NTMs training in ASEAN Countries

NTM statistical analysis

Statistics on NTM

1. Understand how to compute and understand indicators
2. See results. Stylized facts in NTM use patterns
3. Interpret. What they say

DITC/TAB: Denise Penello Rial

Lao PDR - Vientiane 28-29 November

UNITED NATIONS
UNCTAD

Data Dissemination

TRAINS

The global database on Non-Tariff Measures

- UNCTAD TRAINS via trains.unctad.org
- → For policy makers and negotiators
- → Browsing all available data

Get the data

1. Research Stata file
2. Excel summary indicators

- → For researchers
- → Statistically 'clean' data

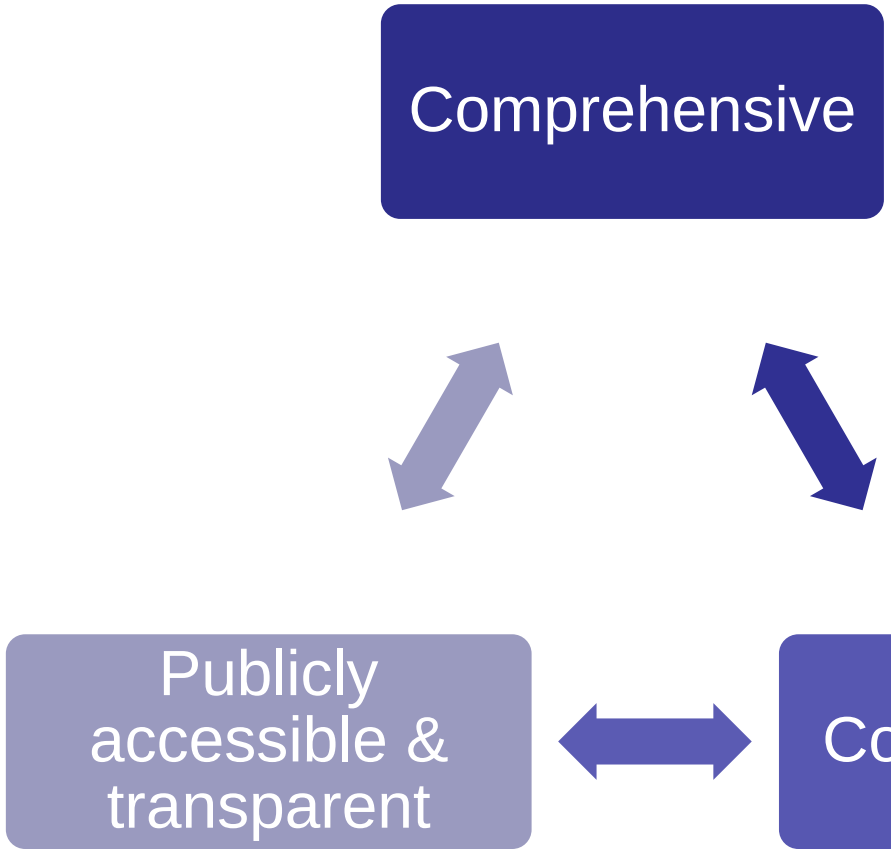
WITS

- World Bank WITS wits.worldbank.org
- → For researchers
- → Statistically 'clean' data

Same data

Different presentation for different users

– one database – one stop shop



All is there.
All of them are NTM

It is now possible to compute statistics and use them for analysis !

- UNCTAD NTM database is on legal requirements
- It is the key main input to Trade Portal

Standardized Methodology
Quality check centralized
Applied to all countries alike, 90 countries

eria ntm indicators policy - Reche | ASEAN/East Asia NTM Database | unctad.org | New Database of AS

unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=1234&Sitemap_x0020_Taxonomy=UNCTAD%20Home

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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
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New Database of ASEAN Non-Tariff Measures

14 April 2016

Following a joint project to collect, validate, and store data on non-tariff measures (NTMs), UNCTAD and the Economic Research Institute for ASEAN and East Asia have launch a Website that provides information on NTMs for the ten ASEAN countries.

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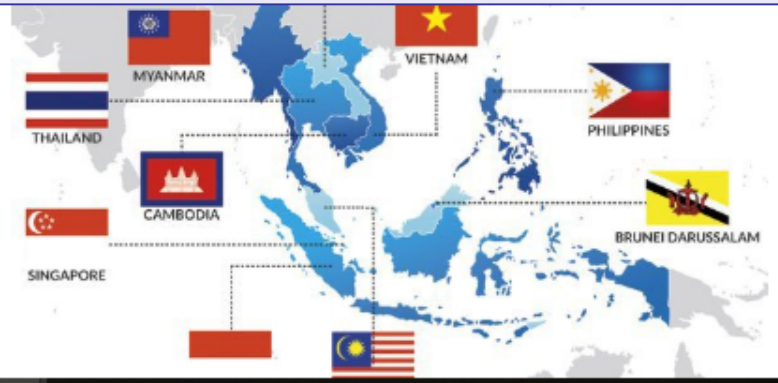
Quote

"In spite of their growing importance in regulating trade, the exact impact of NTMs on trade flows is not very well understood.

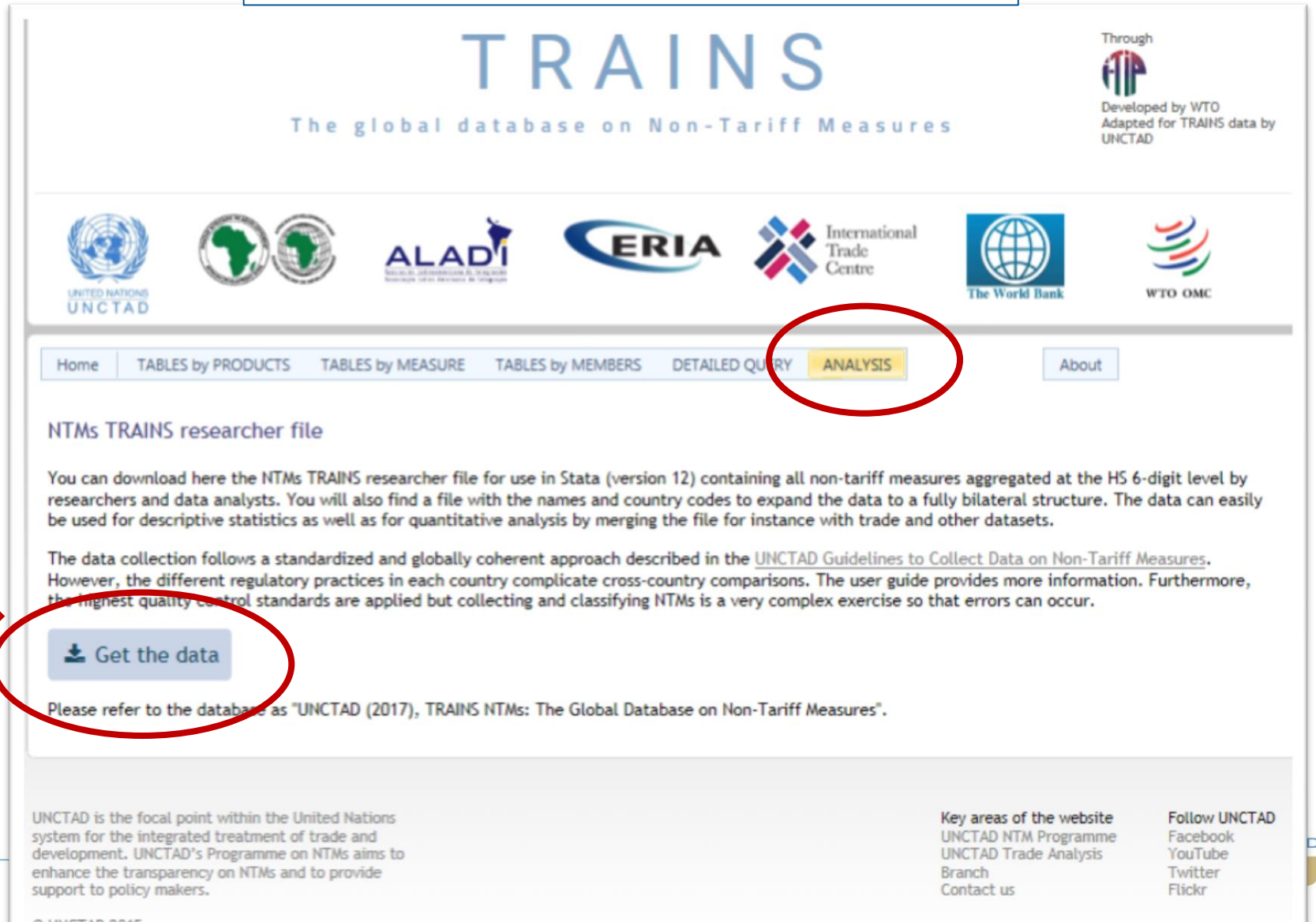
There is an urgent need to develop a better understanding and transparency of existing NTMs."



ENG 4:10 AM 8/25/2019

TRAINS UNCTAD portal

http://trains.unctad.org/Forms/Analysis.aspx



D DEVELOPMENT
UNCTAD

Two files,
Disaggregated data or summary indicators statistics

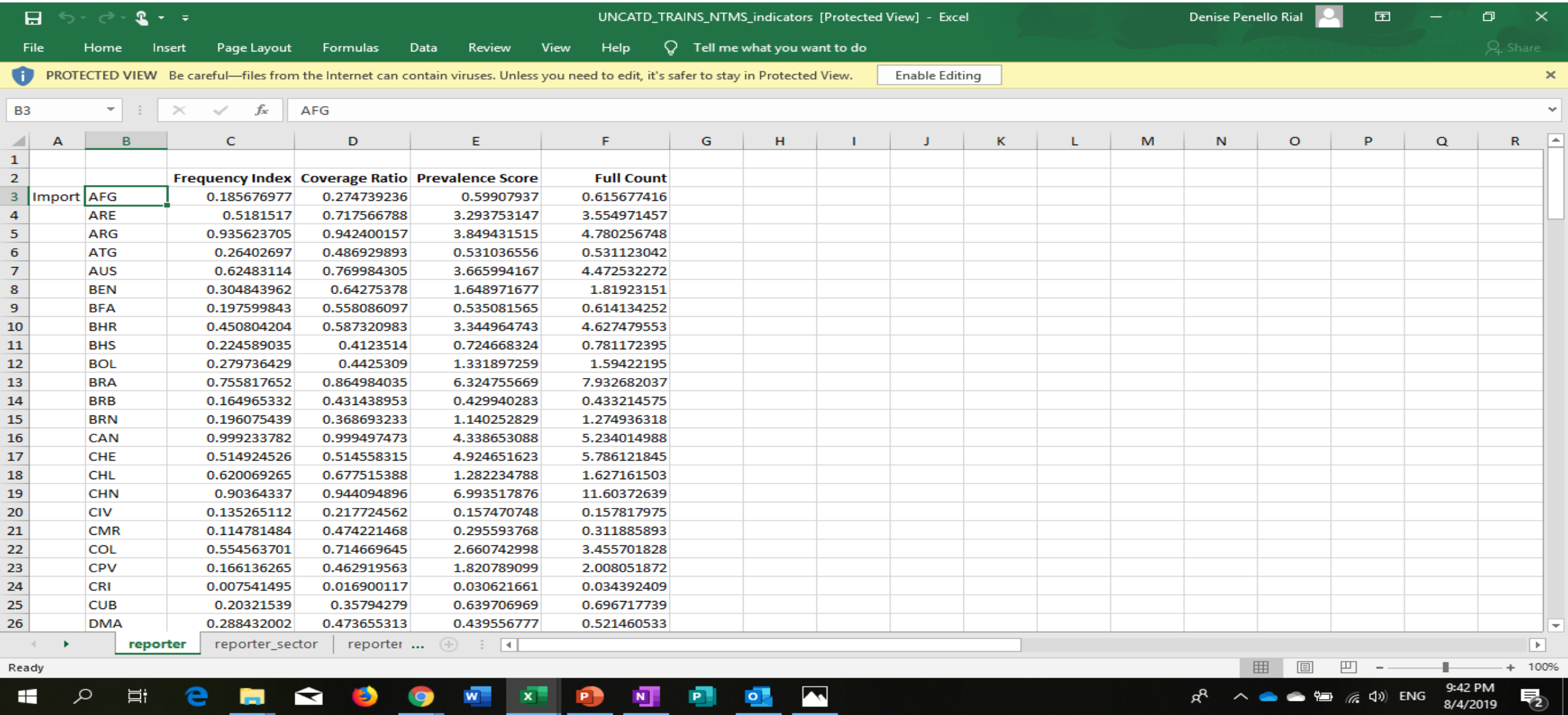
STATA. "NTM_hs6_2010_2018 v.12.dta"

- Disaggregated information for every :
  - Reporter + HS6 + Partner + NTM code
- 15 variables in all, including start date

Excel file. UNCATD_TRAINS_NTMS_indicators.xlsm

- This one has NTM indicators already computed. FI, CR, PS
  - for country
  - for country and sector (15 groups)
  - for country and chapter ,
    - including aggregation for Technical/NonTechnical separately as well
  - (plus Full Count in all of the above)

UNCATD_TRAINS_NTMS_indicators.xlsm



	A	B	C	D	E	F
2			Frequency Index	Coverage Ratio	Prevalence Score	Full Count
3	Import	AFG	0.185676977	0.274739236	0.59907937	0.615677416
4		ARE	0.5181517	0.717566788	3.293753147	3.554971457
5		ARG	0.935623705	0.942400157	3.849431515	4.780256748
6		ATG	0.26402697	0.486929893	0.531036556	0.531123042
7		AUS	0.62483114	0.769984305	3.665994167	4.472532272
8		BEN	0.304843962	0.64275378	1.648971677	1.81923151
9		BFA	0.197599843	0.558086097	0.535081565	0.614134252
10		BHR	0.450804204	0.587320983	3.344964743	4.627479553
11		BHS	0.224589035	0.4123514	0.724668324	0.781172395
12		BOL	0.279736429	0.4425309	1.331897259	1.59422195
13		BRA	0.755817652	0.864984035	6.324755669	7.932682037
14		BRB	0.164965332	0.431438953	0.429940283	0.433214575
15		BRN	0.196075439	0.368693233	1.140252829	1.274936318
16		CAN	0.999233782	0.999497473	4.338653088	5.234014988
17		CHE	0.514924526	0.514558315	4.924651623	5.786121845
18		CHL	0.620069265	0.677515388	1.282234788	1.627161503
19		CHN	0.90364337	0.944094896	6.993517876	11.60372639
20		CIV	0.135265112	0.217724562	0.157470748	0.157817975
21		CMR	0.114781484	0.474221468	0.295593768	0.311885893
22		COL	0.554563701	0.714669645	2.660742998	3.455701828
23		CPV	0.166136265	0.462919563	1.820789099	2.008051872
24		CRI	0.007541495	0.016900117	0.030621661	0.034392409
25		CUB	0.20321539	0.35794279	0.639706969	0.696717739
26		DMA	0.288432002	0.473655313	0.439556777	0.521460533

UNCTAD | Welcome to the NTM

https://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures.aspx

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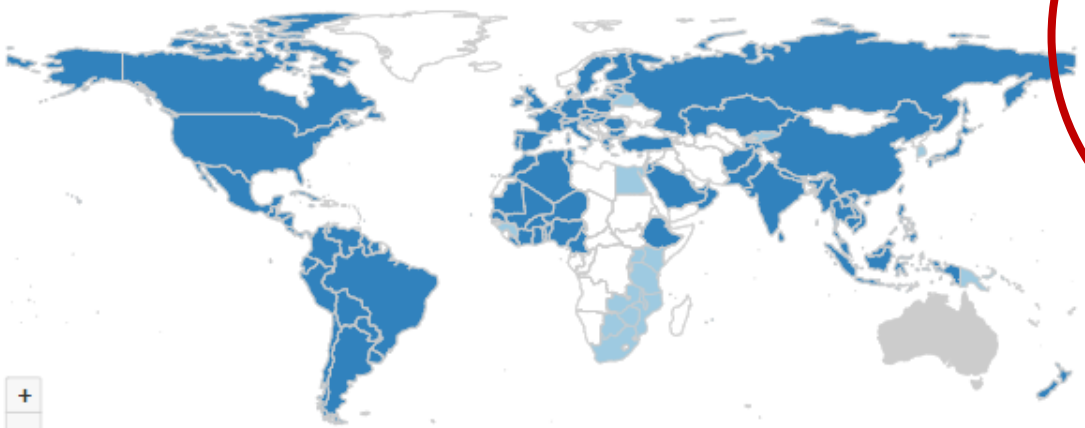
Welcome to the NTM Hub

CLASSIFICATION | DATA COLLECTION | DATA DISSEMINATION | ANALYSIS & RESEARCH | POLICY SUPPORT | NTMS & SDGS

Non-tariff measures (NTMs) are policy measures other than tariffs that can potentially have an economic effect on international trade in goods. They are increasingly shaping trade, influencing who trades what and how much. For exporters, importers and policymakers, NTMs represent a major challenge. Though many NTMs aim primarily at protecting public health or the environment, they also substantially affect trade through information, compliance and procedural costs.

