

The rise of non-tariff measures: Why it matters for sustainable development?

EGM on Navigating Non-Tariff Measures toward Sustainable Development

11-12 July 2019, Bangkok

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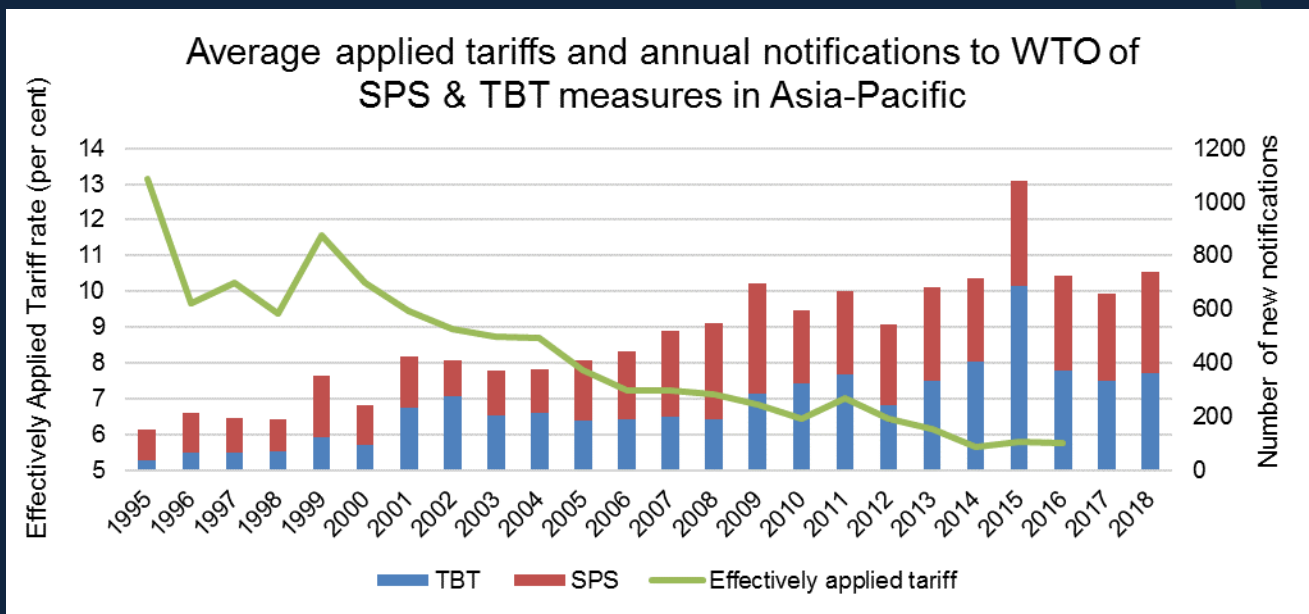
Trade Policy and Facilitation Section

