

OVERCOMING NON-TARIFF MEASURES (NTMs) RELATED HURDLES

Insights from ITC's NTM Programme

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International Conference on
Trade and Marketing of Coconut Products



International Trade Centre (ITC)



The UN body for design of policy recommendations to achieve economic and social development through trade and investment.



WTO OMC

The forum to negotiate multilateral trade rules, monitor their implementation and handle trade disputes



ITC works with local and regional institutions and business people to build trade capacity.



Our mission

To foster inclusive and sustainable growth and development through trade and international business development



TRADE IMPACT FOR GOOD²



Home & Search Data Availability Reference Material Other ITC Tools More Mr. Samidh Shrestha English

Product All products in the group Product Group Coconut

World Country All Country Group None

Partner All Partner Group None

other criteria Exports Yearly time series by country Values US Dollar

List of exporters for the selected product group Product group: Coconut

Unit : US Dollar thousand

Table Graph Map Companies Public tenders FDI data

Download: Time Period (number of columns) : 5 per page Rows per page Default (25 per page)

HS6	Exporters	Exported value in 2017	Exported value in 2018	Exported value in 2019	Exported value in 2020	Exported value in 2021
	World	5,631,581	4,897,983	4,178,234	4,623,770	6,725,258
+	Philippines <i>i</i>	1,863,804	1,451,040	1,211,881	1,111,539	1,888,779
+	Indonesia <i>i</i>	1,242,533	1,076,968	717,624	985,222	1,461,385
+	India <i>i</i>	417,022	389,197	386,023	448,210	601,303
+	Netherlands <i>i</i>	530,557	426,173	301,812	344,650	487,026
+	Sri Lanka <i>i</i>	348,481		335,020	377,446	462,007
+	Thailand <i>i</i>	117,735	152,523	177,012	210,611	327,824
+	Malaysia <i>i</i>	216,544	183,500	209,391	233,109	318,528
+	Viet Nam <i>i</i>	150,329	231,803	183,717	223,910	221,708
+	Germany <i>i</i>	92,143	80,679	70,655	68,032	85,042

\$6.7 B

Global export of coconut commodities



Top 3 exporters

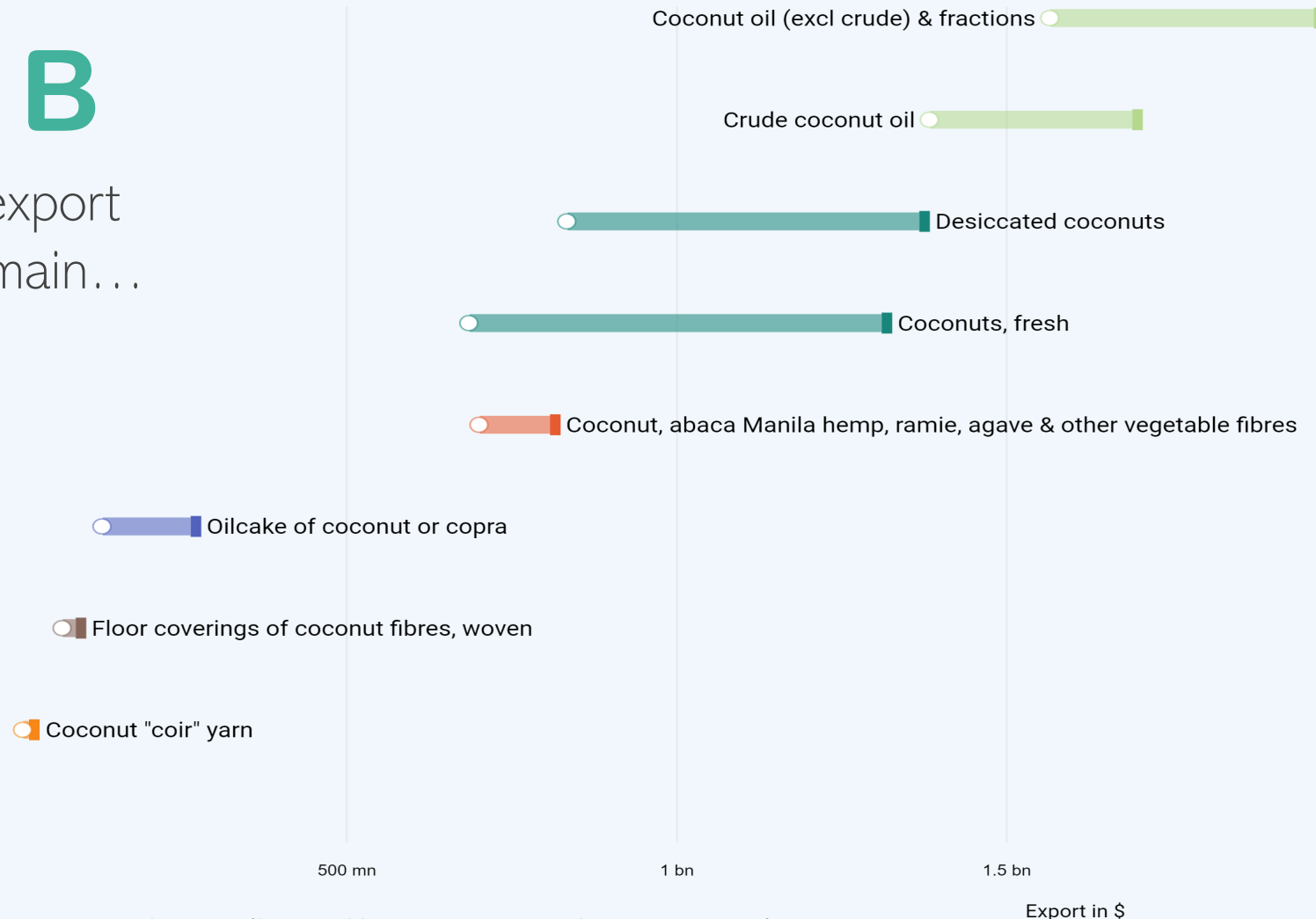
080111 - Desiccated coconuts; 0801XX - Coconuts, fresh; 151311 - Crude coconut oil, 151319 Coconut oil (excl crude) & fractions; 230650 - Oilcake of coconut or copra; 530500 - Coconut, abaca Manila hemp, ramie, agave & other vegetable fibres; 530810 - Coconut "coir" yarn; 570220 - Floor coverings of coconut fibres, woven

Trade in Coconut Products: Room to grow



\$3.2 B

Unrealized export potential remain...



