

The Private Sector Perspectives on NTMs

ITC's Program on Non-Tariff Measures

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Content

- ITC and ITC's Program on NTMs
- Results of the NTM Business Survey in the Asia-Pacific
- Overcoming NTM hurdles
- ITC's upcoming NTM related activities in Armenia



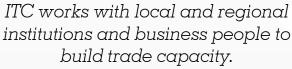
What is ITC?



UNCTAE

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

Our mission

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



ITC's Trade and Market Intelligence

OUR AREAS OF WORK

GLOBAL PUBLIC GOODS

Trade Map
Market Access Map
Investment Map
Sustainability Map
Procurement Map
Export Potential Map
ePing

COUNTRY & REGIONAL DIAGNOSTICS

Business surveys

Studies of trade potential & market access issues

CAPACITY BUILDING

Using tools & research methods to analyse markets



ITC's Programme on NTMs



ITC's Programme on Non-tariff measures

Pillar 1

NTM Regulatory
Mapping

Codifying and classification of national trade-related regulations

Data dissemination through Market Access Map (MAcMap)



Pillar 2

Business Surveys

Large-scale surveys of businesses on their experiences with government regulations when exporting or importing



Pillar 3

Solution Packages

Design and implementation of actions to address companies' difficulties with NTMs

E.g.: Trade Obstacle Alert (TOA) mechanism



Information on national trade regulations

WHAT?

Information on regulations governing trade.

WHICH NTMs?

All NTMs including SPS and TBT measures

WHICH products?

All products at the National Tariff Line

WHERE is it?

Available at ITC's Market Access Map www.macmap.org

In collaboration with UNCTAD





NTM Regulatory Mapping

Codifying and classification of national trade-related regulations

Data dissemination through Market Access Map (MAcMap)

Number of countries with NTM data availability





Development of NTM Data Entry Tool (DET)

An online application – developed by ITC – that will improve the efficiency and accuracy of the collection, classification, processing and updating of market access data in developing countries.

It will enabling analysts to collect, classify and code non-tariff measures (NTM) directly into the web tool thus allowing country regulations to be updated without the need for full country batch updates, thus improving updating frequency.

The tool has been introduced to the technical focal points in the EuroMed region, including the priority countries of this project.

The tool can be accessed at http://det.macmap.org/.





ePing: SPS / TBT Notification Alert





WTO

Depository of SPS/TBT notifications SPS/TBT Committees

Contact with Enquiry Points



SPS/TBT notification alert system

UN DESA

Pilot SPS/TBT notification alert system (ePing) Contact with LDCs Global access

ITC

Trade-related web tools including NTMs and trade obstacles alert

Contact with SMEs





www.epingalert.org

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ePing: SPS / TBT Notification Alert





Sends automated notifications through daily/weekly email alerts



Option to **discuss**, ask questions, share files



About areas of **your interest** (products and destination markets)



Publicly available



Provides a fast and easy-touse search table



Covers both SPS and TBT notifications



Includes listing of SPS and TBT **Enquiry Points**



Enquiry Point management tool



Available in ES, FR and EN



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Voluntary Standards: www.standardsmap.org



standards which apply to your

business.

at a glance.

STANDARDS MAP YOUR ROADMAP TO SUSTAINABLE TRADE



▶ Market Access Map

► Investment Map

sustainability profile and roadmap

to sustainable trade.

Modules My account E-learning -**U** Log in Home Tutorials -About ▼ **Welcome to Standards Map** Not registered yet? Standards Map provides information on over 150 standards, codes of conduct, audit protocols addressing sustainability hotspots in global supply chains. Take a tour 0 Standards Map - Your Roadmap to Sustainable Trade ■ Free Registration Watch later Share International Trade Centre Login or register Email address: Standards Map Password: your roadmap to sustainable trade Remember me Forgot your password? Log In >> www.standardsmap.org More analysis tools Identify Q Quick-scan **☑** Self-Assess **Ⅲ** Compare ► Trade Map Identify voluntary sustainability Quickly review selected standards Compare voluntary sustainability Assess your business'

standards' hotspots.

Pillar 2

Business Surveys

Large-scale surveys of businesses on their experiences with government regulations when exporting or importing



The NTM Survey

...documents the private sector experience with NTM-related trade obstacles with a view to identify feasible options to overcome these.

...is part of a wider, collaborative approach, beyond company perceptions, which integrates all stakeholders of the import and export process. The survey report will be finalized and published after this stakeholder consultation has taken place through additional interviews and a validation meeting.

...aims at identifying concrete actions that enable countries to reach greater efficiency in the export process and reduce trade cost.

The NTM Survey is NOT

...a collection of or platform for complaints.

...intended to single out specific institutions to blame for inefficiencies.

