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NON-TARIFF MEASURES  
ON INDIA'S EXPORTS  
AN ASSESSMENT



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## FOREWORD

The World Trade Organisation, including its earlier incarnation GATT, has succeeded in bringing down a substantial part of tariff barriers in global trade. Since the Tokyo Round, the GATT/WTO has also devoted attention to the elimination of Non-Tariff Barriers (NTBs) which affect the growth potential of world trade. Compared to tariff barriers, the NTBs are less transparent and, therefore, less susceptible to international monitoring and control. The distortionary impact of NTBs is also perceived to be greater than the restrictive impact on trade of tariff barriers.

Since the Marrakesh Agreement in 1994, the world economy, with some exceptions, has been going through a recessionary phase. In such a situation most national governments tend to become restrictive in their international trade policies. As a consequence, the incidence of the traditional NTBs and emergence of new ones have characterised the world trading environment during the last few years. The new forms of NTBs include restrictions on the ground of environmental considerations and social clauses, such as alleged use of child labour.

The present study which is based on a project the Institute conducted for ESCAP, makes an attempt to quantify the incidence of NTBs on India's exports. The top three export markets of India, viz. USA, EU and Japan, were covered under this exercise. These countries together account for more than 50 per cent of India's exports. The study concluded that about 51 per cent of India's exports to the EU was subject to some kind of NTB in 1996-97. The respective figures were 46.8 per cent for Japan and 35.7 per cent for USA. This study has for the first time made a detailed appraisal of India's export commodities subjected to NTB on a disaggregated basis. This information will be of great use to trade policy planners, industry associations and other researchers for initiating appropriate policy response to NTBs which tend to deprive Indian exporters of market access as negotiated in the Uruguay Round. I hope this study will be found useful by all of them.

**K. DHARMARAJAN**

DIRECTOR GENERAL

# Non-Tariff Measures on India's Exports: An Assessment\*

B. Bhattacharyya

## I

### CURRENT STATUS OF INDIA'S EXPORTS

India's export trade is currently undergoing a phase of stagnation. After three years of vibrant growth in the post-reforms period beginning in 1991, exports growth rate started decelerating in mid-1996 and in fact turned negative in November 1996 (Table 1).

The 1996-97 ended with a growth rate of only 4 per cent as against 19.4 per cent in 1993-94, 18.3 per cent in 1994-95 and 21.4 per cent in 1995-96. This trend continued in 1997-98, the export growth rate being negative in 5 out of 12 months. The annual growth rate stood at 2.6 per cent. A negligible growth in exports continued in 1998-99; in fact, the average growth rate for April-January has turned negative (-1.98%).

The decline in exports has not been confined to only a few sub-sectors but has stretched over a large number of product categories. Most important export product-groups had either recorded a decline or a less than two digit growth rate in 1997-98 (Statement I).

The Ministry of Commerce has earlier identified a list of extreme focus items which have the potential to provide a sustainable thrust to the country's exports. However, even these product categories as a whole failed to perform. These products as a group recorded a negligible growth of 0.5 per cent in 1997-98. During April-July 1998, exports of these categories of products in fact declined by 2.6 per cent. The Ministry of Commerce had originally set a target of 20 per cent export growth rate for 1998-99 which it subsequently scaled down to 15 per cent. However, given the performance record of first half of the current financial year, even this target is almost impossible to achieve. The Ministry of Commerce has not set any target for 1999-2000.

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\* Statistical and other information support were provided by Somasri Mukhopadhyay, Biswajit Nag, both Assistant Professors and Chanchal Sarkar, Research Fellow in IIFT.

The Planning Commission has set a target of 11.8 per cent during the Ninth Plan period. A recent study of the Institute of Economic Growth and Associated Chambers of Commerce and Industry has projected 8 per cent growth in exports for 1999-2000. The Indian Institute of Foreign Trade has estimated the exports and imports on the basis of the long-

**TABLE I**  
**MONTHLY EXPORT GROWTH RATE**  
(US\$ basis)

<i>Month</i>	<i>1996-97</i>	<i>1997-98</i>	<i>1998-99</i>
April	13.71	-9.48	2.21
May	13.56	8.64	-16.08
June	11.74	2.53	-8.75
July	6.02	6.64	7.96
August	2.38	2.37	0.71
September	9.17	11.63	-5.35
October	8.64	9.62	-14.98
November	-3.81	-0.95	4.96
December	-1.79	-5.13	6.34
January	8.77	-7.47	6.32
February	1.15	1.6	n.a.
March	-5.59	-6.62	n.a.

*Source:* DGC&S.

#### STATEMENT I

##### **Negative Growth**

Cereals, oilmeals, castor oil, shellac, fresh fruits and vegetables, sugar and molasses, poultry and dairy products, processed and miscellaneous processed items, castor oil, spirit and beverages, ores and minerals, leather and manufactures, sports goods, rubber glass and other products, plastic and linoleum, electronics (hardware), jute manufactures, cotton raw incl.: waste, carpets excl. silk carpets.

##### **Low Growth (up to 10%)**

Cashew incl. cashewnut shell liquid, coffee, meat & preparation, marine products, gems and jewellery, engineering goods, readymade garments, cotton yarn fabrics and madeups, handicrafts.



term trends. Exports are projected at \$42.76 bn. and \$48.40 bn. in 1998-99 and 1999-2000 respectively. The corresponding projections for imports are \$48.36 bn. and \$56.8 bn. respectively. The trade deficits have been estimated to be \$5.6 bn. in 1998-99 and \$8.4 bn. in 1999-2000.

From the structural point of view, the basic question is whether the reform process has resulted in a steady expansion of the external orientation of the economy. The standard measure is to consider the trade-GDP ratios. The share of trade in GDP rose from 15.76 per cent in 1980-81 to 17.35 per cent in 1989-90, and 22.43 per cent in 1996-97. However, a look at the export-GDP and import-GDP ratios reveals that the growth experience has not been similar. For exports, the percentage share rose from 5.49 in 1980-81 to 7.62 in 1989-90, and to 10.34 in 1996-97. Thus, export-GDP ratio improved by 39 per cent in the 1980s while in the post-reforms period, it rose by 36 per cent. Therefore, there is no definite evidence of a structural shift. Had the export momentum of 1993-95 been maintained, it would have been the foundation of a structural shift, but that did not happen.

For imports, the picture is quite different. Import-GDP ratio in fact declined during 1980-90 period, possibly due to rigorous import controls. The ratio rose by 24 per cent between 1990-91 and 1996-97, as reforms brought down tariff rates and liberalised the quantitative restrictions regime.

The moot question is why the momentum did not continue. According to the Ministry of Commerce, the major factor has been the adverse global trading environment. The *Annual Report* of the Ministry of Commerce for 1997-98 concludes:

“The overall exports have been affected by the sluggishness in international trade and the crisis in the South-East Asian countries. Due to sharp depreciation in the currencies of the countries, direct exports to this region have suffered considerably. Internally, the slow growth of industrial output coupled with infrastructural bottlenecks and high cost of export finance have also hampered the growth of exports.”<sup>1</sup>