Understanding the uses and implications of NTMs is essential for the formulation of effective development strategies to meet the Sustainable Development Goals. The NTM Hub serves as a gateway to that end, providing information on classification, data, research and analysis and policy support. Increasing transparency and understanding of NTMs can build capacity of policymakers, trade negotiators and researchers to strike the delicate balance between the reduction of trade costs and the preservation of public objectives.

Data on non-tariff measures



Data is available | In progress

NTM usage by country: Australia

Australia
Frequency Index 62%
Coverage Ratio 77%
Prevalence Score 3.7
By Sector | By Measure

unctad.org/ntm

ENG 4:19 PM 8/1/2019

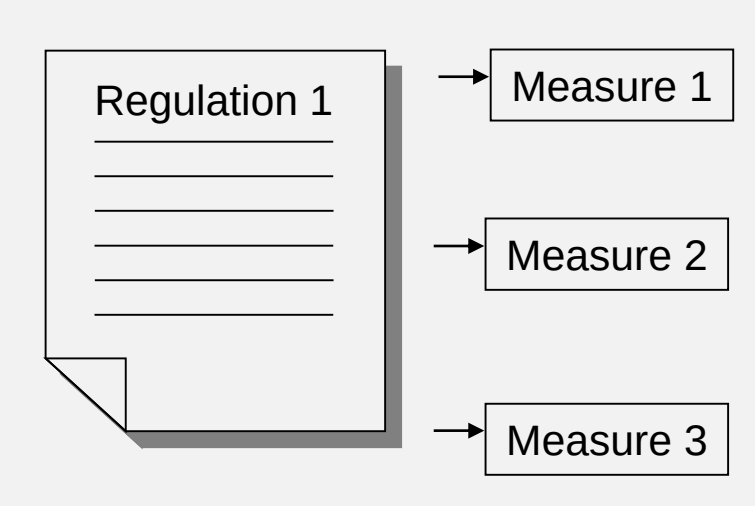
Data collection starts from reading the regulation … to extract the measures

Source ⇨ Document / Regulation ⇨ Measure/s

⇨ Affected Products

⇨ Affected countries

⇨ Objetives / Purpose
(where appropriate)



Data collection starts from reading the regulation … to extract the measures

Source ⇨ Document / Regulation ⇨ Measure/s

⇨ Affected Products

⇨ Affected countries

⇨ Objetives / Purpose
(where appropriate)

One measure is :

- ✓ **'unilateral'** when it affects all countries in the world (similar to MNF)
- ✓ **'bilateral'** when it affects one or a few (but not all) countries at a time

One measure is :

- ✓ '**horizontal**' when it affects ALL products simultaneously

Examples of horizontals

Philippines

NTM code: C9

Description: 3 In compliance with Department of Finance DO 33-2014 and Bureau of Internal Revenue Memorandum Order 10-2014, all importers and Customs brokers shall first apply for accreditation with the BIR for the issuance of their respective Importer or Broker Clearance Certificate (ICC or BCC). Upon securing these, importers and Customs brokers shall file an application for accreditation with the BOC-Account Management Office. 5 All importers and Customs brokers are required to apply for registration under the BOC Client Profile Registration System (CPRS)

Source: Bureau of Customs - Revised guidelines for registration of importers and Customs brokers with the BOC pursuant to DOF Department Order 33-2014

Legal text: Revised guidelines for registration of importers and Customs brokers with the BOC pursuant to DOF Department Order 33-2014

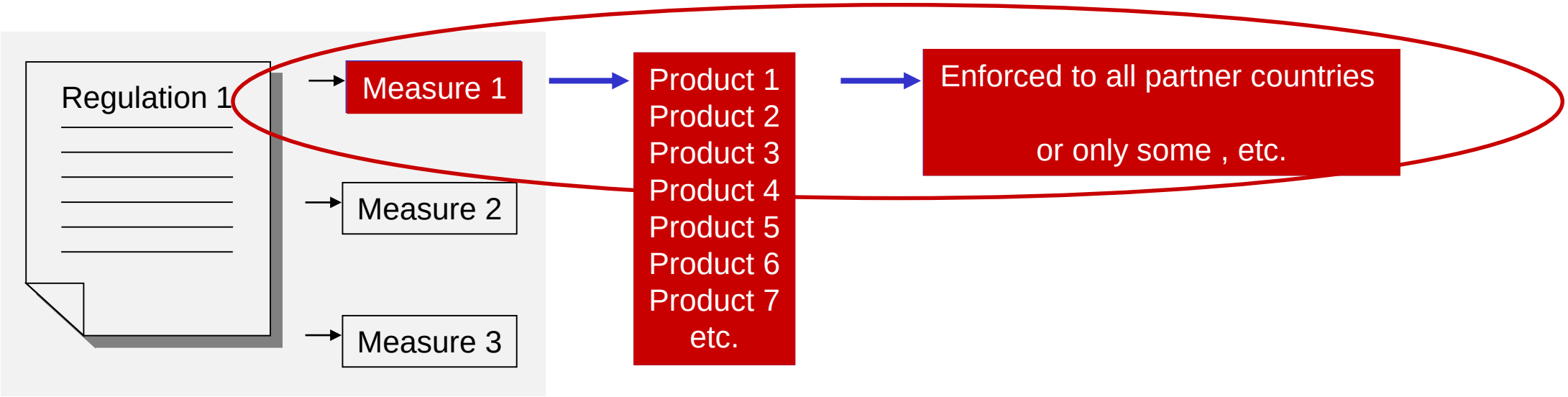
Vietnam

NTM code: H9
Description: This measure sets out procedures and documents for registering rights to import (by trader with no presence in Vietnam)

Source: Luat Viet Nam - Circular on guiding the registration of trading rights for foreign traders with no commercial presence in Vietnam

Legal text: Regulation which instruct registration of trading rights for foreign traders with no commercial presence in Vietnam

Data collection starts from reading the regulation … to register the enforced NTM



This is sometimes called ‘a measure’

It is the number visible in the summary page in TRAINS

UNCTAD TRAINS - Non-Tariff Me

trains.unctad.org/Forms/TableViewDetails.aspx?mode=modify

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Measures: **Sanitary and Phytosanitary [SPS] [A], Technical Barriers to Trade [TBT] [B], Pre-shipment inspection [INSP] [C], Contingent trade protective measures [CTPM] [D], Quantity control measures [QC] [E], Price control measures [PC] [F], Other measures [OTH] [G,H,I,J,K,L,M,N,O], Export-related measures [EXP] [P]**

Reset to defaults

Country(ies) imposing: **Any**

Partner(s) affected: **Any [Include the category "All partners"]**

Date(s): **26/08/2019 [in force]**

Product(s): **Any**

Modify

Search result

Your query covers 773 measures and

Your selection resulted in 114 measures

Export to excel | Return to summary

Measures:

Country imposing	Partner affected	Categor	Measure description	Also domestic	Product description	HS	Source	National legal basis	In force / Withdrawn
Viet Nam	All Members	SPS A852	This measure requires keeping track of processing history of fishery products	Yes	Fishery products	030191 030192 030193 ...	Luat Viet Nam - Circular of Ministry of Agriculture and Rural Development on tracing and recalling of fishery products being unqualified for food...	Circular of Ministry of Agriculture and Rural Development on Regulations for tracing and recalling of fishery products being unqualified for food... other link	07/03/2011
Viet Nam	All Members	SPS A82	Requirement on testing of products in cases of: - Upon the request of production and business units, and other related agencies - state management of food safet...	Yes	Foodstuffs	02 030191 030192 ...	Luat Viet Nam - Law on Food Safety	Law on Food Safety	01/07/2011
Viet Nam	All Members	SPS A851	Requirement on origin of products for unsafe products when requested by relevant authorities	Yes	Foodstuffs	02 030191 030192 ...	Luat Viet Nam - Law on Food Safety	Law on Food Safety	01/07/2011
Viet Nam	All Members	SPS A22	Prohibition of using beta-agonist in livestock and poultry raising	Yes	Animal feeds and animal medicines	210220 2309 3001	Luat Viet Nam - Circular regulating the inspection, supervision and penalties for the use of beta-agonist	Circular regulating the examination, supervision and violation treatment of beta-agonist prohibition in	22/12/2012

ENG 12:15 PM 8/26/2019

Search result

Numbers cannot be compared

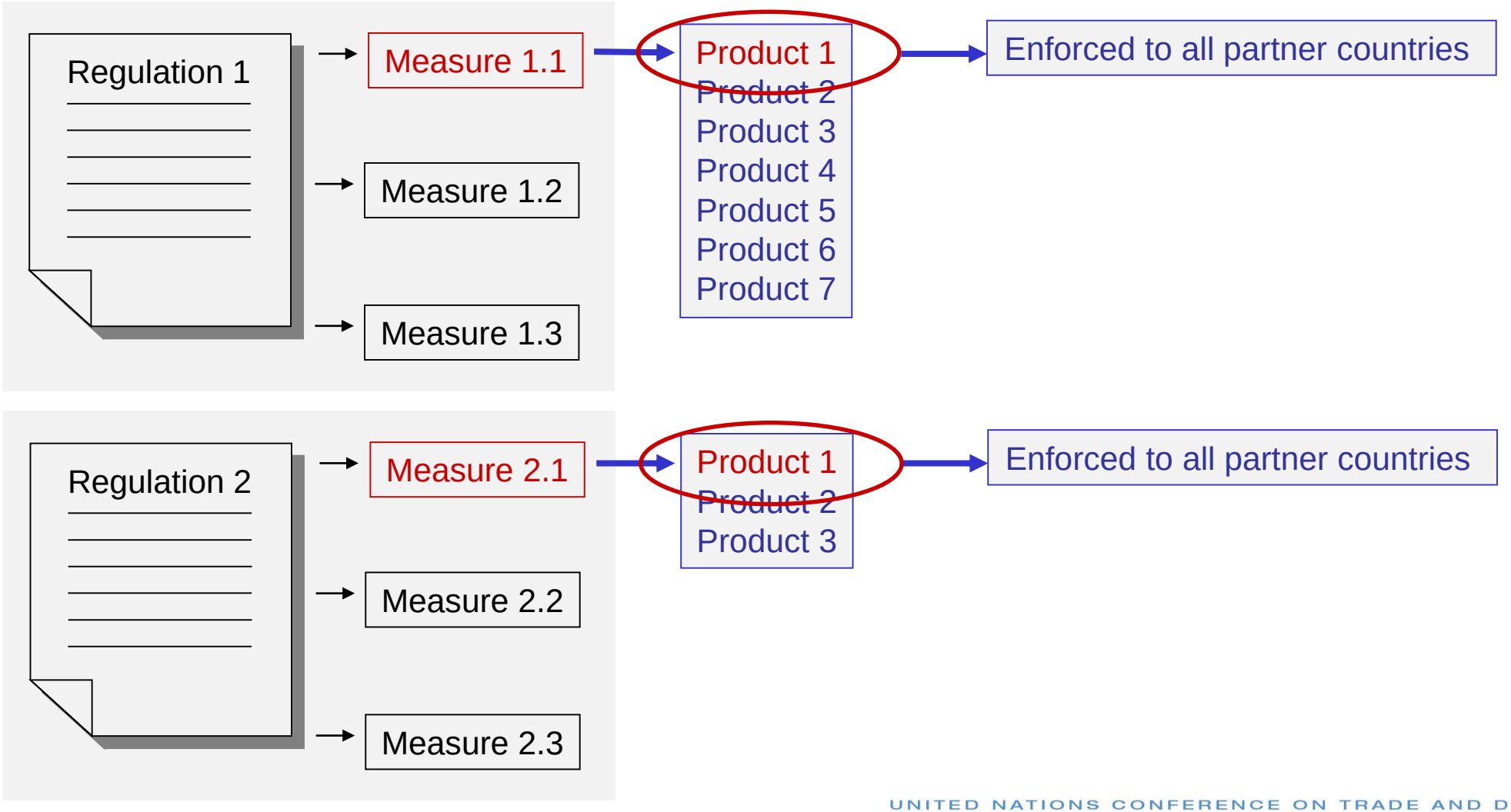
HS Code	Product description	TBT	SPS	INSP	CTPM	QC	PC	EXP	OTH
	Total	**25659**	**29723**	**1809**	**338**	**6454**	**1452**	**7795**	**320**
Sec. I	Live animals and products	1866	6745	333	5	537	3[illegible]7	2143	78
Sec. II	Vegetable products	2265	8722	837	3	567	490	2260	100
Sec. III	Animal and vegetable fats, oils an	1058	2294	137	3	264	199	896	56
Sec. IV	Prepared foodstuff; beverages, sp	3928	5819	291	4	552	407	1696	109
Sec. IX	Wood, cork and articles; basketware	648	687	118	3	202	151	688	54
Sec. V	Mineral products	2251	906	179	3	544	306	1018	92
Sec. VI	Products of the chemical and allied industries	6812	2404	332	3	1796	507	2591	138
Sec. VII	Resins, plastics and articles; rubber and articles	2222	446	135	3	449	200	668	69
Sec. VIII	Hides, skins and articles; saddlery and travel goods	434	423	87	3	212	143	549	49
Sec. X	Paper, paperboard and articles	596	260	85	3	274	137	368	60
Sec. XI	Textiles and articles	1069	633	144	4	401	160	740	64
Sec. XII	Footwear, headgear; feathers, artif. flowers, fans	459	255	56	3	150	117	414	49
Sec. XIII	Articles of stone, plaster; ceramic prod.; glass	1222	186	94	3	281	140	459	57
Sec. XIV	Pearls, precious stones and metals; coin	566	101	97	3	287	159	702	63
Sec. XIX	Arms and ammunition	329	77	63	3	340	143	528	52
Sec. XV	Base metals and articles	2196	285	124	9	413	173	744	66
Sec. XVI	Machinery and electrical equipment	4668	118	151	3	682	249	616	82
Sec. XVII	Vehicles, aircraft and vessels	1923	55	114	3	430	210	469	57

