



International  
Trade  
Centre

TRADE IMPACT  
FOR GOOD

# Tackling the invisible barriers to trade

Introduction to ITC NTM Project in Vietnam

NTM Project Launch  
Hanoi, Vietnam  
21 November 2018



# 1. Introduction to ITC

2. Why are we here? The NTM Project in Vietnam

3. How you can support us

4. Feedback / Discussion

# What is ITC?



**UNCTAD**

*The UN body for design of policy recommendations to achieve economic and social development through trade and investment.*



**WTO OMC**

*The forum to negotiate multilateral trade rules, monitor their implementation and handle trade disputes*



*ITC works with local and regional institutions and business people to build trade capacity.*

## Our mission

*To foster inclusive and sustainable growth and development through trade and international business development.*



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# ITC's focus areas and goals

## TRADE

### FOCUS AREAS

Providing trade and market intelligence

Building a conducive business environment

Strengthening trade and investment support institutions

Connecting to international value chains

Promoting and mainstreaming inclusive and green trade

Supporting regional economic integration and South-South links

### TRADE-RELATED NEEDS

Trade and investment support institutions

Small and medium-sized enterprises

Policymakers

SME international competitiveness



**THE GLOBAL GOALS**  
For Sustainable Development

# ITC's Trade and Market Intelligence

## OUR AREAS OF WORK

### GLOBAL PUBLIC GOODS

Trade Map  
Market Access Map  
Investment Map  
Sustainability Map  
Procurement Map  
Export Potential Map  
ePing

### COUNTRY & REGIONAL DIAGNOSTICS

Business surveys  
+  
Studies of trade  
potential & market  
access issues

### CAPACITY BUILDING

Using tools &  
research methods  
to analyse markets

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Challenge

# Making the invisible barriers (a bit more) visible

How can I improve Vietnam's services trade performance?

What trade obstacles do micro and small firms encounter? Are they different from those experienced by large firms?

Which types of regulations are most challenging for businesses and why?

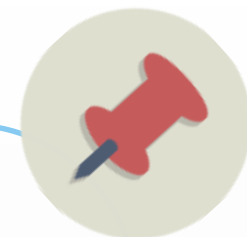
How can I make sure that our exporters benefit from the trade agreement with the EU? Which challenges do they currently face when exporting there?



How can I reduce trade cost? Do I need to (re-)negotiate trade agreements or is there something else I can do to help my businesses?

Which export sector is particularly affected by NTMs?

# But before we start.... What do we mean by non-tariff measures?



**Official policy measures on export and import, other than ordinary customs tariffs**, than can potentially have an effect on international trade in goods, changing quantities traded, or prices or both.