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Surveys Methodology: Scope

Goods

- Covers companies involved in international trade in goods.
- Products from all sectors included except minerals and arms.
- Sectors with more than a 2% share in total exports are included
- Cumulatively, sectors covered account for at least 90% of country's total export value

Services

- A separate survey covers companies involved in cross-border trade in services such as tourism, ICT, transport and logistics.
- A survey on trade in services requires a different methodology

NTM Survey covers the following sectors:

- 1. Fresh food and raw agro-based products
- Processed food and agro-based products
- 3. Wood, wood products and paper
- 4. Yarn, fabrics and textiles
- 5. Chemicals
- 6. Leather
- 7. Metal and other basic manufacturing
- 8. Non-electric machinery
- 9. Computers, telecommunications; consumer electronics
- 10. Electronic components
- 11. Transport equipment
- 12. Clothing
- 13. Miscellaneous manufacturing

Two-step interview process

Step 1 Phone Screens (PS)

- 6-8 min per interview
- Identify products exported by the company and partner countries
- Identify if the company face problems with burdensome regulations



Step 2 Face-to-Face interviews (FTF)

- Companies facing problems with NTMs as identified in PS interviewed
- 40-60 min per interview
- All details of the problem faced by the company recorded





Type of data: Telephone interviews

1. Phone screen data gathering company level information (representative sample by sector) on:

Main exported/imported product (HS6)



Number of employees



Whether or not an obstacle is faced

Destination/origin markets (at region level)



Gender information
(firm management /
ownership / employment)





Type of data: Face-to-face interviews

2. Face-to-face data gathering company-level information (only those facing trade obstacles) on:

All affected trade flows







All traded products and partner countries

Burdensome regulations (description, official name, category of NTM, implementing body, applying country)

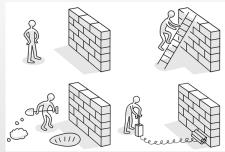
Related obstacles (description, category of obstacles, implementing agency, location)



Recommendations to overcome the









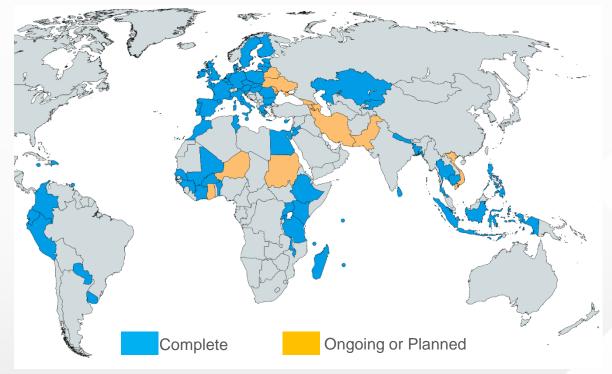
Where the problem occurs



NTM Business Surveys in numbers







From over developing countries

+ 28 EU countries



...concerning trade with partner countries





NTM Business Surveys in The Asia-Pacific Region

Results from NTM Business Surveys in Asian Countries

6455 Companies interviewed





Additional or ongoing surveys in The Asia-Pacific Region

















Understanding companies' difficulties with NTMs: Three aspects

Affectedness

How many and which companies face difficulties

Type and Intensity

Which NTMs are experienced as challenging



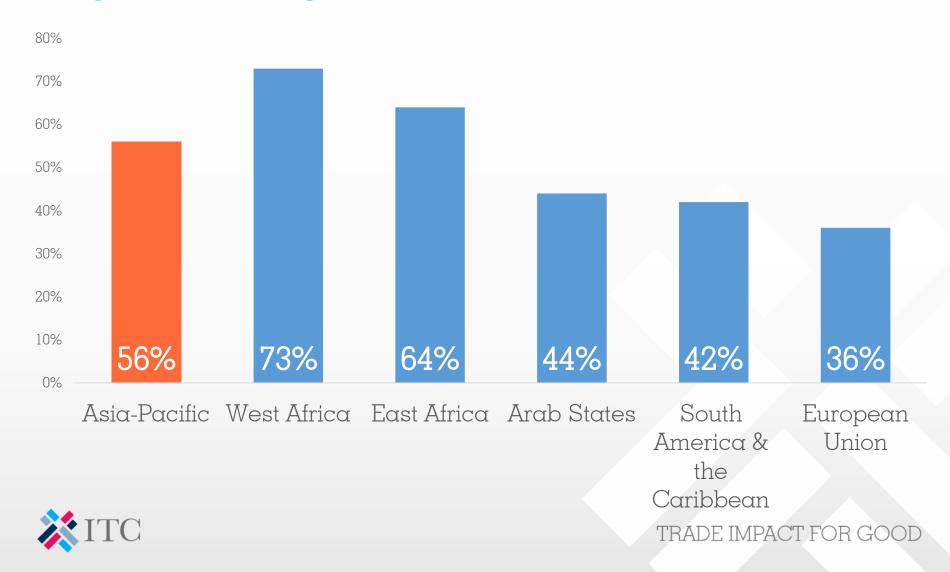
Insights on how to reduce NTMrelated trade cost without undermining legitimate objectives that regulations serve



Why NTMs are burdensome

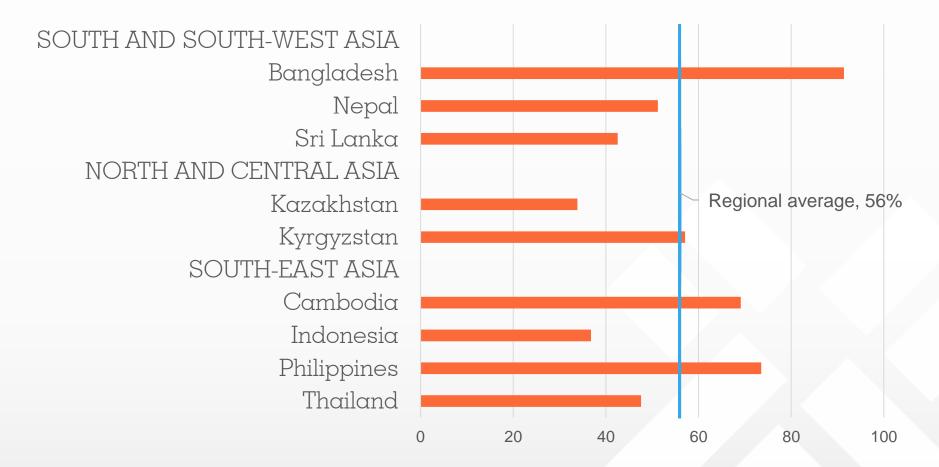
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Roughly half of exporters in Asia-Pacific regions facing NTM related hurdles