Number of NTM requirements in regulation

Nbr of 'Measures'

Source: UNCTAD TRAINS database

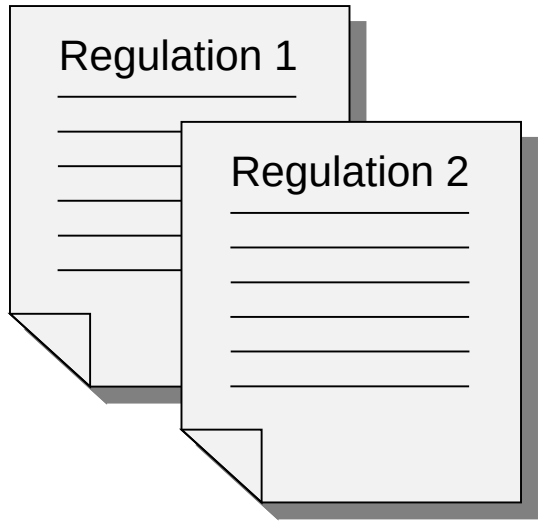
Data collection starts from reading the regulation … Analysis starts from the products



Analysis starts from the products

Product 1 → Measure 1.1 → Enforced to all partner countries

Measure 2.1 → Enforced to all partner countries



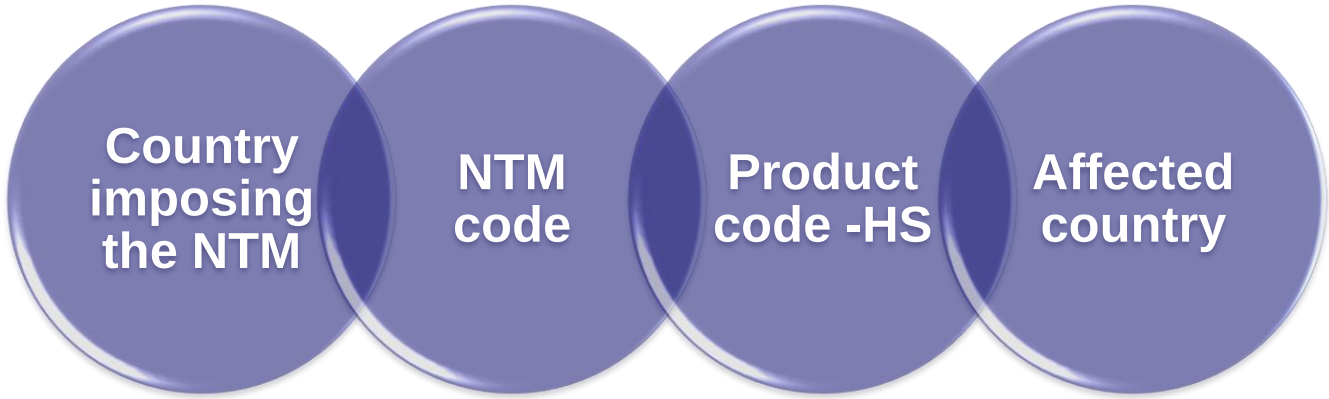
Product 1 is affected by 2 measures

Analysis starts from the products

Source ⇨ Document / Regulation ⇨ Measure/s

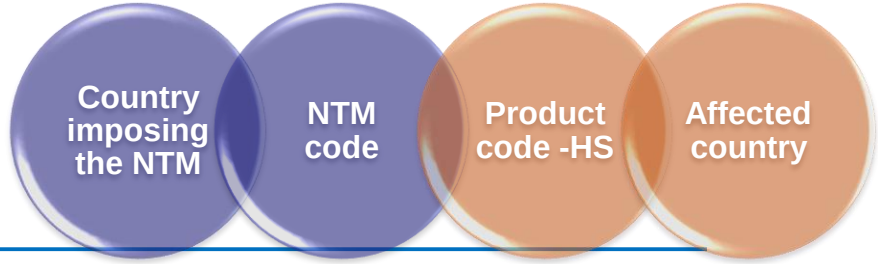
⇨ Affected Products

⇨ Affected countries



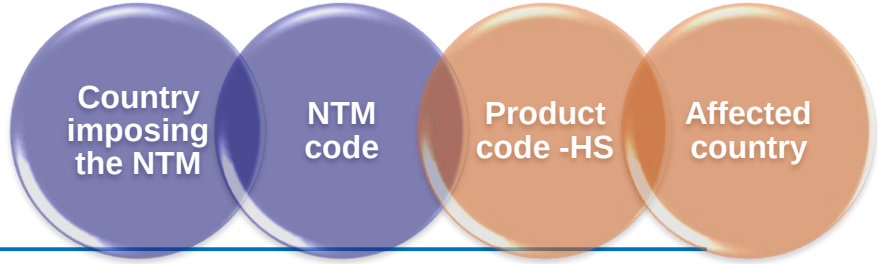
✓ The statistical **unit of analysis** is always the combination of each single value, across the 4 dimensions

Indicators for Descriptive Statistics. Incidence measures



Imposing country	Affected partner	Affected product	Is there an NTM?	NTM code
A	B	1	Yes	A110
A	B	2	Yes	A830
A	B	1	Yes	E120
A	D	3	No	
A	E	3	Yes	E120
A	E	4	Yes	B810
A	F	5	No	
A	F	6	Yes	E220

Indicators for Descriptive Statistics. Incidence measures

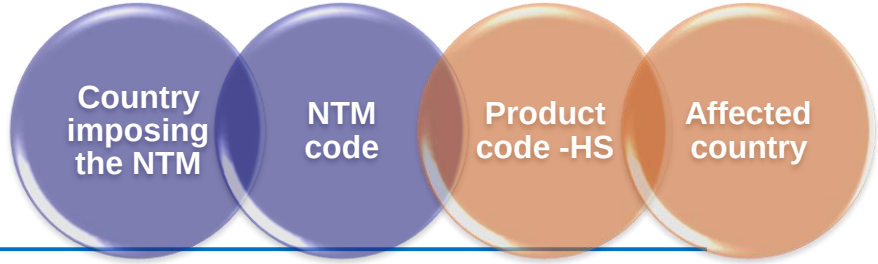


Imposing country	Affected partner	Affected product	Is there an NTM?	NTM code	Trade Value $
A	B	1	Yes	A110	10
A	B	2	Yes	A830	20
A	B	1	Yes	E120	10
A	D	3	No		50
A	E	3	Yes	E120	20
A	E	4	Yes	B810	0
A	F	5	No		0
A	F	6	Yes	E220	0

Traded Products

Non-Traded Products

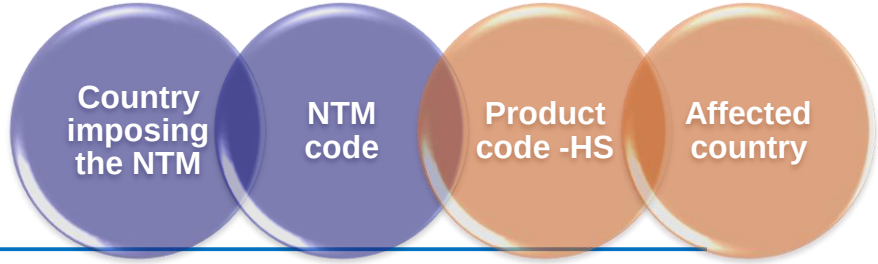
Indicators for Descriptive Statistics. Incidence measures



Imposing country	Affected partner	Affected product	Is there an NTM?	NTM code	Trade Value $
A	B	1	Yes	A110 & E120	10
A	B	2	Yes	A830	20
A	D	3	No		50
A	E	3	Yes	E120	20

Traded Products

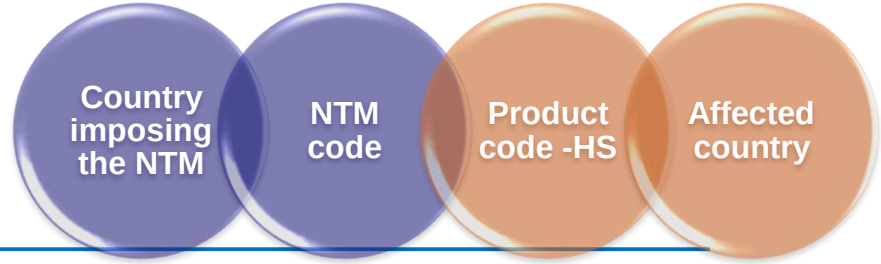
Indicators for Descriptive Statistics. Incidence measures



Imposing country	Affected partner	Affected product	Is there an NTM?	NTM code	Trade Value $
A	B	1	Yes	A110 & E120	10
A	B	2	Yes	A830	20
A	D	3	No		50
A	E	3	Yes	E120	20
Indicator result			3/4		50/100
			0.75		**0.50**
			Frequency Index		Coverage Ratio

Traded Products

Indicators for Descriptive Statistics. Incidence measures



Imposing country	Affected partner	Affected product	Is there an NTM?	NTM code	Trade Value $	How many diff NTM?
A	B	1	Yes	A110 & E120	10	2
A	B	2	Yes	A830	20	1
A	D	3	No		50	0
A	E	3	Yes	E120	20	1
			yes 3/all 4		50/100	4/4 (average)
			0.75		**0.50**	**1**
			Frequency Index		Coverage Ratio	Prevalence Score
			From 0 to 1		From 0 to 1	

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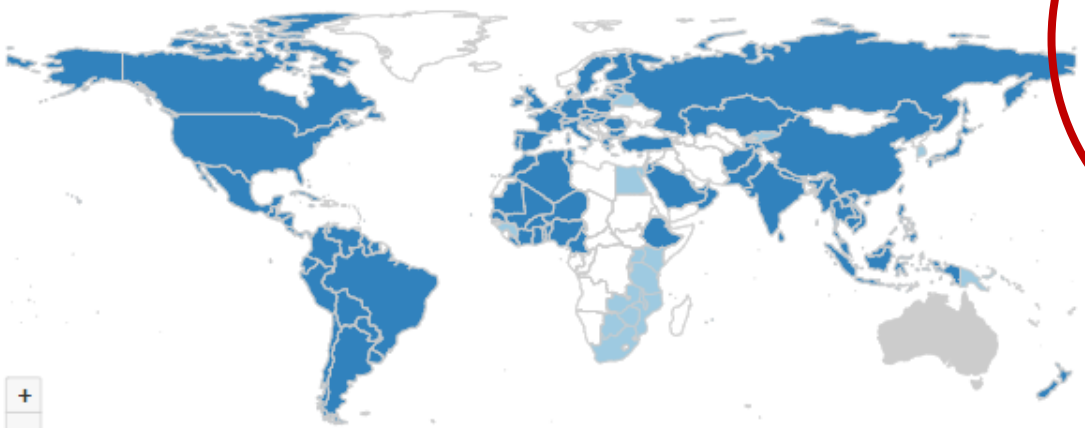
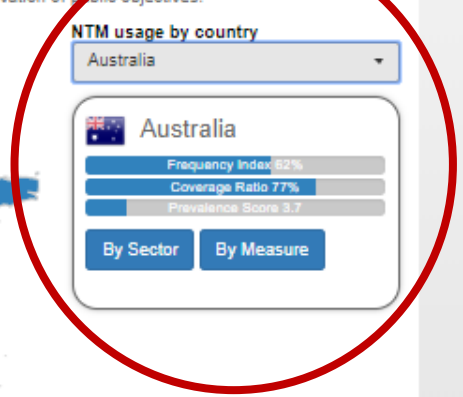
Data on non-tariff measures



Data is available | In progress

5/7/2018

unctad.org/ntm



ENG 4:19 PM 8/1/2019

World Integrated Trade Solution

World Bank Group [US] | wits.worldbank.org

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Partners: UNCTAD

Custom Query

INTRODUCTION

The World Integrated Trade ... vides access to international merc ... tariff measures (NTM) data. Brow ... to obtain countries exports, im ... with relevant development data.

Register and log in to WITS to perform custom analysis using standard and derived product classifications.

By Country | By Indicator | Register | Login

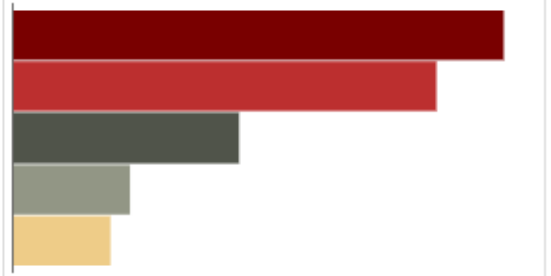
MY COUNTRY: United States 2017 VIEW TRADE SUMMARY/ AT A GLANCE

Trade Summary

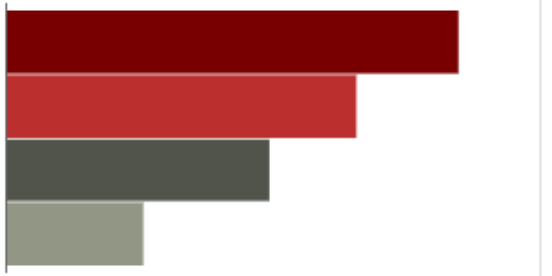
Import (US$ Mil)	2,407,390
Export (US$ Mil)	1,545,609
Weighted Average Tariff (%)	1.66
Trade (% of GDP)	...
GDP (current US$ Mil)	19,390,604

View All »

Export Partners



Exports by Product Groups



POPULAR COUNTRIES/ INDICATORS

Countries | Indicators

- China At a Glance
- United States At a Glance
- India At a Glance
- Pakistan At a Glance
- Mexico At a Glance
- Brazil At a Glance
- Germany At a Glance

WORLD AT A GLANCE

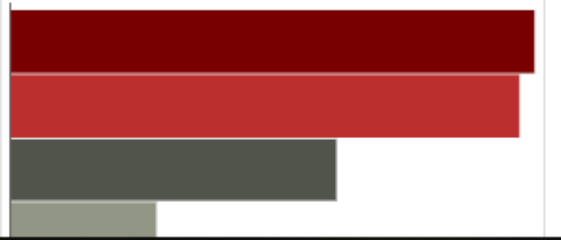
Top Importers 2016

	Trade (US$ Mil)	Share %
United States	1,945,159	13.29
China	1,261,714	8.62
Germany	916,090	6.26
United Kingdom	610,647	4.17
Hong Kong, China	582,557	3.98

Top Exporters 2016

	Trade (US$ Mil)	Share %
China	2,077,109	14.08
United States	1,292,436	8.76
Germany	1,145,973	7.77
Japan	661,678	4.49
France	488,825	3.31

Exports by Product Groups 2016



https://wits.worldbank.org/tariff/non-tariff-measures/en/country/CAN

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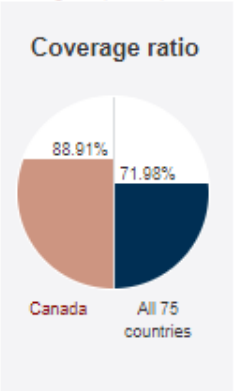
WITS World Integrated Trade Solution

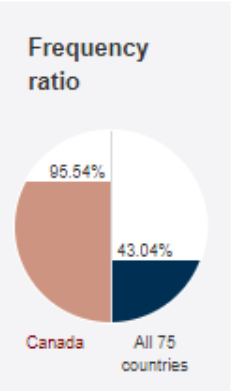
Canada Non-Tariff Measure (NTM) Summary

Change selection (country)

Imports

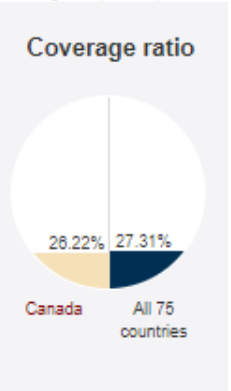
Looking for specific products?

