COMPANY PERSPECTIVES ON NON-TARIFF MEASURES IN ASIA-PACIFIC

Key Insights from NTM Business Surveys

Samidh Shrestha
24 February 2023
Asia–Pacific trade: Room to grow

Unrealized export potential remain…

…but market friction will hinder achieving some of this potential

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

Source: ITC Export potential map (https://exportpotential.intracen.org)
Understanding Non-Tariff Measures (NTMs)

Three types of NTM data

- WTO Notifications
- Regulatory Mapping
- Business Surveys
Understanding Non-Tariff Measures (NTMs)

Three types of NTM data

WTO member countries required to notify new national or changes to regulations

WTO Notifications

https://notifications.wto.org/

Regulatory Mapping

Business Surveys

TRADE IMPACT FOR GOOD
Understanding Non-Tariff Measures (NTMs)

Three types of NTM data

- WTO Notifications
- Business Surveys
- Regulatory Mapping

Codifying and classification of national trade-related regulations

135 Number of countries with NTM data availability

63K Measures globally

Available at: Market Access Map www.macmap.org
Understanding Non-Tariff Measures (NTMs)

Three types of NTM data

Private sector perspective on NTMs.

Identifying trade measures that are difficult for traders and understanding why.

Business Surveys

More info: ITC’s NTM Programme
www.ntmsurvey.org

80 Countries
35,000 Companies interviewed

WTO Notifications
Regulatory Mapping

TRADE IMPACT FOR GOOD
NTM Business Survey in the Asia-Pacific

- **9343** Companies interviewed
- **11** Asian countries
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
Roughly half of exporters in Asia-Pacific regions are facing NTM related hurdles.

<table>
<thead>
<tr>
<th>Region</th>
<th>Affectedness</th>
</tr>
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<tbody>
<tr>
<td>Asia-Pacific</td>
<td>55%</td>
</tr>
<tr>
<td>West Africa</td>
<td>73%</td>
</tr>
<tr>
<td>East Africa</td>
<td>64%</td>
</tr>
<tr>
<td>Arab States</td>
<td>44%</td>
</tr>
<tr>
<td>South America &amp; the Caribbean</td>
<td>42%</td>
</tr>
<tr>
<td>European Union</td>
<td>36%</td>
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</tbody>
</table>
Most of the NTMs perceived as burdensome by exporters are foreign regulations.
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Destination or Transit country (80%)

Most of the burdensome regulations are measures of other Asia-Pacific countries….
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%)**

- Asia-Pacific: 48% Share of NTM cases, 57% Share of exports to this region
- EU28: 28% Share of NTM cases, 16% Share of exports to this region
- United States: 10% Share of NTM cases, 19% Share of exports to this region
- Rest of world: 14% Share of NTM cases, 9% Share of exports to this region

Relative to the exports share, exporters face more difficulties with EU regulations than in other regions.
Most of the NTMs perceived as burdensome by exporters are foreign regulations.

### Destination or Transit country (80%)

- Offences: 22%
- Technical requirements: 18%
- Charges, taxes and price control measures: 2%
- Rules of origin and related certificate of origin: 3%
- Conformity assessment: 9%
- Quality control measures: 2%
- Other import-related measures: 2%
- Finance Measures: 48%

### Home (20%)

- Technical requirements: 19%
- Charges, taxes and price control measures: 2%
- Rules of origin and related certificate of origin: 4%
- Conformity assessment: 24%
- Quality control measures: 2%
- Other import-related measures: 9%
- Finance Measures: 31%

Differences across sectors on key regulatory hurdles faced by businesses.
Most of the NTMs perceived as burdensome by exporters are foreign regulations.

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
- Export technical measures
- Export price control measures

Share of burdensome NTMs applied by partner and home country:
- Destination or Transit country (80%)
- Home (20%)
Why are NTMs deemed burdensome?

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

- Regulatory obstacles (regulations too strict or difficult to comply with): 12%
- Both regulatory and procedural obstacles: 15%
- Because of related Procedural Obstacles (PO): 73%
Why are NTMs deemed burdensome?

Procedural hurdles making compliance to NTMs difficult

- **Time constraints**: 30%
- **Informal or unusually high payment**: 28%
- **Administrative burdens related to regulation**: 16%
- **Lack of sector-specific facilities**: 15%
- **Lack of recognition / accreditation**: 12%
- **Discriminatory behaviour of officials**: 11%
- **Information / transparency issues**: 9%

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

- **Both regulatory and procedural obstacles**: 73%
- **Regulatory obstacles**: 15%
- **Procedural Obstacles (PO)**: 12%
New Publication

Making Regional Integration Work
COMPANY PERSPECTIVES ON NON-TARIFF MEASURES IN ASIA-PACIFIC

DOWNLOAD
www.ntmsurvey.org/AsiaPacific
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ntmsurvey.intracen.org
shrestha@intracen.org
@ITC_MktAnalysis
ITCmarketanalysistools