NTMs do not affect every country equally

Share of companies affected by burdensome NTMs





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

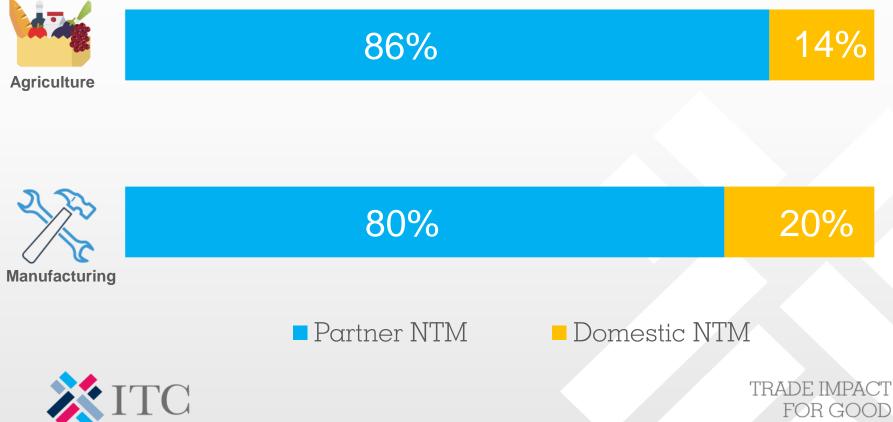




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Most of the NTMs perceived as burdensome by exporters are foreign regulations

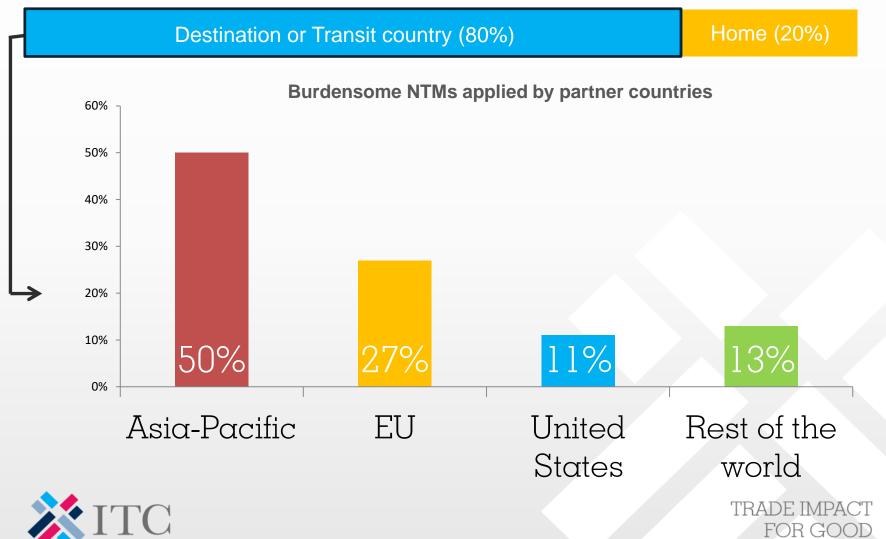
Share of burdensome NTMs applied by partner and home country





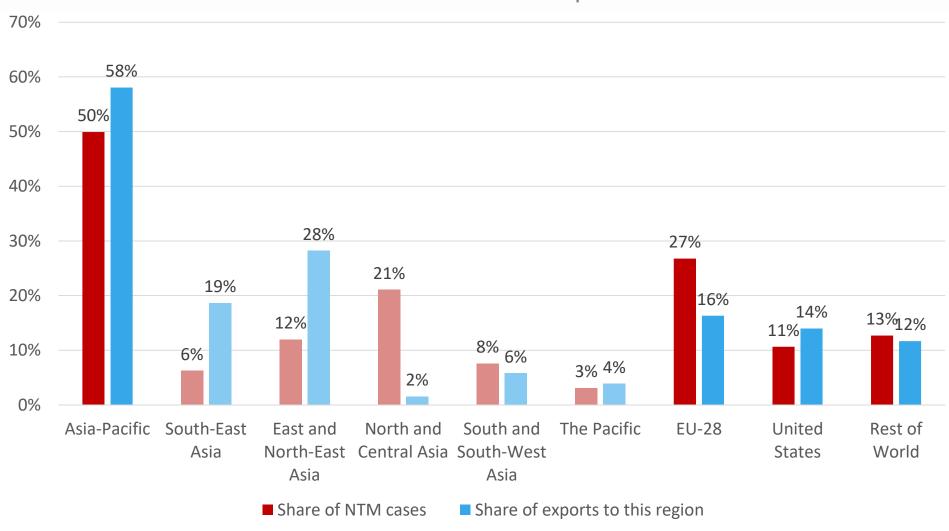
Most of the regulations perceived as burdensome are Regional NTMs