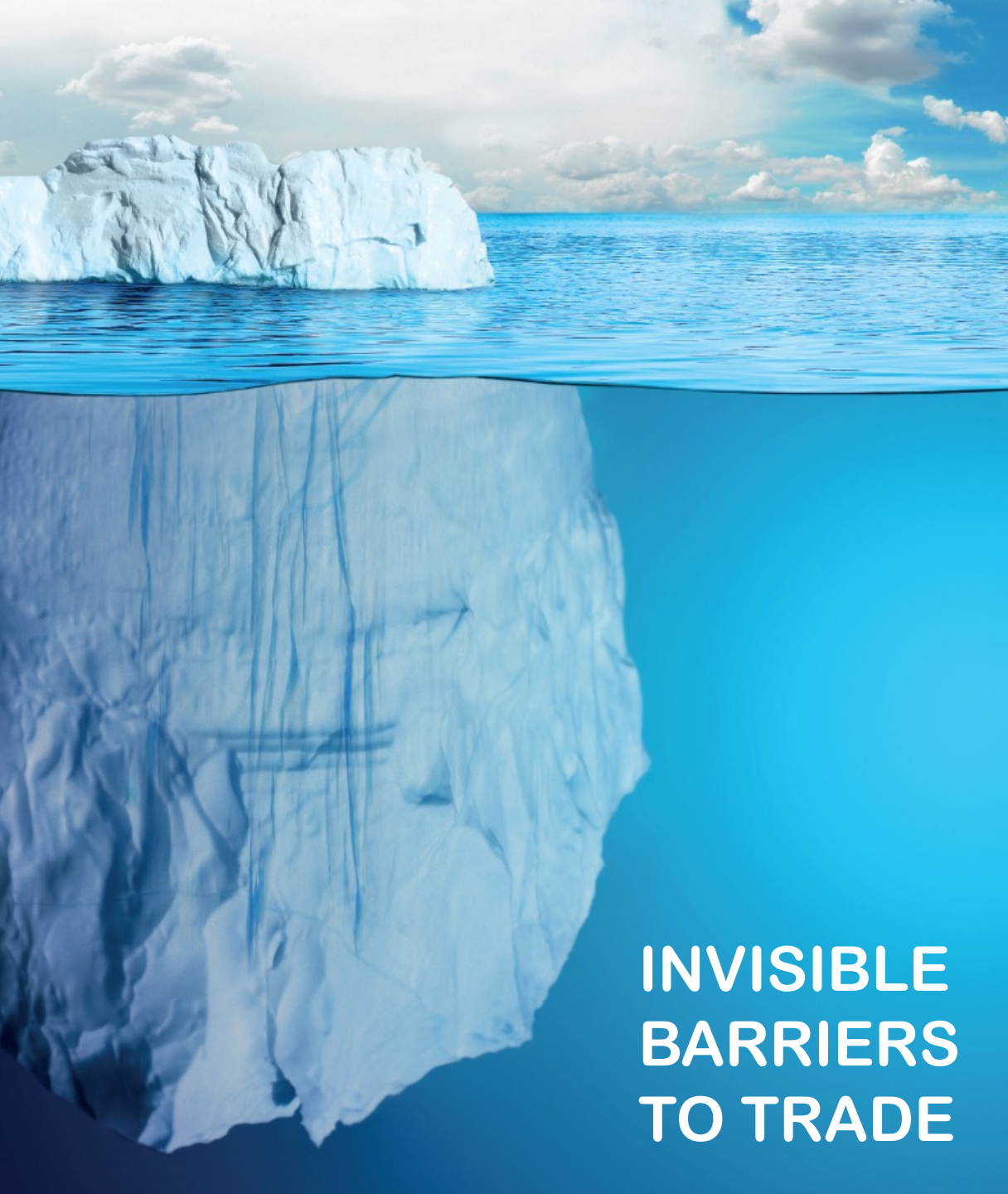
Products with potential

Legend

- Export potential
- Actual exports
- Potential to actual exports gap
- Vegetable oils & fats
- Fruits
- Vegetal textile fibers
- Vegetal residues & animal feed
- Carpets
- Flax, hemp and natural fabric n.e.s.

...but market friction will hinder achieving some of this potential

- NTMs, incl. rules of origin
- Lack of market transparency
- Price-quality mismatches
- Seasonality



INVISIBLE BARRIERS TO TRADE

What are non-tariff measures (NTMs)?

Official policy measures on export and import, other than ordinary customs tariffs, than can potentially have an effect on international trade in goods, changing quantities traded, or prices or both.

Mandatory requirements, rules or regulations legally set by the national authorities of the exporting, importing or transit country (in contrast to private standards which are not legally set)

Can affect both export and import

Include technical measures and standards, as well as regulations on customs procedures, para-tariff measures, financial measures, prohibition, etc.

Why do governments impose NTMs?

NTMs are generally introduced for **legitimate reasons**, for example protection of human, animal and plant health...

...but can also be misused as an **instrument of protection**

Why do countries use NTMs?

Importing Country

- Health and safety of consumers
- Environmental factors
- Infant industry protection
- Achieve political goals

Why do countries use NTMs?

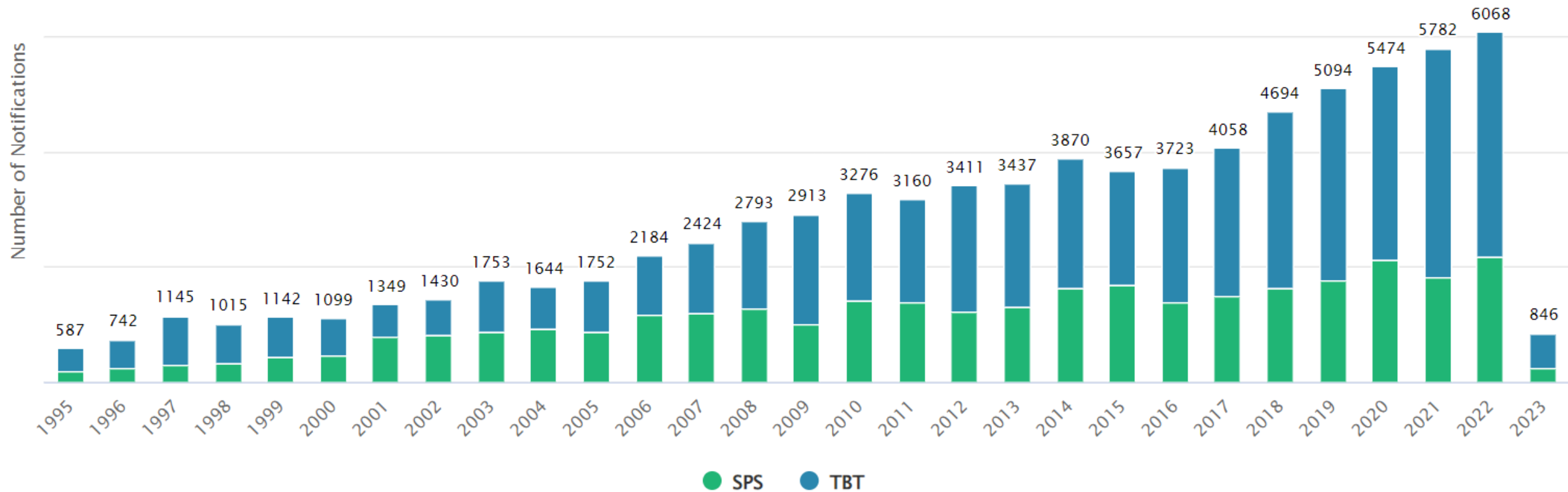
Exporting Country

- Ensure adequate supply for the domestic market
- Maintain quality
- Ensure best value for their exports