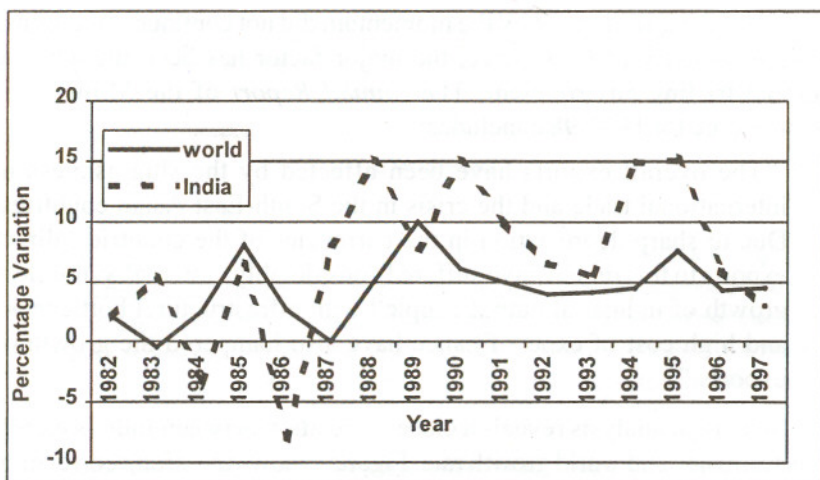
Statistical analysis reveals a close correlation between India's export performance and world growth rate. Figure 1 shows the strong correlation between these two. Another study<sup>2</sup> has estimated on the basis of regression analysis, a statistical coefficient of 1.8 between world growth



rate and India's exports during more or less an identical period. It is, therefore, quite evident that external demand and market access conditions effectively determine India's export performance. The long-term growth rate of world trade has been 0.5 per cent during 1980-86, 13 per cent during 1986-90, and 7 per cent during 1990-97. The growth rate in 1997 was just 3 per cent. The global economic scenario so far as world trade is concerned, continues to be bleak. The ASEAN economies continue to under-perform — India recorded a decline of Rs14,000 million in its exports to the South-East Asia and East Asia in 1997-98. There is not much growth in India's exports to these countries in the current financial year. The economies of Brazil and Russia are facing problems. China is beset with considerable economic hurdles and uncertainty as to its currency devaluation continues.

It has been observed historically that when the domestic economy comes under pressure, national governments tend to become protectionist. The post-Uruguay Round period, especially the last two years, has seen a considerable increase in the use of non-tariff barriers by both developed and developing countries.

**FIGURE 1**  
WORLD EXPORTS AND INDIA'S EXPORTS  
(PERCENTAGE VARIATION)



Source: Gupta, S.P., *Mid Year Review of the Indian Economy*, 1996-97 and updated for later years (DOT data).

India has been under continued pressures from many developed countries for its policies on export promotion. Almost all export promotion measures of the Government of India are being perceived as World Trade Organisation (WTO) inconsistent by countries such as European Union (EU) and the USA. Major schemes under attack are Duty Exemption Pass Book Scheme and Export Promotion Capital Goods Scheme. The rationale given by the EU for their objection is as follows:

“These programmes (export promotion) are not prohibited under the WTO rules for the developing countries and the EU attaches great importance to the special and differential treatment of developing countries under the Subsidies Agreement. India is, therefore, free to maintain them on the understanding that the other WTO members may take countervailing action against them in specific cases if they cause injury to producers of certain products. It is under these conditions that the EU has taken countervailing action in respect of a limited number of Indian schemes as regards export subsidies in recent investigations involving antibiotics and stainless steel bars.”<sup>3</sup>

As per the WTO record, which is fairly incomplete, 16 countervailing duty investigations have been initiated by various countries. India in fact is the only country against which three initiations have been made (Table 2).

Use of anti-dumping duty is equally increasing. According to WTO, 880 anti-dumping measures are currently operating as on 31 December 1997. 240 anti-dumping actions have been initiated in only 1997. In this case also, India has been one of the worst affected (Table 3).

The increasing use of non-tariff measures (NTMs) had been one of the major concerns of the developing countries as it can effectively nullify the market access supposed to have been given by elimination or reduction of tariff barriers. Apart from the increased frequency of usage, proliferation of newer forms of NTMs also create problems.

The pervasive impact of NTMs was first recognised at international level in the 1960s after the Kennedy Round of negotiations. UNCTAD took the lead to develop an inventory of NTMs of the participating countries. In 1973, the compendium contained more than 800 NTMs. In 1986, UNCTAD conducted a comprehensive research project to identify country-by-country NTMs, which revealed many more NTMs. One

problem with NTMs is the large diversity of measures, which can hinder market access. A comprehensive classification of NTMs by category has been developed by UNCTAD which is given in Annexure 1. The second problem with NTMs is what follows from the first one. Because these are so diverse and sometimes non-transparent, their trade distorting effects are extremely difficult to assess. Except for quotas, for which tariff-equivalents can be estimated, albeit with fair amount of statistical margin of error, for other NTMs, there are no theoretically correct and empirically sound measures for the estimation of their trade distorting effects.<sup>4</sup> The poor database on NTMs is an additional problem.

For this study, the three major markets of world, viz. the EU, the USA, and Japan have been taken up for detailed study. These absorb more than 50 per cent of India's exports.

**TABLE 2**

**EXPORTERS SUBJECT TO INITIATIONS  
OF COUNTERVAILING INVESTIGATIONS: 1997**

<i>Country</i>	<i>Initiation</i>	<i>Country</i>	<i>Initiation</i>
Brazil	1	Italy	1
Canada	1	Peru	1
Chile	1	South Africa	1
Chinese Taipei	1	Spain	1
EU	1	Trinidad & Tobago	1
Germany	1	Venezuela	1
Greece	1		
India	3	<b>Total</b>	<b>16</b>

*Notes:* (1) The reporting period covers 1 January-31 December 1997. The table is based on information from Members that have submitted semi-annual reports and is incomplete due to a significant number of missing notifications.

(2) Initiations concerning exporters of the EU and its members States.

*Source:* WTO, *Annual Report*, 1998.



**TABLE 3****EXPORTERS SUBJECT TO TWO OR MORE INITIATIONS OF  
ANTI-DUMPING INVESTIGATIONS, 1997**

<i>Country</i>	<i>Total</i>	<i>Country</i>	<i>Total</i>
EU	59	South Africa	4
China	31	Ukraine	4
Chinese Taipei	16	Canada	3
Korea	16	Chile	2
USA	15	Hong Kong	2
Japan	12	Hungary	2
Indonesia	9	Iran	2
India	7	Israel	2
Russia	6	Kazakstan	2
Brazil	5	Latvia	2
Malaysia	5	Mexico	2
Thailand	5	Trinidad & Tobago	2
Poland	4		
Singapore	4	<b>Total</b>	<b>223</b>

*Notes:* (1) Countries subject to only one initiation of an anti-dumping investigation were: Australia, Bulgaria, Egypt, Estonia, Latvia, Liechtenstein, Lithuania, Mozambique, Pakistan, Paraguay, Slovak Republic, Switzerland,\*Turkey, United Arab Emirates, Venezuela and Vietnam.

(2) The reporting period covers 1 January 1997-31 December 1997. The table is based on information from Members that have submitted semi-annual reports for that period and is incomplete due to missing reports.

(3) Does not include exporters, subject to only one initiation (see note 1 above). The total number of initiations was 240.

*Source:* WTO, *Annual Report*, 1998.



## II

### A STATISTICAL ASSESSMENT OF NTMs AFFECTING INDIA'S EXPORTS

In this section, an attempt has been made to quantify the exposure of India's exports to NTMs in these markets. The database used is CMIE *India Trades* for 1996-97, the last year for which detailed data are available.

This analysis comprises three sets of table (4 a, b, c – 6 a, b, c) and Figures 2 to 8. The first set of tables (4 a - c) identifies the NTMs being faced by major Indian export products in the EU, the USA, and Japan. The second set of three tables (5 a - c) provides India's export data classified by HS Codes and nature of the NTMs along with the export data to a country, say, Japan. India's total exports to the world of that product category have also been shown and the percentage share of Japan in total has been estimated. This has been done to understand to what extent India will get effected if due to the stringency of specific NTMs, the Japanese market gets closed to India. The third set of tables (6 a - c) summarises the exposure of Indian exports in terms of single or multiple NTMs in the markets surveyed. Figs. 2 to 8 display these data sets in the form of charts.

