ARTNeT Capacity Building for Trade Policy Researchers

Supporting Equitable Development in ASEAN: Impact of Regional Integration on CLMV Countries

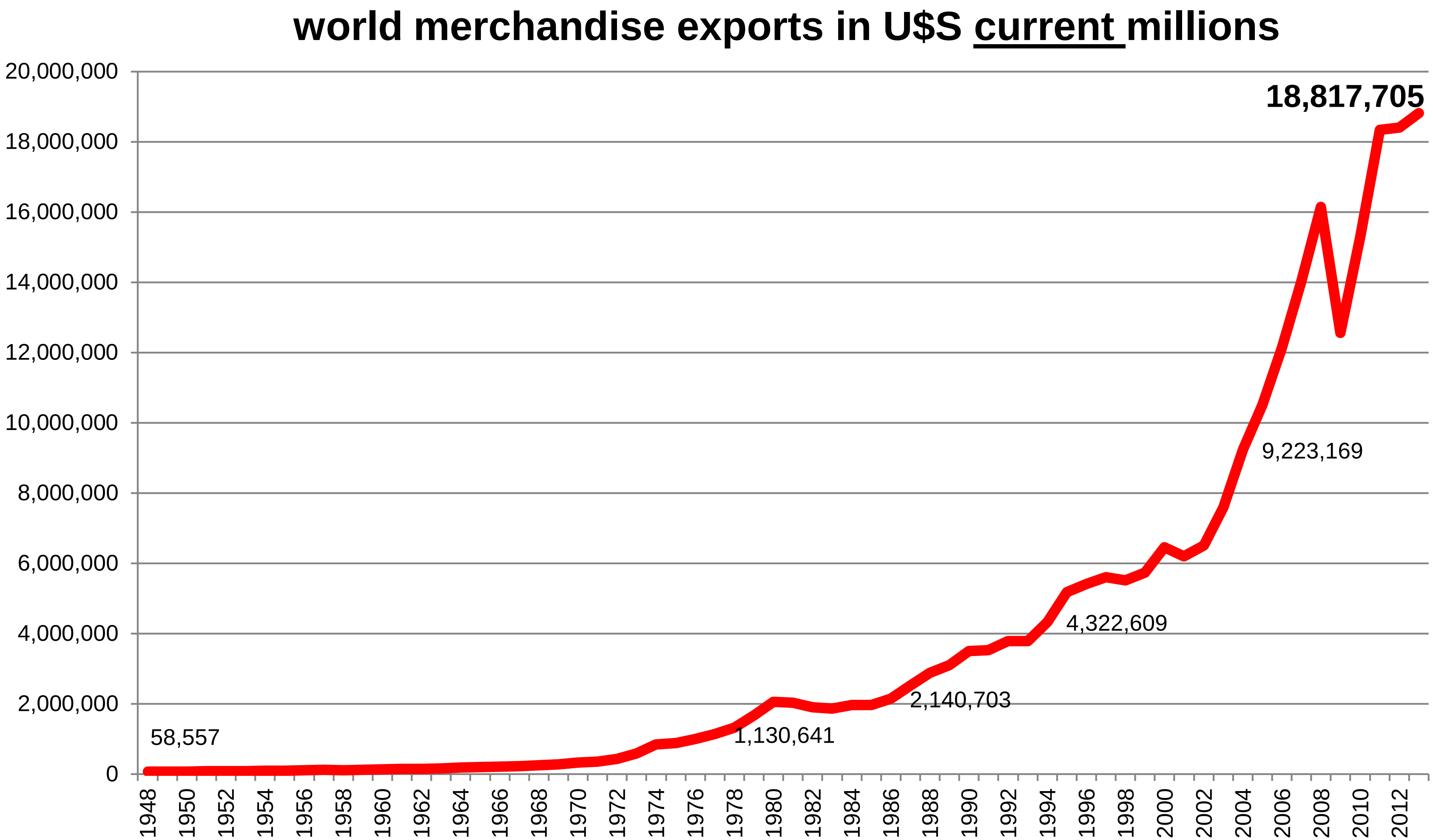
Overview of Non-Tariff Measures: What they are and how they affect trade	1. **Why are they important?** 2. **What are they?** • Not, Trade facilitation • Yes, Official requirements 3. **May they affect trade?**