Trade, Investment and Innovation Division

United Nations Economic and Social Commission for Asia and the Pacific

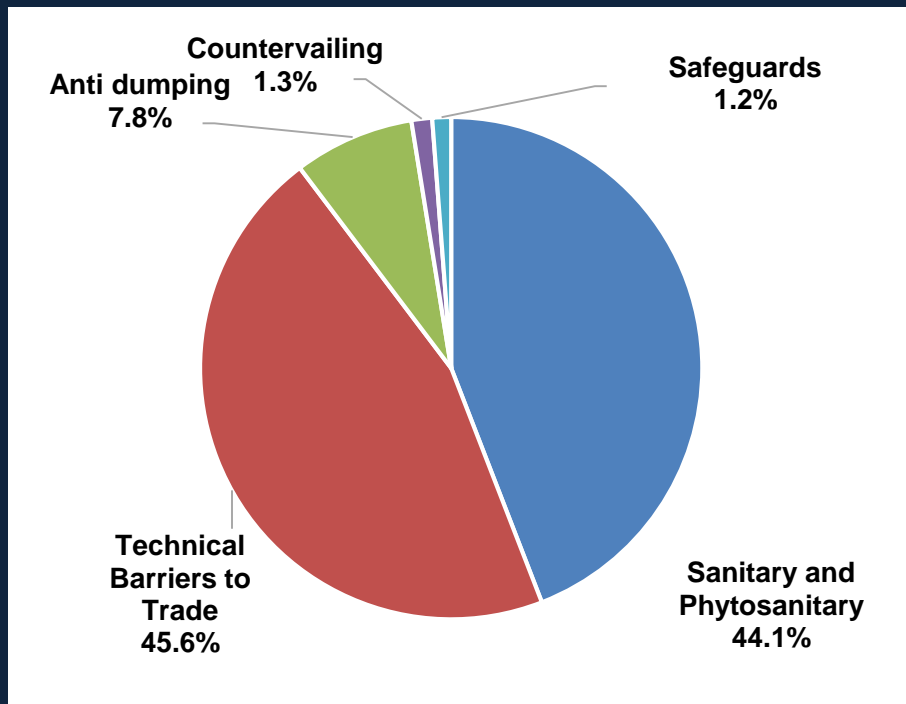


Declining (ordinary) tariffs & increasing notifications of new NTMs

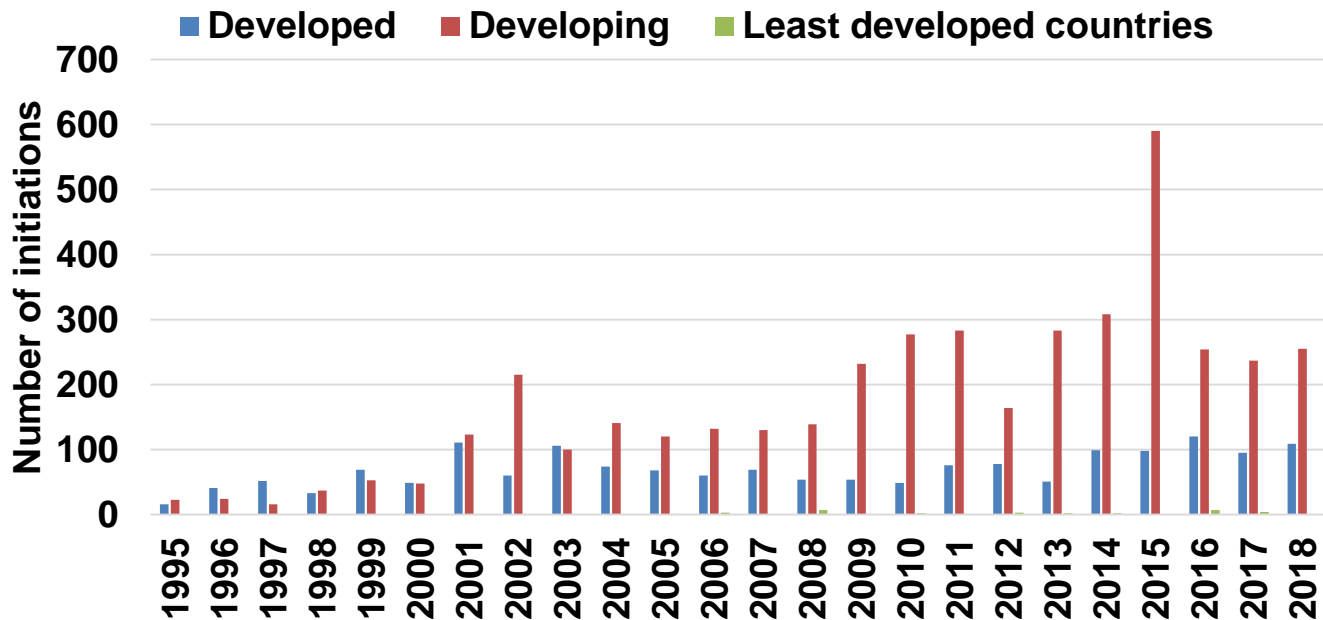


Source: ESCAP, based on data from WTO and World Bank, WITS

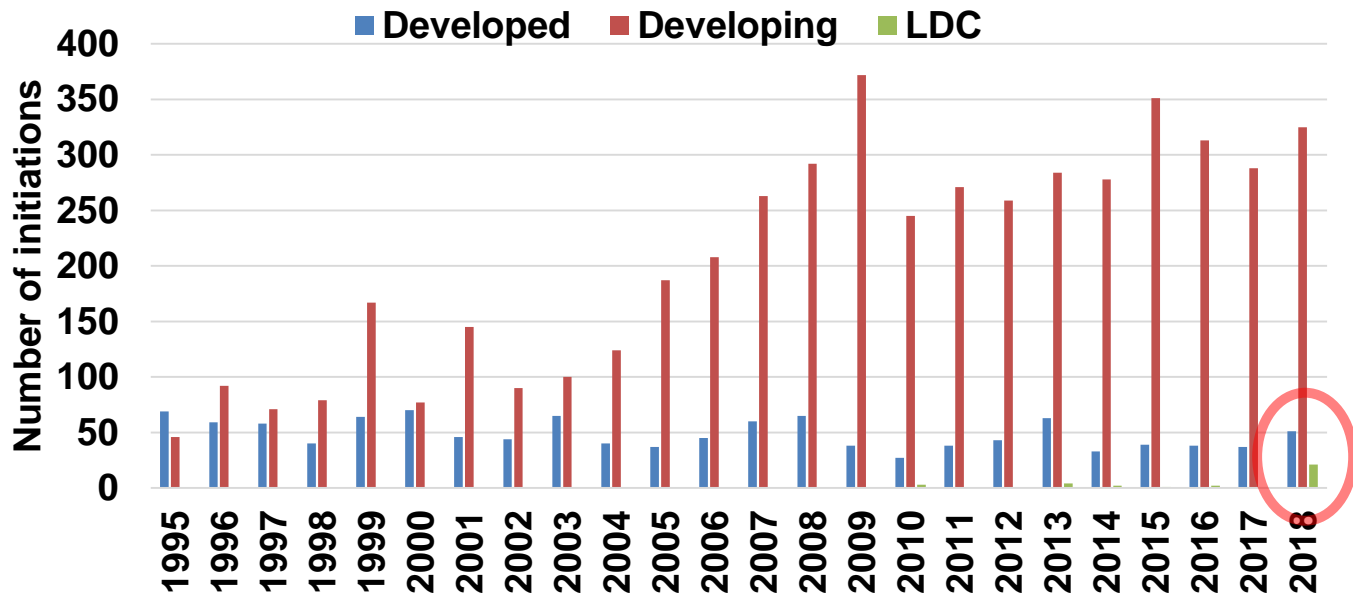
Notifications to WTO by Asia-Pacific economies, 2018



Notifications of TBT initiations to the WTO by Asia-Pacific economies