There is a certain amount of over-estimation because in some cases due to the non-availability of detailed data or difficulty in matching trade data with a specific NTM, it has become necessary to use two-digit HS Code level data instead of six-digit HS Code data. However, at the same time, it should be noted that all trade data, which are subjected to effective NTMs will show certain degree of under-estimation. In the absence of any NTMs, the potential trade flow is expected to be higher than the actual trade flow under the NTMs subjected trade regime. It is possible, therefore, that the over-estimation and the under-estimation may cancel out as a result of which the estimates may not be unduly biased in either direction.

Several major conclusions can be derived from analysing the above mentioned tables.

- (i) The EU tops the list in terms of subjecting India's exports to various NTMs. In 1996-97, 50.9 per cent of India's exports to the EU are subjected to either single or multiple NTMs. The respective figures are 46.8 per cent for Japan and 35.7 per cent for the USA.
- (ii) Even though the UNCTAD inventory (Annexure 1) lists more than 100 types of NTMs, the number of NTMs being applied to India's exports in these markets is less than 20.
- (iii) The most important NTM in terms of the volume of exports affected is MFA in both the USA and the EU. This is because these represent two major export markets for India's textiles and garments. For Japan, which hardly imports textiles and garments from India, the most significant NTM is sanitary and phytosanitary measures. This is because one of the major export products for Japan is a marine one.
- (iv) The analysis has clearly brought out that in many cases, export products are also subject to several NTMs simultaneously. This is especially valid for the EU.
- (v) An effort has been made to estimate the extent to which India's exports can get seriously adversely affected if some of the NTMs currently under use are made more stringent. There are 15 product-categories where India is currently exporting more than 40 per cent of its global exports to these markets (Table 7). These products as a group account for 7 per cent of India's global exports.

TABLE 4A

## LIST OF NON-TARIFF MEASURES IMPOSED BY THE EU ON INDIAN PRODUCTS

<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
GMO + ban on use of hormone+ SPS measures+export subsidy+ SRM ban	02	Meat and edible meat offal.
Environmental standards+ SPS measures	030612	Lobsters (homarus spp.) frozen
Environmental standards+ SPS measures	030613	Shrimps and prawns frozen
Environmental standards+ SPS measures	030622	Lobsters (homarus spp.) not frozen
Environmental standards+ SPS measures	030623	Shrimps and prawns not frozen
GMO+ban on use of hormone+ SPS measures+export subsidy	04	Dairy produce, birds' eggs; natural honey; edible products of animal origin, not elsewhere specified
SRM ban	0506	Bones and horn-cores, unworked, defatted, simply prepared (but not cut to shape), treated with acid
GMO	0701	Potatoes, fresh or chilled
GMO+preferential quota	07095100	Mushrooms, fresh or chilled
GMO+labelling	07102200	Beans shelled or unshelled, frozen
GMO+labelling	07104000	Sweet corn frozen
GMO+preferential quota	07123001	Mushrooms (incl. morels)
GMO+import restrictions	080300	Bananas, including plantains, fresh or dried
GMO+pesticide residue	08045002	Mangoes fresh
GMO+pesticide residue	08045003	Mangoes sliced dried
GMO+pesticide residue	080600	Grapes, fresh or dried
Pesticide residue	090100	Coffee, whether or not roasted or decaffeinated, coffee husks and skins; coffee substitutes
Pesticide residue	090200	Tea
Export subsidy	10010	Wheat and meslin
GMO+variable levy	10060	Rice
Export subsidy	11010	Wheat or meslin flour



<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
SPS measures+pesticide residue	12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit, etc.
GMO+ban on use of hormone+ SPS measures+export subsidy+ SRM ban	16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates
Preferential quota	17	Sugars and sugar confectionery
Pesticide residue	200811	Groundnuts prepared/preserved
Pesticide residue	2401	Unmanufactured tobacco; tobacco refuse
Pesticide residue	2402	Cigars, cheroots, cigarillos and cigarettes; of tobacco or of tobacco substitutes
Pesticide residue	2403	Other manufactured tobacco and manufactured tobacco substitutes
Anti-dumping	28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, etc.
Anti-dumping	29	Organic chemicals
SRM ban	30	Drugs, pharmaceuticals and fine chemicals
Use of azo dyes	42	Articles of leather, saddlery and harness; travel goods, handbags and other leather goods
Anti-dumping	55	Man-made staple fibres
Child labour clause	57	Carpets and other textile floor coverings
MFA+use of azo dyes	60	Knitted or crocheted fabrics
MFA+use of azo dyes	61	Articles of apparel and clothing accessories, knitted or crocheted
MFA+use of azo dyes	62	Articles of apparel and clothing accessories, not knitted or crocheted
MFA+use of azo dyes	63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags
Anti-dumping	63051006	Plastic coated or paper-cum-polythene lined jute bags and sacks
Anti-dumping	630533	Sacks and bags of polyethylene or polypropylene strip or the like
Anti-dumping	630539	Sacks and bags of other man-made textile materials
Anti-dumping	630590	Sacks & bags of other textile materials



<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
Anti-dumping	7213	Iron and steel bar/rods
Technical standards	85	Electrical machinery and equipment and parts thereof

Key: GMO : Genetically Modified Organism

MFA : Multi-Fibre Arrangement

SRM : Specified Risk Materials

SPS : Sanitary & Phytosanitary

**TABLE 4B**

LIST OF NON-TARIFF MEASURES IMPOSED BY THE USA ON INDIAN PRODUCTS

<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
SPS	02	Meat and edible meat offal
SPS	03	Fish and crustaceans, molluscs and other aquatic invertebrates
SPS	04	Dairy produce, birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included
SPS	07	Edible vegetables & certain roots and tubers
SPS	08	Edible fruit and nuts; peel or citrus fruit or melons
MFA	50	Silk
MFA + Labelling	50050000	Yarn spun from silk waste, not put for retail sale
MFA + Labelling	50060000	Silk yarn and yarn spun from silk waste, put up for retail sale; silk-worm gut
MFA	51	Wool, fine or coarse animal hair; horse-hair yarn and woven fabric
MFA + Labelling	51060000	Yarn of carded wool, not put up for retail sale
MFA + Labelling	51070000	Yarn of combed wool, not put up for retail sale
MFA + Labelling	51090000	Yarn of wool or of fine animal hair, put up for retail sale
MFA	52	Cotton

<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
MFA + Labelling	52040000	Cotton sewing thread, whether or not put up for retail sale
MFA + Labelling	52050000	Cotton yarn (other than sewing thread), containing 85% or more by weight of cotton; not put up for retail sale
MFA + Labelling	52060000	Cotton yarn (other than sewing thread), containing less than 85% by weight of cotton; not put up for retail sale
MFA + Labelling	52070000	Cotton yarn (other than sewing thread) put up for retail sale
MFA	53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn
MFA + Labelling	53030000	Jute and other textile bast fibres (excluding flax, true hemp and ramie), raw or processed but not spun; tow and waste of these fibres
MFA + Labelling	53040000	Sisal and other textile fibres of the genus Agave, raw or processed but not spun; tow and waste of these fibre
MFA + Labelling	53050000	Coconut, abaca (manila hemp or Musa textiles Nee), ramie and other vegetable textile fibres, not elsewhere specified
MFA + Labelling	53070000	Yarn of jute or of other textile bast fibres of heading No. 53.03
MFA + Labelling	53080000	Yarn of vegetable textile fibres; paper yarn
MFA	54	Man-made filaments
MFA + Labelling	54010000	Sewing thread of man-made filaments, whether or not put up for retail sale
MFA + Labelling	54020000	Synthetic filament yarn (other than sewing thread), not put up for retail sale, including synthetic monofilament of less than 67 decitex
MFA + Labelling	54030000	Artificial filament yarn (other than sewing thread), not put up for retail sale, including artificial monofilament of less than 67 decitex
MFA + Labelling	54060000	Man-made filament yarn (other than sewing thread), put up for retail sale