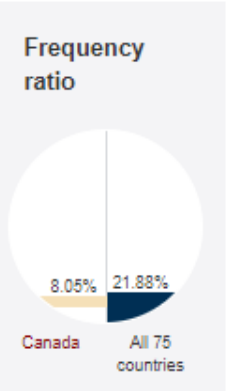




Exports

Looking for specific products?





Importations of Canada have a coverage ratio of 88.91% and a frequency ratio of 95.54% for non-tariff measures. Exports of Canada have a coverage ratio of 26.22% and a frequency ratio of 8.05% for non-tariff measures.

Canada Top ten most imposed non-tariff measures

NTM Frequency and Coverage ratio, total imports, NTM Affected Product count NTM affected Trade *(sorted by coverage ratio)*

Legend Max Min

Print view | Download Data

Measure	NTM Coverage Ratio	NTM Frequency Ratio	NTM affected product - Count	NTM affected Trade

Sectors Affected by NTM | WITS

Non sécurisé | wits.worldbank.org/non-tariff-measures/visualization/sectors-affected-by-ntm/en/country/THA

Applications | Google Space | Google Underwater... | Google Maps

WITS
World Integrated Trade Solution

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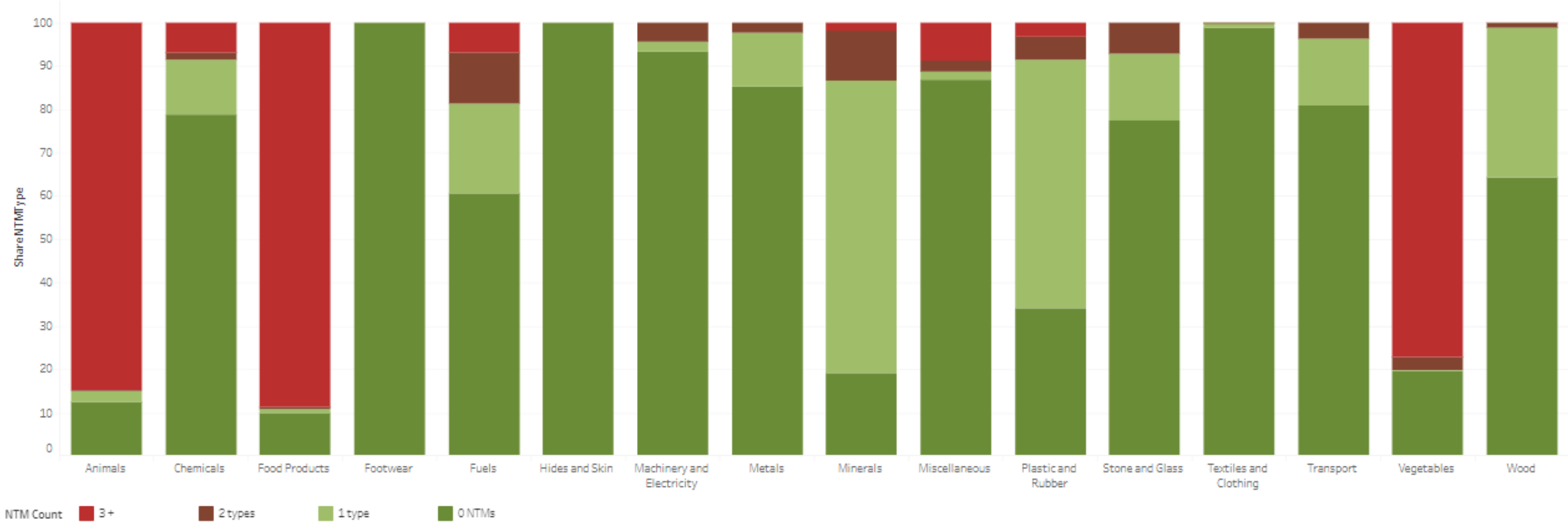
Sectors Affected by NTM

Other Visualizations | Custom Query

Use this visualization to see in which sector is Non-Tariff Measure prevalent.

Which sectors are affected by Non-Tariff Measures (NTM) the most for Thailand ?



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Duty free imports affected by NT

wits.worldbank.org/non-tariff-measures/visualization/ntm-dutyfree-imports-affected-byntm-visualization.html

Google Underwater Search
https://elgoog.im/underwater/

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Duty free imports affected by NTM's

Use this visualization check percentage of duty free imports affected by NTM chapter.

Other Visualizations | Custom Query

Duty Free Imports affected by NTM measure

Country Name	A: Sanitary and phytos..	B: Technical barriers to..	C: Pre-shipment inspec..	D: Price control measur..	E: Licences, quotas, pr..	F: Charges, taxes and o..	G: Finance measures	H: Anti-competitive me..	I: Trade-related invest..	J: Distribution restricti..	N: Intellectual property
Algeria	0.00	0.13			0.12			0.10			
Antigua and Barbuda	0.26	0.14	0.26		0.03	0.66					
Argentina	3.51	3.70	0.09		2.34	6.46	2.57	7.06			
Australia	3.55	34.02	0.56		0.22	16.20					0.03
Bahamas, The	5.73	2.36	1.17			25.86	0.24	3.90			
Bahrain	4.03	6.41	4.69		2.29	1.34		0.01			
Benin		3.62	2.86		0.09	2.31			0.00		
Bolivia	1.56	1.73			0.00	0.06					
Brazil	6.40	14.39	2.63	2.57	11.08	0.04		8.60			
Burkina Faso	7.10	4.18	1.72					2.16			
Canada	4.03	24.32	1.15		3.00	47.96		0.00			
Chile	0.05	0.00			0.05						
Colombia	10.16	14.81	3.17	0.49	18.84	2.64		0.84			
Costa Rica	0.01	0.80			0.01	0.04					
Cote d'Ivoire		0.02	0.04								
Cuba	0.48	4.33						0.42			
Dominica	2.59	1.52	0.53		0.25	0.25					
Ecuador	2.91	12.07	0.38		3.03	0.54		0.04			
Ethiopia(excludes Eritrea)	0.02	4.39	7.68			0.01					
European Union	5.26	41.51	1.79		1.51		0.19	0.45			

ByCountrySector.png

Tout afficher

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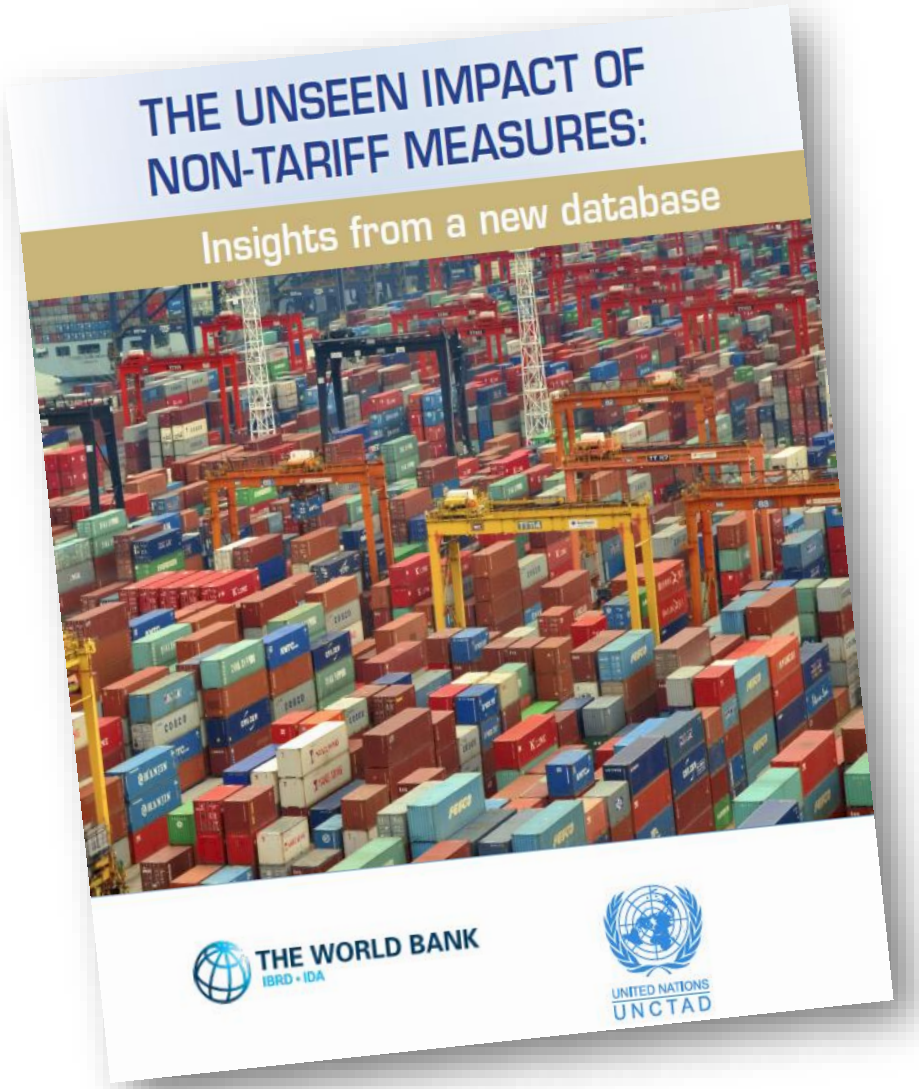


More info:
unctad.org/ntm

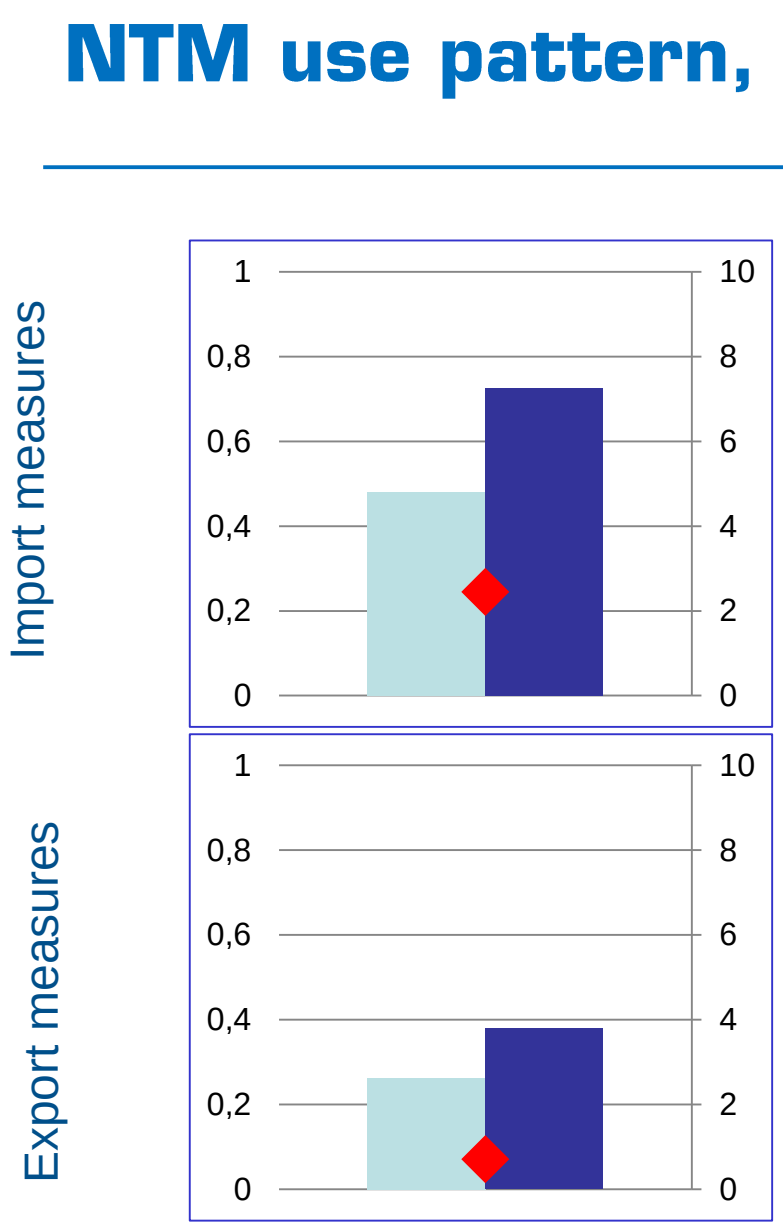
Data:
Trains.unctad.org
Wits.worldbank.org

Key findings:

- Developed countries regulate more products and a higher share of imports than developing countries
- Agricultural products are more regulated than manufactures and natural resources
- Technical Barriers to Trade are the most frequent form of NTMs