Share of burdensome NTMs applied by partner and home country

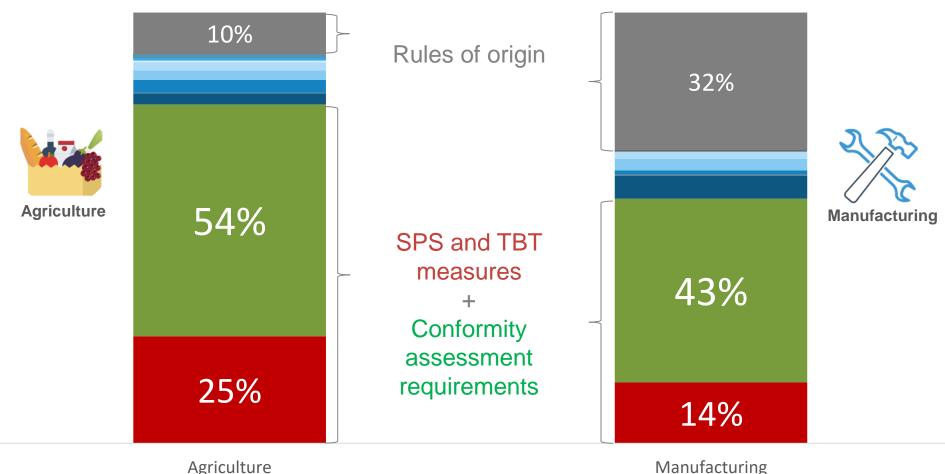


NTMs are linked to export values (or not?)

Share of NTM cases vs export shares*



What are the most frequent types of burdensome NTMs?



■ A. Technical requirement

- D. Trade remedies
- G. Finance measures
- K. Restriction of post-sales services

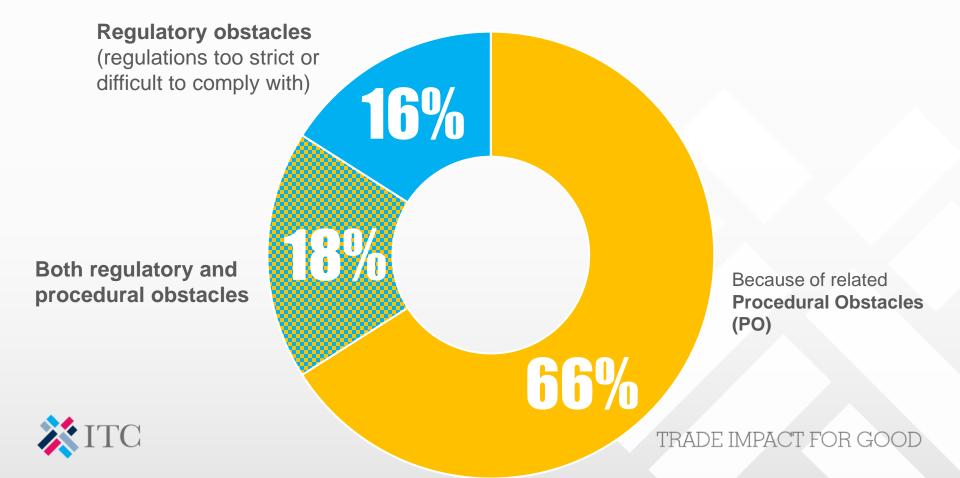
- B. Conformity assessment
- E. Quantity control measures
- H. Anti-competitive measures
- N. Intellectual property

Manufacturing

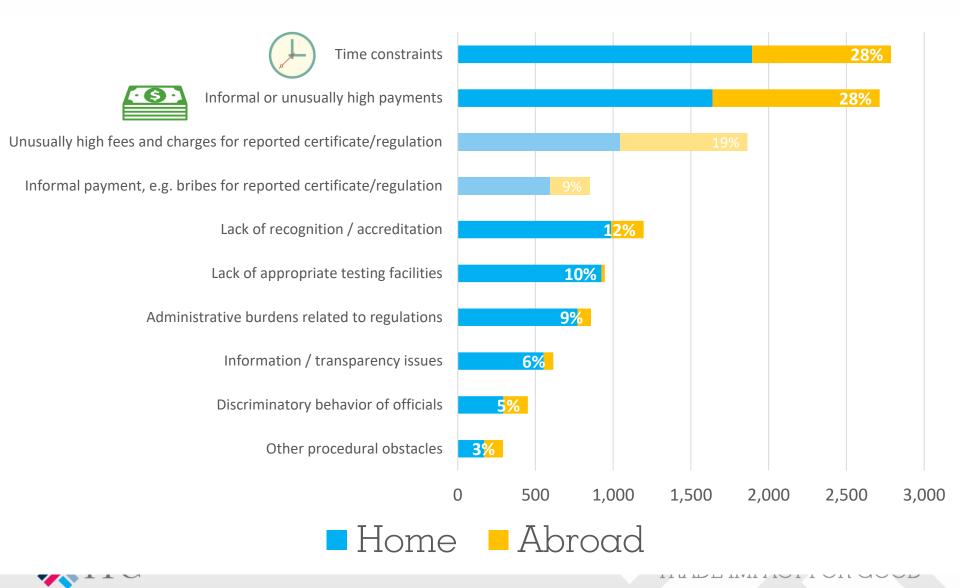
- C. Pre-shipment inspections
- F. Charges, taxes and price control measures
- J. Distribution restrictions
- O. Rules of origin