→ NTMs are not necessarily a trade barrier

They play an important role in **enabling trade**

The number of SPS and TBT notifications have gone up five-folds in the last 2 decade



The Triple Jeopardy



- LDCs are faced with a “Triple Jeopardy”
- Export competitiveness of LDC’s exports are undercut by three key developments:



Loss of tariff preferences due to multilateral and unilateral trade liberalisation



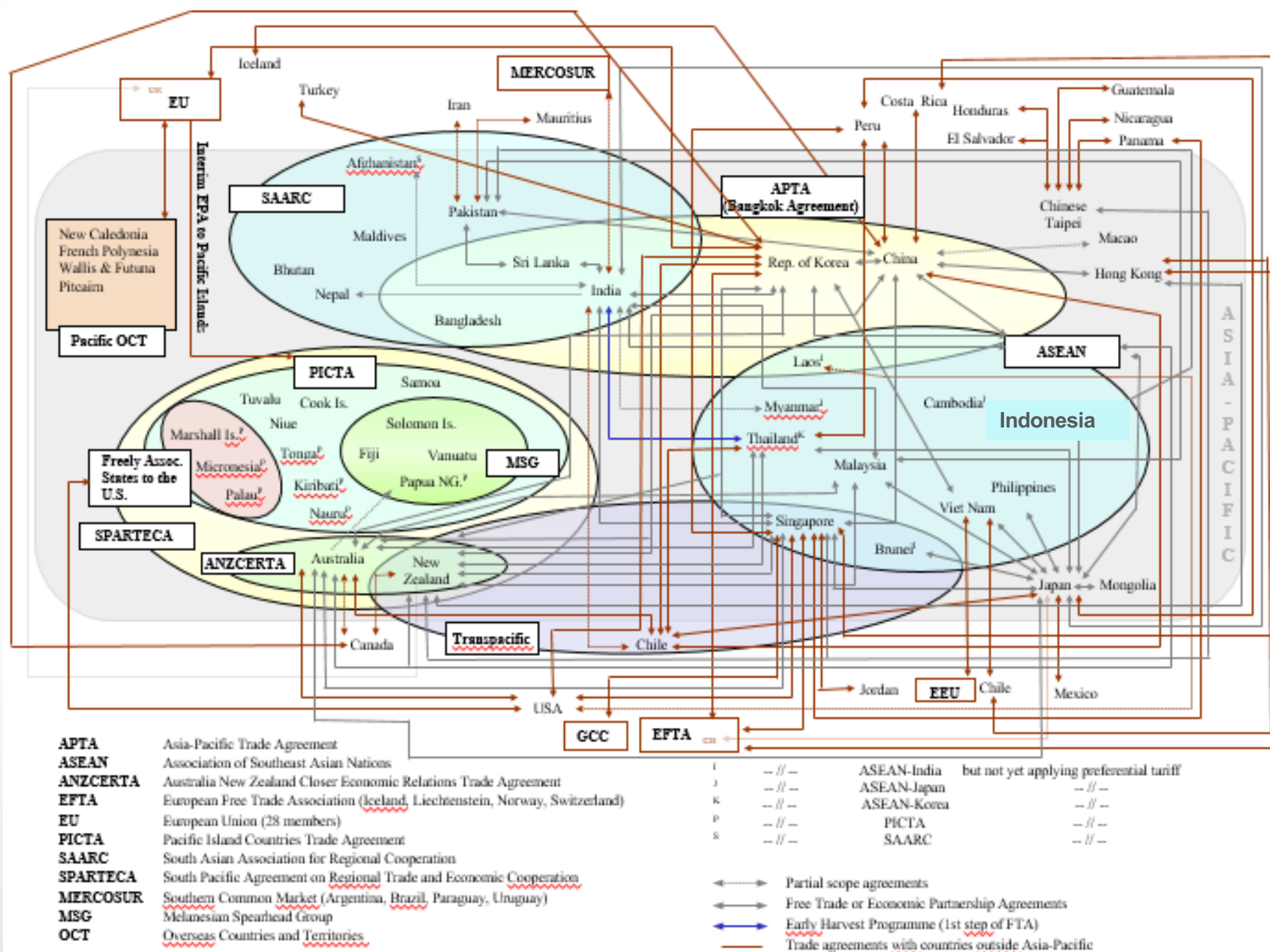
Proliferation of NTMs in almost all important markets



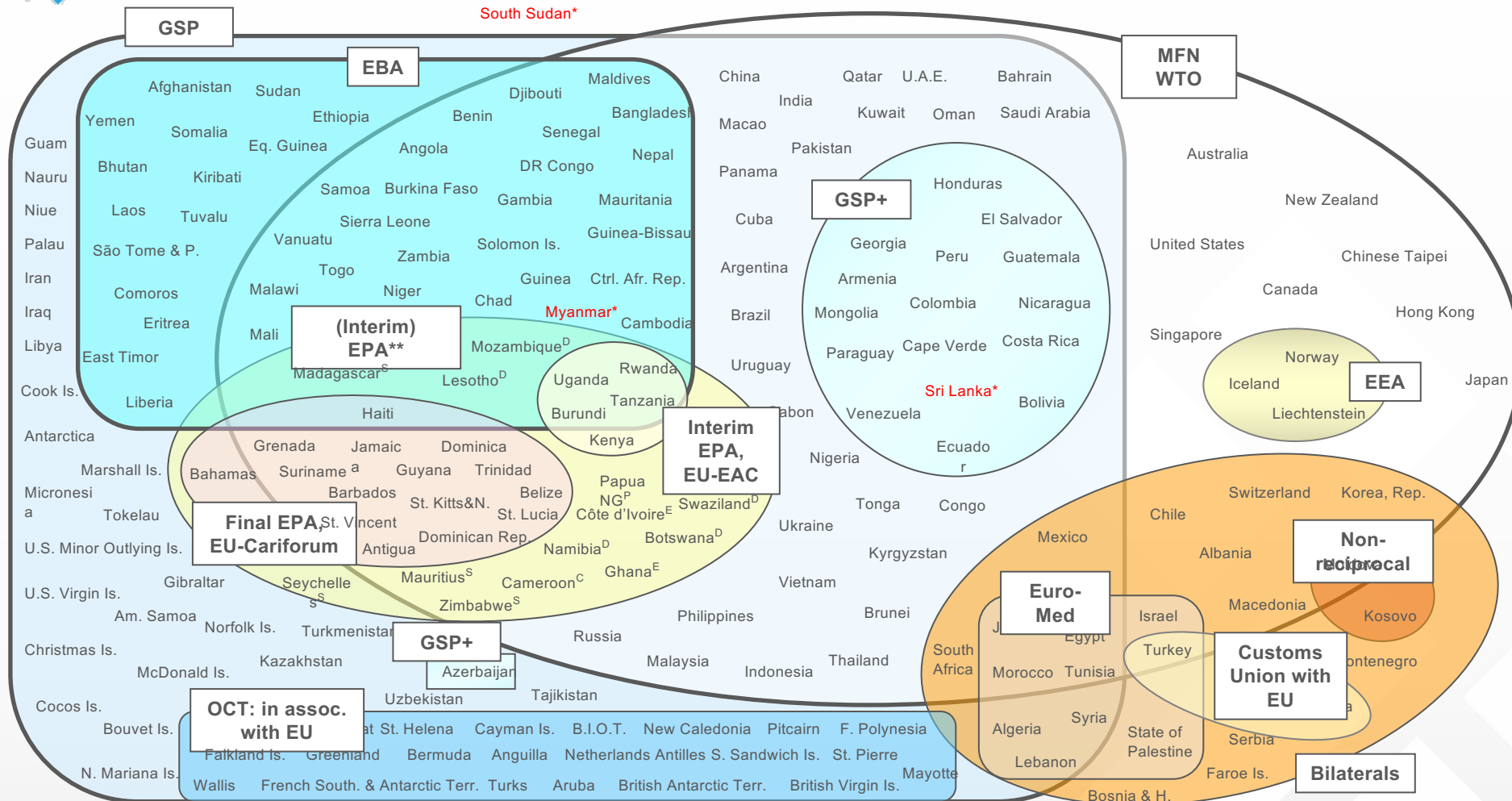
Weak treatment of NTMs in PTAs/FTAs where LDCs participate