- Based on data for 109 countries, covering 90% of global trade

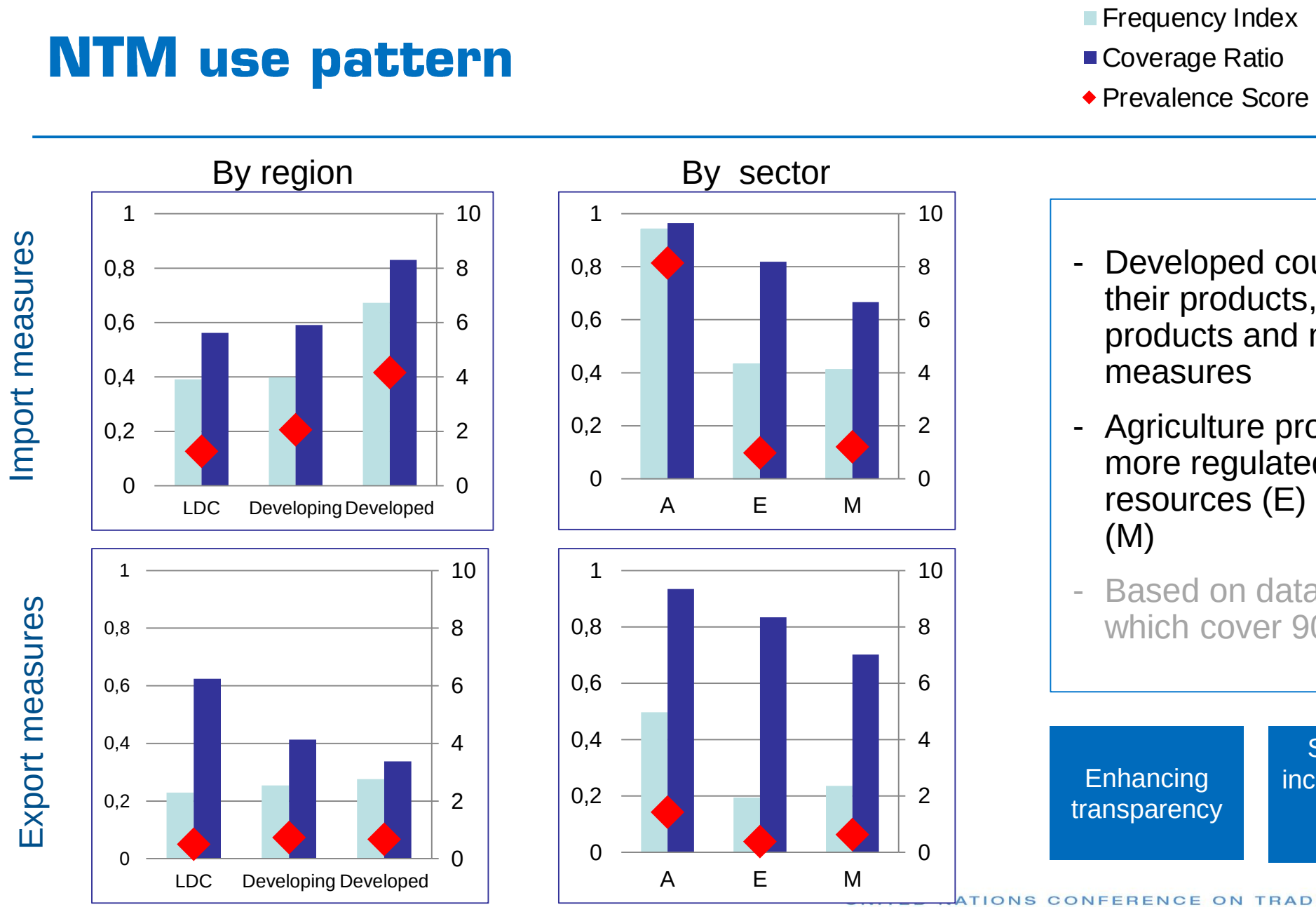
NTM use pattern, grand global average



- FI : Almost half the traded products face at least one NTM
- CR: About 3/4 of the trade face at least one NTM
- PS: every traded product faces more than 2 MTN on average

- Based on data for 109 countries, which cover 90% of word trade

NTM use pattern



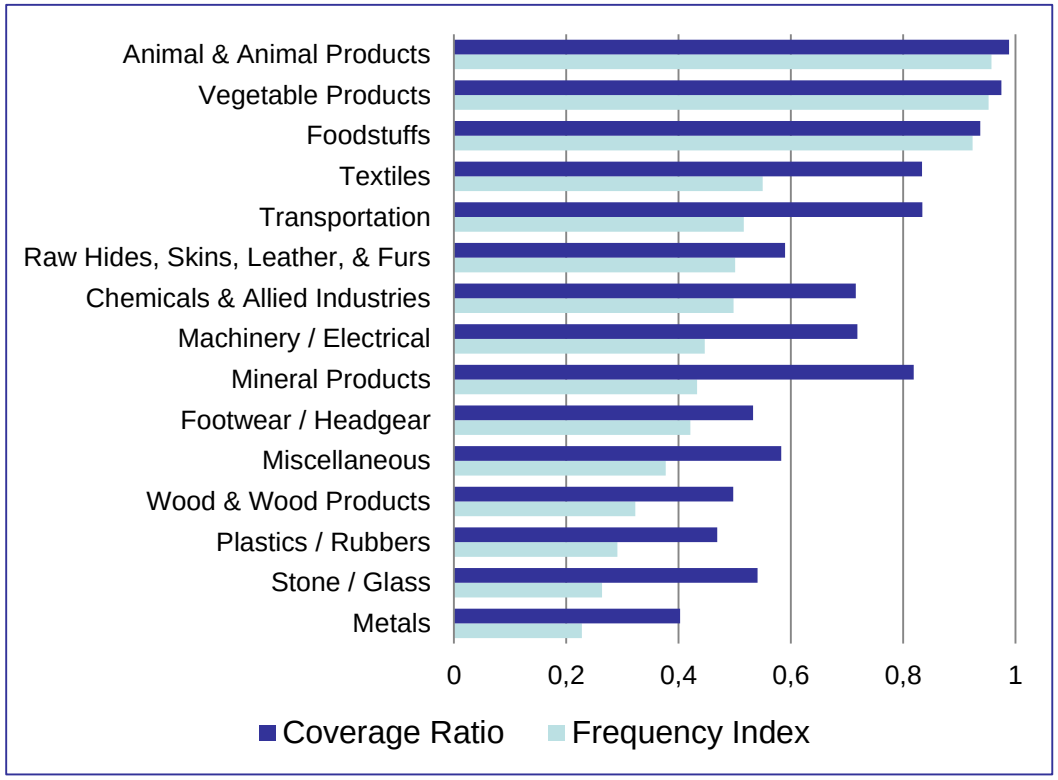
- Developed countries regulate their products, both in number of products and number of measures
- Agriculture products (A) are more regulated than Natural resources (E) and manufactures (M)
- Based on data for 109 countries, which cover 90% of word trade

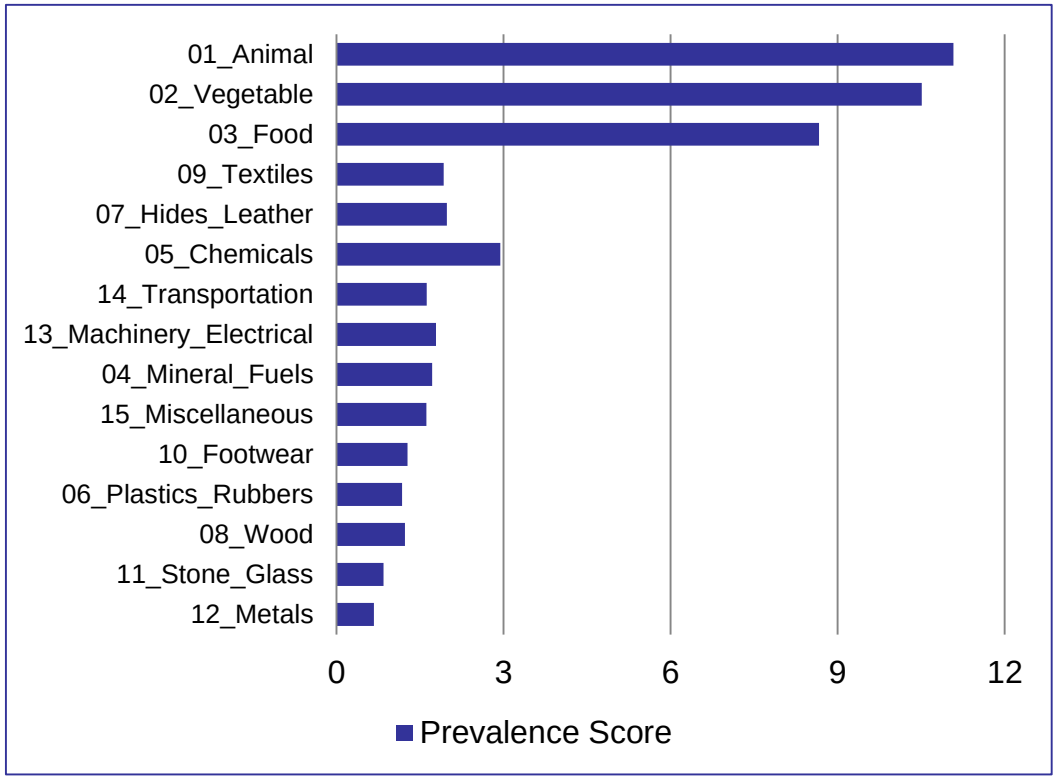
Enhancing transparency

Support low-income countries and small producers

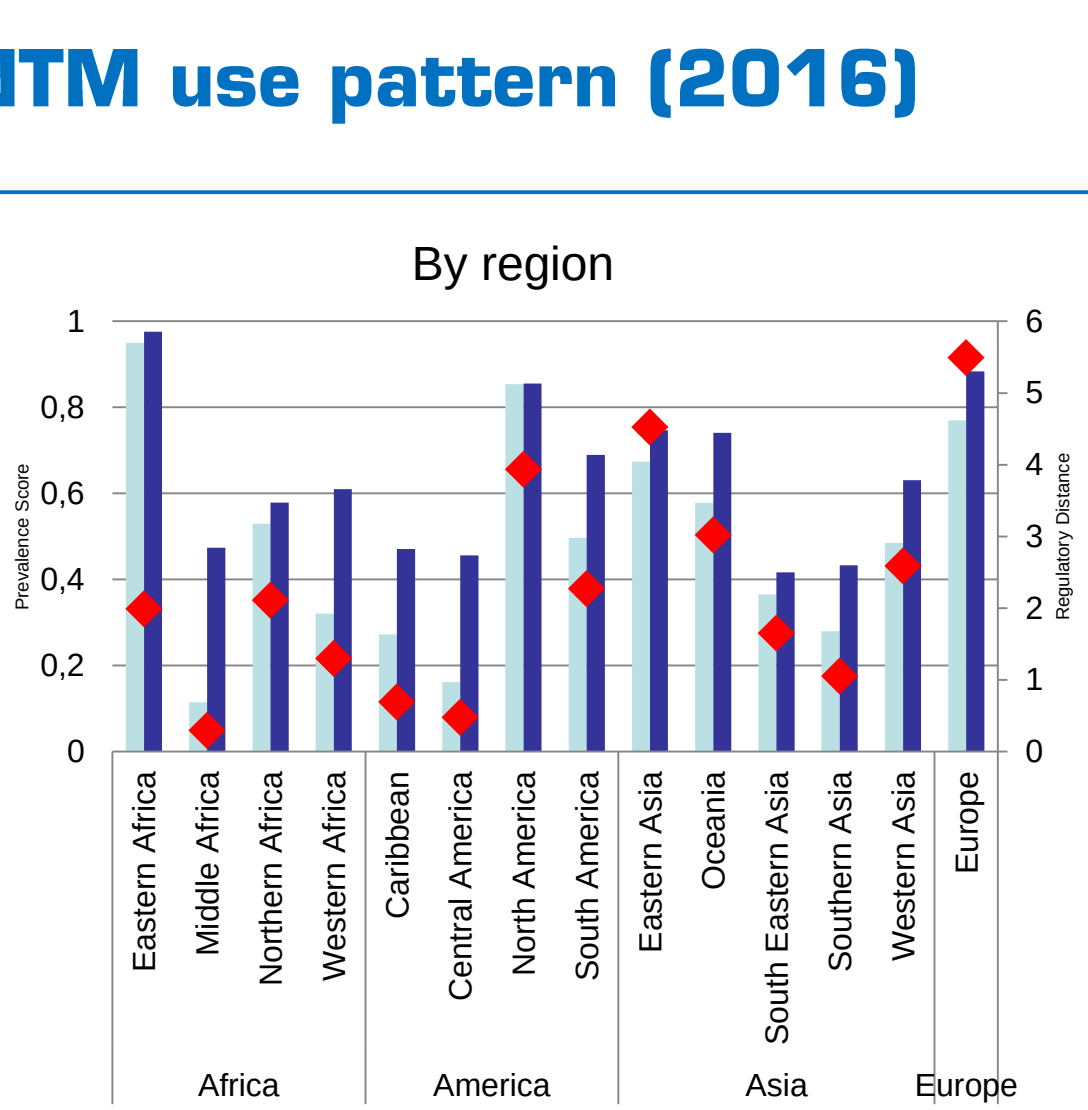
Getting it right now

NTM use pattern, by sector



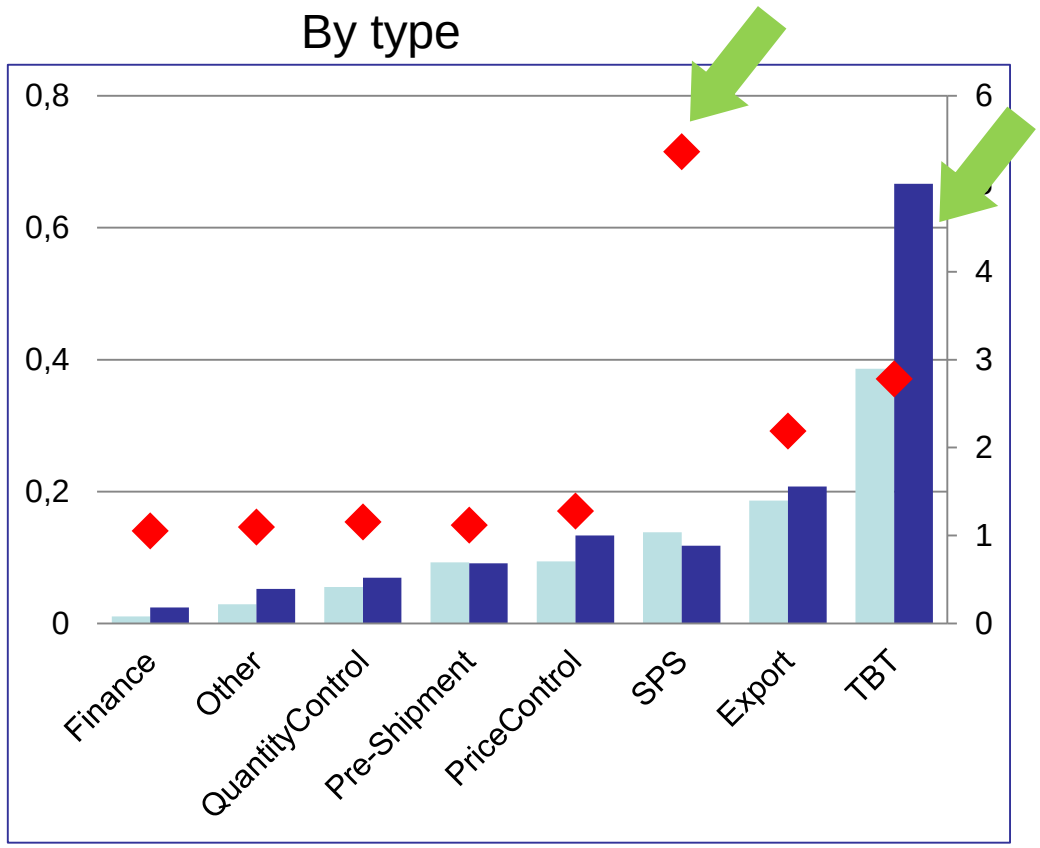


NTM use pattern (2016)



