



Economic Research Institute
for ASEAN and East Asia



Ambassador Meeting
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Non-Tariff Measures in ASEAN

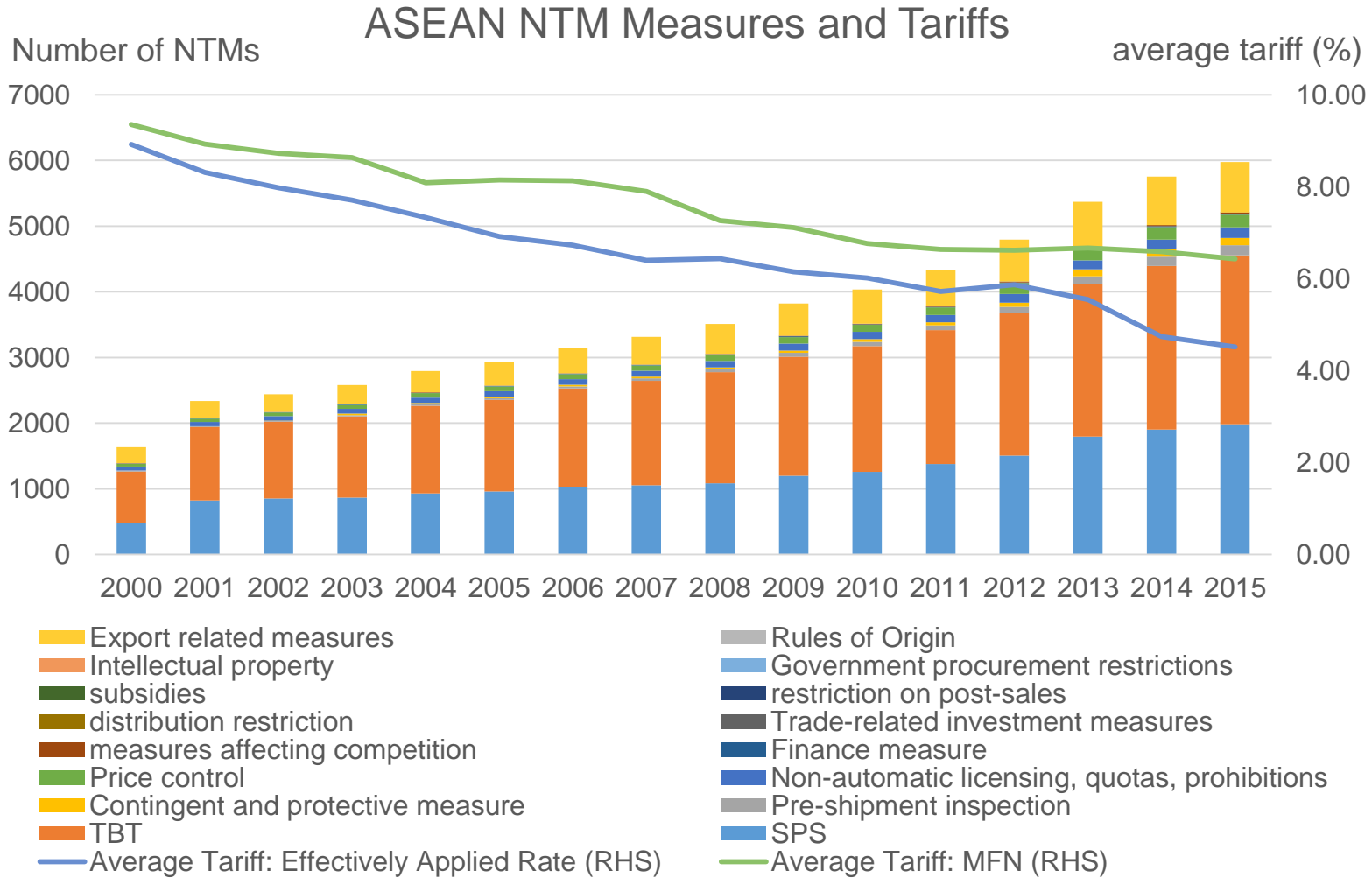
Lili Yan Ing

1. Introduction

While tariffs have been reduced, the number of **non-tariff measures** (NTMs) is increasing, and is often blamed to be a source of the lack of integration in ASEAN.

...unlike tariffs, **NTMs** could play a role of check and balance for **the quality of goods**.