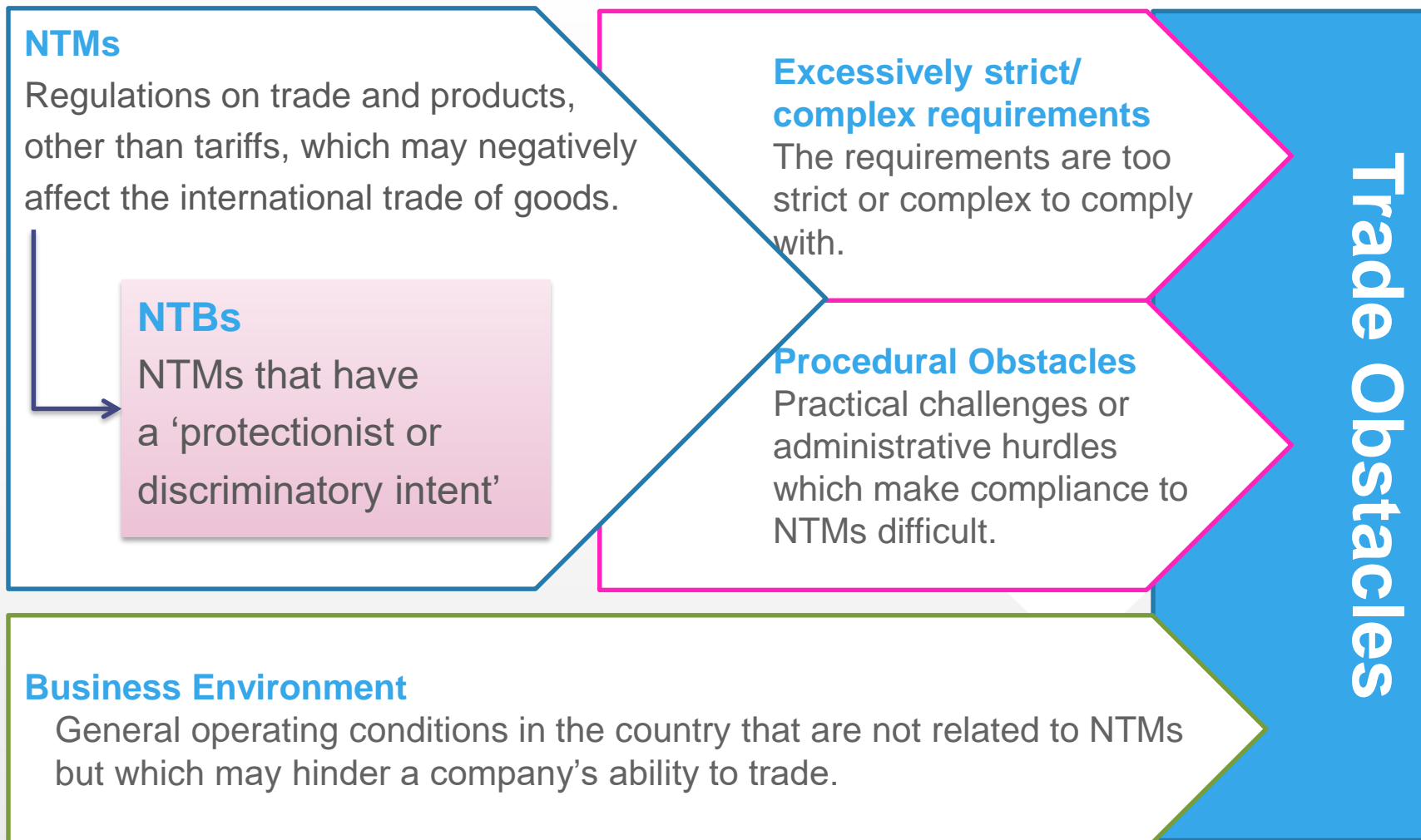
**Mandatory requirements, rules or regulations** legally set by the national authorities of the exporting, importing or transit country (in contrast to private standards which are not legally set)

**Can affect both export and import**

Include technical measures and standards, as well as regulations on customs procedures, para-tariff measures, financial measures, prohibition, etc.



# NTMs and trade obstacles



# Why do countries use NTMs?

NTMs can be applied by importing countries, exporting countries, and in some cases also by transit countries for various different reasons. While many NTMs are in place for legitimate purposes, they may still be perceived as burdensome by exporters if they are applied in a manner that interferes with their ability to export.