- Use patters of NTM is different for sub-regions , within broad regions

NTM use pattern, by type

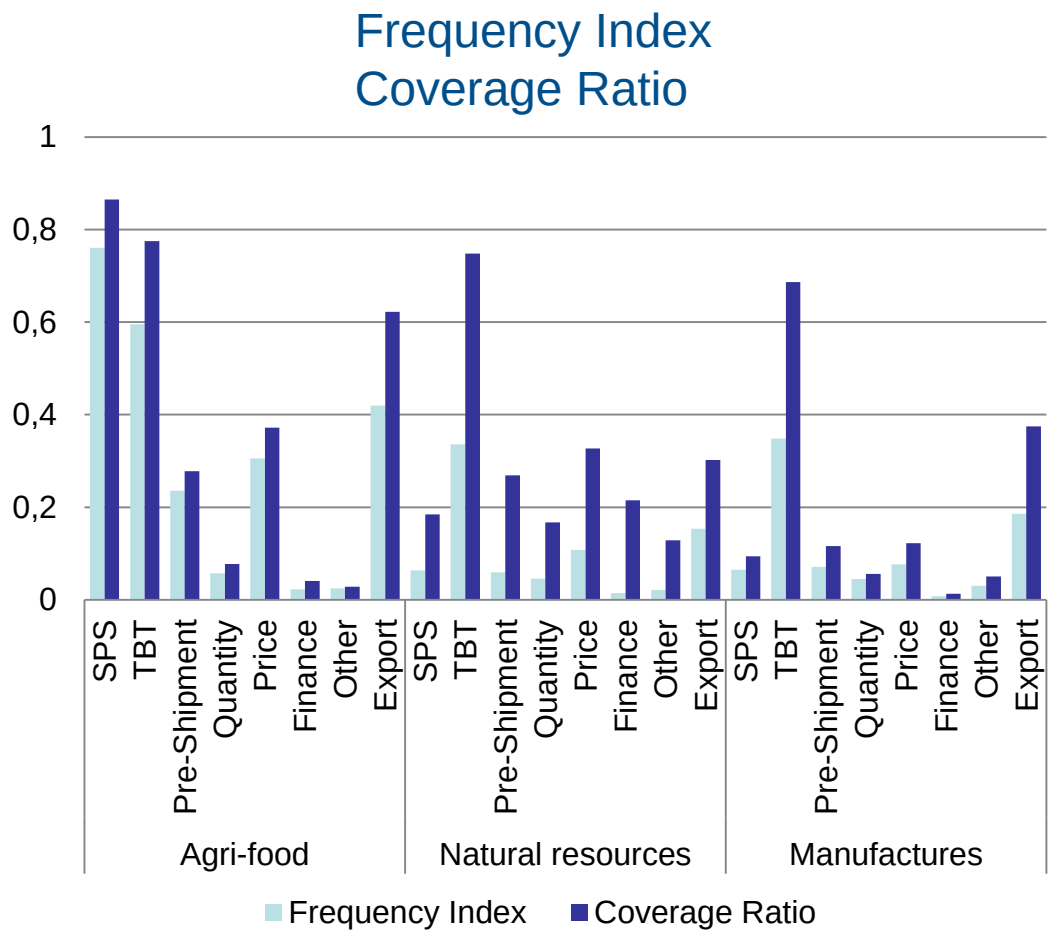


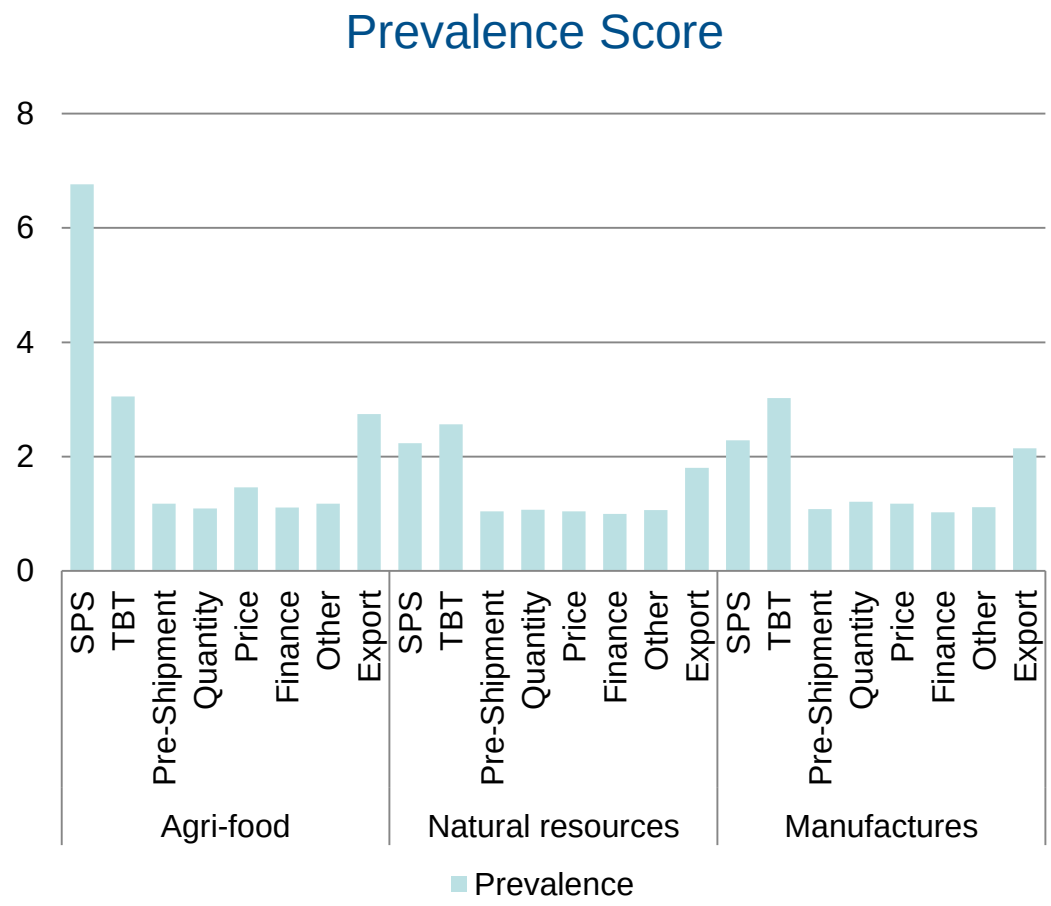
- Technical measures are more frequently used than other types
- SPS measures have the highest Prevalence Score

Regulatory reassessment at the national level is important to ensure coherent policy measures

Regulatory cooperation should be pursued at multiple levels

Key findings, by type of measure and group of products



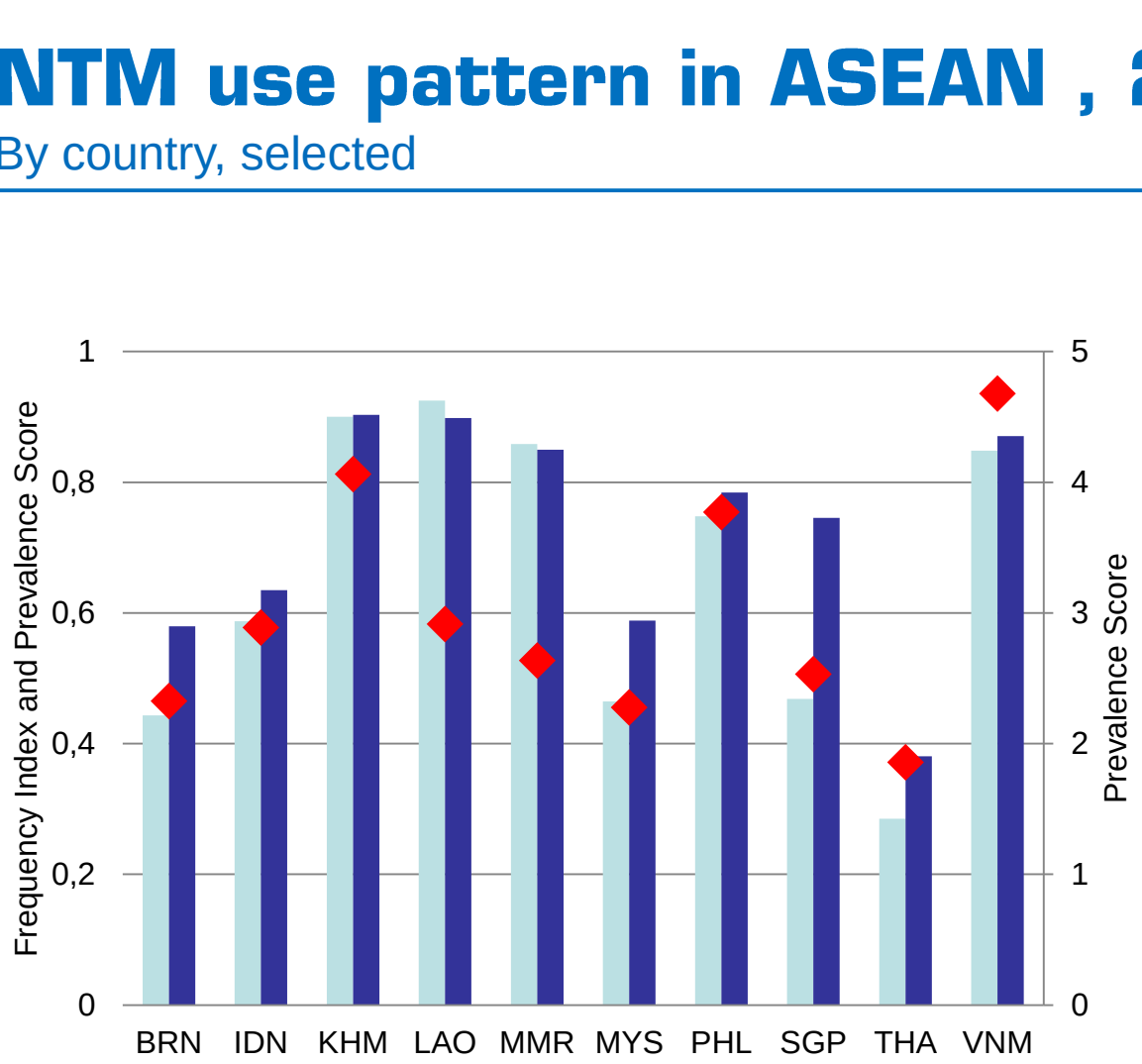


- Agri-food products are highly regulated by SPS and TBT
- Manufactures are regulated mainly by TBT

- SPS measures have the highest Prevalence Score, more than 6 measures on average on every product