<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
MFA	55	Man-made staple fibres
MFA + Labelling	55010000	Synthetic filament tow
MFA + Labelling	55030000	Synthetic staple fibres, not* carded, combed or otherwise processed for spinning
MFA + Labelling	55040000	Artificial staple fibres, not carded, combed or otherwise processed for spinning
MFA + Labelling	55060000	Synthetic staple fibres, carded, combed or otherwise processed for spinning
MFA + Labelling	55070000	Artificial staple fibres, carded, combed or otherwise processed for spinning
MFA + Labelling	55080000	Sewing thread of man-made staple fibres, whether or not put up for retail sale
MFA + Labelling	55090000	Yarn (other than sewing thread) of synthetic staple fibres, not put up for retail sale
MFA + Labelling	55100000	Yarn (other than sewing thread) of artificial staple fibres, put up for retail sale
MFA + Labelling	55110000	Yarn (other than sewing thread) of man-made staple fibres, put up for retail sale
MFA	56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof
MFA	57	Carpets and other textile floor coverings
MFA	58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidered
MFA	59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use
MFA	60	Knitted or crocheted fabrics
MFA	61	Articles of apparel and clothing accessories, knitted or crocheted
MFA + Flamability Standards	61045100	Women's or girls' skirts & divided skirts of wool or fine animal hair
MFA + Flamability Standards	61045200	Women's or girls' skirts & divided skirts
MFA + Flamability Standards	61045300	Women's or girls' skirts & divided skirts of synthetic fibres

<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
MFA + Flamability Standards	61045900	Women's or girls' skirts & divided skirts of other textile materials
MFA + Transitional Safeguards	61069000	Blouses, shirts and shirt-blouses of other textile materials
MFA	62	Articles of apparel and clothing accessories, not knitted or crocheted
MFA	63	Other made up textile articles; sets; worn clothing and worn textile articles; rags
Anti-dumping	72210000	Bars & rods, hot rolled in irregularly wound coils of stainless steel

Key: MFA : Multi-Fibre Arrangement

SPS : Sanitary & Phytosanitary

**TABLE 4C**

**LIST OF NON-TARIFF MEASURES IMPOSED BY JAPAN ON INDIAN PRODUCTS**

<i>Nature of NTM</i>	<i>Code ITC(HS)</i>	<i>Item specification</i>
SPS	03	Fish and crustaceans, molluscs and other aquatic invertebrates
Country of Origin Labelling	7032000	Garlic fresh or chilled
Country of Origin Labelling	9101000	Ginger
SPS	9020000	Tea
Quota	10019000	Wheat (other than durum wheat)
Quota	10060000	Rice
Quota	11010000	Wheat or meslin flour
Quota	50	Silk
Restricted entry	7102	Diamonds
Restricted entry	7113	Articles of jewellery & parts thereof

Key: SPS : Sanitary & Phytosanitary



TABLE 5A

## INDIA'S EXPORTS OF NTM SUBJECTED PRODUCTS TO THE EU (1996-97)

(Rs million)

<i>Code ITC (HS)</i>	<i>Type of NTM</i>	<i>EU</i>	<i>World</i>	<i>% share EU in world</i>
02	GMO+ban on use of hormone+SPS measures+export subsidy+SRM ban	123.195	6,927.353	1.78
030612	Environmental standards+SPS measures	35.923	436.316	8.23
030613	Environmental standards+SPS measures	4,436.479	25,750.497	17.23
030622	Environmental standards+SPS measures	5.605	113.215	4.95
030623	Environmental standards+SPS measures	7.917	118.498	6.68
04	GMO+ban on use of hormone+SPS measures+export subsidy	451.873	1,176.011	38.42
0506	SRM ban	303.129	1,247.369	24.30
0701	GMO	0.393	177.706	0.22
07095100	GMO+Preferential quota	66.2	86.101	76.89
07102200	GMO+Labelling	0	0.538	0.00
07104000	GMO+Labelling	0	0.022	0.00
07123001	GMO+Preferential quota	29.529	209.944	14.07
080300	GMO+Import restrictions	1.792	4.19	42.77
08045002	GMO+Pesticide residue	54.215	448.764	12.08
08045003	GMO+Pesticide residue	3.744	9.048	41.38
080600	GMO+Pesticide residue	345.297	526.531	65.58
090100	Pesticide residue	5,143.915	11,477.301	44.82
090200	Pesticide residue	2,600.834	10,092.086	25.77
10010	Export subsidy	923.402	6,984.517	13.22
10060	GMO+Variable levy	1,429.678	31,723.556	4.51
11010	Export subsidy	363.962	5,068.788	7.18
12	SPS Measures+Pesticide residue	2,551.741	9,484.333	26.90
16	GMO+ban on use of hormone+SPS measures+export subsidy+SRM ban	45.346	281.915	16.08
17	Preferential quota	2,360.312	10,954.814	21.55
200811	Pesticide residue	1.155	57.012	2.03

<i>Code ITC (HS)</i>	<i>Type of NTM</i>	<i>EU</i>	<i>World</i>	<i>% share EU in world</i>
2401	Pesticide residue	2,952.24	6,604.775	44.70
2402	Pesticide residue	21.858	541	4.04
2403	Pesticide residue	7.337	421.943	1.74
28	Anti-dumping	960.458	8,311.236	11.56
29	Anti-dumping	9,755.003	35,240.487	27.68
30	SRM ban	10,361.146	43,417.977	23.86
42	Use of azo dyes	18,239.159	27,962.582	65.23
55	Anti-dumping	4,326.757	11,319.647	38.22
57	Child labour clause	11,855.633	23,132.84	51.25
60	MFA+Use of azo dyes	573.126	2,088.961	27.44
61	MFA+Use of azo dyes	17,462.339	36,706.489	47.57
62	MFA+Use of azo dyes	38,426.735	96,541.31	39.80
63	MFA+Use of azo dyes	11,862.007	26,459.227	44.83
63051006	Anti-dumping+MFA+Use of azo dyes	6.234	9.055	68.85
630533	Anti-dumping+MFA+Use of azo dyes	30.088	65.32	46.06
630539	Anti-dumping+MFA+Use of azo dyes	12.295	19.041	64.57
630590	Anti-dumping+MFA+Use of azo dyes	2.818	11.703	24.08
7213	Anti-dumping	1,094.831	5,494.279	19.93
85	Technical standard	6,726.459	30,440.621	22.10

Total NTM affected exports from India  
to EU (Rs million)

155,910.7

Total export to EU from India (Rs million)

306,348.623

% share of NTM affected export to  
total exports

50.90

*Note:* While calculating the total NTM affected exports from India to the EU, the six and eight digit product categories under the two digit ones are not taken into consideration to avoid double counting.

*Source:* CMIE, India Trades.