Overall, lack of capacity to deal with NTM related issues

Trade Agreements in Asia-Pacific



European Union's Trade Regimes



B.I.O.T. British Indian Ocean Territories
EAC East African Community
EBA Everything But Arms
EEA European Economic Area
Euro-Med Euro-Mediterranean Partnership
GSP General System of Preferences
OCT Overseas Countries and Territories

*Belarus and Myanmar (GSP) as well as Sri Lanka (GSP+) are temporarily suspended from the GSP regime; South Sudan awaits access to EBA.

** EPA: only Cariforum countries have signed a final EPA – for all other countries interim EPAs apply; Interim EPA: Only countries receiving preferential rates are included

E preferences under Interim EPA, EU-Ecowas & Mauritania
 S -- // -- EU-ESA
 C -- // -- EU-CAEMC & São Tomé and Príncipe
 P -- // -- EU- Pacific Islands
 D -- // -- EU-SADC

Market

July 2013

TRADE IMPACT FOR GOOD

ITC's Programme on Non-Tariff Measures (NTMs)

Making the "Invisible Barriers to Trade" more visible

Enhancing Trade Transparency

Mapping of trade regulations (NTMs)

63K

Measures globally

135

Number of countries with
NTM data availability



Available at:
Market Access Map
www.macmap.org

Tools to ALERT or REPORT NTMs



TRADE
OBSTACLE
ALERT



NTM Business Surveys

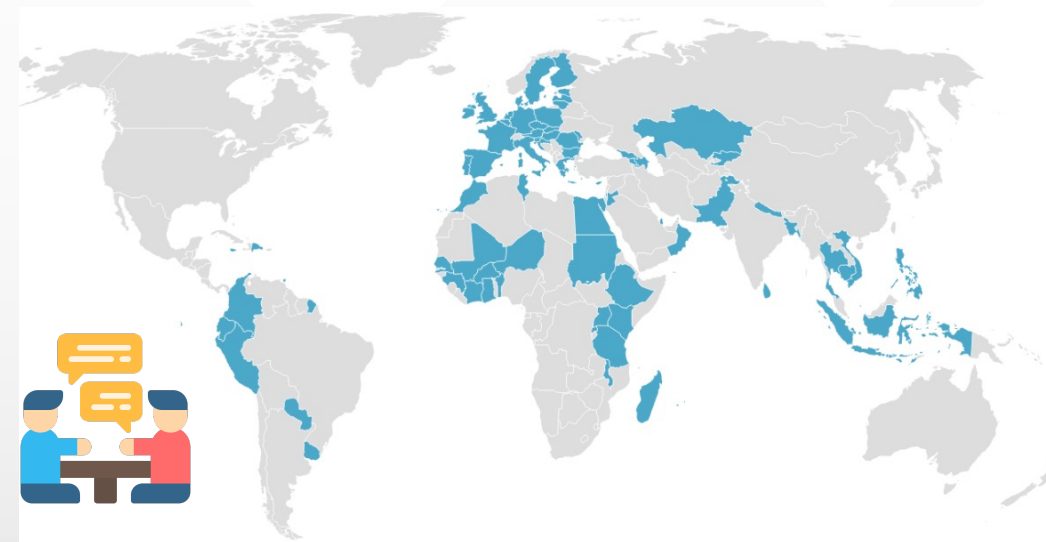
Identifying key regulatory and
procedural hurdles businesses face