Notifications of SPS initiations to the WTO by Asia-Pacific economies



Problems with relying on WTO data

- WTO notification mechanism is designed to allow members to comment on upcoming new or changed regulation
 - Not designed as repository of all measures
- Only those measures that differ to international standards
- Only for WTO members
- Sometimes just draft versions are available



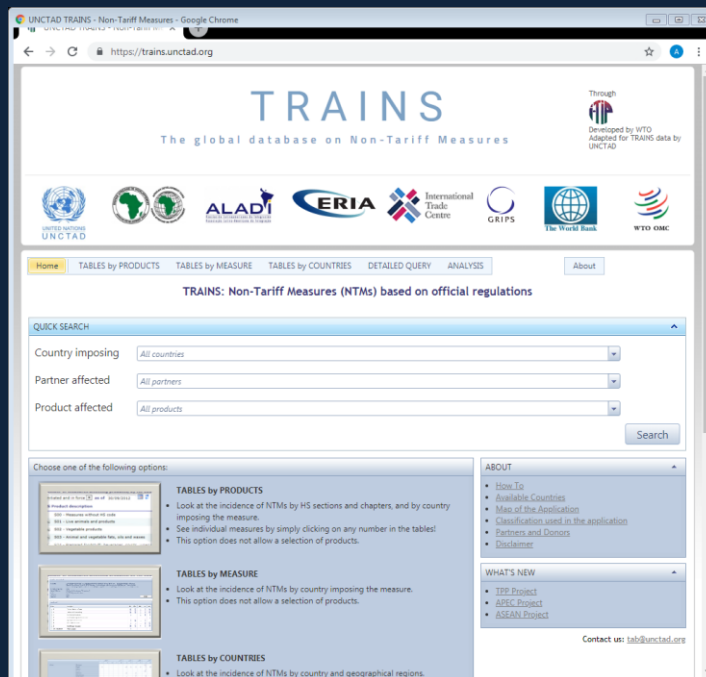
Non-tariff measures – MAST classification and UNCTAD TRAINS database