TABLE 5B

INDIA'S EXPORTS OF NTM SUBJECTED PRODUCTS TO THE USA (1996-97)

(Rs million)

<i>Code ITC (HS)</i>	<i>Type of NTM</i>	<i>USA</i>	<i>World</i>	<i>% share USA in world</i>
02	SPS	78.026	6,927.353	1.13
03	SPS	3,804.802	39,612.913	9.6
04	SPS	51.956	1,176.011	4.42
07	SPS	426.8	5,732.142	7.45
08	SPS	4,745.388	16,647.66	28.5
50	MFA	1,070.915	4,365.559	24.53
50040000	MFA + Labelling	2.385	28.736	8.3
50050000	MFA + Labelling	1.077	30.81	3.54
50060000	MFA + Labelling	3.609	14.299	25.24
51	MFA	186.497	3,522.942	5.29
51060000	MFA + Labelling	13.987	138.863	10.07
51070000	MFA + Labelling	49.069	1,048.721	4.68
51090000	MFA + Labelling	16.079	1,336.338	1.2
52	MFA	9,650.249	100,330.446	9.62
52040000	MFA + Labelling	24.918	354.642	7.03
52050000	MFA + Labelling	2,334.278	45,138.94	5.17
52060000	MFA + Labelling	20.197	40.314	50.1
52070000	MFA + Labelling	184.829	3,443.254	6.37
53	MFA	545.335	3,917.13	13.92
53030000	MFA + Labelling	4.009	51.868	7.73
53040000	MFA + Labelling	0.123	0.402	30.6
53050000	MFA + Labelling	2.572	16.722	15.38
53070000	MFA + Labelling	28.525	1,323.054	2.16
53080000	MFA + Labelling	39.139	322.981	12.12
54	MFA	526.972	12,325.996	4.28
54010000	MFA + Labelling	15.816	253.762	6.23
54020000	MFA + Labelling	109.97	3,034.493	3.62
54030000	MFA + Labelling	27.959	1,685.142	1.66
54060000	MFA + Labelling	0.834	39.711	2.1
55	MFA	228.526	11,319.647	2.02
55010000	MFA + Labelling	2.13	18.421	11.56



<i>Code ITC (HS)</i>	<i>Type of NTM</i>	<i>USA</i>	<i>World</i>	<i>% share USA in world</i>
55030000	MFA + Labelling	75.755	418.739	18.09
55040000	MFA + Labelling	16.323	97.975	16.66
55060000	MFA + Labelling	3.404	119.28	2.85
55070000	MFA + Labelling	0.048	2.387	2.01
55080000	MFA + Labelling	0.043	35.526	0.12
55090000	MFA + Labelling	44.784	4,139.833	1.08
55100000	MFA + Labelling	4.342	1,090.922	0.4
55110000	MFA + Labelling	1.116	170.419	0.65
56	MFA	111.378	1,028.598	10.83
57	MFA	7,952.64	23,132.84	34.38
58	MFA	208.271	1,450.531	14.36
59	MFA	384.096	1,984.275	19.36
60	MFA	66.42	2,088.961	3.18
61	MFA	9,555.388	36,706.489	26.03
61045100	MFA + Flamability standards	0.308	2.658	11.59
61045200	MFA + Flamability standards	38.152	153.902	24.79
61045300	MFA + Flamability standards	15.15	36.359	41.67
61045900	MFA + Flamability standards	7.784	25.313	30.75
61069000	MFA + Transitional safeguards	44.945	102.52	43.84
62	MFA	35,615.977	96,541.31	36.89
63	MFA	6,395.363	26,459.227	24.17
72210000	Anti-dumping	18.785	491.145	3.82

Total NTM affected exports from India  
to the USA (Rs million)

81,623.784

Total export to the USA from India (Rs million) 228,242.322

% Share of NTM affected export to  
total exports

35.76

*Note:* While calculating the total NTM affected exports from India to the USA, the four digit product categories under the two digit ones are not taken into consideration to avoid double counting.

*Source:* CMIE, India Trades.

TABLE 5C

## INDIA'S EXPORTS OF NTM SUBJECTED PRODUCTS TO JAPAN (1996-97)

(Rs million)

<i>Code ITC (HS)</i>	<i>Type of NTM</i>	<i>Japan</i>	<i>World</i>	<i>% share Japan in world</i>
03	SPS	16,888.93	39,612.91	42.63
7032000	Country of Origin Labelling	1.94	38.68	5.02
9101000	Country of Origin Labelling	14.18	592.44	2.39
9020000	SPS	269.55	10,092.09	2.67
10019000	Quota	0.01	5,587.85	0
10060000	Quota	4.97	31,723.56	0.02
11010000	Quota	0.79	5,068.79	0.02
50	Quota	66.77	4,365.56	1.53
7102	Restricted Entry	15,597.4	142,986.59	10.91
7113	Restricted Entry	505.53	14,528.84	3.84

Total NTM affected exports from India  
to Japan (Rs million)

33,350.06

Total export to Japan from India (Rs million)

71,176.12

% share of NTM affected export to  
total exports

46.86

*Source: CMIE, India Trades.*

TABLE 6A

DISTRIBUTION OF NTMs IN TOTAL NTM SUBJECTED EXPORTS  
TO THE EU (1996-97)

<i>Nature of NTMs</i>	<i>Value (Rs million)</i>	<i>%age share*</i>
<b>Value of Exports of Products Facing Single NTM</b>		
1 Anti-dumping	16,137.05	10.35
2 Pesticide residue	10,727.34	6.88
3 Export subsidy	1,287.36	0.83
4 Child labour clause	11,855.63	7.60
5 Ban on use of azo dyes	18,239.16	11.69
6 Technical standards	6,726.46	4.31
7 SRM ban	11,664.28	6.84
8 Others	2,360.71	1.51
<b>Value of Exports of Products Facing Multiple NTMs</b>		
<i>Value of exports facing two NTMs</i>		
9 Environmental standards + SPS measures	4,485.924	2.88
10 MFA+Use of azo dyes	68,324.207	43.81
11 SPS Measures+Pesticide residue	2,551.741	1.64
12 GMO+Pesticide residue	403.256	0.26
13 Others	1,527.199	0.98
14 <i>Value of exports facing more than two NTMs</i>	620.414	0.40

\*Percentage share of exports facing NTMs in total NTM subjected exports.

Source: Calculations made on the basis of CMIE, *India Trades*.



TABLE 6B

DISTRIBUTION OF NTMs IN TOTAL NTM SUBJECTED EXPORTS  
TO THE USA (1996-97)

<i>Nature of NTMs</i>	<i>Value (Rs million)</i>	<i>%age share*</i>
<b>Value of Exports of Products Facing Single NTM</b>		
SPS	9,106.97	11.16
MFA	69,364.37	84.98
Anti-dumping	18.79	0.02
<b>Value of Exports of Products Facing Multiple NTMs</b>		
MFA + Labelling	3,027.3	3.71
MFA + Flamability standards	61.4	0.08
MFA + Transitional safeguards	44.9	0.06

\*Percentage share of exports facing NTMs in total NTM subjected exports.

Source: Calculations made on the basis of CMIE, *India Trades*.

TABLE 6C

DISTRIBUTION OF NTMs IN TOTAL NTM SUBJECTED EXPORTS  
TO JAPAN (1996-97)

<i>Nature of NTMs</i>	<i>Value (Rs million)</i>	<i>%age share*</i>
<b>Value of Exports of Products Facing Single NTM</b>		
Quota	72.54	*0.22
SPS	17,158.47	51.45
Restricted Imports	16,102.93	48.28
Country of Origin Labelling	16.12	0.05

\*Percentage share of exports facing NTMs in total NTM subjected exports.

Source: Calculations made on the basis of CMIE, *India Trades*.