80

Countries

35,000

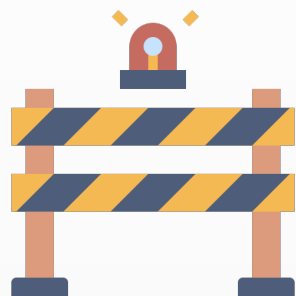
Companies interviewed



TRADE IMPACT FOR GOOD

Highlights from NTM Business Survey in the Asia-Pacific

Understanding companies' difficulties with NTMs:
Three aspects



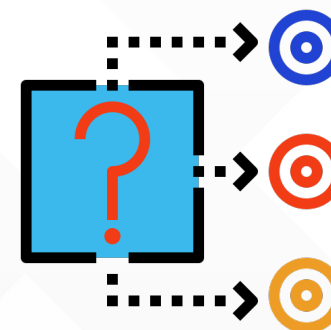
Affectedness

How many and which companies
face difficulties



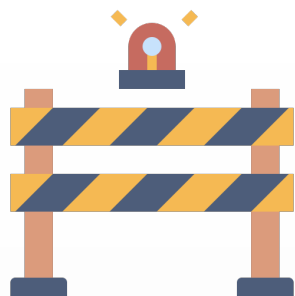
Type

Which NTMs are experienced as
challenging



Cause

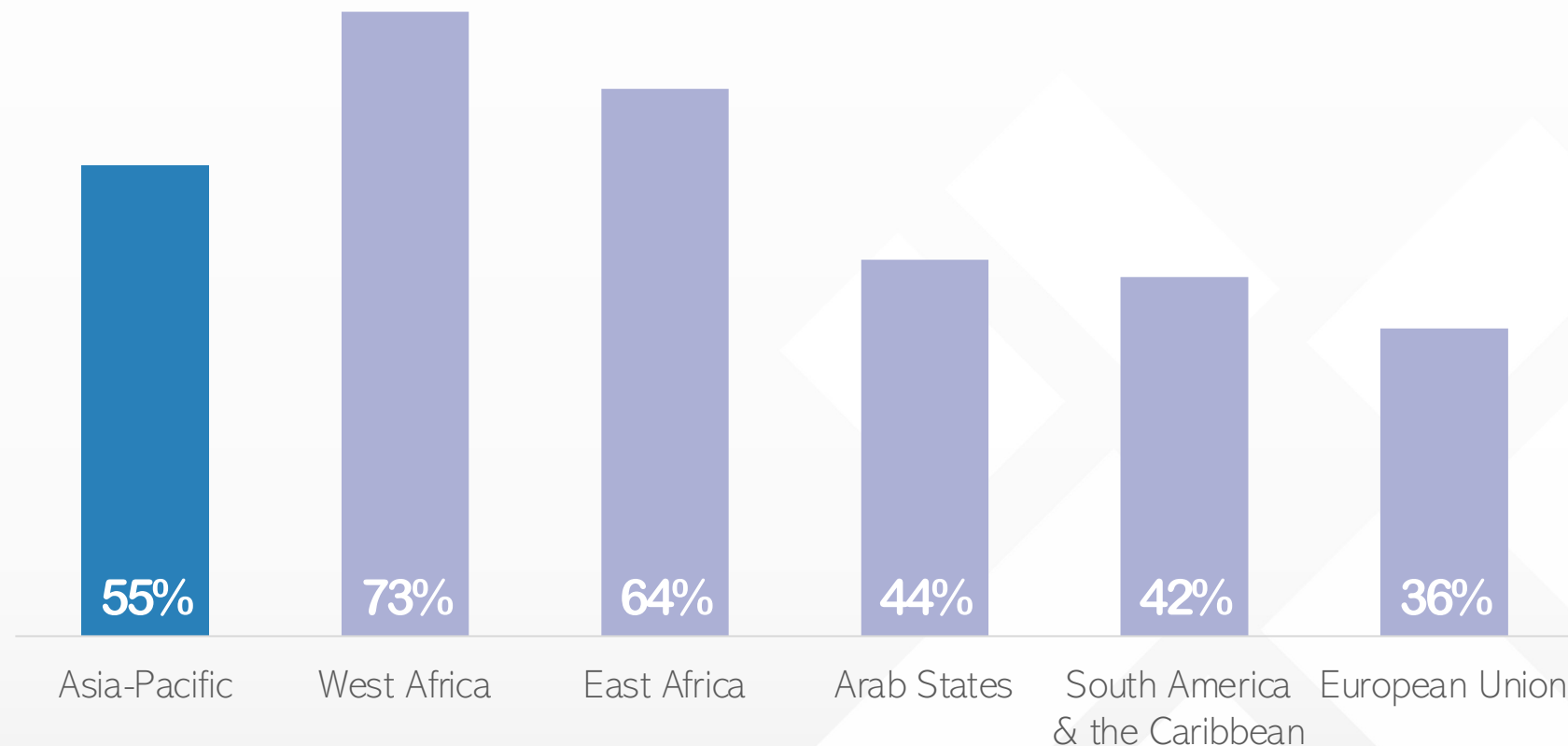
Why NTMs are deemed
burdensome

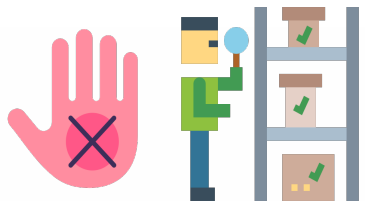


Affectedness



Roughly half of exporters in Asia-Pacific regions are facing NTM related hurdles





Type

Most of the NTMs perceived as burdensome by exporters are foreign regulations

Share of burdensome NTMs applied by partner and home country

Destination or Transit country (80%)

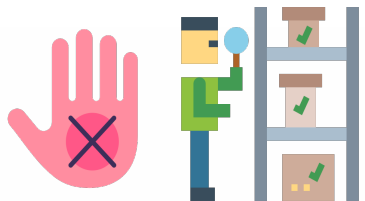
**Home
(20%)**



Foreign
regulations

Domestic
regulations





Type

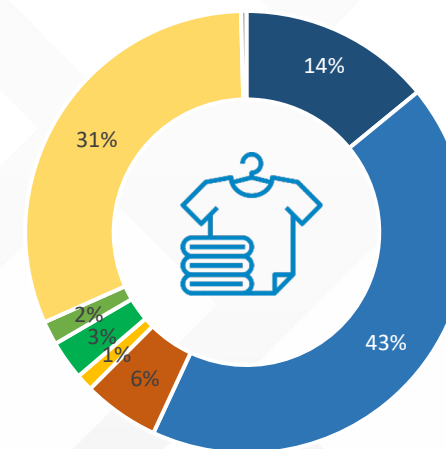
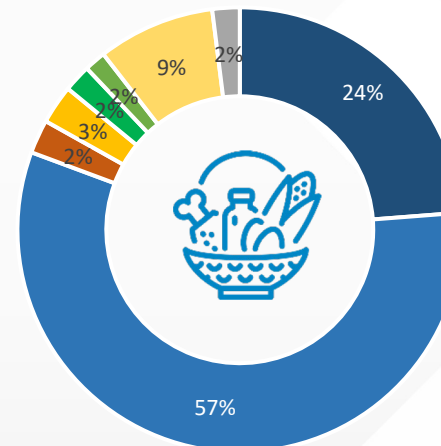
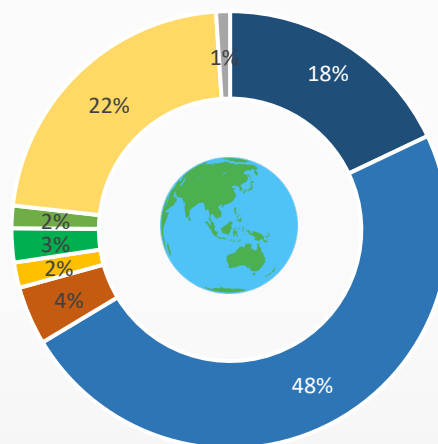
Most of the NTMs perceived as burdensome by exporters are foreign regulations

Share of burdensome NTMs applied by partner and home country



Destination or Transit country (80%)

Home (20%)



Differences across sectors on key regulatory hurdles faced by businesses

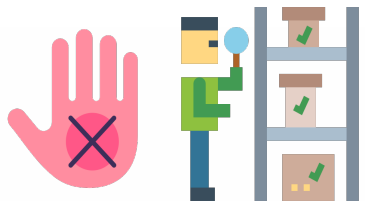
- Technical requirements
- Pre-shipment inspection and other entry formalities
- Charges, taxes and price control measures
- Rules of origin and related certificate of origin
- Conformity assessment
- Quantity control measures
- Finance Measures
- Other import-related measures



Affectedness



Cause



Type

Most of the NTMs perceived as burdensome by exporters are foreign regulations

Share of burdensome NTMs applied by partner and home country

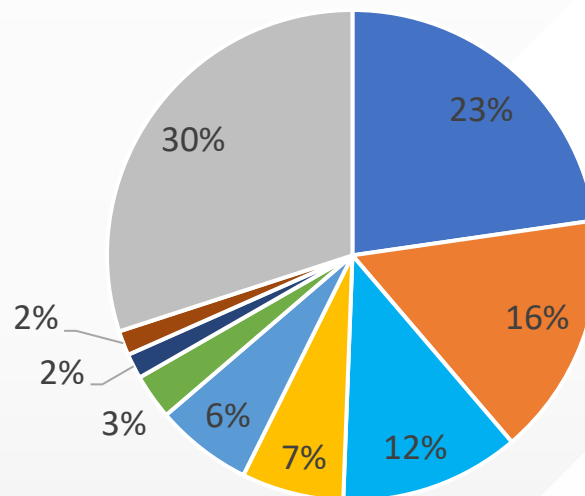


Destination or Transit country (80%)