Imports	Technical measures	<p>A SANITARY AND PHYTOSANITARY MEASURES</p> <p>B TECHNICAL BARRIERS TO TRADE</p> <p>C PRE-SHIPMENT INSPECTION AND OTHER FORMALITIES</p>
	Non technical measures	<p>D CONTINGENT TRADE-PROTECTIVE MEASURES</p> <p>E NON-AUTOMATIC LICENSING, QUOTAS, PROHIBITIONS AND QUANTITY-CONTROL MEASURES OTHER THAN FOR SPS OR TBT REASONS</p> <p>F PRICE-CONTROL MEASURES, INCLUDING ADDITIONAL TAXES AND CHARGES</p> <p>G FINANCE MEASURES</p> <p>H MEASURES AFFECTING COMPETITION</p> <p>I TRADE-RELATED INVESTMENT MEASURES</p> <p>J DISTRIBUTION RESTRICTIONS</p> <p>K RESTRICTIONS ON POST-SALES SERVICES</p> <p>L SUBSIDIES (EXCLUDING EXPORT SUBSIDIES UNDER P7)</p> <p>M GOVERNMENT PROCUREMENT RESTRICTIONS</p> <p>N INTELLECTUAL PROPERTY</p> <p>O RULES OF ORIGIN</p>
	Exports	P EXPORT-RELATED MEASURES

<https://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures/NTMs-Classification.aspx>



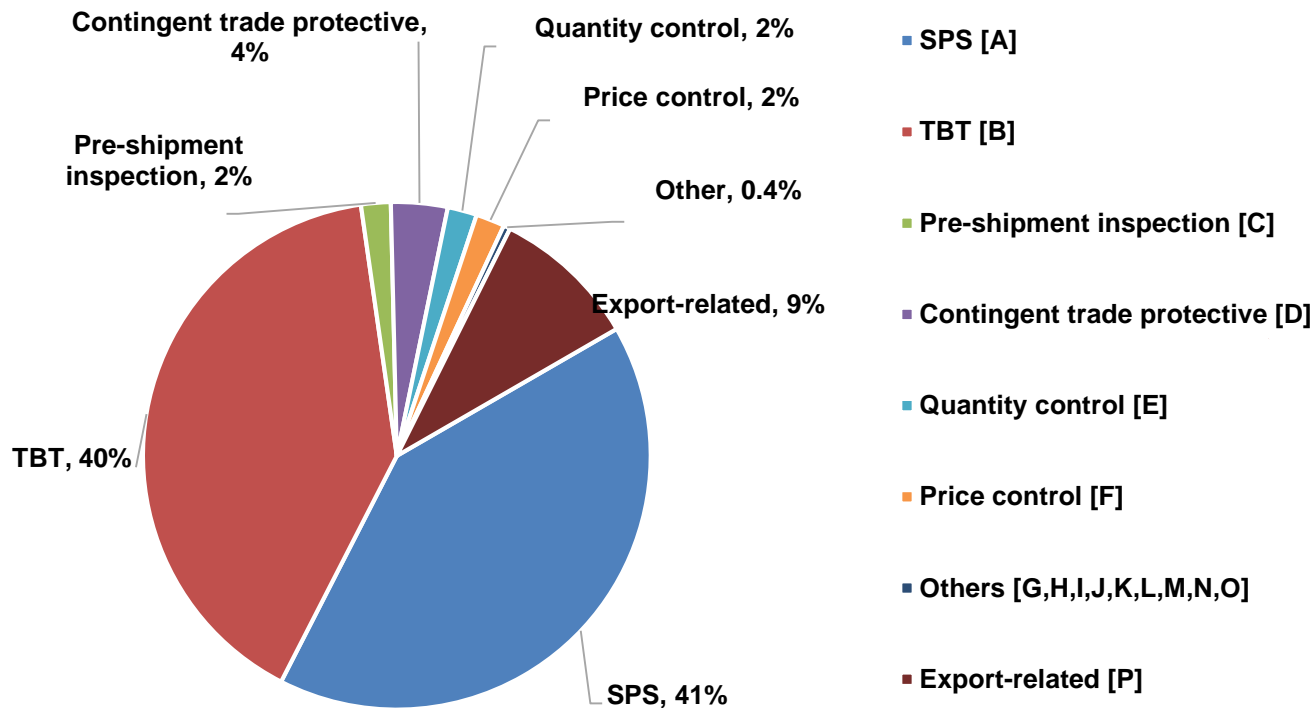
Non-tariff measures – MAST classification and UNCTAD TRAINS database