TABLE 7

## ITEMS POTENTIALLY MOST THREATENED

<i>Code ITC(HC)</i>	<i>Item specification</i>	<i>Type of NTB</i>	<i>%age share</i>
03	Fish and crustaceans, molluscs and other aquatic invertebrates	SPS	1.4508
07095100	Mushrooms fresh or chilled	GMO, Preferential quota	0.0057
080300	Bananas, including plantains, fresh or dried	GMO, Import restrictions	0.0002
08045003	Mangoes, sliced dried	GMO, Pesticide residue	0.0003
080600	Grapes, fresh or dried	GMO, Pesticide residue	0.0297
090100	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes	Pesticide residue	0.4419
2401	Unmanufactured tobacco; tobacco refuse	Pesticide residue	0.2536
42	Articles of leather, saddlery and harness; travel goods, handbags and other leather goods	Use of azo dyes	1.5668
52060000	Cotton yarn (other than sewing thread), containing less than 85% by weight of cotton, not put up for retail sale	Labelling	0.0017
57	Carpets and other textile floor coverings	Child labour clause	1.0184
61	Other made-up textile articles; sets; worn clothing and worn textile articles; rags	MFA, Use of azo dyes	1.5001

<i>Code ITC(HC)</i>	<i>Item specification</i>	<i>Type of NTB</i>	<i>%age share</i>
61069000	Blouses, shirts and shirt-blouses of other textile materials	Transitional safeguards	0.0039
63	Other made-up textile articles	MFA, Use of azo dyes	1.019
63051006	Plastic coated or paper-cum-polythene lined jute bags and sacks	Anti-dumping, MFA, Use of azo dyes	0.0005
630533	Sacks and bags of polyethylene or polypropylene strip or the like	Anti-dumping, MFA, Use of azo dyes	0.0026
630539	Sacks & bags of other man-made textile materials	Anti-dumping, MFA, Use of azo dyes	0.0011

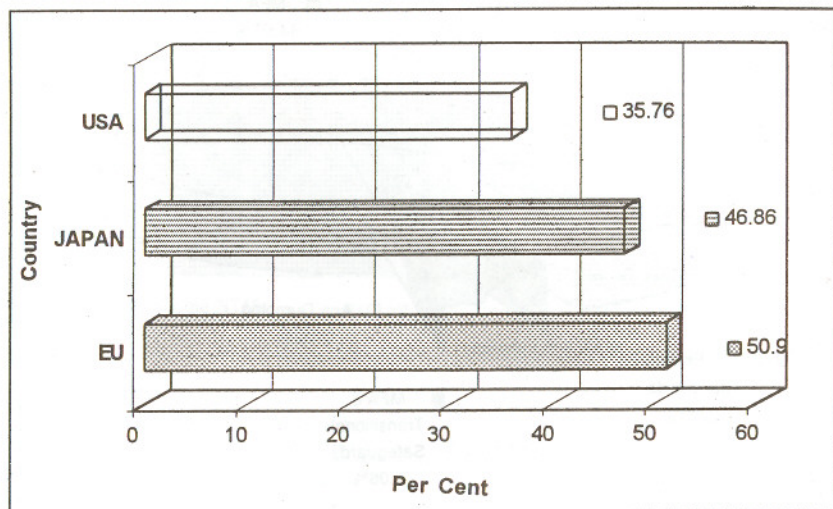
*Note:* Percentage share implies percentage share of India's exports of that commodity to that market (EU, the USA, and Japan) in India's global exports.

*Source:* Tables 5a, b and c.