Why exporters find NTMs burdensome

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



Most procedural obstacles occur at home

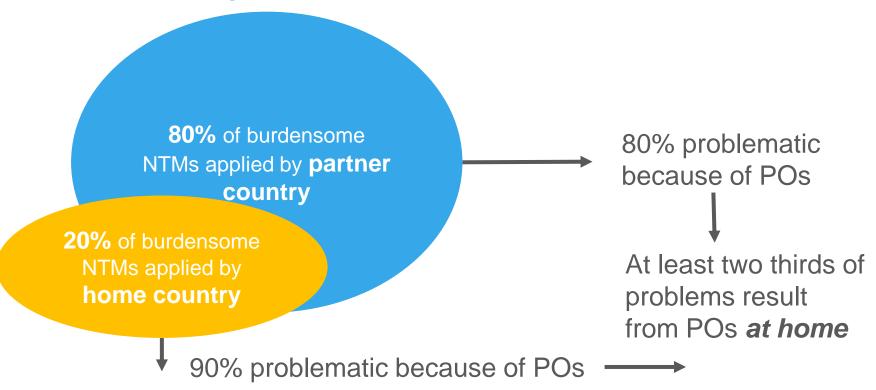


ITC survey findings at a glance

The bulk of problematic NTMs relate to technical measures and rules of origin

~90% of all export partner NTMs come from: technical barriers to trade, sanitary and phytosanitary measures and rules of origin. Nearly half of all NTMs relate to conformity assessments (compliance is more difficult than the regulation itself!).

Market access begins at home



What to do next?

1) Institutional streamlining

- ✓ Identify domestic opportunities for streamlining trade procedures
- ✓ Establish a consultation mechanism on NTMs to foster public-private dialogue
- ✓ Enhance transparency through existing notification channels such as in ASEAN or at the WTO (example: www.ePingalert.org)

2) Soft infrastructure

- ✓ Use mutual recognition agreements and/or international standards to address conformity assessment-related compliance issues
- ✓ Digitalize NTM procedures and foster cross-border paperless trade to eliminate administrative layers

3) Hard infrastructure

- ✓ Develop regional quality infrastructure to address bottlenecks in testing and certification
- ✓ Fully implement the WTO Trade Facilitation Agreement



For more information

ITC Survey results online: www.ntmsurvey.org

ITC series on NTMs (Asia-Pacific country reports):

Bangladesh (English, 2017) Nepal (English, 2017) Indonesia (English, 2016) Kazakhstan (English, Russian, 2014) Kyrgyzstan (English, Russian, 2018) Cambodia (English, 2014) Philippines (English, 2017) Sri Lanka (English, 2011) Thailand (English, 2016)

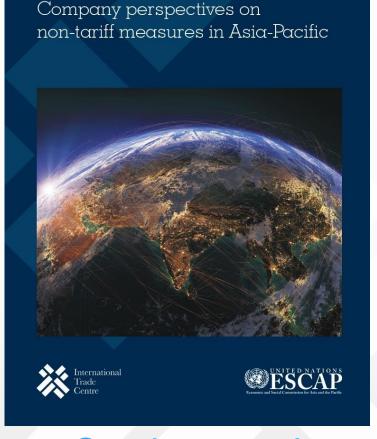
Other NTM publications:

Navigating non-tariff measures –

Insights From A Business Survey in the European Union (2016)

The Invisible Barriers to Trade -

How Businesses Experience Non-Tariff Measures (2015)



MAKING REGIONAL INTEGRATION WORK



Coming soon!
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How have we addressed SME's concerns with NTMs?









Pillar 3

Solution Packages

Design and implementation of actions to address companies' difficulties with NTMs



Integrated Solutions

EuroMed Trade Helpdesk

Free online portal disseminating information necessary to do business leveraging on the already well-established ITC tools and expertise in database management.

Available in English, French, Arabic and Turkish

It contains user friendly comparable information like

- Applied customs tariffs
- Preferential arrangements
- Rules and certificates of origin
- VAT, excise taxes and price control measures



- Compulsory requirements
- Trade statistics for existing trade
- Business contacts
- Import procedures



Development of National companion guides

A Directory of Services for SMEs:

These national guides give small businesses access to quality management information for their sanitary and phyto-sanitary measures, with an overview of the national quality infrastructure and contacts for quality-related service providers.











Guidebooks on customs procedures

A procedures guide aims to provide practical information to economic operators on the customs and non-customs formalities export or import goods.

To increase the transparency of trade procedures and reduce the number of obstacles faced by operators.

THIS GUIDE OFFERS INFORMATION ON

Customs procedures Non-customs procedures

A sectoral approach

A step-by-step guide

PRINT

ONLINE

Under development



Guides developed for 7 countries:

Morocco, Tunisia, Egypt, Jordan, State of Palestine, Israel and Turkey

TRADE IMPACT FOR GOOD







RULES OF ORIGIN FACILITATOR

Your gateway to trade agreements



About Us Agreements Help ITC Tools ▼ Home What ar Understand the applicable rules of origin exporti to your products. **EXPORT FRO** Select c Get the most benefits from available IMPORT TO trade agreements. Selec PRODUCT NAME OR HS CODE @ Findrulesoforigin.org Search product by code or name Agreements as Exporter: 44 What's my product code? Agreements as Importer: 32 Tariff Year: 2017 **SEARCH**



Rules of Origin Facilitator



- What are the rules of origin applied to my product?
- What are the differences among possible trade agreements, their rules or origins and applied tariffs?
- What are the procedures for the issuance of their certificate?
- Where can I find the necessary documentation?