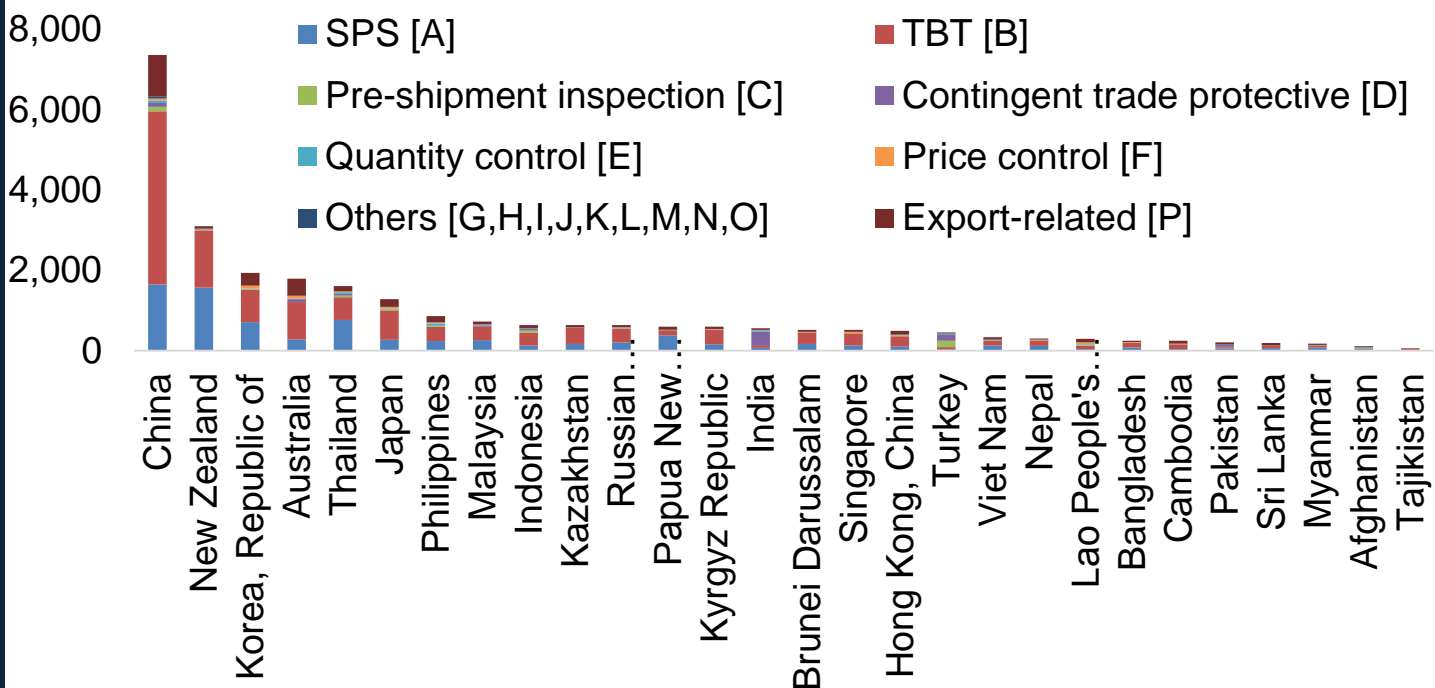
<https://trains.unctad.org/>



NTMs in Asia-Pacific, by type



NTMs in Asia-Pacific, by economy



How to measure public policy objectives?





SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



SUSTAINABLE
DEVELOPMENT
GOALS

Quick SDG Quiz

- How many SDGs are there?
 - 17
- How many Targets are there?
 - 169
- How many Indicators are there?
 - 241... (230)



NTMs and Sustainable Development

- No clear matching between NTMs and SDGs
- Would need to go measure-by-measure (description) to see what measures may affect what – NTMs are not explicitly mentioned in SDGs

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NTMs and Sustainable Development

- NTMs are by definition product specific,
e.g.:

reporter	partner	ntmcode	ntm_chapter	hs6
LAO	WLD	A140	A	010121
LAO	WLD	A830	A	010121
LAO	WLD	A840	A	010121
LAO	WLD	C300	C	010121
LAO	WLD	F610	F	010121
LAO	WLD	F650	F	010121
...

- So the key is to link the SDGs to NTMs via
product codes (and keywords)





Example: Alcohol-related NTMs

SDG3. Ensure healthy lives and promote well-being for all at all ages

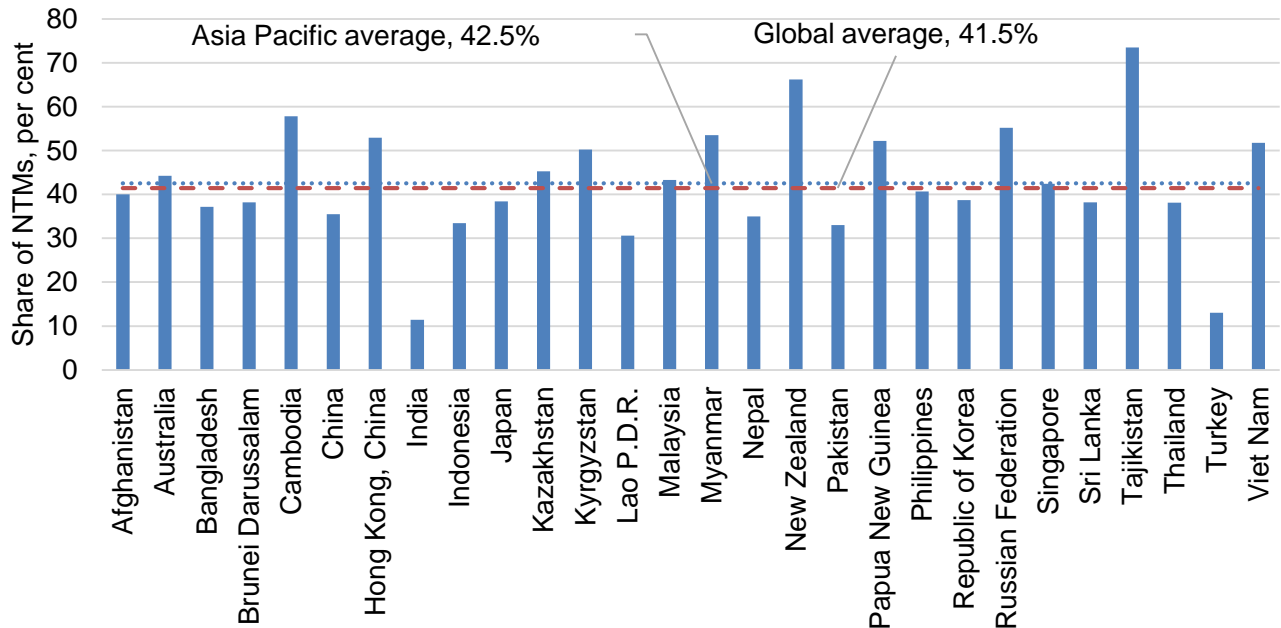
- **Target 3.5** Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol
 - **Indicator 3.5.2** Harmful use of alcohol, defined according to the national context as alcohol per capita consumption (aged 15 years and older) within a calendar year in litres of pure alcohol



