

# Non-Tariff Barriers to Trade

Non-Tariff Barriers (NTBs) refer to restrictions that result from prohibitions, conditions, or specific market requirements that make importation or exportation of products difficult and/or costly. NTBs also include unjustified and/or improper application of Non-Tariff Measures (NTMs) such as sanitary and phytosanitary (SPS) measures and other technical barriers to Trade (TBT).

NTBs arise from different measures taken by governments and authorities in the form of government laws, regulations, policies, conditions, restrictions or specific requirements, and private sector business practices, or prohibitions that protect the domestic industries from foreign competition.

## Examples of Non-Tariff Barriers

### Non-Tariff Barrier Categories

#### Category 1:

**Government participation in trade & restrictive practices tolerated by governments**

For example:

- 1.1. Export subsidies
- 1.2. Government monopoly in export/import
- 1.3. State subsidies, procurement, trading, state ownership
- 1.4. Preference given to domestic bidders/suppliers
- 1.5. Requirement for counter trade
- 1.6. Domestic assistance programmes for companies
- 1.7. Discriminatory or flawed government procurement policies
- 1.8. Import bans
- 1.9. Determination of eligibility of an exporting country by the importing country
- 1.10. Determination of eligibility of an exporting establishment (firm, company) by the importing country
- 1.11. Occupational safety and health regulation
- 1.12. Multiplicity and Controls of Foreign exchange market
- 1.13. "Buy national" policy
- 1.14. Lack of coordination between government institutions
- 1.15. Other

#### Category 2:

**Customs and administrative entry procedures**

For example:

- 2.1. Government imposing antidumping duties
- 2.2. Arbitrary customs classification
- 2.3. Issues related to the rules of origin
- 2.4. Import licensing
- 2.5. Decreed customs surcharges
- 2.6. Additional taxes and other charges
- 2.7. International taxes and charges levied on imports and other tariff measures
- 2.8. Lengthy and costly customs clearance procedures
- 2.9. Issues related to transit fees
- 2.10. Inadequate or unreasonable customs procedures and charges
- 2.11. Lack of control in Customs infrastructure
- 2.12. Lack of capacity of Customs officers
- 2.13. Issues related to Pre-Shipment Inspections
- 2.14. Other

### **Category 3:**

#### **Technical barriers to trade (TBT)**

For example:

### **Category 4:**

#### **Sanitary & phyto-sanitary (SPS) measures**

For example:

### **Category 5:**

#### **Specific limitations**

For example:

- 5.1. Quantitative restrictions
- 5.2. Exchange controls
- 5.3. Export taxes
- 5.4. Quotas
- 5.5. Import licensing requirements
- 5.6. Proportion restrictions of foreign to domestic goods (local content requirement)
- 5.7. Minimum import price limits
- 5.8. Embargoes
- 5.9. Non-automatic licensing
- 5.10. Prohibitions
- 5.11. Quantitative safeguard measures
- 5.12. Export restraint arrangements
- 5.13. Other quantity control measures
- 5.14. Restrictive licenses
- 5.15. Other

## **Category 6:**

### **Charges on imports**

For example:

- 6.1. Prior import deposits and subsidies
- 6.2. Administrative fees
- 6.3. Special supplementary duties
- 6.4. Import credit discriminations
- 6.5. Variable levies
- 6.6. Border taxes
- 6.7. Other

## **Category 7:**

### **Other procedural problems**

For example:

- 7.1. Arbitrariness
- 7.2. Discrimination
- 7.3. Corruption
- 7.4. Costly procedures
- 7.5. Lengthy procedures
- 7.6. Lack of information on procedures (or changes thereof)
- 7.7. Complex variety of documentation required
- 7.8. Consular and Immigration Issues
- 7.9. Inadequate trade related infrastructure
- 7.10. Other

## **Category 8:**

### **Transport, Clearing and Forwarding**

For example:

- 8.1. Government Policy and regulations
- 8.2. Administrative (Border Operating Hours, delays at border posts, etc.)
- 8.3. Immigration requirements (Visa, travel permit)
- 8.4. Transport related corruption
- 8.5. Infrastructure (Air, Port, Rail, Road, Border Posts,)
- 8.6. Vehicle standards
- 8.7. Costly Road user charges /fees
- 8.8. Issues related to transit

## Non-Tariff Barriers to trade can arise from:

- - Import bans
  - General or product-specific quotas
  - Complex/discriminatory Rules of Origin
  - Quality conditions imposed by the importing country on the exporting countries
  - Unjustified Sanitary and Phyto-sanitary conditions
  - Unreasonable/unjustified packaging, labelling, product standards
  - Complex regulatory environment
  - Determination of eligibility of an exporting country by the importing country
  - Determination of eligibility of an exporting establishment (firm, company) by the importing country.
  - Additional trade documents like Certificate of Origin, Certificate of Authenticity etc
- - Occupational safety and health regulation
  - Employment law
  - Import licenses
  - State subsidies, procurement, trading, state ownership
  - Export subsidies
  - Fixation of a minimum import price
  - Product classification
  - Quota shares
  - Multiplicity and Controls of Foreign exchange market
  - Inadequate infrastructure
  - "Buy national" policy
  - Over-valued currency
  - Restrictive licenses
  - Seasonal import regimes
  - Corrupt and/or lengthy customs procedures