Session 4

DITC/TAB, Denise Penello Rial
Bangkok, Thailand, June 2016

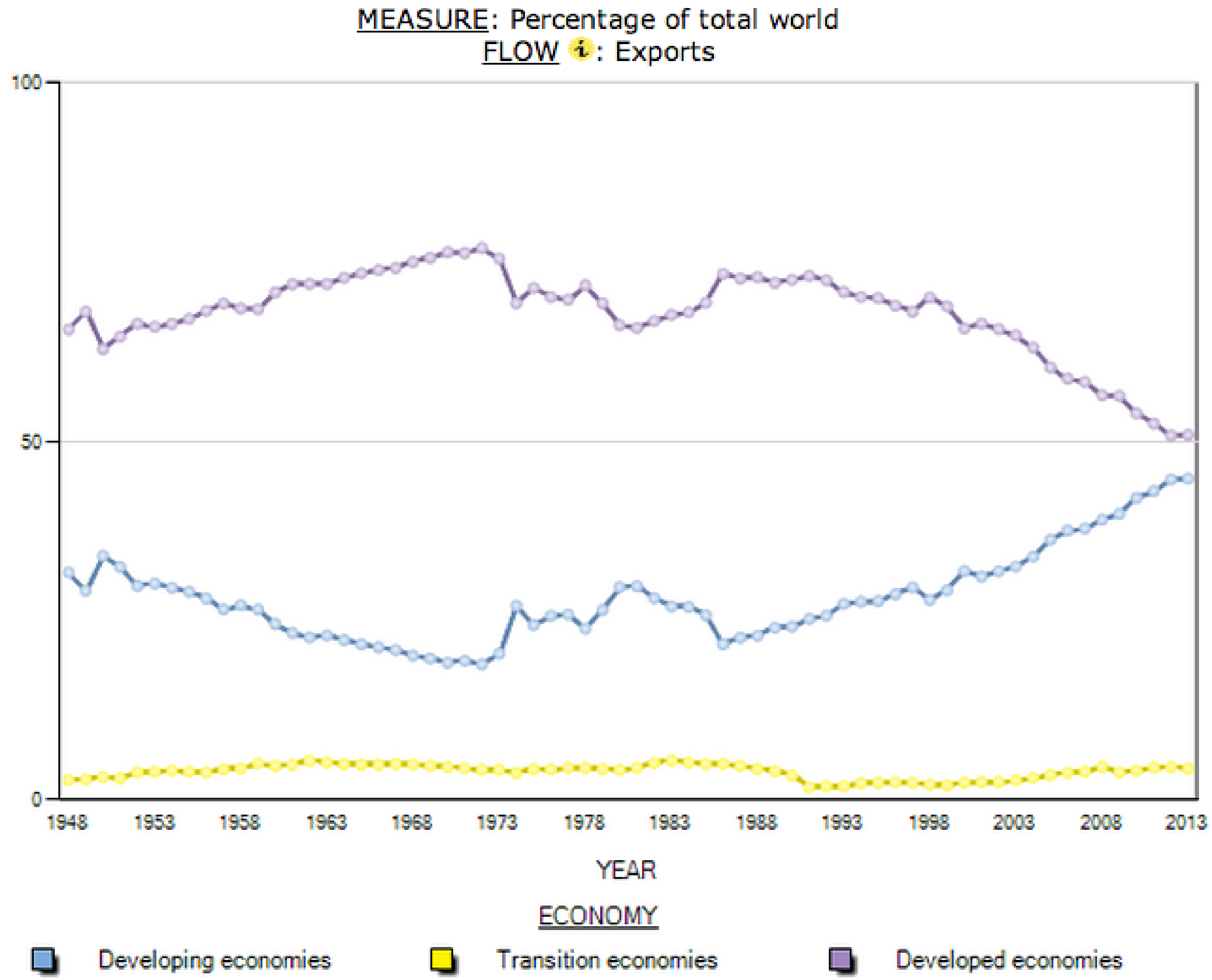
UNITED NATIONS
UNCTAD

World trade has been doubling every decade, for the last four decades