2. Findings: Tariffs and NTMs in ASEAN



Source: Ing, Cadot, Anandhika and Urata, based on 2016 ASEAN-ERIA-UNCTAD NTM database, *Non-Tariff Measures in ASEAN, 2016*

2. Findings: NTMs in ASEAN

A country with a relatively higher number of measures does not mean it is relatively more protectionist than others

Country	Total (number)	SPS (%)	TBT (%)	Export related measures (%)	Others (%)
Brunei	516	31	56	9	4
Cambodia	243	15	50	29	7
Indonesia	638	20	51	12	18
Lao PDR	301	13	30	27	30
Malaysia	713	36	47	10	7
Myanmar	172	44	24	20	12
Philippines	854	27	42	17	13
Singapore	529	24	59	9	7
Thailand	1630	48	34	8	9
Viet Nam	379	37	37	17	8
Total / average	5975	29	43	16	12

Source: Ing, Cadot, Anandhika and Urata, based on 2016 ASEAN-ERIA-UNCTAD NTM database, *Non-Tariff Measures in ASEAN, 2016*

2. Findings

Does this mean that all NTMs are benign?

Many regulations are poorly designed, failing to protect the public while unnecessarily complicating business, because:

1. Transparency. There is limited information about NTMs.
2. Institution. The governments know little about incentives and even less about how to design market-based regulations, confusing effective with cumbersome.
3. Coordination mechanism. NTMs typically span the competencies of several ministries, with no coordination mechanisms to make the necessary trade-offs.

3. Conclusions

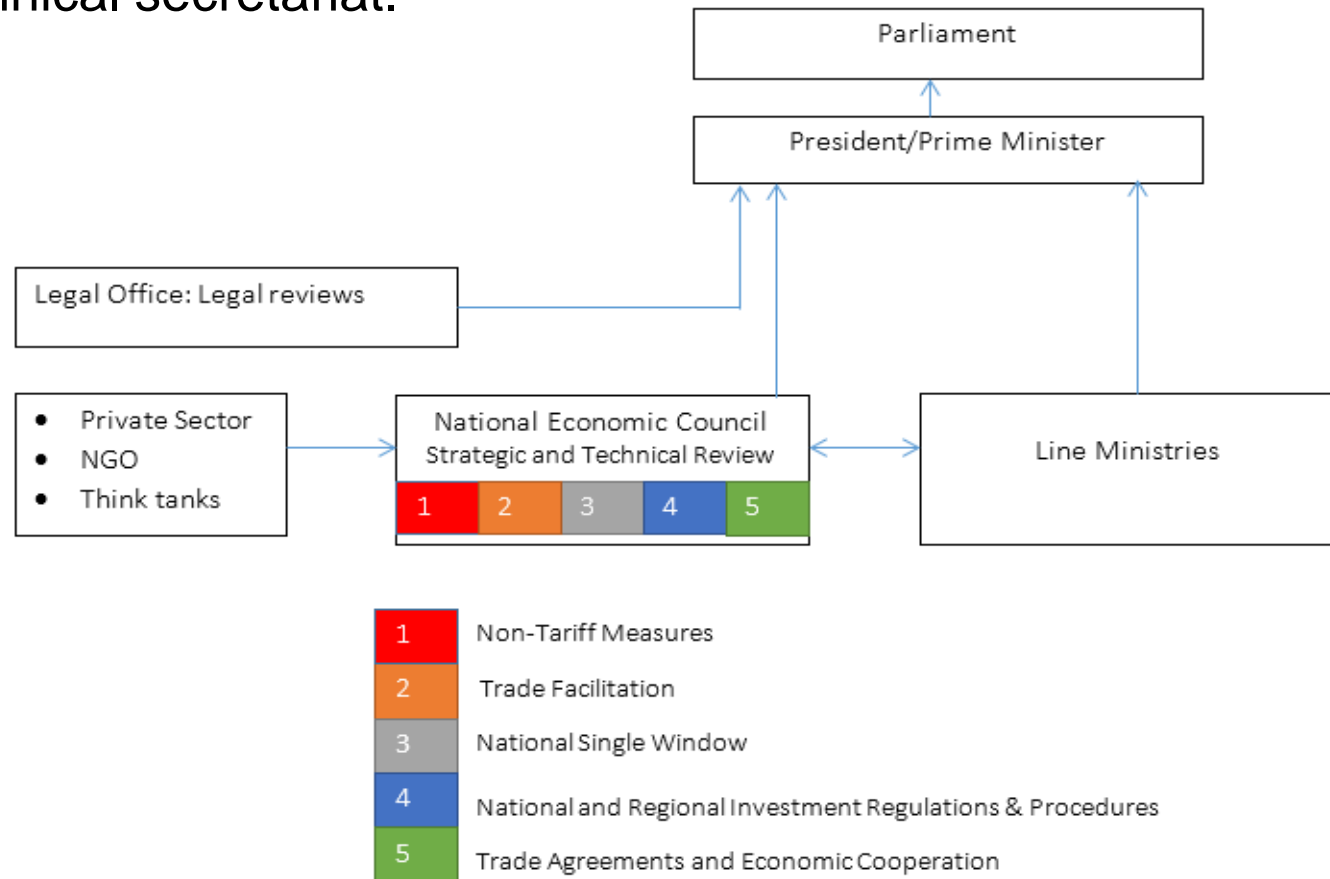
We aim to have **transparent and good quality NTMs** that could serve as a tool of check and balance for the quality of goods: for health, safety, and environmental protection.