Increasing transparency in trade agreements and their rules of origin







Lebanon; Morocco; Tunisia;

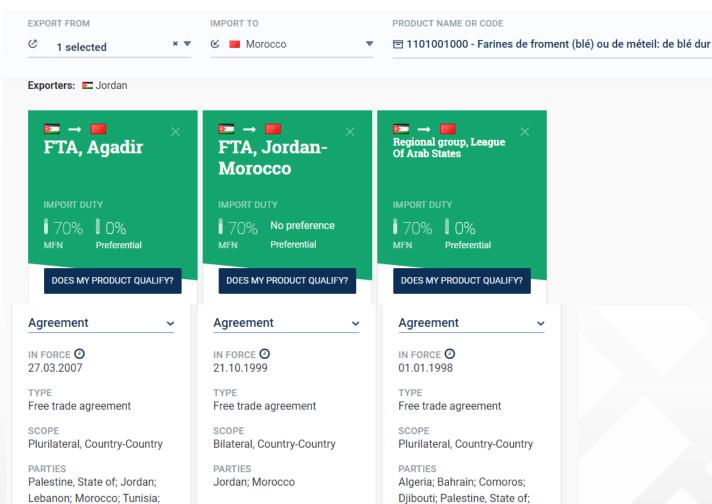
Egypt



RULES OF ORIGIN FACILITATOR

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Iraq; Jordan; Kuwait; Lebanon; Libya; Mauritania; Morocco; Oman; Qatar; Saudi Arabia; Somalia; Sudan; Syrian Arab Republic; United Arab

Emirates; Tunisia; Egypt;

Yemen



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RULES OF ORIGIN FACILITATOR

Your gateway to trade agreements









Rule of Origin (RoO)

ORIGINAL TEXT

Manufacture in which all the cereals, edible vegetables, roots and tubers of heading 0714 or fruit used are wholly obtained

CRITERION(ITC)
WO

Rule of Origin (RoO)

ORIGINAL TEXT

For the purposes of this Agreement, the following shall be considered to be of local origin: - The materials wholly produced by both contracting parties, including agricultural, animal-based and fish products, live animals and natural resources which were not subjected to any industrial convesion. - The industrial products in which the ratio of the added value resulting from their manufacturing in the country of either party is not less than 40% of the final value of the finished commodity (value ex-factory). This ratis, however, shall be applied to the commodities manufactured within the scope of the joint enterprises set up between both countries.

CRITERION(ITC) RVC 40%

Rule of Origin (RoO)

ORIGINAL TEXT

For the purposes of implementing the Arab rules of origins, without prejudice to Rule 5, the following goods and services shall be considered of national origin: a- Products acquired completely from any partystate in accordance with the provisions of Rule (7). b-Goods manufactured by any party-state, which includes input(s) from other partystate, and the added value of these good shall not be less than 40 percent according to the provisions of Rule (3),

taking into consideration the

provisions of Rule (4).

CRITERION(ITC) RVC 40%





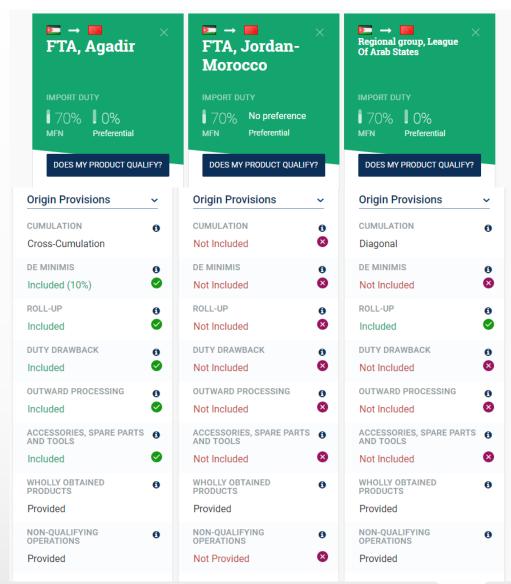




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Product-specific rules of origin

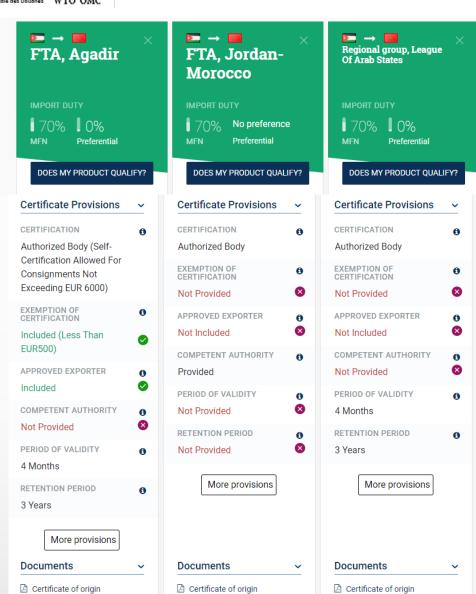
Chapter on rules of origin

Full text of agreement

RULES OF ORIGIN FACILITATOR

Your gateway to trade agreements





Full text of agreement

Chapter on rules of origin

Full text of agreement



TRADE IMPACT FOR GOOD

Capacity Building



Webinars

Face to Face Workshops

Mentoring Programs

Customized Offers

- Enhancing the target audience's knowledge on trade opportunities in international markets
- Participants: SMEs, Trade Support Institutions, Policy Makers
- Online training available: Video tutorials on YouTube and courses on ITC SME Trade Academy









Example: Vietnam – Training on NTMs

104

Public & private sector staff from Vietnam trained

50

Enrolled in "Certified Trainers" Program





T FOR GOOD

Capacity building on: Market Access Conditions in MENA

Workshop:

- On understanding non-tariff measures (NTMs) and market access conditions in the MENA region.
- Delivered to government officials, and the private sector from:
 - Morocco
 - Algeria
 - Tunisia
 - Jordan
 - Egypt*



120

Public & private sector staff from MENA countries trained





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Training on Export Quality Management

Multiple workshops organized in:

