>
<td>Restrictions on post-sales services</td>
<td>M</td>
</tr>
<tr>
<td>L</td>
<td>Subsidies (excluding export subsidies)</td>
<td>N</td>
</tr>
<tr>
<td>M</td>
<td>Government procurement restrictions</td>
<td>O</td>
</tr>
<tr>
<td>N</td>
<td>Intellectual property</td>
<td>P</td>
</tr>
<tr>
<td>O</td>
<td>Rules of origin</td>
<td>Measures regulating exports</td>
</tr>
</tbody>
</table>

Source: MAST 2009.
Distinguishing between NTMs and NTBs

- NTMs can become trade barriers when...
  - They are perceived as excessively strict
  - It is difficult to comply with them due to practical challenges (e.g. delays in getting a certification)
- Trade barriers not NTM related: e.g. lack of infrastructure
Some Key Cross Country Results of
the ITC NTM Surveys
Cross-country comparison: NTM affectedness

Affectedness per country

- **Total**: 55% Affected, 45% Not affected
- **Uruguay**: 54% Affected, 46% Not affected
- **Tunisia**: 80% Affected, 20% Not affected
- **Trinidad and Tobago**: 34% Affected, 66% Not affected
- **Senegal**: 63% Affected, 37% Not affected
- **Rwanda**: 75% Affected, 25% Not affected
- **Paraguay**: 63% Affected, 37% Not affected
- **Peru**: 60% Affected, 40% Not affected
- **Malawi**: 71% Affected, 29% Not affected
- **Mauritius**: 59% Affected, 41% Not affected
- **Madagascar**: 57% Affected, 43% Not affected
- **Morocco**: 57% Affected, 43% Not affected
- **Sri Lanka**: 70% Affected, 30% Not affected
- **Cambodia**: 69% Affected, 31% Not affected
- **Kenya**: 74% Affected, 26% Not affected
- **Kazakhstan**: 34% Affected, 66% Not affected
- **Jamaica**: 35% Affected, 65% Not affected
- **Guinea**: 95% Affected, 5% Not affected
- **Egypt**: 38% Affected, 62% Not affected
- **Côte d'Ivoire**: 72% Affected, 28% Not affected
- **Burkina Faso**: 60% Affected, 40% Not affected
Technical v/s Non Technical NTMs

Type of NTMs applied by developing countries

- Burkina Faso
- Côte d'Ivoire
- Egypt
- Guinea
- Jamaica
- Kenya
- Cambodia
- Mauritius
- Madagascar
- Morocco
- Sri Lanka
- Trinidad and Tobago
- Tunisia

Type of NTMs applied by developed countries

- Uruguay
- Tunisia
- Trinidad and Tobago
- Senegal
- Rwanda
- Paraguay
- Peru
- Malawi
- Mauritius
- Madagascar
- Morocco
- Sri Lanka
- Cambodia
- Kenya
- Jamaica
- Guinea
- Egypt
- Côte d'Ivoire
- Burkina Faso

Technical | Non-Technical

Total
Côte d'Ivoire
Burkina Faso

0% 20% 40% 60% 80% 100%
## Technical v/s Non Technical NTMs

<table>
<thead>
<tr>
<th>Country</th>
<th>Technical</th>
<th>Non-Technical</th>
<th>Technical</th>
<th>Non-Technical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burkina Faso</td>
<td>72%</td>
<td>28%</td>
<td>82%</td>
<td>18%</td>
</tr>
<tr>
<td>Côte d’Ivoire</td>
<td>18%</td>
<td>82%</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>Egypt</td>
<td>41%</td>
<td>59%</td>
<td>59%</td>
<td>41%</td>
</tr>
<tr>
<td>Guinea</td>
<td>38%</td>
<td>63%</td>
<td>72%</td>
<td>28%</td>
</tr>
<tr>
<td>Jamaica</td>
<td>11%</td>
<td>89%</td>
<td>82%</td>
<td>18%</td>
</tr>
<tr>
<td>Kenya</td>
<td>49%</td>
<td>51%</td>
<td>64%</td>
<td>36%</td>
</tr>
<tr>
<td>Cambodia</td>
<td>29%</td>
<td>71%</td>
<td>15%</td>
<td>85%</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>80%</td>
<td>20%</td>
<td>62%</td>
<td>38%</td>
</tr>
<tr>
<td>Morocco</td>
<td>58%</td>
<td>42%</td>
<td>88%</td>
<td>12%</td>
</tr>
<tr>
<td>Madagascar</td>
<td>52%</td>
<td>48%</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>Mauritius</td>
<td>63%</td>
<td>37%</td>
<td>69%</td>
<td>31%</td>
</tr>
<tr>
<td>Malawi</td>
<td>69%</td>
<td>31%</td>
<td>82%</td>
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</tr>
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<td>60%</td>
<td>40%</td>
<td>95%</td>
<td>5%</td>
</tr>
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<td>Paraguay</td>
<td>47%</td>
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<td>Rwanda</td>
<td>58%</td>
<td>42%</td>
<td>82%</td>
<td>18%</td>
</tr>
<tr>
<td>Senegal</td>
<td>41%</td>
<td>59%</td>
<td>93%</td>
<td>7%</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>59%</td>
<td>41%</td>
<td>67%</td>
<td>33%</td>
</tr>
<tr>
<td>Tunisia</td>
<td>43%</td>
<td>57%</td>
<td>71%</td>
<td>29%</td>
</tr>
<tr>
<td>Uruguay</td>
<td>53%</td>
<td>47%</td>
<td>64%</td>
<td>36%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>44%</strong></td>
<td><strong>56%</strong></td>
<td><strong>62%</strong></td>
<td><strong>38%</strong></td>
</tr>
</tbody>
</table>
Main NTMs Applied by Partner countries