NTM use pattern in ASEAN , 2018

By country, selected

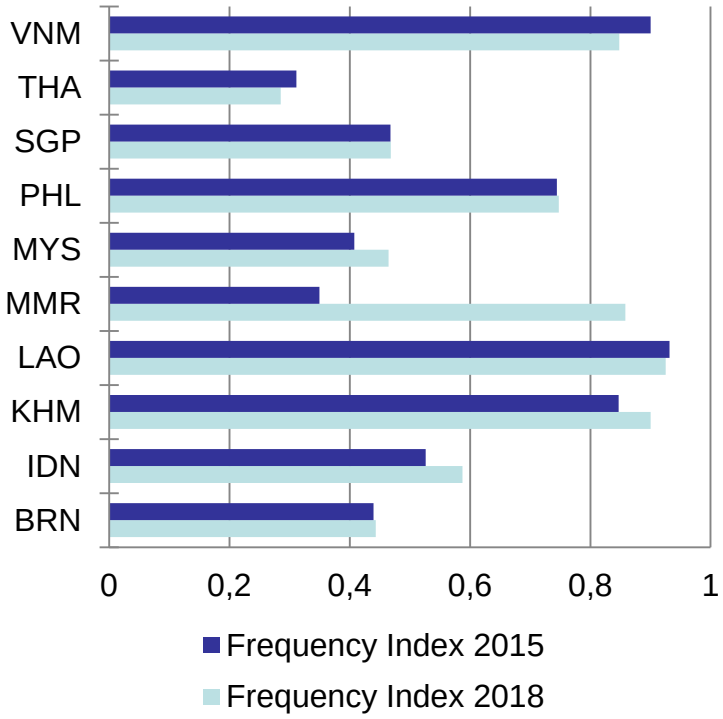


- FI : 0.56
- CR : 0.68
- PS : 2.84

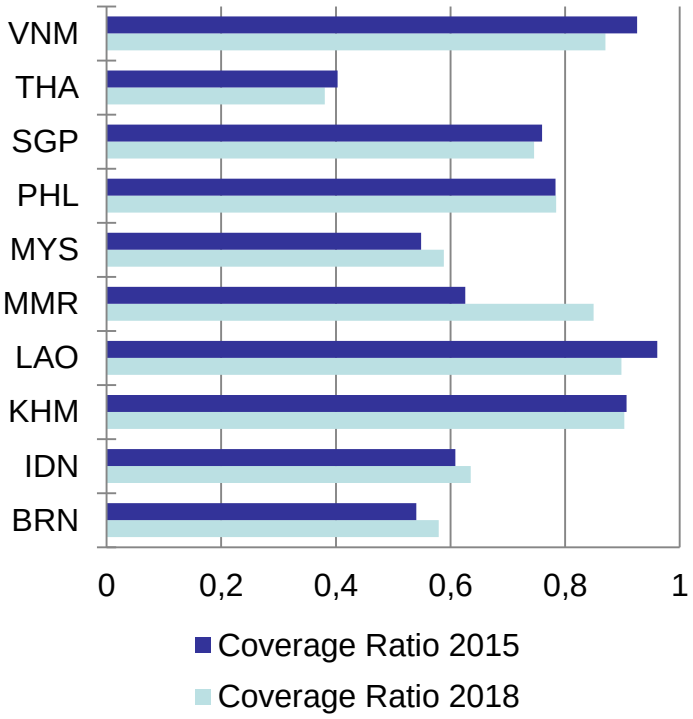
Import NTMs in ASEAN , 2015 & 2018

By country, selected

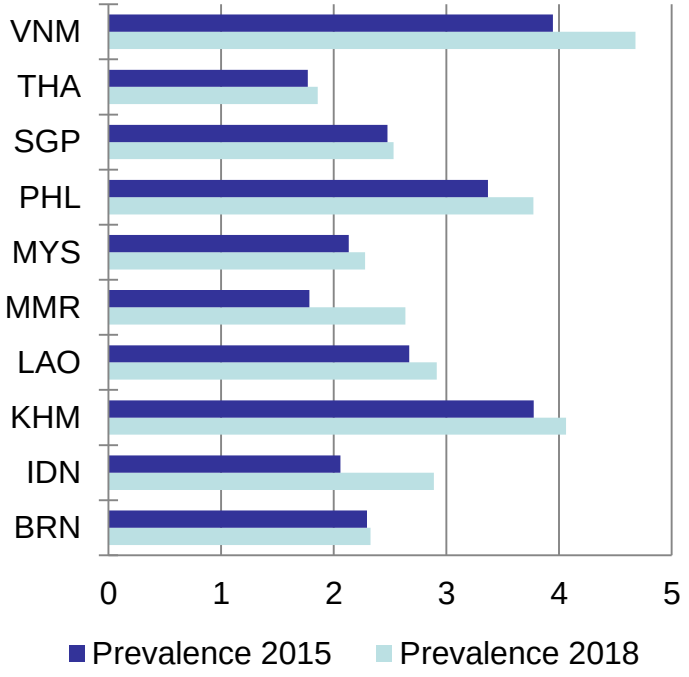
Frequency Index, 2015 & 2018



Coverage Ratio, 2015 & 2018



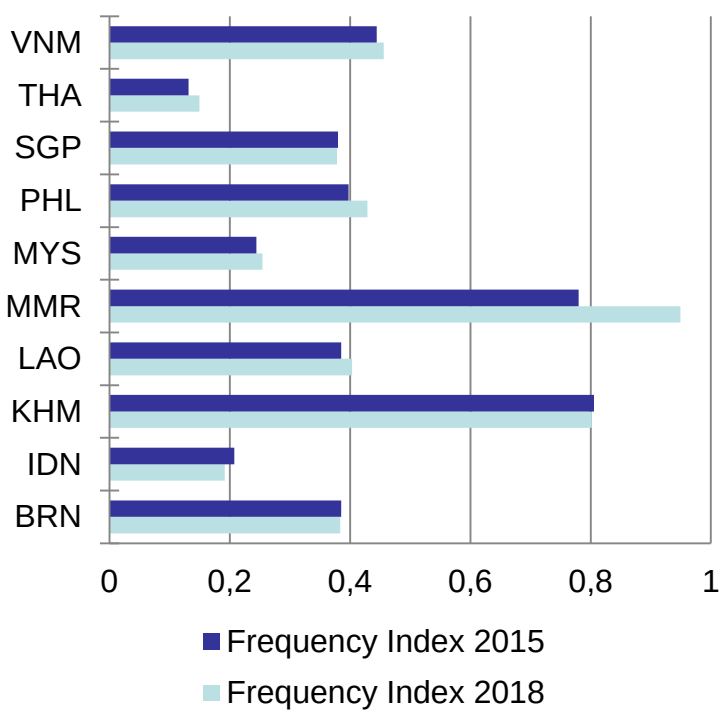
Prevalence Score, 2015 & 2018



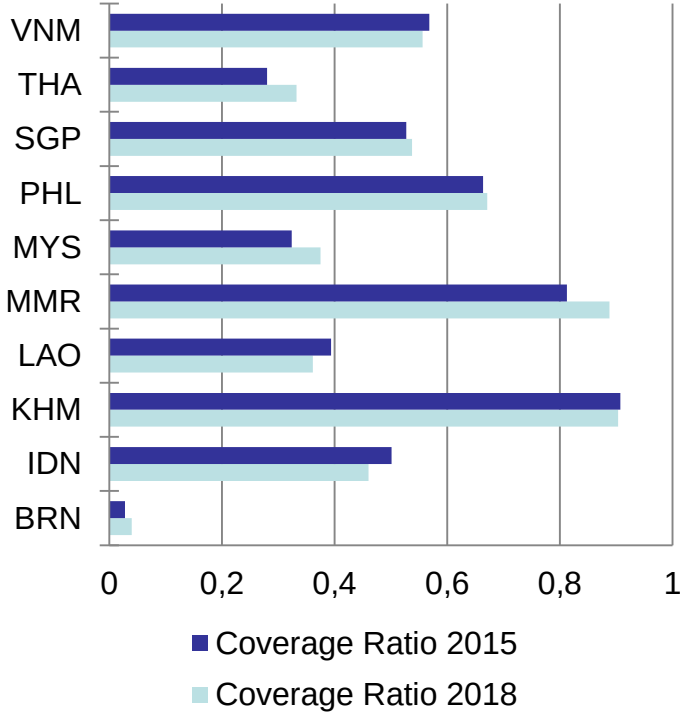
Export NTMs in ASEAN , 2015 & 2018

By country, selected

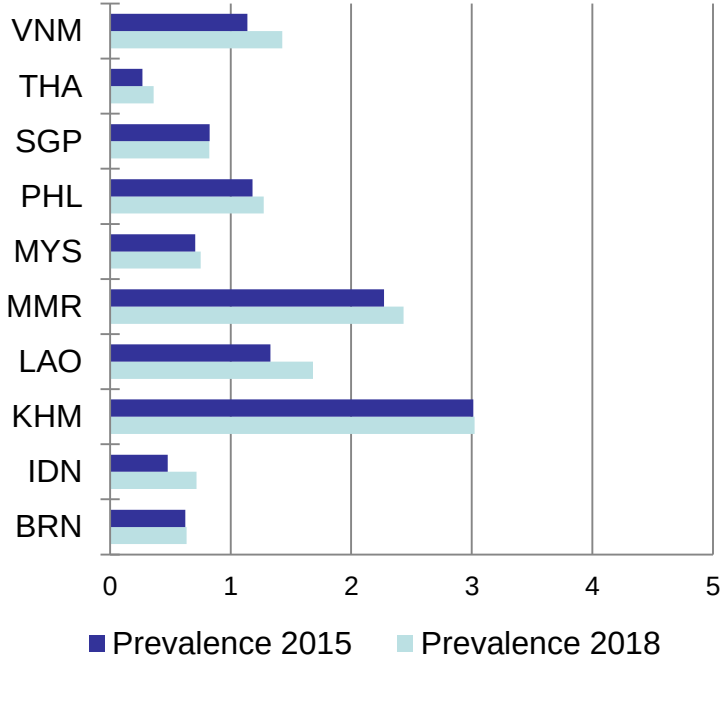
Frequency Index, 2015 & 2018



Coverage Ratio, 2015 & 2018

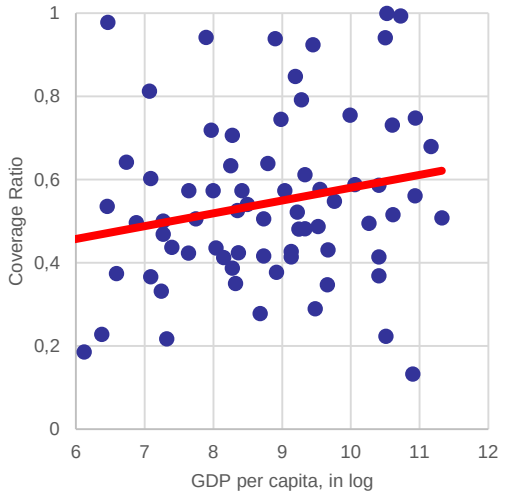


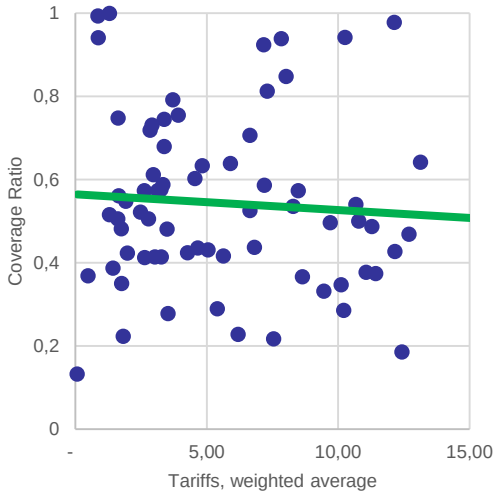
Prevalence Score, 2015 & 2018



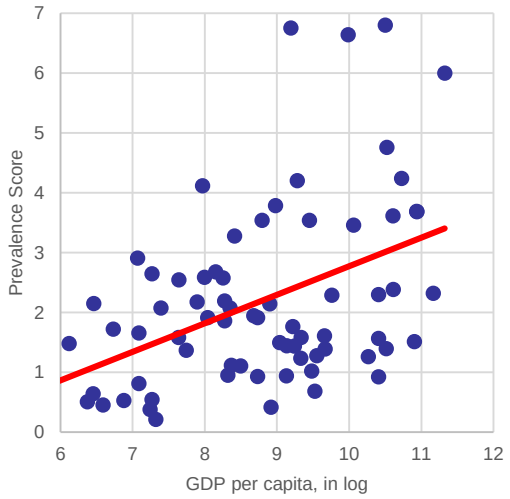
NTM positively correlated to GDPpc (globally)
NTM negatively correlated to average tariffs

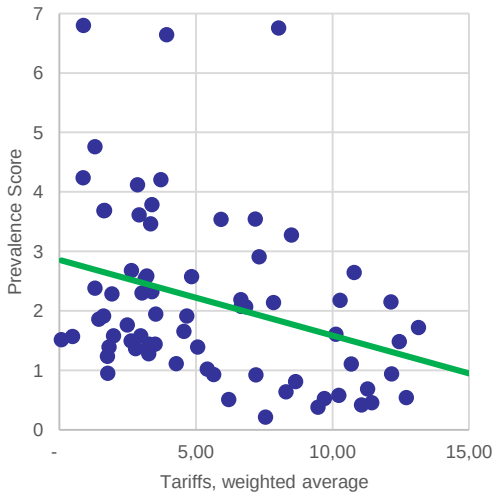
Coverage Ratio





Prevalence Score





GDP per capita (ln)

Tariffs (weighted average)

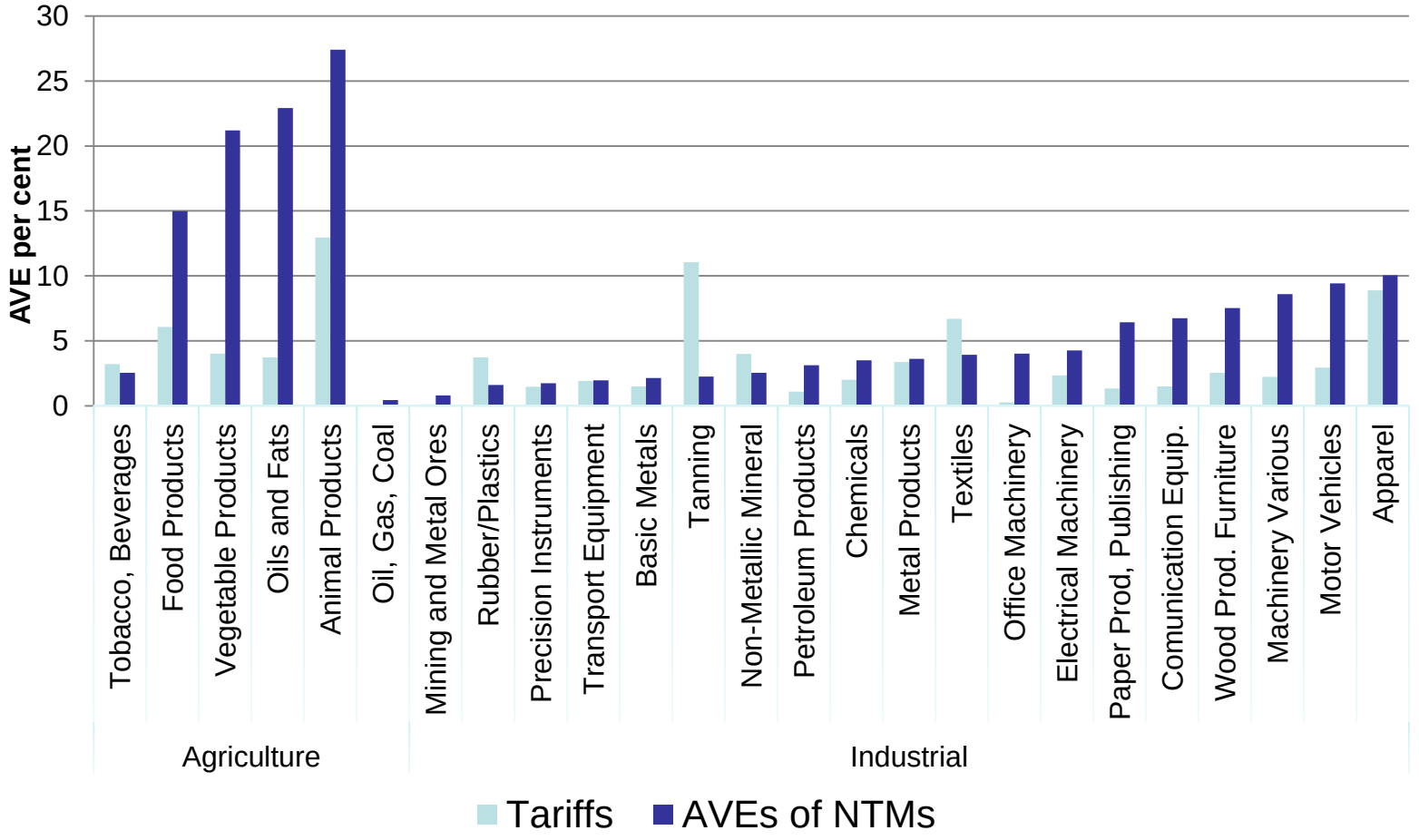
More developed countries use :

- more NTM
- less tariffs (policy substitution?)

