



# NON-TARIFF MEASURES

## STRENGTHENING TRANSPARENCY AND REGULATORY COOPERATION FOR SUSTAINABLE DEVELOPMENT



### GLOBAL CONTEXT

Non-tariff measures affect lives every day. Packaging requirements and limits on the use of pesticides ensure safe food in supermarkets; restrictions on toxins in toys protect children; mandatory safety standards on electrical household appliances prevent electric shocks; and emissions standards for vehicles influence climate change. Currently, 90 per cent of global trade is affected by such regulatory non-tariff measures; traditional trade barriers such as quotas are still used but less common. Regulatory measures are indispensable and crucial for sustainable development. Their elimination is not an option.

However, non-tariff measures also raise consumer prices and create barriers to trade and economic development. UNCTAD estimates show that the aggregate impact of non-tariff measures is three times higher than that of tariffs. Non-tariff measures affect trade through compliance and procedural costs, which often disproportionately burden small enterprises and poorer countries.

Striking a balance between trade costs and regulatory benefits requires transparency, policy coherence and international-level regulatory cooperation. For developing countries, understanding the uses and implications of such measures is essential for the formulation and implementation of effective development strategies.

The UNCTAD Non-tariff Measures Programme focuses on the means of reducing trade costs to strengthen the competitiveness of developing countries while enabling policymakers to fully achieve public policy objectives, such as protecting health and the environment.



### HOW CAN COUNTRIES BETTER ADDRESS NON-TARIFF MEASURES?

UNCTAD has been working on research and capacity-building related to non-tariff measures since the early 1980s. It assists policymakers along the entire value chain of non-tariff measures, ranging from definition and classification to data collection and dissemination, to research and policy support. Specifically, UNCTAD assists developing countries through the following three tools:

- **Increasing transparency through data collection and dissemination.** UNCTAD assists Governments in establishing greater transparency on non-tariff measures within regional trade agreements, to facilitate trade and stimulate economic growth. In collaboration with many partners, UNCTAD has developed a proven and widely accepted methodology to systematically collect and disseminate information on non-tariff measures. At the national level, increased transparency helps various domestic regulatory agencies to achieve interministerial policy coherence.
- **Capacity-building through online and face-to-face courses.** Three online training courses are available and may be complemented by face-to-face training workshops, as follows:
  - **Non-tariff measures executive course.** This course is for policymakers and executives who would like to have an overview of the importance of non-tariff measures and related challenges and opportunities. This non-technical course outlines the linkages of non-tariff measures to economic, social and environmental development and introduces the Non-tariff Measures Programme of UNCTAD.
  - **Non-tariff measures transparency and data collection.** This online training course enables participants to review national policy frameworks and collect comprehensive information on non-tariff measures. The course consists of the following five modules: introduction to non-tariff measures, classification of non-tariff measures, classification of products, guidelines on collecting data on non-tariff measures and hands-on exercises. Successful participants are awarded certification by UNCTAD as a non-tariff measures data collector.
  - **Trade policy analysis.** This online training course enhances capacity in developing countries to analyse and implement trade policy. *A Practical Guide to Trade Policy Analysis* – a co-publication of UNCTAD and the World Trade Organization – serves as the main reference for the course, and the World Bank's World Integrated Trade Solution software (developed in collaboration with UNCTAD) is another core component. Training is tailored to the needs of each audience, with a more technical focus for analysts and a more discursive and descriptive approach for policy-oriented audiences.



- **Regional non-tariff measures integration reviews and tailored advisory services.** The reviews provide analytical support for regional integration processes by systematically addressing non-tariff measures in regional trade agreements. A review consists of an economic impact assessment, an institutional analysis to identify strengths and weaknesses in the regional integration of non-tariff measures and a validation workshop to develop strategies for deeper regional integration. Tailored advisory services and support for policymakers to streamline national regulations, establish good regulatory practices and strengthen value chains are available upon request. Regional and national trade portals, as well as non-tariff barrier reporting, monitoring and elimination mechanisms, are currently being implemented in several regions.



## RESULTS AND IMPACTS AT A GLANCE

- **Enhanced transparency**

The UNCTAD Trade Analysis and Information System – TRAINS – is the most comprehensive database on non-tariff measures. In recent years, significant improvements in data quality and coverage have been achieved. The database now covers over 90 per cent of world trade and is accessible through the UNCTAD portal, at [trains.unctad.org](http://trains.unctad.org), and the World Bank World Integrated Trade Solution portal, at [wits.worldbank.org](http://wits.worldbank.org).

- **Online training in non-tariff measures transparency and analysis**

More than 600 participants have been trained through the online courses. Over 90 per cent of participants in the transparency and data collection course found the knowledge acquired during the training extremely or very useful. For example, the course empowered one participant from Cambodia to better provide technical support to colleagues and partners or opened the eyes of a participant from Eswatini to know exactly what regulations to look for to obtain the whole picture of trade regulation, especially from a trade facilitation perspective. Another participant noted that the course would help in regular reporting to the World Trade Organization on trade policy measures.

- **Regional non-tariff measures integration reviews**

The reviews were highly appreciated by stakeholders and workshop participants in the Southern African Development Community (SADC) and the Southern Common Market (MERCOSUR). SADC officials used the study to respond to a request from the SADC Committee of Ministers Responsible for Trade for a strategic plan to eliminate non-tariff barriers in the region. MERCOSUR member States used the study to revitalize their efforts to achieve regional integration.



### PROGRAMME FACTS AND FIGURES

**Start date:** 2008

**Activities to date:** non-tariff measures data collected in 109 countries; more than 600 persons trained in online courses; 3 regional non-tariff measures integration reviews conducted; more than 50 training workshops and advisory missions conducted

**Activities per year:** non-tariff measures data collected in more than 20 countries; 150 participants trained online; more than 50 participants trained face to face; 1 regional non-tariff measures integration review; 10–15 workshops and/or advisory missions conducted

**Website:** [unctad.org/ntm](http://unctad.org/ntm); [trains.unctad.org](http://trains.unctad.org)



**Sustainable Development Goals addressed:**

Directly: 3, 8, 17

Indirectly: 2, 9, 12



### DONORS/FUNDING SOURCE (2014–2019)

Canada, Germany, European Union, National Graduate Institute for Policy Studies (Japan), United Nations Development Account, World Bank