Home (20%)



Types of domestic export measures businesses find burdensome



- Export inspection
- Certification required by the exporting country
- Export taxes and charges
- Export prohibitions
- Other export related measures

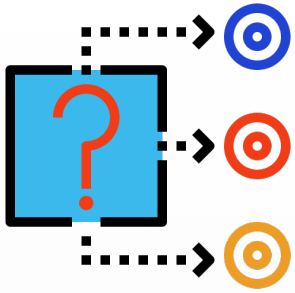
- Licensing, registration or permit to export
- Export subsidies
- Other export technical measures
- Export price control measures



Affectedness



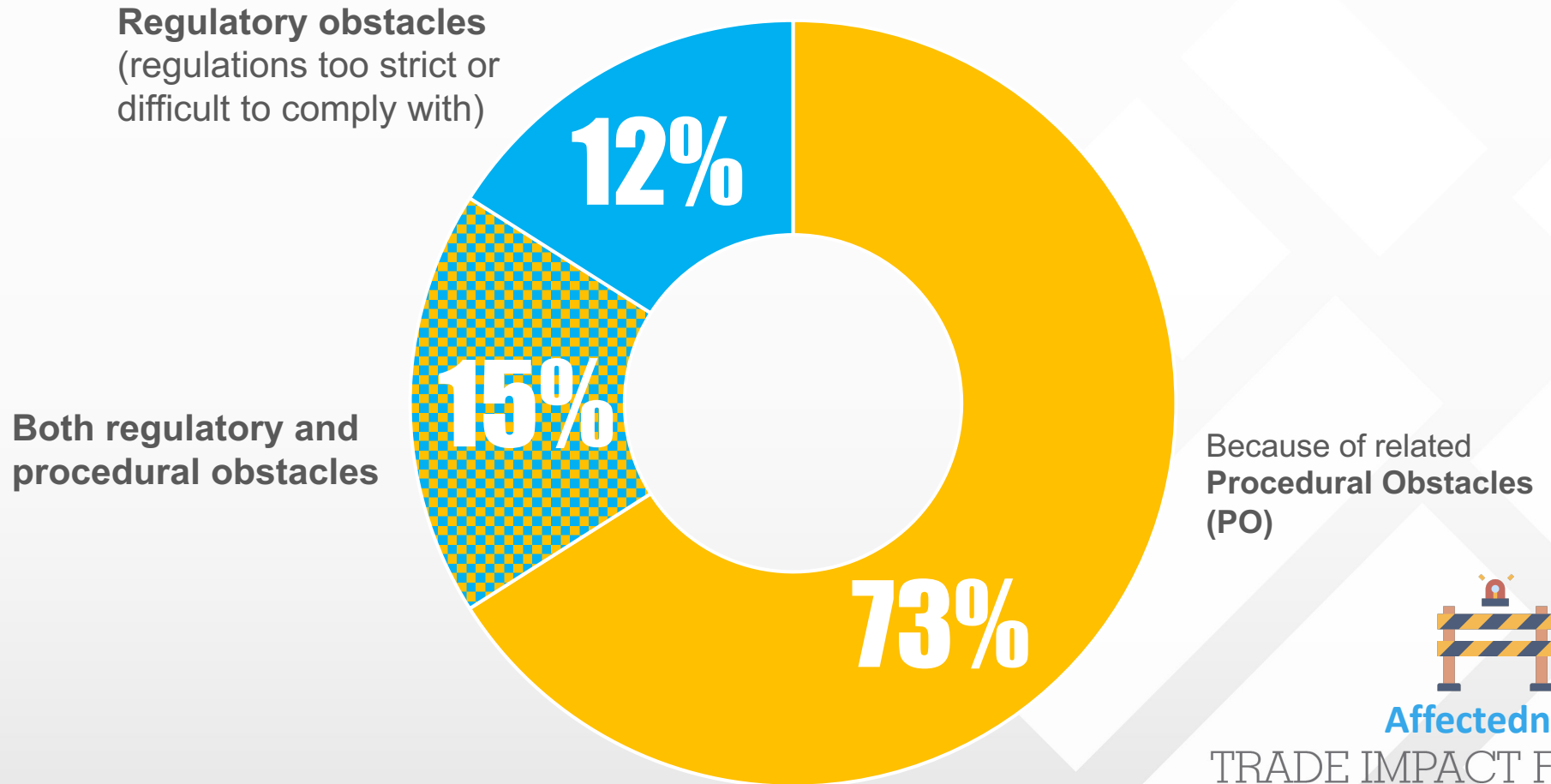
Cause

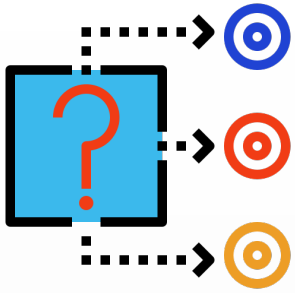


Cause

Why are NTMs deemed burdensome?

Procedural hinderances is a major concern to exporters that make compliance to regulations difficult



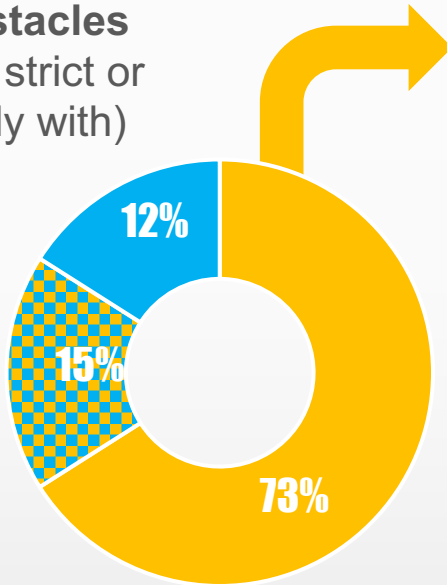


Why are NTMs deemed burdensome?