Exports: Main NTMs applied by partner/transit country

- OA0. Rules of origin and related...
- BA3. Product certification
- BA2. Testing
- CA0. Pre-shipment inspection
- BA4. Inspection requirement
- BA1. Product registration
- AH1. Labelling (e.g. product labels with...)
- AG3. Fumigation
- AA2. Product characteristics, including...
- BB1. Origin of materials and parts
- DA0. Customs surcharges
- AB3. Tolerance limits for residues of or...
# Main NTMs Applied by Home countries

## NTMs applied by home country on exports

<table>
<thead>
<tr>
<th>Measure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA1. Export inspection</td>
<td>30%</td>
</tr>
<tr>
<td>PA2. Certification required by the...</td>
<td>25%</td>
</tr>
<tr>
<td>PB3. Licensing or permit to export</td>
<td>20%</td>
</tr>
<tr>
<td>PC0. Export taxes and charges</td>
<td>15%</td>
</tr>
<tr>
<td>PZ0. Other export related measures...</td>
<td>10%</td>
</tr>
<tr>
<td>PB4. Export registration</td>
<td>5%</td>
</tr>
<tr>
<td>PA9. Other export technical...</td>
<td>0%</td>
</tr>
<tr>
<td>PF0. Export subsidies</td>
<td>0%</td>
</tr>
<tr>
<td>PB1. Export prohibitions</td>
<td>0%</td>
</tr>
<tr>
<td>PB2. Export quotas</td>
<td>0%</td>
</tr>
</tbody>
</table>
Why are technical NTMs considered burdensome?

<table>
<thead>
<tr>
<th></th>
<th>A. Technical requirements</th>
<th>B. Conformity assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Export</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NTM with PO</td>
<td>57%</td>
<td>80%</td>
</tr>
<tr>
<td>NTM without PO</td>
<td>43%</td>
<td>20%</td>
</tr>
<tr>
<td><strong>2. Import</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NTM with PO</td>
<td>78%</td>
<td>92%</td>
</tr>
<tr>
<td>NTM without PO</td>
<td>22%</td>
<td>8%</td>
</tr>
</tbody>
</table>
Procedural Obstacles when exporting

A. Administrative burdens related to regulation
B. Information / transparency issues
C. Discriminatory behaviour of officials
D. Time constraints
E. Informal or unusually high payment
F. Lack of sector-specific facilities
G. Lack of recognition / accreditation
H. Other
Country Specific Examples
Type and Number of NTMs on Jamaican Exports attributed to partner or transit country

- Technical requirements: 35%
- Conformity assessment: 23%
- Pre-shipment inspection and other entry formalities: 17%
- Charges, taxes and other para-tariff measures: 8%
- Rules of origin and related certificate of origin: 14%
- Other NTMs: 3%

ITC: EXPORT IMPACT FOR GOOD
Most of the burden is associated to Pos in Jamaica

Reason why NTMs are considered burdensome (%)

About 90% of NTMs are related to POs (applied by home and partner)
What’s after the surveys? Follow-up: selected examples

**Sri Lanka:** successful application to WTO STDF with a view to improve product quality and cost of exporting

**Mauritius:** elimination of the need for Tea Board clearance of Rooibos Tea imports resulting in reduced time for importing

**Côte d’Ivoire:** continued public-private interaction through the creation of an online trade barriers reporter

**Jamaica:** request to ITC for assistance in addressing capacity building needs of SMEs as well as customs officials to increase compliance with NTMs and reduce procedural obstacles

**Morocco:** creation of an inter-ministerial steering committee to address the identified obstacles

Reduction of NTM-related trade barriers
NTM Programme – Next steps

Increase country coverage
- 20+ surveys to be conducted in 2013-2016
- E.g. Bangladesh, Colombia, Philippines etc.

Follow-up activities
- ...in countries where programme has been implemented to address identified obstacles (e.g. in Cote D’Ivoire, Morocco, Sri Lanka, etc.)
- ...ITC in collaboration with organisations (such as WTO STDF)

Donors of phase 2:
DFID, UK
CAF

Possible other donors such as CIDA, GIZ SAARC, and Financing through projects such as UNDP-led Aid for Trade project for Arab States
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Step 1/4

Search here for non-tariff measures (NTMs) applied by a reporter country.

First select the reporter (country) as the product classification is conditional on this choice. Choose whether you are looking for the measures this country applies to regulate exports (select "exports") or imports (select "imports"). Then choose the product you want to analyze according to the Harmonized System (HS) 6 digit code (HS6) or the National Tariff Line (NTL) code. The National Tariff Line code will only be available if you select a partner other than World.

**Reporter:** Mauritius

**Partner:** Select country

**Product:**
- HS6
- National Tariff Line code

*Indicates mandatory fields.*
THANK YOU FOR LISTENING

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