20UNTRIES

Egypt,
Jordan,
Oman,
Palestine,
Qatar

250
Trained staff





Trade Obstacles Alert Mechanism

Implementation in 16 countries



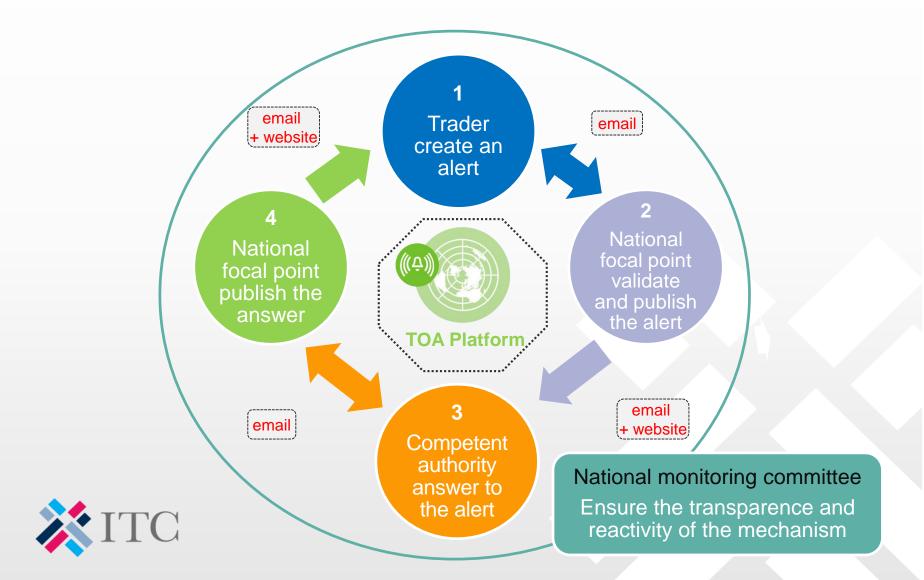
An online tool which allows:

- Trade operators to report online the obstacles they face when exporting or importing their goods and alert the competent authority;
- National authorities to know instantaneously the problems faced by the private sector and be able to provide them directly with an answer;
- All users to be alerted of the reported obstacles for the markets and products of their interest.



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Trade Obstacles Alert Mechanism



What is ITC's plan in Armenia?





Eastern Area Partnership (EaP) Program

Objective:

Support trade exchanges between EaP countries and the EU.

 Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine.

Key beneficiaries:

- Small and Medium Enterprises (SMEs)
- Business Support Organisations (BSOs)
- Policy makers

Implemented by:

ITC in collaboration with national institutions

Supported by:

• European Union





EaP Program: Key Components



Identification of regulatory and procedural obstacles to trade



Step-by-step procedure guide.



Development of EaP Trade Helpdesk



Capacity building



Trade Obstacle alert mechanism



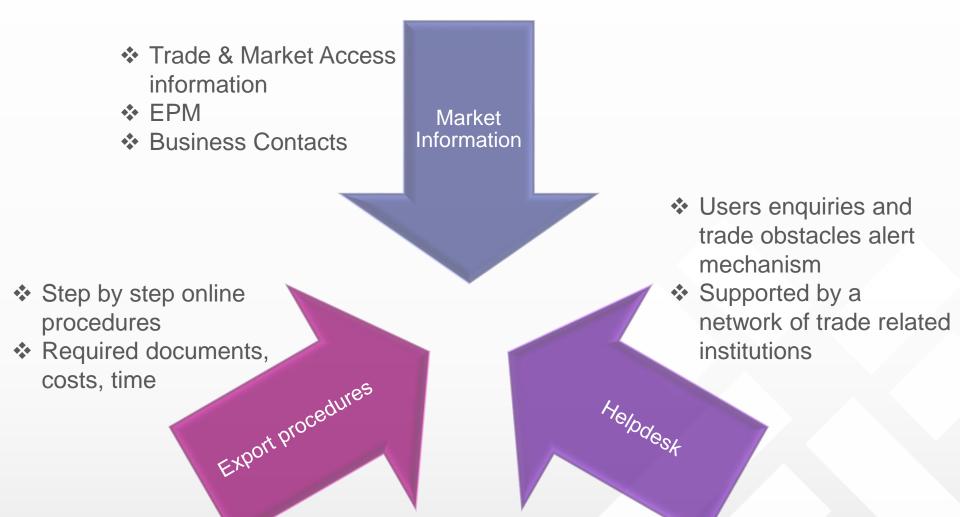
EaP Trade Helpdesk seeks to bring transparency to economic operators



Actionable Decisions



Structure of EaP Trade Helpdesk





EaP Trade Helpdesk helps answer important questions such as:



What are the *tariffs and market access requirements* that apply to a product and country?



What are the necessary **export procedures** that need to be fulfilled?



What are the *trade flows and market demand trends* for the 6 partner countries?



Which *companies* import the products being sold?



What is the support mechanism to help me solve a *trade barrier* I face?