## Why do countries use non-tariff measures? Importing Countries

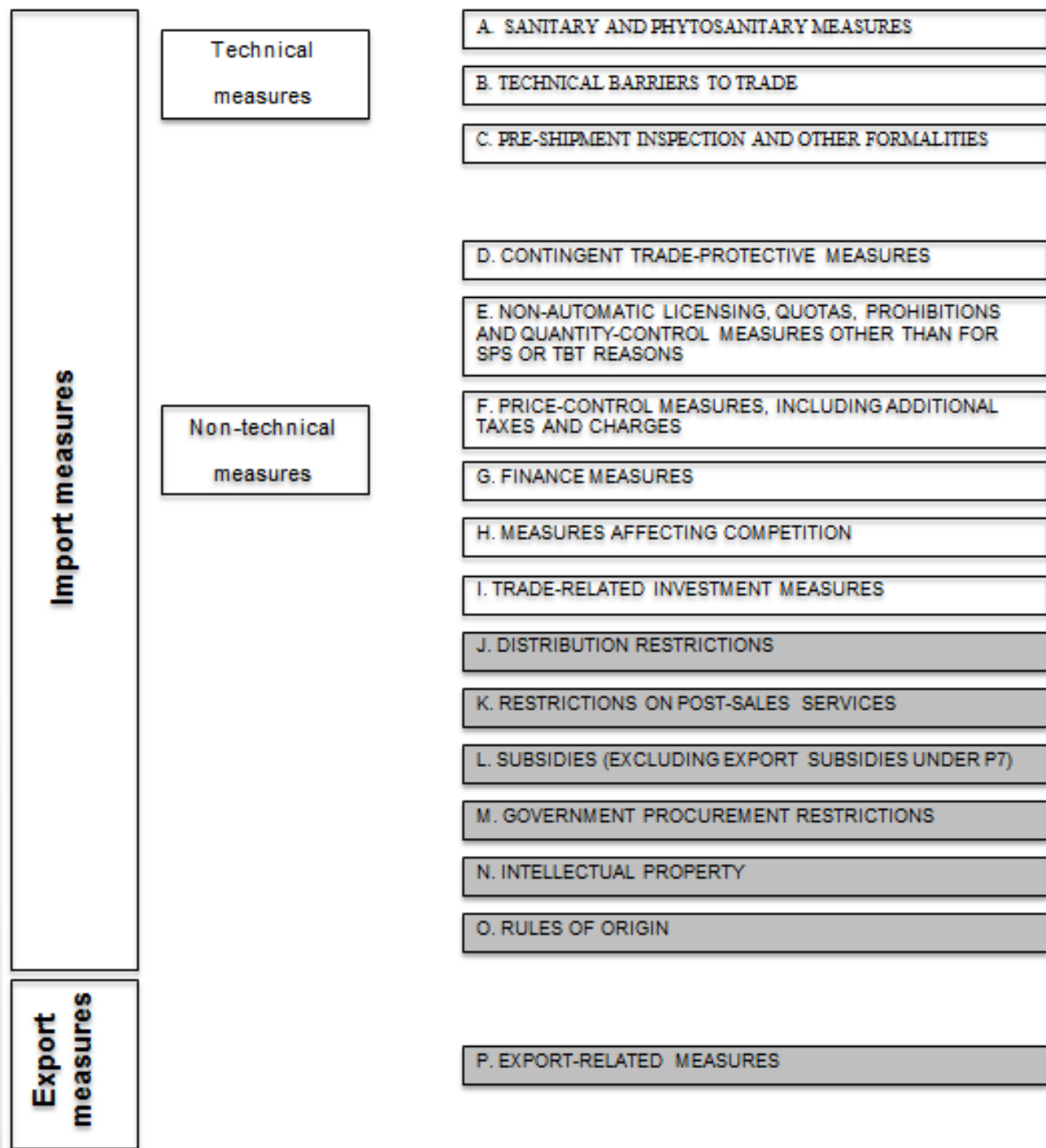
- Health and safety of consumers
- Environmental protection
- Protect domestic industries
- Achieve political goals

## Why do countries use non-tariff measures? Exporting Countries

- Ensure adequate supply for the domestic market
- Maintain quality
- Ensure best value for their exports

# Types of regulations: goods trade

- ITC works with the international classification of NTMs (e.g. in the survey)



# Types of regulations: services trade

Chapter	Sub chapter code	Sub chapter
<b>Conditions on market entry</b>	<b>AA</b>	Quantity control measures (prohibitions, quotas and monopolies)
	<b>AB</b>	Restrictions on foreign ownership and foreign investments
	<b>AC</b>	Conditions on legal form
	<b>AD</b>	Movement of natural persons
	<b>AE</b>	Conditions on licensing, qualifications and registration relating to market entry (for firms and natural persons)
<b>Conditions on operations</b>	<b>BA</b>	Technical requirements
	<b>BB</b>	Tax measures
	<b>BC</b>	Financial measures
	<b>BD</b>	Domestic market support measures
	<b>BE</b>	Government procurement
	<b>BF</b>	Anti-competitive measures
	<b>BG</b>	Intellectual property rights (IPR)
	<b>BH</b>	Restrictions on services promotion and distribution
	<b>BI</b>	Restrictions on clientele
	<b>BJ</b>	Hiring and employment requirements

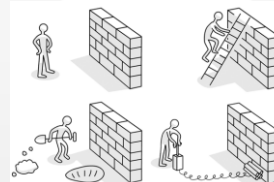
# The ITC programme on non-tariff measures

With the aim of:

**Reducing  
NTM-related trade cost**  
→ Improving market access

... the ITC programme on NTMs:

- **Creates the evidence base** that decision makers need to effectively reduce trade cost related to NTMs
- **Establish national mechanisms to solve NTM-related trade obstacles** experienced by developing country SMEs
- **Builds capacity** of SMEs, TISIs and policy makers to better understand NTMs and their effect on trade and competitiveness
- **Increases the transparency** of trade regulations and related procedures



For more information: [www.ntmsurvey.org](http://www.ntmsurvey.org)

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# 4 components of the NTM project in Viet Nam

1

## Business survey on regulatory and procedural trade obstacles



Gathering evidence **from the ground** about unnecessary trade costs that NTMs imply

- All goods sectors (export and import)
- Selected services sectors: IT&ITES, Tourism and Transport and Logistics