ASEAN should go beyond the ‘trade negotiation’ approach and strive for three approaches:

1. Transparency and better regulations
2. Cooperation in Conformity Assessment Procedures (CAP) and NTM harmonization
3. Dynamic disciplines

4. ASEAN's Initiative (1): National Economic Council

NEC has a mandate from the president/prime minister. It consists of Ministries and high level government officials and is supported by a technical secretariat.



Source: Ing, Cadot, Anandhika and Urata, based on 2016 ASEAN-ERIA-UNCTAD database, Non Tariff Measures in ASEAN (2016)

4. ASEAN's Initiative (2): Transparent NTMs and regular review

ASEAN Leader Summit 2016

NTM Database, asean.i-tip.org can be a foundation of national trade repository and an output of ASEAN Summit

Member imposing	Partner affected	Category	Measure description	Also domestic	Product description	HS	Source	National legal basis	In force Withdrawn
Philippines	All Members	TBT B14	Imports of radio communications equipment particularly radio transceivers and transmitters require a Permit to Import from NTC. Only equipment, spar...	Yes	Radio communications equipment	851712 85176210 85176221..	National Telecommunications Commission - Guidelines in the Sale, Purchase, and Importation of Various Radio Communications Equipment intended for Us...	Guidelines in the Sale, Purchase, and Importation of Various Radio Communications Equipment intended for Use in Private and Government-Owned Radio...	14/08/1991

HS Code	Product description	TBT	SPS	INSP	CTPM	QC	PC	EXP	OTH
6206	Women's or girls' blouses, shirts and shirt-blouses.	<u>36</u>	<u>17</u>	<u>4</u>			<u>5</u>	<u>34</u>	<u>1</u>
620610	- Of silk or silk waste	<u>15</u>		<u>4</u>			<u>1</u>	<u>3</u>	
620620	- Of wool or fine animal hair	<u>32</u>	<u>17</u>	<u>2</u>			<u>5</u>	<u>34</u>	
620630	- Of cotton	<u>15</u>		<u>4</u>			<u>1</u>	<u>3</u>	
620640	- Of man-made fibres	<u>11</u>		<u>2</u>			<u>1</u>	<u>3</u>	
620690	- Of other textile materials	<u>10</u>		<u>2</u>			<u>1</u>	<u>3</u>	