Advantages of the EaP Trade Helpdesk

Accurate and trusted information

- Sustained by the established databases of ITC: Market Access Map, Trade Map, Export Potential Map and ePing
- Direct validation from national authorities
- ➤ Linked to EU Helpdesk
- Fully adapted to the 6 partners: data and language (website & support materials available in English and Russian)
- ❖ Free for all users of the 6 countries
- Practical information such as company, institution contact information and step-by-step guide for exporters



Breadth of the information

CUSTOMS TARIFFS AND TRADE REGIMES:

- ➤ Import tariffs (MFN or general tariff) from most current year
- Any preferential tariffs granted bilaterally, regionally and to all trading partners
- ➤ Rules of Origin* for preferential arrangements as well as downloadable Certificate of Origin
- ➤ Trade Remedies*: countervailing (e.g subsidies) & antidumping duties; safeguards (import surges)

PRODUCT SPECIFIC REQUIREMENTS:

- Food safety and animal and plant health regulations (SPS)
- Compulsory technical regulations (performance, labelling, size/shape, design, function of products)
- ➤ Product specific excise taxes

TRADE STATISTICS:

➤ Annual and monthly statistics reported by each country at detailed product level – the national tariff line by bilateral partner country

GENERAL COMPULSORY REQUIREMENTS:

- > Trade Procedures
- ➤ Internal Taxes (e.g. VAT/sales tax & excise duties)

BUSINESS CONTACTS:

➤ Institutions; customs and taxation authorities; chambers of commerce; industry associations; relevant online marketplaces; and event organizing bodies



User enquiry management system and Trade Obstacles mechanism

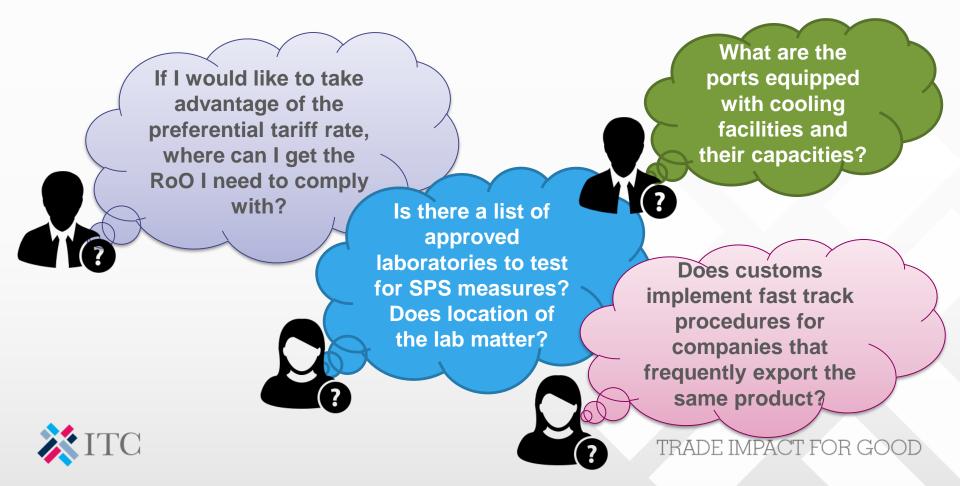






Scope of the enquiry facility

The enquiry facility focuses on questions related to <u>trade data</u> and to <u>publicly</u> <u>available information on trade regulations and procedures</u>



Types of EaP Trade Helpdesk User



Non-Registered User (Observer)

Checked resolved enquiries



Check enquiry statistics



Registered User

Consult market info online



Submit an enquiry to Helpdesk



Receive progress notifications



Check enquiry statistics



Types of Enquiry Management User



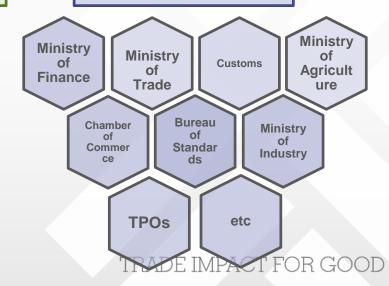
ITC Administrator



National Technical Focal Point (NFP)

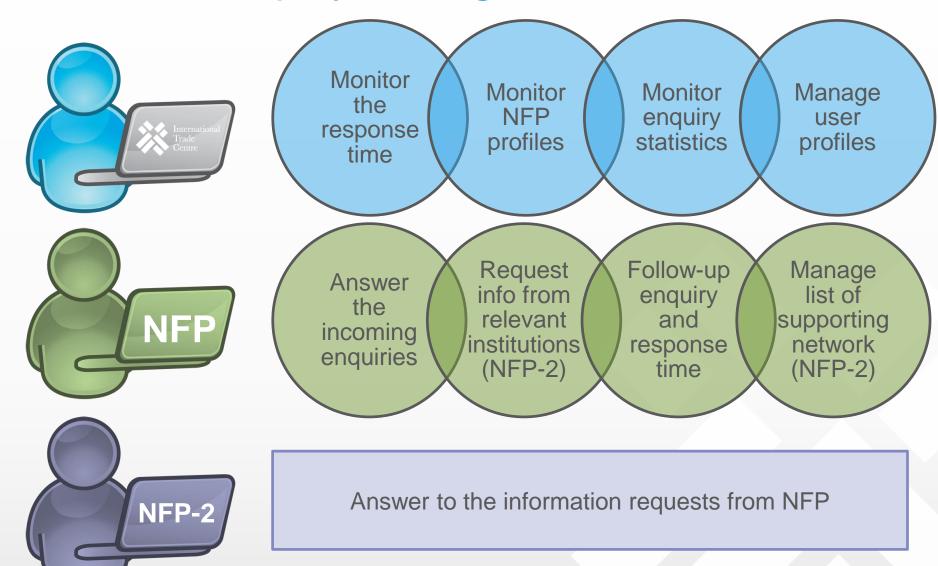


Secondary National Focal Point (NFP-2)





Roles of Enquiry Management Users



Thank you!









For further information: www.ntmsurvey.org

ITC Programme on Non-Tariff Measures
Trade and Market Intelligence

International Trade Centre

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