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TRADE AND DEVELOPMENT BOARD

Commission on Trade in Goods and Services, and Commodities Expert Meeting on Methodologies, Classifications, Quantification and Development Impacts of Non-Tariff Barriers Geneva, 5–7 September 2005 Item 2 of the provisional agenda

PROVISIONAL AGENDA AND ANNOTATIONS

I. Provisional agenda

- 1. Election of officers
- 2. Adoption of the agenda and organization of work
- 3. Methodologies, classifications, quantification and development impacts of non-tariff barriers (NTBs)
- 4. Adoption of the report of the meeting

II. Annotations to the provisional agenda

Item 1: Election of officers

1. It is recommended that the Expert Meeting elect a Chairperson and a Vice-Chairperson-cum-Rapporteur.

Item 2: Adoption of the agenda and organization of work

2. The provisional agenda for the Expert Meeting is reproduced in section I above. A detailed programme will be available one week before the meeting.

Documentation

TD/B/COM.1/EM.27/1

Provisional agenda and annotations

Item 3. Methodologies, classifications, quantification and development impacts of non-tariff barriers (NTBs)

- 3. The Commission on Trade in Goods and Services, and Commodities, at its ninth session, decided to convene an expert meeting on non-tariff barriers (NTBs). The São Paulo Consensus, in paragraph 77, provided that efforts at extending market access liberalization for non-agricultural products under the Doha Work Programme should be intensified with the aim of reducing or, as appropriate, eliminating, *inter alia*, non-tariff barriers, in particular on products of export interest to developing countries. Accordingly, the expert meeting will consider and analyse issues of relevance to NTBs from this perspective
- 4. The continual decline of tariff rates as a result of eight multilateral trade negotiations has raised the relative importance of NTBs in terms of both protection and regulatory trade instruments. Initial efforts at measuring and collecting NTB data at the multilateral level date back to the early 1980s, when UNCTAD pioneered the intellectual efforts by developing a taxonomy of different types of NTBs, establishing the UNCTAD Coding System of Trade Control Measures. Since then, all collected information has been classified and coded according to the above-mentioned Coding System, and the UNCTAD data have been disseminated publicly, in more recent years as part of the UNCTAD Trade Analysis and Information System (TRAINS). The data have been widely used by Governments, research institutions and NGOs, resulting in numerous publications.
- 5. The discussions under this substantive item will serve to provide UNCTAD member States with better opportunities to: identify ways to improve, in terms of both country coverage and data quality, the NTB database contained in TRAINS; clarify methodologies for defining and classifying NTBs according to their nature and source, including clusters of NTBs that are already subject to WTO disciplines; discuss options on how to deal with NTBs in terms of analysing their relative restrictive impacts on trade, including through strengthening existing analytical instruments such as the TRAINS data base; and review econometric approaches to calculate tariff equivalents of NTBs that could be applied to improve understanding of NTBs' role in world trade. The Meeting will also look at experiences of other international organizations in dealing with NTBs, including the WTO, the World Bank, ITC and OECD.
- 6. To facilitate the discussion, the UNCTAD secretariat has prepared a background note entitled "Methodologies, classifications, quantification and development impacts of non-tariff barriers (NTBs)".

Documentation

TD/B/COM.1/EM.27/2

"Methodologies, classifications, quantification and development impacts of non-tariff barriers (NTBs): Note by the UNCTAD secretariat"

Item 4: Adoption of the report of the meeting

7. The report of the Expert Meeting will be submitted to the Commission on Trade in Goods and Services, and Commodities at its next session. The Expert Meeting may wish to authorize the Rapporteur, under the authority of the Chairperson, to prepare the final report after the conclusion of the Meeting.

Inputs from experts

Experts nominated by member States are expected to submit brief papers (approximately five pages) as contributions to the work of the Meeting. Contributions should be submitted to the UNCTAD secretariat in advance of the meeting. Papers, which will draw on experts' experience, will be made available at the meeting in the form and language in which they are received. An expert paper may address one or more of the following issues:

- UNCTAD Coding System of Trade Control Measures (TCMCS)—is it still adequate? Are there any suggestions for its expansion and/or streamlining?
- What additional information should be stored for an NTB database? At present, TRAINS includes: Product Code (HS), Measure Code (according to TCMCS), Affected Countries, Footnote (for further description of measure and product coverage, if necessary), Date of Introduction, Source of Information.
- What indicators of NTBs should be readily available to the database users (e.g. frequency counts, import coverage)?
- In terms of cooperation and partnerships among relevant international organizations, who should cover what NTBs? What should the division of labour be among different organizations—by type of measure or by country/region?
- Which should be the preferable sources and methods for collection of best and fuller data on NTBs?
- The current most used method for measuring the incidence of NTBs is a frequency approach. This approach has obvious problems. What more effective approaches could there be that would make it possible to take account of price, quantity or elasticity changes to provide an indication of the magnitude of the impact of a specific NTB on trade.
- What are today the main NTBs facing exporters of developing countries, including LDCs?
- In the last 10 years, it has been estimated that there has been a sevenfold increase in government mandated testing and certification requirements. In this context, what are the main ways to enable developing countries to be involved meaningfully in international standard-setting so they can participate more fully in world trade?
- What would be a balanced approach toward disciplining arbitrariness and discretion in the use of NTBs, especially against developing country exporters?
- Is it realistic to pursue the approach of negotiating and adopting mutual recognition agreements (MRAs) between developed and developing countries?

Experts are requested to submit papers by <u>10 August 2005</u> to Messrs. Aki Kuwahara or Victor Ognivtsev, International Trade in Goods and Services, and Commodities, Trade Analysis Branch, Palais des Nations, CH-1211 Geneva 10, Switzerland, Fax: + 41 22 907 00 44, E-mails: <u>aki.kuwahara@unctad.org</u> and/or <u>victor.ognivtsev@unctad.org</u>.