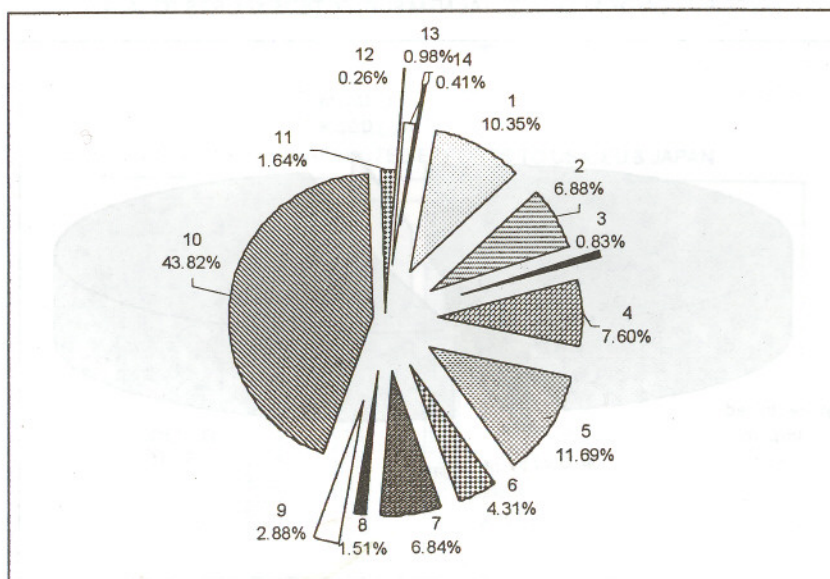
**FIGURE 2**

PERCENTAGE OF INDIA'S EXPORTS AFFECTED BY NTMs



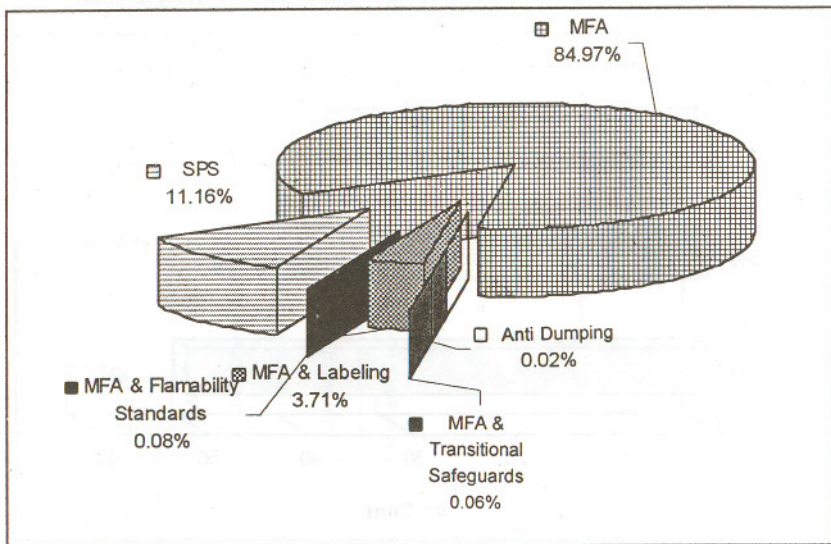
**FIGURE 3**

DISTRIBUTION OF NTMs IN TOTAL NTM SUBJECTED EXPORTS TO EU



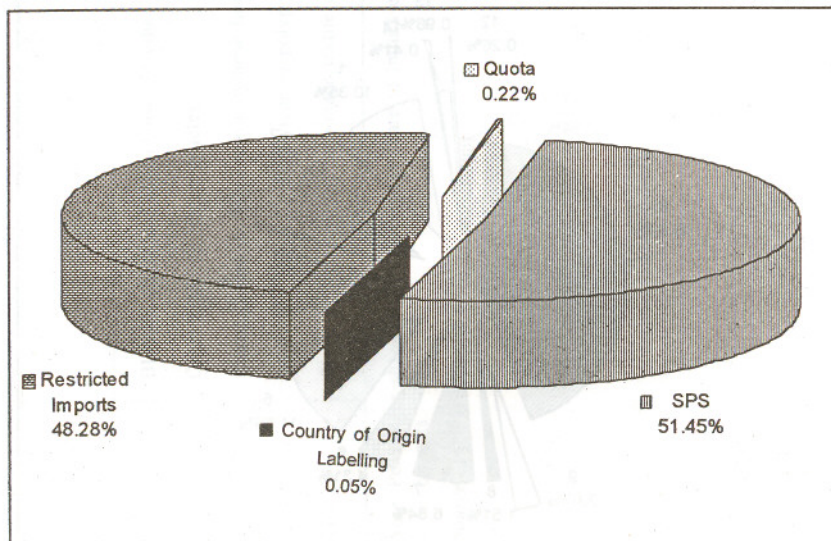
**FIGURE 4**

DISTRIBUTION OF NTMs IN TOTAL NTM SUBJECTED EXPORTS TO USA

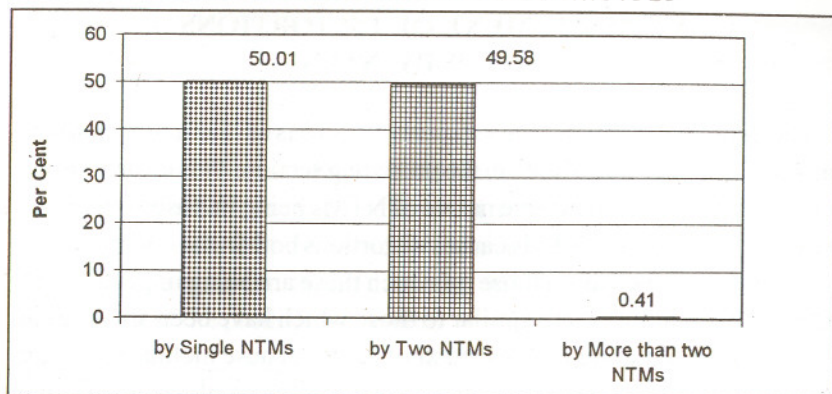


**FIGURE 5**

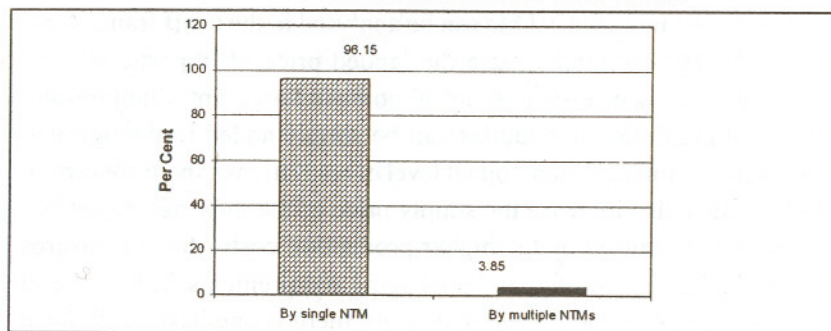
DISTRIBUTION OF NTMs IN TOTAL NTM SUBJECTED EXPORTS TO JAPAN



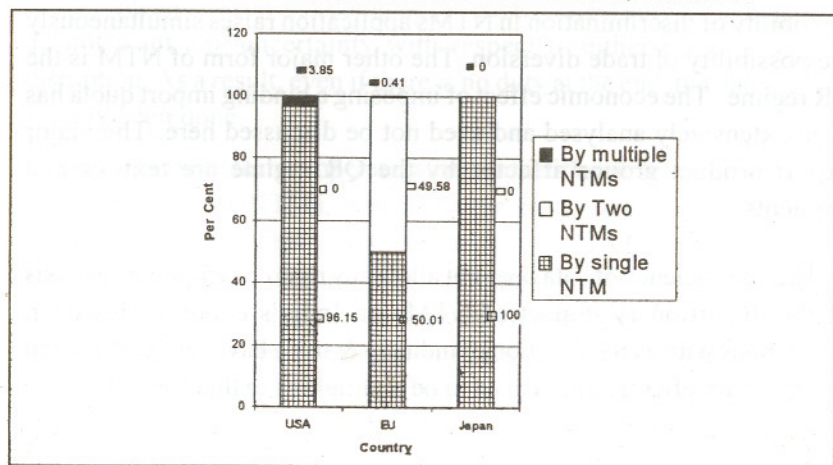
**FIGURE 6**  
DISTRIBUTION OF NTMs AFFECTED EXPORTS TO EU



**FIGURE 7**  
DISTRIBUTION OF NTMs AFFECTED EXPORTS TO USA



**FIGURE 8**  
DISTRIBUTION OF NTMs AFFECTED EXPORTS TO USA, EU & JAPAN





### III

## AN ASSESSMENT OF DISTORTIONS CAUSED BY NTMs

The sensitiveness of India's exports to NTMs in the major markets has been statistically analysed in the preceding section. This clearly brings out both the extent and diverse nature of NTMs being imposed on India's exports. Imposition of NTMs causes distortions both in the country using the measures as well as on those on which these are being imposed. The effects will be more or less similar to those which have been analysed in great detail in literature in the context of tariffs. These include price and quantity effects on trade flows, domestic production, employment, income distribution and welfare.

Impact of some of the NTMs can be analysed in the tariff framework, as these NTMs essentially raise the landed price of imports, as does tariff. These include, among others, import surcharge, anti-dumping and countervailing duties. The duties can be simply added to the nominal tariff rates to estimate the combined level of restrictions. There are certain NTMs, which also increase the supply price of the imported goods but that increase is caused by the higher production costs. Such measures include marking, labelling, and packaging requirements, adherence to technical standards and PSMs. However, there is one basic difference between the tariffs and NTMs. In most cases, tariffs are imposed on MFN basis while NTMs can be imposed on a case-by-case basis. This possibility of discrimination in NTMs application raises simultaneously the possibility of trade diversion. The other major form of NTM is the QR regime. The economic effect of imposing a binding import quota has been extensively analysed and need not be discussed here. The major export product groups affected by the QR regime are textiles and garments.

The insufficiency of data does not allow any rigorous empirical analysis of the distortionary impact of NTMs on India's exports. However, discussions with a cross-section of industry & trade have revealed several distortionary effects, which need to be highlighted in this context.

## **The Uncertainty Factor**

The anti-dumping and countervailing duties which have recently emerged as the principal forms of NTMs so far as India is concerned, have a far more distortionary impact than what the actual duty level implies. In quite a few cases, the actual duty imposition may not even be there. The distortionary impact essentially originates in the uncertainty due to the threat perception as to what would happen rather than the actual duty itself. Future capacity expansion becomes casualty in the face of such a threat. Aggregatively, this results in a lower export-orientation of the production system.

## **The Harassment Factor**

The anti-dumping duty investigation, apart from causing uncertainty, has harassment effect, in terms of management time and financial costs to provide data as required by the regulatory agencies and organising legal support which is inadequate locally and expensive externally. Most Indian firms, given their average size as well as export turnover, do not have the resources necessary to fight long drawn legal battles. Industry associations are also not sufficiently organised to provide support. In countervailing duty cases, the government's ability to justify export promotion measures is perceived to require upgradation.

## **Preemptive Response Factor**

The trade circles cite instances when foreign buyers start scouting for alternate sources of supply if there is slightest indication of any action being contemplated on anti-dumping or countervailing duty front. Importers do not want any uncertainty with respect to either price or supply disruption. As a result, even if there is no duty at the end, the damage has already been done.

All these three factors operate, albeit with different levels of intensity, for other types of NTMs, especially the phytosanitary measures and other technical barriers to trade. Goods inspection and other quality assurance measures have in-built uncertainty factors. The documentary requirements have the potential to act as a harassment factor. While the trade & industry in India in general is not against the requirements of scientifically proven quality standards and processes, they find fault in



many of these requirements on basically two grounds: *first*, some standards seem to have been set at a level higher than what is required scientifically. *Secondly*, in the absence of access to required technology and the transition time, the NTMs can act essentially as ban on imports from India.

### **Non-Transparency Factor**

For TBT and PSMs, one problem being faced by the Indian exporters is the lack of knowledge, regarding the measures. For TBT, the nodal agency which receives the notifications from the WTO is not in a position to disseminate the information in an user-friendly way. For many PSMs, the information comes only when an exporter is actually hit but since there is no mechanism to make it known across the market, valuable time is lost before affirmative action at either firm or government level gets initiated. Non-transparency is becoming an acute hindrance because sometimes NTMs are coming not at the instance of the government, but at the level of corporates, importers, etc. This is especially true of the social clause. The child labour related import ban or restriction is at the trade level and not at the government level. Some of the environmental NTMs, such as eco-labelling also operate at the commercial and not necessarily at the government level. The problem with these types of NTMs is that the requirements can vary from buyer-to-buyer. The non-uniformity of requirements increases the cost of compliance for the supplier and adversely affects his competitiveness.