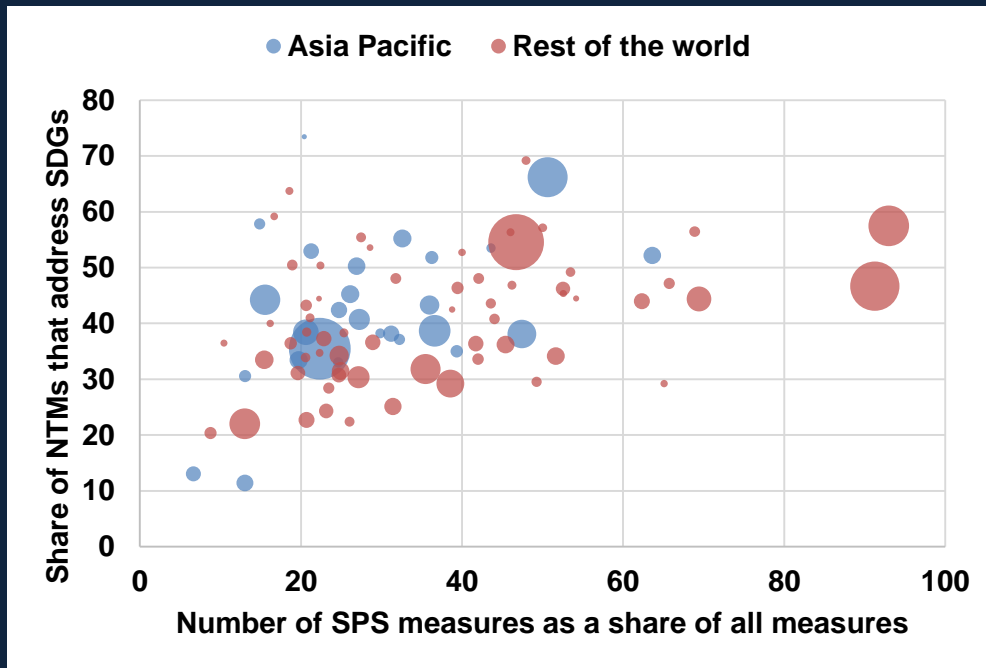
NTMs and SDGs

On average, 42.5% of NTMs in Asia-Pacific have a direct link to SDGs

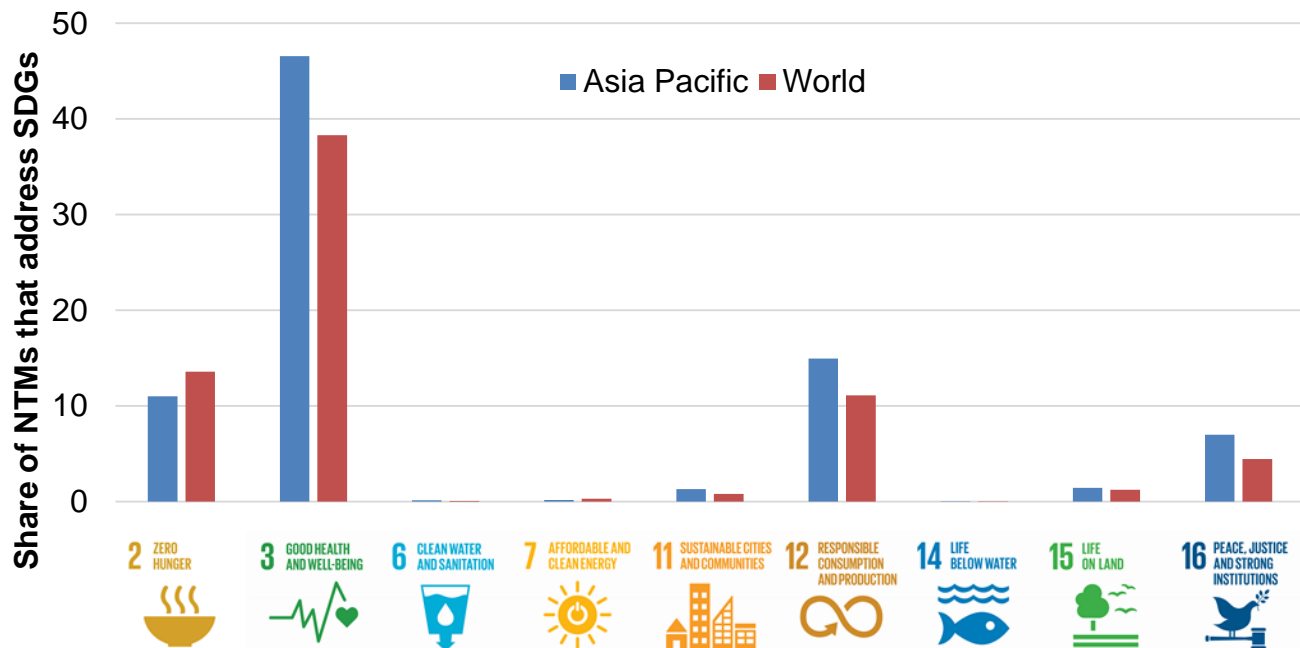
Share of NTMs that *directly* address SDGs