2

## Stakeholder consultations & Trade Obstacles Alert Mechanism



- Identify how to reduce the costs, design targeted TRTA projects

- TOAM - A web-platform for trade operators to:
  - Regularly report trade obstacles
  - Stay alerted

3

## Capacity building



Trainings to **increase awareness** on NTMs and understand their impact on businesses

- Designed with and for institutions
- For government agencies, trade support institutions, academia and journalists
- Emphasis on training trainers

4

## Enhancing transparency

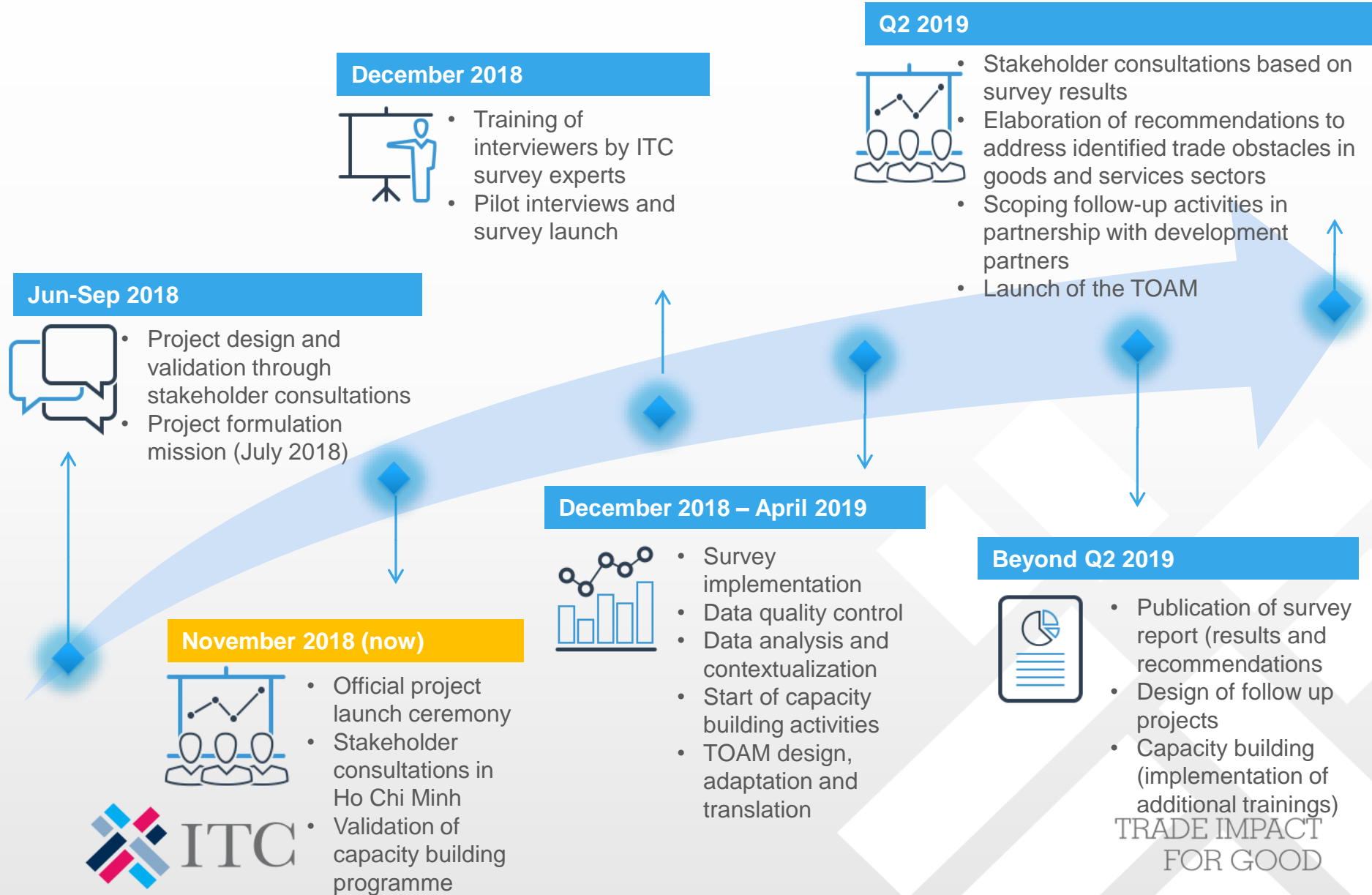


Make use of ITC databases and public data dissemination tools.