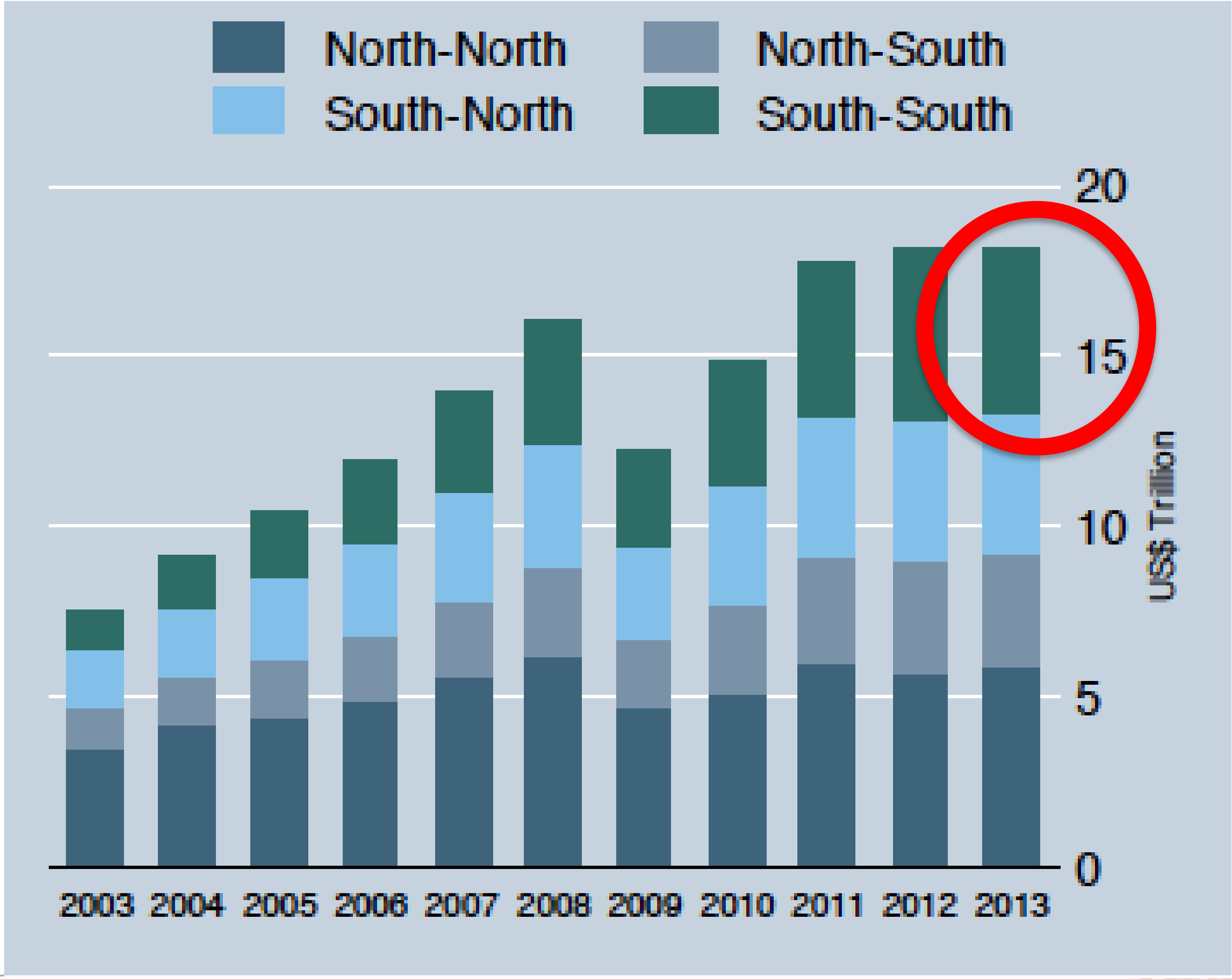


Source UNCTAD stats

…developing countries' trade has increased dramatically accounting now to roughly 45% of world trade…