Share of SPS measures vis-à-vis share of NTMs that address SDGs



Share of NTMs that directly address SDGs, by Goal



Goal 3: Good Health and Wellbeing

- Access to and safety of medicines and healthcare products
- Products for human consumption that are undeniably harmful to human health (i.e. narcotics, alcohol and tobacco)
- Characteristics of products intended for human consumption or of providing relevant information to the consumer (i.e. food quality and labelling)
- Reducing injuries and deaths on roads (i.e. motor vehicle safety)
- Maintaining a safe living environment and reducing exposure to harmful substances (i.e. hazardous chemicals)



Goal 12: Responsible consumption and production

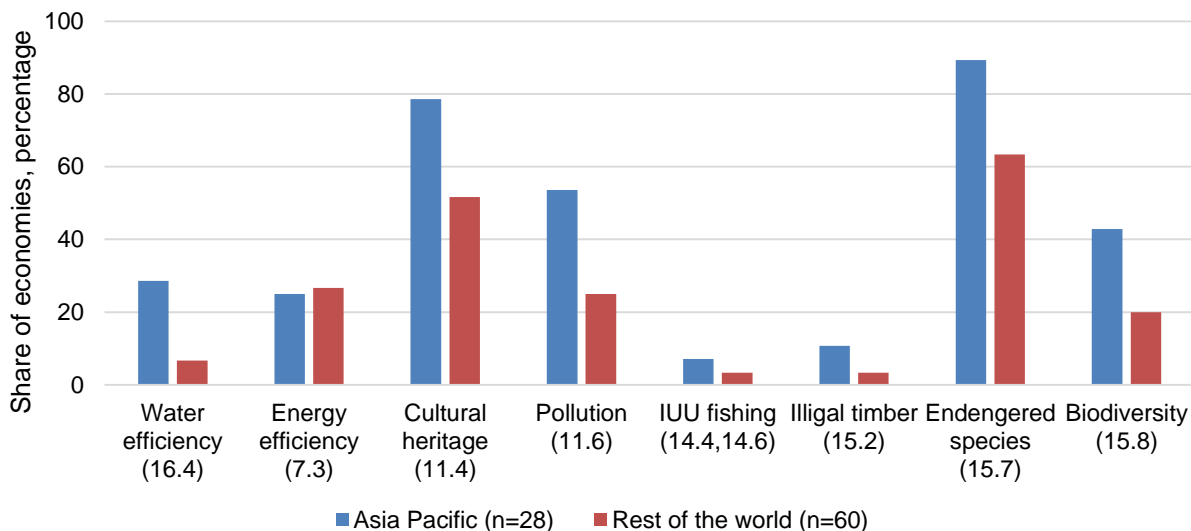
Trade in hazardous substances and hazardous waste

- Montreal Protocol (Ozone depleting substances)
- Basel Convention (on transboundary movement of hazardous waste),
- Stockholm Convention (on persistent organic pollutants), Rotterdam convention (on trade in certain hazardous chemicals and pesticides)



Other Goals

Share of economies with at least one NTM targeting specific targets



Q: Do NTMs reduce trade?

A: Yes and No



Example: Georgia & EU

- Deep and Comprehensive Free Trade Area (DCFTA), since 1 July 2016
- Part of the Agreement required Georgia to adopt legislation in line with that of the EU
- Before DCFTA SPS regulation was mostly lacking
- This “approximation process” involved adoption of 366 separate acts of legislation, of which 97 concerned food safety, 183 were veterinary and 86 were phytosanitary
- Between 2016 and 2018 Georgia’s total exports have increased by 28 and 59 per cent to the European Union and the world, respectively.



THANK YOU

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