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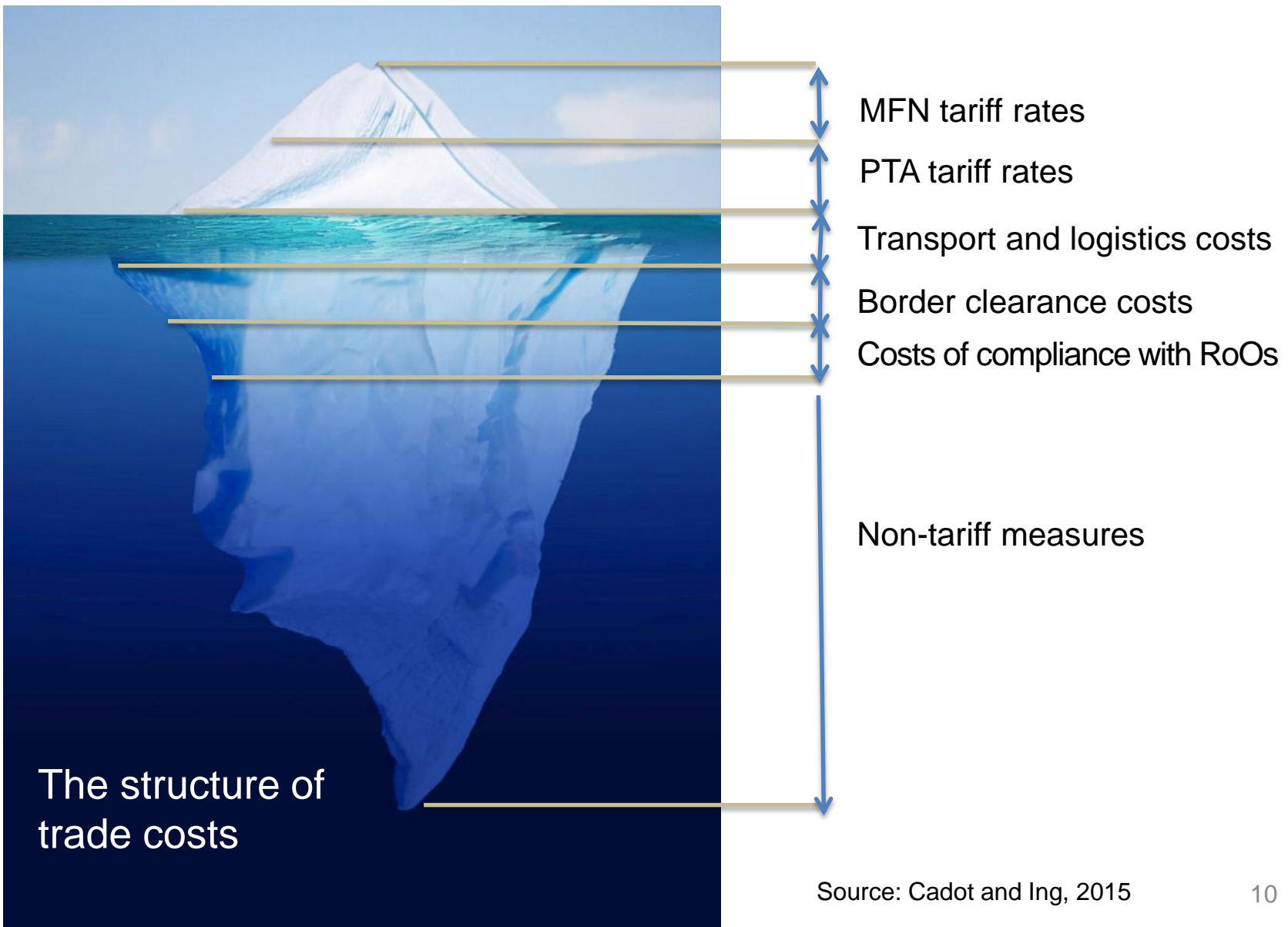
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A.1. How much do we know about trade cost?



Source: Cadot and Ing, 2015

1. Introduction

National team of ASEAN countries (economists and government officials)–ERIA–UNCTAD

Objectives:

1. To upgrade the ASEAN 2009 database and update it regularly
2. To provide insights on NTMs and take necessary policy actions to maintain a conducive trade environment

Project Outputs

1. Phase I: Database (Jan 2016) and Country Report (Apr 2016)
2. Phase II: Analyses on NTMs in ASEAN (Jan 2017)

2. Review

The main value added of 2016 ASEAN NTM database:

1. Cover all regulations including all international conventions that have been in effect by January 2015
2. Use the national tariff lines (up to 8 digit level for most of ASEAN countries, and can be up to HS 9- or 10-digit level for a number of countries)
3. Use the MAST-Classification February 2012, which makes the data internationally comparable.
4. The work is conducted by national experts (local think tanks) in collaboration with government officials

A.2. ASEAN-ERIA-UNCTAD Team

Project Coordinators:

Lili Yan Ing (ERIA) and Santiago de Cordoba (UNCTAD)

Output 1. NTM Database (January 2016) and Country Report (April 2016)

National team (10 ASEAN countries: economists and government officials)

1. Brunei: MOFA (Yusri Yahya) and Prasetya Mulya (Ruth Elisabeth)
2. Cambodia: CICP (Chap Sotharith)
3. Laos: NERI (Amphaphone Sayasenh)
4. Indonesia: Wijaya Kusuma University (Ernawati Munadi)
5. Malaysia: University of Malaya (Evelyn Devadason)
6. Myanmar: Yangon Institute of Economics (Daw Zin Zin Naing)
7. Philippines: CATIF, University of Philippines (Loreli deDios)
8. Singapore: SIIA (Hank Lim)
9. Thailand: TDRI (Chedtha Intaravitak)
10. Vietnam: CIEM (Anh Duong)

The core team: Rizqy Anandhika, Fabien Dumesnil, Denise Panello Rial, Michelle Kristy, Maxim Gubarev, Chi Le Ngo