Trade-led Growth in Times of Crisis Asia-Pacific Trade Economists' Conference 2-3 November 2009, Bangkok

Session 11

Impacts of Non Tariff Measures on Agricultural Trade: A Gravity Modeling Approach

Aloka Bellanawithana Bimali Wijeratne Jeevika Weerahewa

Asia-Pacific Research and Training Network on Trade

www.artnetontrade.org

Impacts of Non Tariff Measures on Agricultural Trade: A Gravity Modeling Approach

Aloka Bellanawithana Bimali Wijeratne Jeevika Weerahewa Department of Agricultural Economics and Business Management Faculty of Agriculture University of Peradeniya Sri Lanka

Barriers to Trade

Any restriction imposed on the free flow of trade

Types of Barriers

- Geographical barriers distance,
- Cultural barriers different customs, traditions, laws, languages
- 2 main categories

Tariff measures Non Tariff measures

Non Tariff Measures (NTMs)

Any restriction other than traditional custom duties that distort trade

NTMs include:

- Measures to control the volumes of imports
- Measures to control the price of imported goods
- Monitoring measures
- Production and export measures
- Technical barriers

NTMs cont.....

Primary intention of imposing NTMs

- To protect health, safety, or sanitation among humans, plants and animals
- To protect the environment
- To improve national welfare by correcting market failures

Over bearing use of NTMs - Barrier

Effects of NTMs on Agricultural Trade; Findings of Previous Studies

• Otsuki et al. (2001):

10% tighter EU aflatoxin contamination levels reduces African exports by 4.3% (cereals) and 11% (nuts and dried fruits)

• Herath (2001):

Loss of foreign exchange earning due to non-compliance in Sri Lankan beverage and spice sector is US\$2.9 million in 99/2000

Findings of previous studies cont...

Calvin, L. & Krissof, B. (1998):

Removal of Japanese TBs on apples would increase Fuji apple imports by 88,200 mt in 1996/97

• Moenius (1999):

Found that shared standard has large trade promoting effect between the nations

ultural Trade in South Asia

le in agricultural products, 2005 – US\$ 852

outh Asia - 1.75%

orting commodities

', Animal products (meat, milk), Spices, Fruitsables

orting markets

es, European Union, Japan



厓伯马女口

https://www.yunbaogao.cn/report/index/report?reportId=5_8141