Both uncertainty and harassment factors can come into effect through the monitoring mechanism of a specific NTM, viz. MFA. Since the quota distribution is done at the exporting end, there is always a possibility that the customers at the importing end may not always agree with the documentation of the quota disbursing agency. Consequently whenever there is a disagreement on documentation, shipments are not cleared, leading to payment of demurrages, distress sales, etc. The settlement being an inter-governmental affair takes its own time during which the export chain gets disrupted.

### **Possible Action Points**

The Indian case study suggests two parallel tracks of action. In the *first track*, efforts are to be made to make the NTMs more transparent,

predictable and less stringent, if possible under the existing scientific data, under the relevant WTO Agreements. This will take considerable time and there is no assurance that the final outcome of the review process will in fact favour the developing countries, including India. *Track two* should focus on those actions, both national and international, taking the current status of NTMs as institutional givens, required to address the systemic deficiencies which magnify the disruptive impact of NTMs.

One example that can be cited from the Indian experience is the institution of two trademarks, viz. "Kaleen" and "Rugmark", which indicate that the carpets bearing these marks have not used any child labour. While the first mark was the result of governmental initiative, the second was attributable to the trade.

At the national level, the institutions which can be effective instrumentalities to collect and disseminate information and organise industry-wide measures on NTMs are the Export Promotion Councils and the Commodity Boards. However, these institutions have not been active on this domain. It is necessary that these institutions develop the necessary human resources with the information processing capabilities. Strong interface with the Government of India's overseas commercial network is a necessary precondition for success. For information on TBT, Bureau of Indian Standards is the nodal agency. An initiative has been taken to classify the notifications by product sectors, rewrite the operative sections in an user-friendly way and disseminate these in both electronic and non-electronic format. Simultaneously, for each sensitive product sector, a R&D institution specialising in that product sector will be identified which will advise on how best to achieve the standards specified. Department of Scientific and Industrial Research, Government of India and the Indian Institute of Foreign Trade are jointly engaged in developing a programme of this nature.

At the international level, there is an urgent need for experience sharing. Countries in the region with similar export interests should come together. Both Governments and Chambers of Commerce will have to play an important role in this context. The role of ESCAP as an initiator and facilitator can be of crucial importance.



# ANNEXURE 1

## UNCTAD CODING SYSTEM OF TRADE CONTROL MEASURES

<i>Code</i>	<i>Description</i>
<b>1000</b>	<b>Tariff measures</b>
1100	Statutory customs duties
1200	MFN duties
1300	GATT ceiling duties
1400	Tariff quota duties
1410	Low duties
1420	High duties
1500	Seasonal duties
1510	Low duties
1520	High duties
1600	Temporary reduced duties
1700	Temporary increased duties
1710	Retaliatory duties
1720	Urgency and safeguard duties
1900	Preferential duties under trade agreements
1910	Interregional agreements
1920	Regional and sub-regional agreements
1930	Bilateral agreements
<b>2000</b>	<b>Para-tariff measures</b>
2100	Customs surcharges
2200	Additional taxes and charges
2210	Tax on foreign exchange transactions
2220	Stamp tax
2230	Import licence fee
2240	Consular invoice fee
2250	Statistical tax
2260	Tax on transport facilities
2270	Taxes and charges for sensitive product categories
2290	Additional charges, n.e.s.
2300	Internal taxes and charges levied on imports
2310	General sales taxes
2320	Excise taxes
2370	Taxes and charges for sensitive product categories

<i>Code</i>	<i>Description</i>
2390	Internal taxes and charges levied on imports, n.e.s.
2400	Decreed customs valuation
2900	Para-tariff measures, n.e.s.
<b>3000</b>	<b>Price control measures</b>
3100	Administrative pricing
3110	Minimum import prices
3190	Administrative pricing, n.e.s.
3200	Voluntary export price restraint
3300	Variable charges
3310	Variable levies
3320	Variable components
3330	Compensatory elements
3340	Flexible import fees
3390	Variable charges, n.e.s.
3400	Anti-dumping measures
3410	Anti-dumping investigations
3420	Anti-dumping duties
3430	Price undertakings
3500	Countervailing measures
3510	Countervailing investigations
3520	Countervailing duties
3530	Price undertakings
3900	Price control measures, n.e.s.
<b>4000</b>	<b>Finance measures</b>
4100	Advance payment requirements
4110	Advance import deposit
4120	Cash margin requirement
4130	Advance payment of customs duties
4170	Refundable deposits for sensitive product categories
4190	Advance payment requirements, n.e.s.
4200	Multiple exchange rates
4300	Restrictive official foreign exchange allocation
4310	Prohibition of foreign exchange allocation
4320	Bank authorisation
4390	Restrictive official foreign exchange allocation, n.e.s.
4500	Regulations concerning terms of payment for imports

<i>Code</i>	<i>Description</i>
4600	Transfer delays, queuing
4900	Finance measures, n.e.s
<b>5000</b>	<b>Automatic licensing measures</b>
5100	Automatic licence
5200	Import monitoring
5210	Retrospective surveillance
5220	Prior surveillance
5270	Prior surveillance for sensitive product categories
5700	Surrender requirement
5900	Automatic licensing measures, n.e.s
<b>6000</b>	<b>Quantity control measures</b>
6100	Non-automatic licensing
6110	Licence with no specific ex-ante criteria
6120	Licence for selected purchasers
6130	Licence for specified use
6131	Linked with export trade
6132	For purposes other than exports
6140	Licence linked with local production
6141	Purchase of local goods
6142	Local content requirement
6143	Barter or counter trade
6150	Licence linked with non-official foreign exchange
6151	External foreign exchange
6152	Importer's own foreign exchange
6160	Licence combined with or replaced by special import authorisation
6170	Prior authorisation for sensitive product categories
6190	Non-automatic licensing, n.e.s.
6200	Quotas
6210	Global quotas
6211	Unallocated
6212	Allocated to exporting countries
6220	Bilateral quotas
6230	Seasonal quotas
6240	Quotas linked with export performance
6250	Quotas linked with purchase of local goods

<i>Code</i>	<i>Description</i>
6270	Quotas for sensitive product categories
6290	Quotas, n.e.s
6300	Prohibitions
6310	Total prohibition
6320	Suspension of issuance of licences
6330	Seasonal prohibition
6340	Temporary prohibition
6350	Import diversification
6360	Prohibition on the basis of origin (embargo)
6370	Prohibition for sensitive product categories
6390	Prohibition, n.e.s
6600	Export restraint arrangements
6610	Voluntary export restraint arrangements
6620	Orderly marketing arrangements
6630	Multi-fibre arrangement (MFA)
6631	Quota agreement
6632	Consultation agreement
6633	Administrative cooperation agreement
6640	Export restraint arrangements on textiles outside MFA
6641	Quota agreement
6642	Consultation agreement
6643	Administrative cooperation agreement
6690	Export restraint arrangements, n.e.s
6700	Enterprise-specific restrictions
6710	Selective approval of importers
6720	Enterprise-specific quota
6790	Enterprise-specific restrictions, n.e.s
6900	Quantity control measures, n.e.s
<b>7000</b>	<b>Monopolistic measures</b>
7100	Single channel for imports
7110	State trading administration
7120	Sole importing agency
7200	Compulsory national services
7210	Compulsory national insurance
7220	Compulsory national transport
7900	Monopolistic measures, n.e.s



<i>Code</i>	<i>Description</i>
<b>8000</b>	<b>Technical measures</b>
8100	Technical regulations
8110	Product characteristics requirements
8120	Marking requirements
8130	Labelling requirements
8140	Packaging requirements
8150	Testing, inspection and quarantine requirements
8190	Technical regulations, n.e.s
8200	Pre-shipment inspection
8300	Special customs formalities
8900	Technical measures, n.e.s

*Source:* UNCTAD, 1994, *Directory of Import Regimes*, Part I.

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