- But also
- Better trade facilitation

TRADE AND DEVELOPMENT
UNCTAD

Tariffs and NTM , by sector
Ad-Valorem Equivalent (AVE)



- Tariffs are normally less costly than AVE
- AVE for agriculture are much higher
  - Those countries that are net food exporters will be more affected

The ad-valorem equivalents (AVEs) of NTM is one way to assess its impact

The interpretation of AVEs of NTMs is similar to that of a tariff:

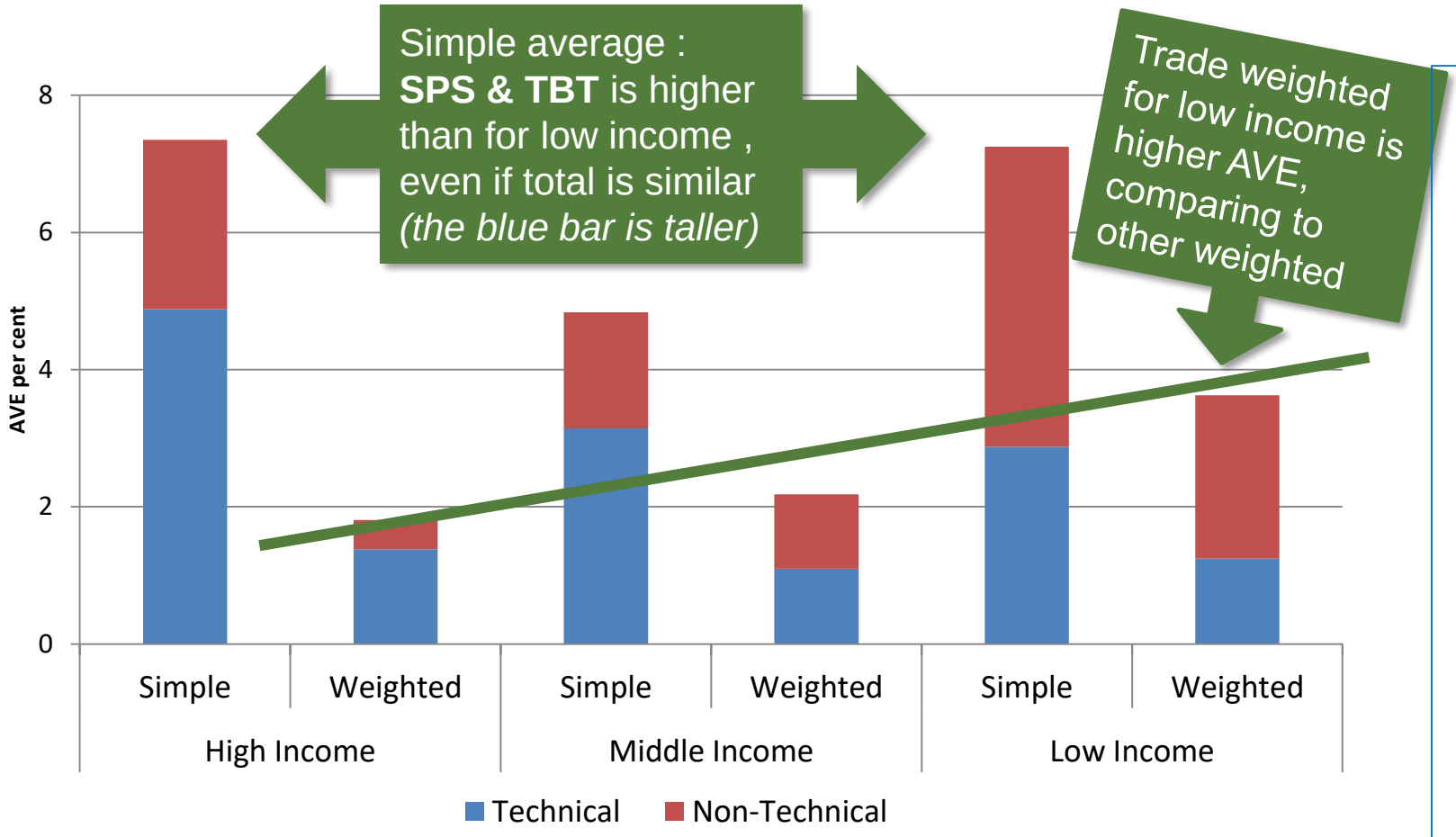
- **AVEs represent the additional costs that the presence of NTMs has on imports**
- The AVE are price effects of NTM, in %, on trade flow

Example

- an AVE of 10% indicates that the NTM add about 10% to the price of the traded product

Estimates at HS6, and bilateral
About 40 importers with data on import NTM
About 200 exporters

Kee and Nicita (2017, 2018)



Global average is about

- 11 % for technical measures
- 9 % for other types of measures

- Although most AVEs are low, their distribution is quite dispersed, with some relatively high values

* Do not estimate prohibitive NTM , where there is no trade

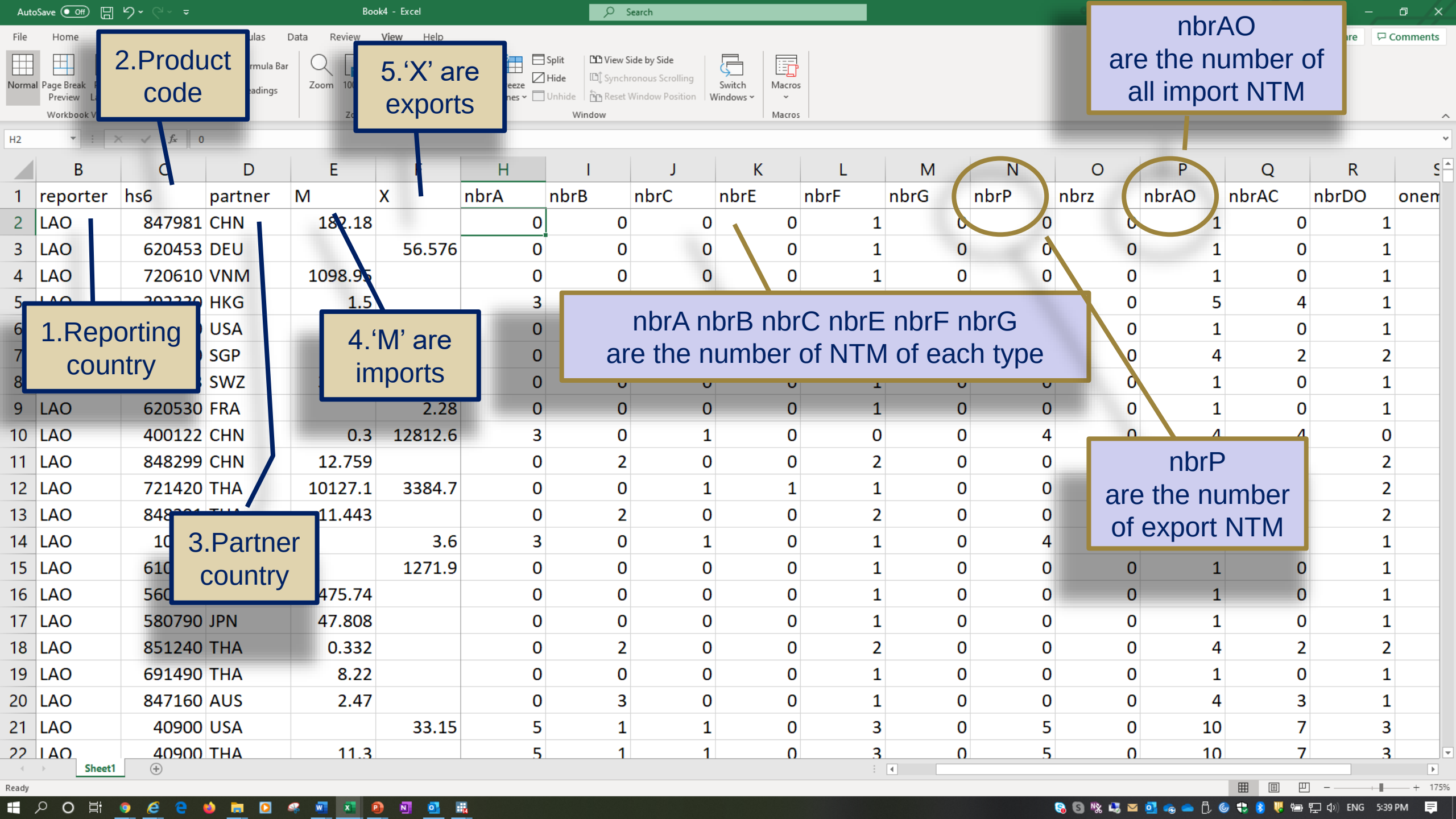
Exercise. Frequency Index, Coverage Ratio, Prevalence Score

Please open the excel file called

"NTM&trade LAO.xls"

It contains information on bilateral exports and imports of your country, at HS6 digit level, and also information on NTM. Specifically, how many NTM of each type for each bilateral trade relationship and HS6 product.

The file has more than 9 400 lines of information. This is because the number of existing products is around 5200, and countries in the world (as trade partners) are around 200. These are all combined. Data is for 2016.



	B	C	D	E	F	H	I	J	K	L	M	N	O	P	Q	R
1	reporter	hs6	partner	M	X	nbrA	nbrB	nbrC	nbrE	nbrF	nbrG	nbrP	nbrz	nbrAO	nbrAC	nbrDO
2	LAO	847981	CHN	182.18		0	0	0	0	1	0	0	0	1	0	1
3	LAO	620453	DEU		56.576	0	0	0	0	1	0	0	0	1	0	1
4	LAO	720610	VNM	1098.95		0	0	0	0	1	0	0	0	1	0	1
5	LAO	392330	HKG	1.5		3							0	5	4	1
6	LAO		USA			0							0	1	0	1
7	LAO		SGP			0							0	4	2	2
8	LAO		SWZ			0	0	0	0	1	0	0	0	1	0	1
9	LAO	620530	FRA		2.28	0	0	0	0	1	0	0	0	1	0	1
10	LAO	400122	CHN	0.3	12812.6	3	0	1	0	0	0	4				0
11	LAO	848299	CHN	12.759		0	2	0	0	2	0	0				2
12	LAO	721420	THA	10127.1	3384.7	0	0	1	1	1	0	0				2
13	LAO	848	THA	11.443		0	2	0	0	2	0	0				2
14	LAO	10			3.6	3	0	1	0	1	0	4				1
15	LAO	610			1271.9	0	0	0	0	1	0	0	0	1	0	1
16	LAO	560		475.74		0	0	0	0	1	0	0	0	1	0	1
17	LAO	580790	JPN	47.808		0	0	0	0	1	0	0	0	1	0	1
18	LAO	851240	THA	0.332		0	2	0	0	2	0	0	0	4	2	2
19	LAO	691490	THA	8.22		0	0	0	0	1	0	0	0	1	0	1
20	LAO	847160	AUS	2.47		0	3	0	0	1	0	0	0	4	3	1
21	LAO	40900	USA		33.15	5	1	1	0	3	0	5	0	10	7	3
22	LAO	40900	THA	11.3		5	1	1	0	3	0	5	0	10	7	3

Exercise. Frequency Index, Coverage Ratio, Prevalence Score

Notes

- To compute Indicators on chapters

A B C D E F G H, you need to review imports

Questions

1. Frequency Index
   - a. How many products does '*your country*' import ?
   - b. How many of those have an NTM?
   - FI = a /b

2. Coverage Ratio
   - c. How much does '*your country*' import ? (add up the value)
   - d. How much of those imports have an NTM? (add up the value only counting the lines that have NTM)
   - CR = c /d

3. Prevalence Score
   - Calculate the average of column Column O, "nbrAO"
   - Include all products that are imported, including those with zero values, but not those that are not imparted (zero import value)
   - This is the PS

1. Frequency Index
Laos

a) How many products does Laos import ?

(products times trade partner= traded lines)

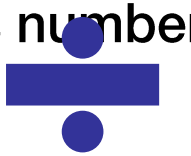
- **Suggestion**. Sort by Imports, descending order
- Then count how many lines there are with positive value of imports. Keep this number as (a)

Total traded lines are 8
8 323

a) How many of those have an NTM?

- **Suggestion.** Now restrict the rest of the analysis using only the traded lines (those lines for which there are imports. Some values with NTM will be discarded)
- Sort again using the variable 'nbrAO', and count how many lines there are with positive value of import NTM. Keep this number as (b)

Traded lines with NTM are



b) FI = b /a

2. Coverage Ratio
Laos

a) How much does Laos import ? (import value)
   - **Suggestion**. Sum up all imports column. Keep this number as (a)

Total value of imports

b) How much imported value has to comply with NTMs?
   - **Suggestion.** Restrict the analysis using only the traded lines (those lines for which there are imports)
   - Create a new column where you will copy the value of imports , but only for those lines with positive value of 'nbrAO'
   - Sum up this new column (sub-set of imports column). Keep this number as (b)

c) CR = b /a

Import value with NTM

3. Prevalence Score
Laos

a) Spot again the variable ‘nbrAO’, and compute an average of these values, including zeroes
   - **Attention**. Keep the lines with trade value only, and use all of them in the average formula, including the ones with no NTM (zero value). Keep this number as (a)

Average number of NTM

THANK YOU

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Incidence measures

Frequency index
Share of products affected by at least one NTM

$$F_i = \frac{\sum_{j=1}^{J}\sum_{p=1}^{HS} NTM_{ijp} D_{ijp}}{\sum_{j=1}^{J}\sum_{p=1}^{HS} D_{ijp}} \; x \; 100$$

Coverage Ratio
Share of trade affected by at least one NTM

$$C_i = \frac{\sum_{j=1}^{J}\sum_{p=1}^{HS} NTM_{ijp} V_{ijp}}{\sum_{j=1}^{J}\sum_{p=1}^{HS} V_{ijp}} \; x \; 100$$

Prevalence Score
Number of different NTM on a product

$$P_i = \frac{\sum_{j=1}^{J}\sum_{p=1}^{HS} NTM_{ijp} \# NTM_{ijp} D_{ijp}}{\sum_{j=1}^{J}\sum_{p=1}^{P} D_{ijp}} \; x \; 100$$

p, products in HS6
j, partner country
i, imposing country

NTM_ijp, dummy for presence of NTM
D_ijp, dummy for product being traded
V_ijp, value of trade

Incidence measures

Regulatory Intensity
Standardized Number of different NTM on a product

$$RI_i = \sum_{p=1}^{HS} s_p^w \frac{\sum_{j=1}^{J} D_{ijp} \left(\#NTM_{ijp} - \overline{\#NTM_p}\right)}{\sigma \#NTM_p}$$

p, products in HS6
j, partner country
i, imposing country

NTM_ijp, dummy for presence of NTM
D_ijp, dummy for product being traded
V_ijp, value of trade

Example Australia

	Example 1	Example 2
Document_Title	Biosecurity Act 2015	Biosecurity Act 2015
NTM_Code	A31	A63
Implementation_Date	2016-12-22	2016-12-22
Measure_Description	15 Alternative conditions—meat and meat products (2) For paragraph 11(1)(b), the following table specifies alternative conditions for bringing or importing meat and meat products into Australian territory. (a) the goods: (i) were produced from animals in New Zealand; and (ii) are clearly labelled on the outermost of the largest packaged unit with the date of processing, the name and address of the place of production, and "Product of New Zealand"; (…)	16 Alternative conditions—dairy products (2) For paragraph 11(1)(b), the following table specifies alternative conditions for bringing or importing certain dairy products into Australian territory. (a) the goods: (i) have been commercially prepared and packaged; and (ii) were manufactured in an FMD-free country; and (iii) are for personal use; (…)
Measure_Reference	Section 15, Item 2	Section 16, Item 1
Affected_Products_Description	Meat or meat products from New Zealand, other than: (a) pork; or (b) avian meat	Dairy products, other than: (a) infant formula; or (b) dairy products intended for use as stockfeed
Affected_Regions	New Zealand	World
Measure_Objectives	(1) This instrument provides that specified classes of goods must not be brought or imported into Australian territory unless specified conditions are complied with.	(1) This instrument provides that specified classes of goods must not be brought or imported into Australian territory unless specified conditions are complied with.
Measure_also_domestic	No	No

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