Cause

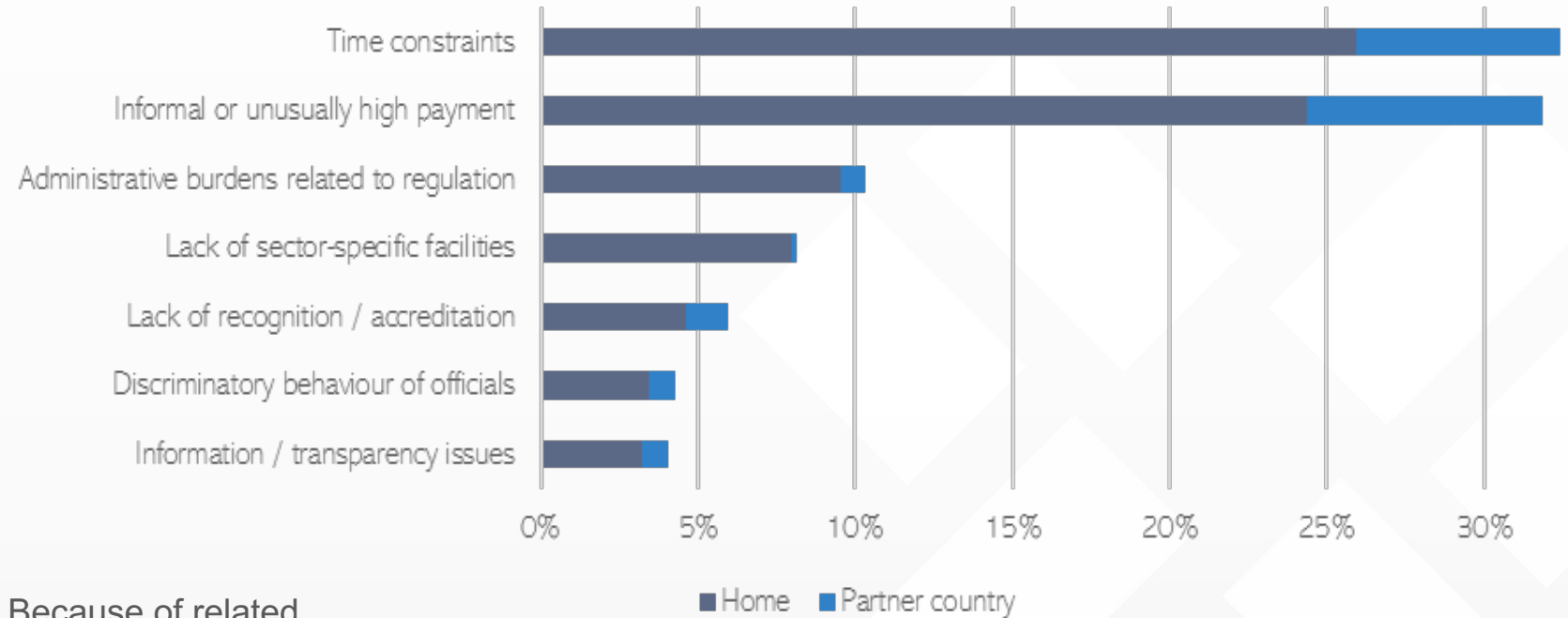
Regulatory obstacles
(regulations too strict or difficult to comply with)

Both regulatory and procedural obstacles



Because of related
Procedural Obstacles (PO)

Procedural hurdles making compliance to NTMs difficult



Affectedness **Type**



Overcoming NTM related hurdles



Market Access begins at home

- Streamline domestic administrative procedures
- Creating a more enabling business environment
- A robust quality management and infrastructure (for both domestic and export market)
- Participation in public-private consultation on
 - Trade policies or agreements
 - Reporting and resolving trade obstacles



TRADE OBSTACLES ALERT MAURITIUS

LOG IN

EN



Report an obstacle →

Report the obstacles exporting and importing companies face in the region



Monitor obstacles →

See the obstacles reported to date and understand what the main concerns are

Report an obstacle

I am

Importing

Exporting

From / to

Please select



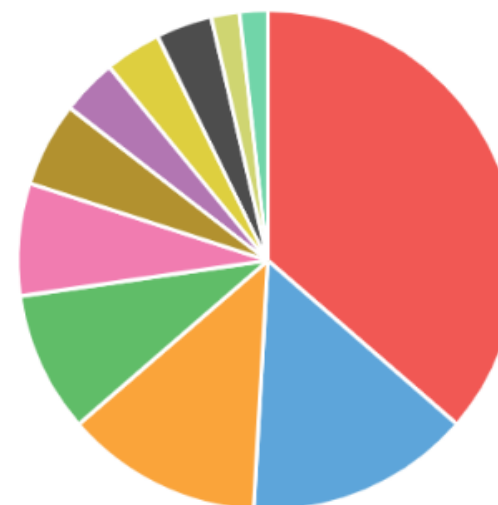
The obstacle occurred in

My country

Partner country

SUBMIT AND CONTINUE

55 obstacles have been reported



- Regulatory problem
- Time constraints
- Administrative burden
- Arbitrary behaviour of officials
- Other
- Information/transparency issue
- Informal/unusually high payments
- Infrastructural problems
- Lack of human resources
- Lack of recognition/accreditation
- Lack of regulatory authority/framework