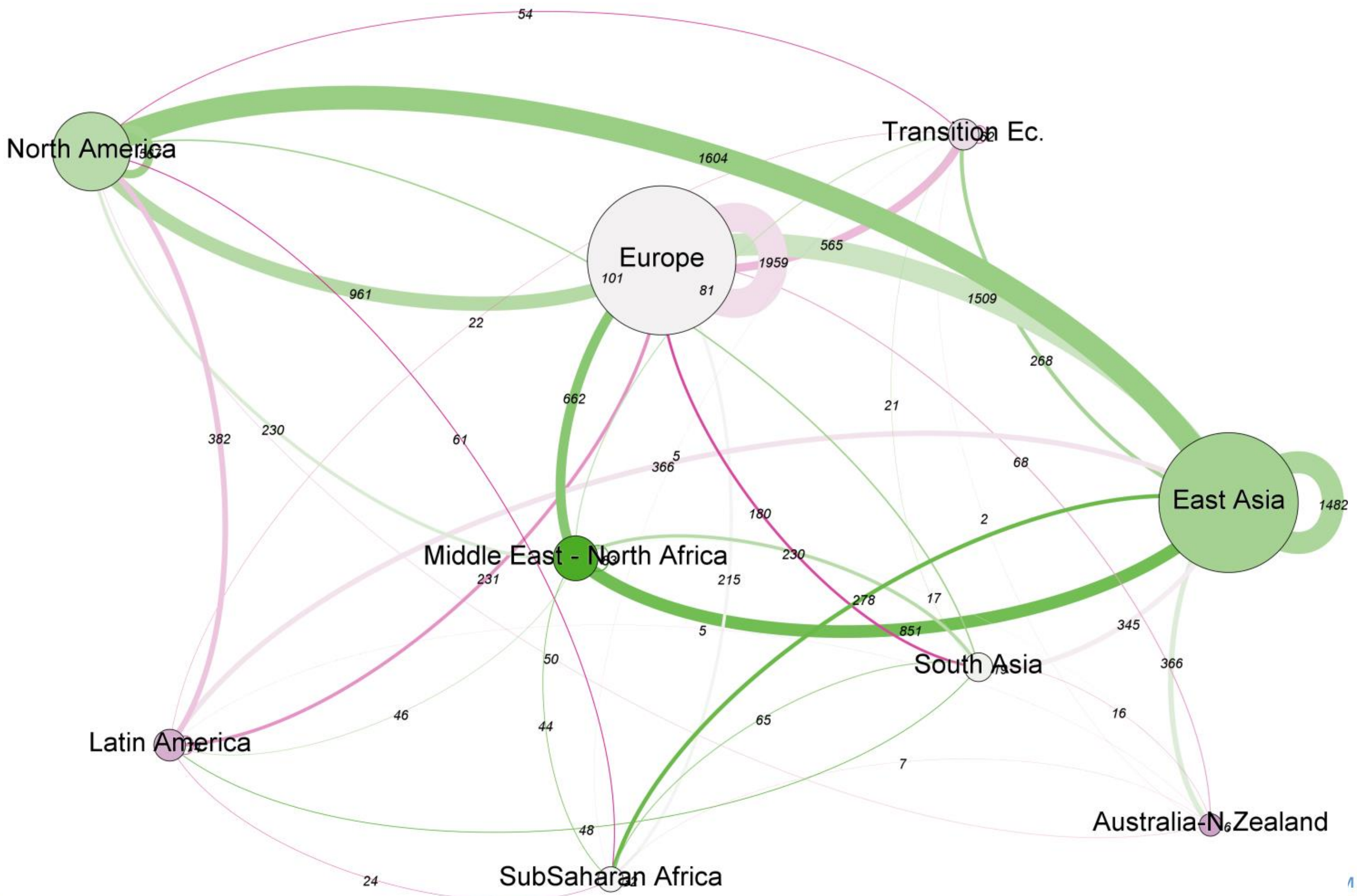


…and particularly by South - South trade…

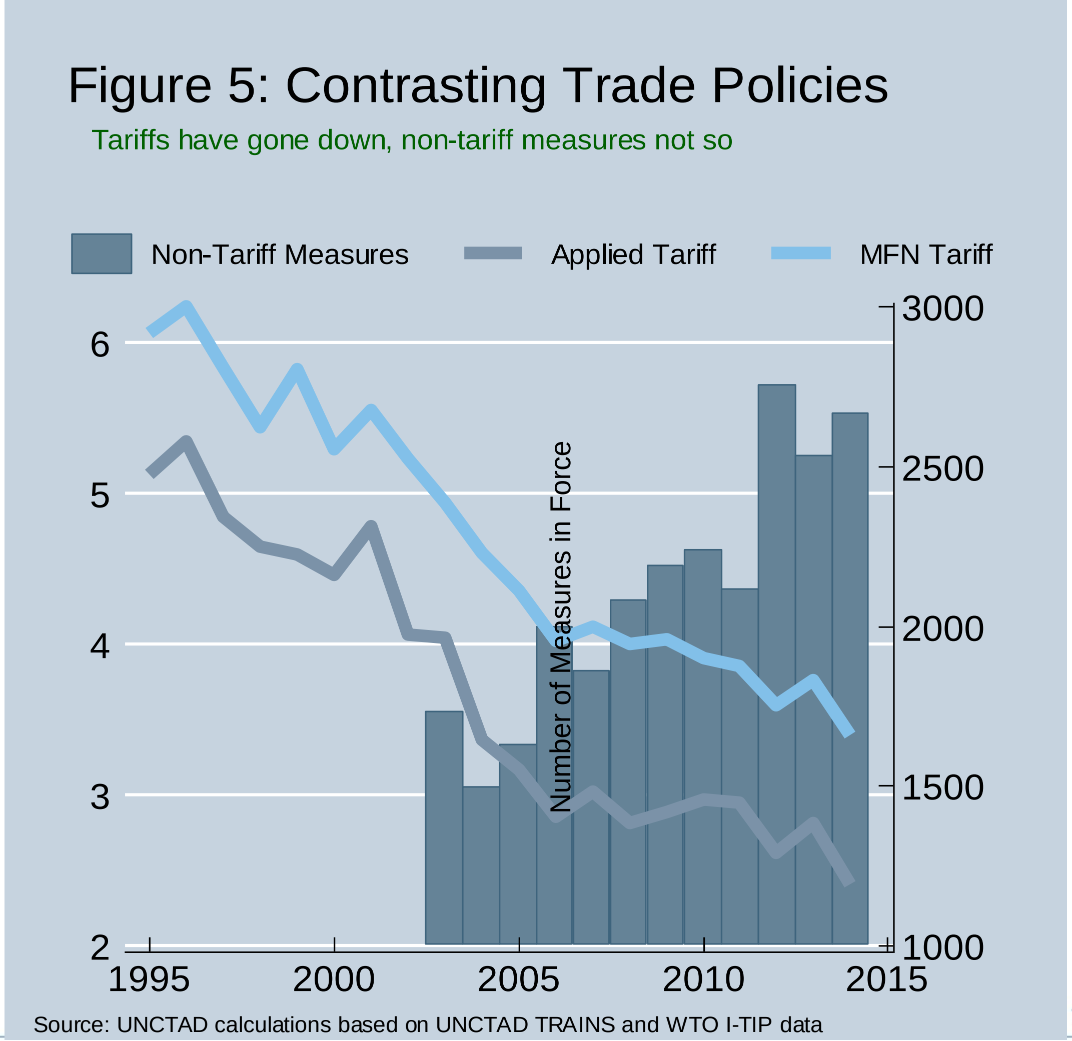


UNCTAD

World Trade in Goods (2014)



Trend: Tariffs vs non-tariffs measures



Policies in trade (and investment) are inextricably interlinked

- Transport cost, insurance , etc → Direct cost

- Tariff,
- Non-tariff, (NTM $\neq$ NTB)
- Trade Facilitation

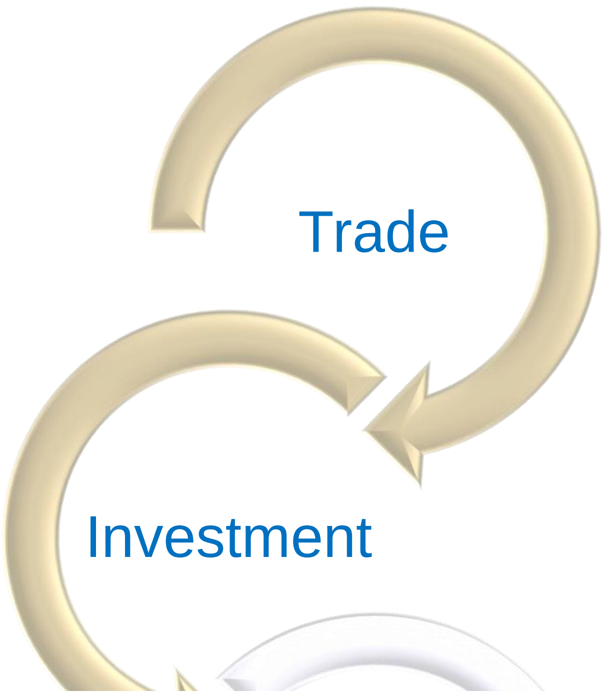
Market access
- at the border and
- beyond the border

- Tax, subsidies (import and export)
- Infrastructure
- Macroeconomic and political stability
- Human resources and labour
- Competition policy
- Other,
  - price support measures, income transfers, production subsidies, investment grants etc.

- Unilateral,
- Within regional agreement
- Multilateral

Trade and investment are inter related

main engine for economic growth and development



- FDI substitute to trade
  - Supply domestic market of host country
- FDI complement to trade
  - Efficiency seeking firms to look for the best location
  - Export platform
  - Cross-border mergers
    - The rise of GVC has made the link between trade & inv closer than before