VIEW STATISTICS



Overcoming NTM related hurdles



Information Transparency for export success

- Being informed on trade requirements, business opportunities, etc

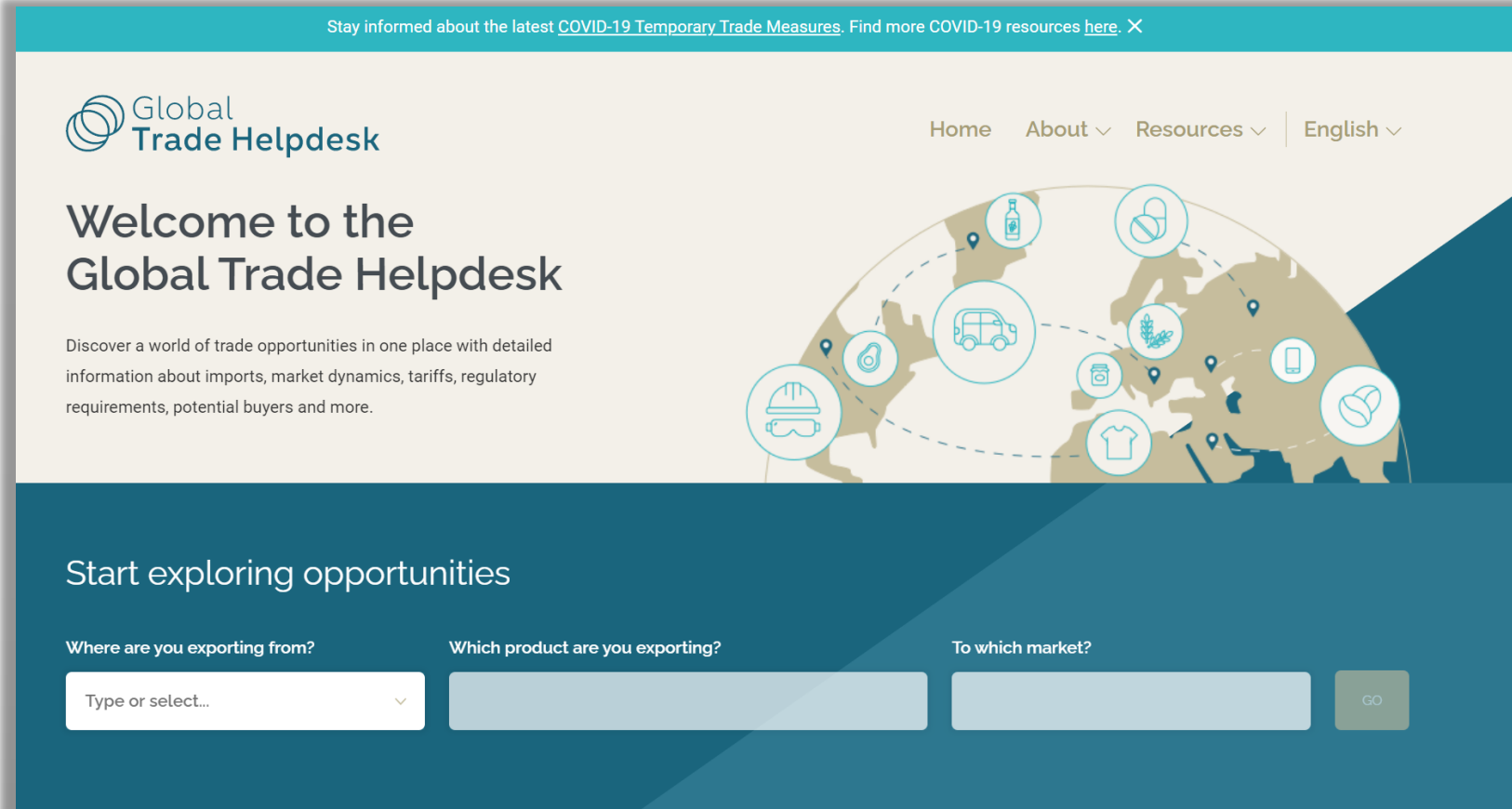


- Staying ahead of the curve: being informed on new requirements



<https://epingalert.org/>

A single entry-point for trade intelligence



You are exploring

Philippines's export of **151311 Coconut (copra), palm kernel or babassu ...** ⓘ to Germany

Edit

✓ **Market overview**

Assess requirements ▾

Navigate procedures ▾

Identify partners

Market Overview

A bird's eye view of opportunities, conditions and partners in your selected market and beyond.

How attractive is Germany's market?

As a global importer for your product

Total Imports ⓘ

USD 211.6 mn

of global imports by Germany for **151311** ⓘ



Rank in Global Imports ⓘ

4

Germany's rank in global imports for **151311** ⓘ



Market perspective for Philippines

Import Share ⓘ

59%

of global import in Germany for **151311** ⓘ
from Philippines



Import Growth ⓘ

24%

Germany's import growth from Philippines for **151311** ⓘ (from 2017 to 2021)



Export Potential ⓘ

USD 58.2 mn

Estimated total potential export value by 2027



Get to know Germany's import tariffs

Tariffs are duties that the destination market charges on imported goods.



0 – 12.8%

[More information about tariffs →](#)

You may be eligible for a preferential tariff.

Does your product meet the mandatory requirements?

IN PHILIPPINES

IN GERMANY

①
Domestic
Requirements

13



①
Product
Requirements

13



①
Market
Conditions

6



①
Pre-shipment &
Inspection

19



①
Notified
Regulatory
Changes

38



Time and cost to export: your domestic procedures

Time to export

**78.5
hours**

Cost to export

**508.505
USD**

[GIVE FEEDBACK](#)

You are exploring

Philippines's export of 151311 Coconut (copra), palm kernel or babassu ... ⓘ to Germany

Edit

🔗 Market overview

Assess requirements ▾

Navigate procedures ▾

Identify partners

Regulations

These are the mandatory requirements for your product to enter the selected market.



Product Requirements

This group of product-specific regulatory measures includes regulations related to permitted substances in the production process and technical specifications of the product to protect consumer health and safety.

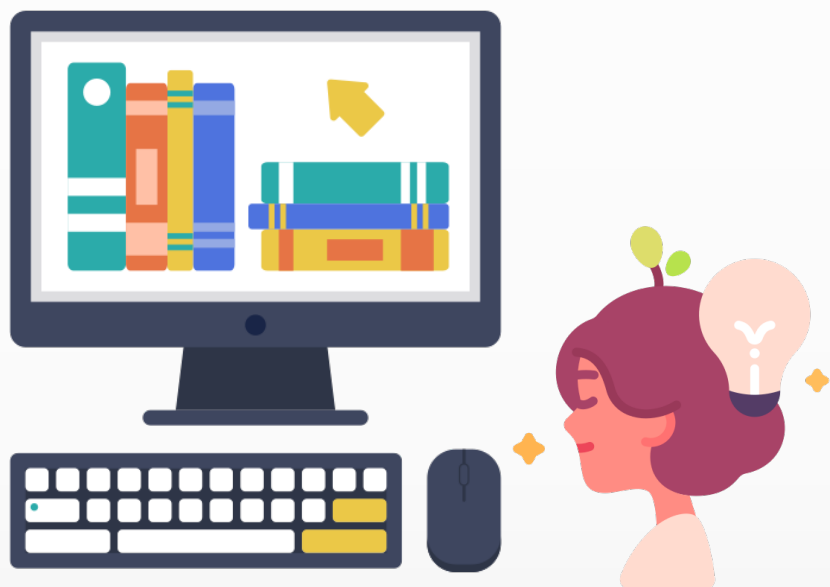
Data sourced from EU Access2Markets [🔗](#)

(EU Data Sources & Copyright [🔗](#))

REGULATIONS	
▾ Systems approach	2
▾ Prohibitions/restrictions of imports for SPS reasons, not elsewhere specified (n.e.s.)	1
▾ Tolerance limits for residues of or contamination by certain (non-microbiological) substances	1
▾ Restricted use of certain substances in foods and feeds and their contact materials	2
▾ Microbiological criteria of the final product	2
▾ Hygienic practices during production related to SPS conditions	2
▾ Food and feed processing	2
▾ Authorization requirement for importing certain products	1



Overcoming NTM related hurdles



Information Transparency for export success









- Being informed on trade requirements, business opportunities, etc



- Staying ahead of the curve: being informed on new requirements



<https://epingalert.org/>

Notifying Member	Symbol and title	Distribution/Comments ⓘ	Products covered ⓘ
Rwanda	G/TBT/N/RWA/816  DRAFT LAW N° OF GOVERNING THE EXPORTATION OF AGRICULTURAL PRODUCTS Notified document (1)	22/02/2023	LIVE ANIMALS (HS code(s): 01)MEAT AND EDIBLE MEAT OFFAL (HS code(s): 02); FISH... 
Malawi	G/TBT/N/MWI/90  DMS 1447:2018, Fruit crush – Specification Notified document (1)	14/02/2023 ⌚ 15/04/2023	(HS code(s): 08); (ICS code(s): 67.160.20) 
China	G/TBT/N/CHN/1715  National Standard of the P.R.C., Requirements of Restricting Excessive Package— Edible Agricultural Products Notified document (1)	03/02/2023 ⌚ 04/04/2023	Edible agricultural products (HS code(s): 02; 03; 0407; 08); (ICS code(s): 67.040) 
Japan	G/SPS/N/JPN/1074/Add.1  Specifications and Standards for Foods, Food Additives, Etc. under the Food Sanitation Act (Revision of agricultural chemical... Notified document (1)	19/01/2023	Meat and edible meat offal (HS codes: 02.01, 02.02, 02.03, 02.04, 02.05, 02.06, 02.07,...) 



Overcoming NTM related hurdles



Information transparency for export success

- An effective business support network – strong TPOs & BSOs
 - Advocacy
 - Business guides, advisory, trainings, promotion, etc.
- Anticipating consumer preferences. Growing trend towards
 - Sustainability
 - Organic
 - Labour standards, etc.
- Voluntary / Private standards not to be ignored



THANK YOU!



ntmsurvey.intracen.org



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