- Market Access Map; Procedural Guides
- ePing: alert system for WTO notifications
- Possible customization to Vietnam



# NTM Project in Vietnam: Timeline



1

# Business survey on regulatory and procedural trade obstacles

## Selected questions we are able to answer

### **Who is affected and how much?**

Sectors, products, types of companies (women/men-owned, size, region), trade flows with which partner countries, type of trade flow (export/import), etc.

### **Why are trade regulations perceived as burdensome?**

Strict regulations, procedural obstacles, both

### **Which regulations are perceived as burdensome?**

Technical regulations, conformity assessment, rules of origin, inspections, etc.

### **What procedural obstacles do exporters/importers encounter?**

Delays, high fees and charges, large number of documents, limited testing facilities, problems with recognition of certificates, etc.

### **Where does the problem occur?**

At home, in the partner country, institution(s) involved, ...



# 1 NTM Business Surveys

## What do we need from you?

A good registry of exporters is needed to contact relevant companies.

- For all goods sectors
- For selected services (Transport, ICT, Tourism)

The methodology hinges upon enterprises being willing to participate in interviews.

- Inform the exporting companies that they may be contacted
- Encourage their participation in the survey.

We need to know what you need to know.

- Which results (sectors, partner countries, types of issues [e.g. SPS/TBT, rules of origin, trade facilitation etc.] are you particularly interested in?



Help us build a comprehensive list of exporters with contact details



Spread the word!



Tell us what you need

## Stakeholder consultations

Stakeholder consultations are key throughout the project – partnerships are key

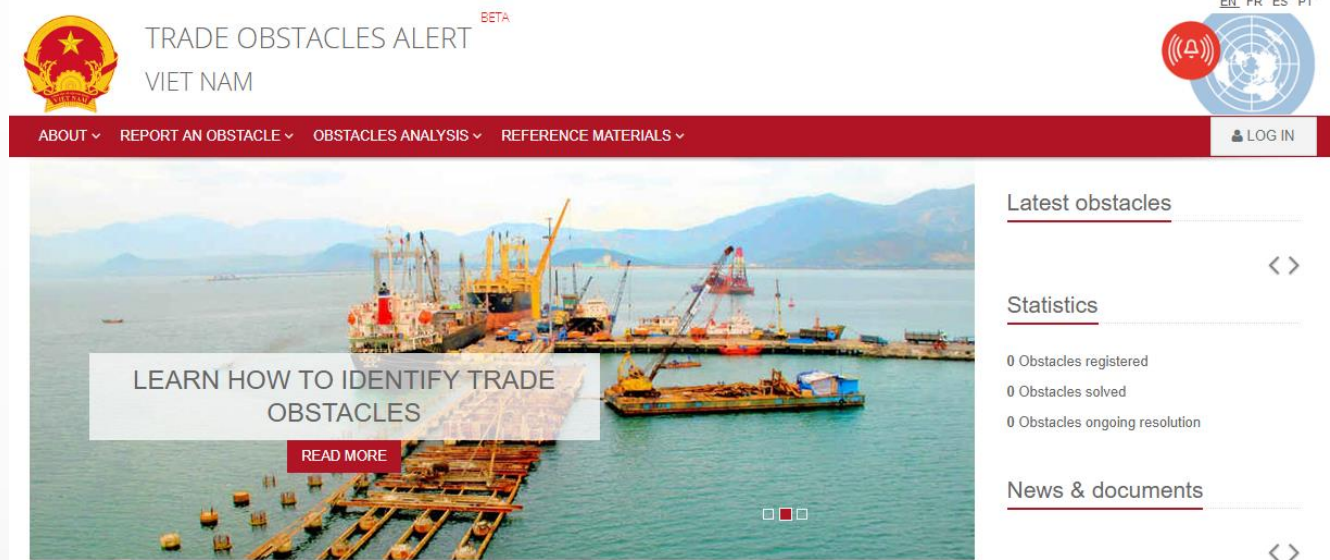
The project and related consultations are led by Vietrade



- Project design (June-Sep 2018)
- Project launch
- Regular information sharing during the implementation
- Thematic consultations based on survey results (expected in Q2 2019)
  - Sector specific: goods / services
  - Topic-specific: SPS/TBT, Customs clearance processes / trade facilitation, Rules of Origin etc.
  - Consultations with individual institutions based on specific findings concerning these
- Recommendations and design of mitigating action

# Trade Obstacles Alert Mechanism

Beta-version  
<http://www.tradeobstacles.org/vietnam>

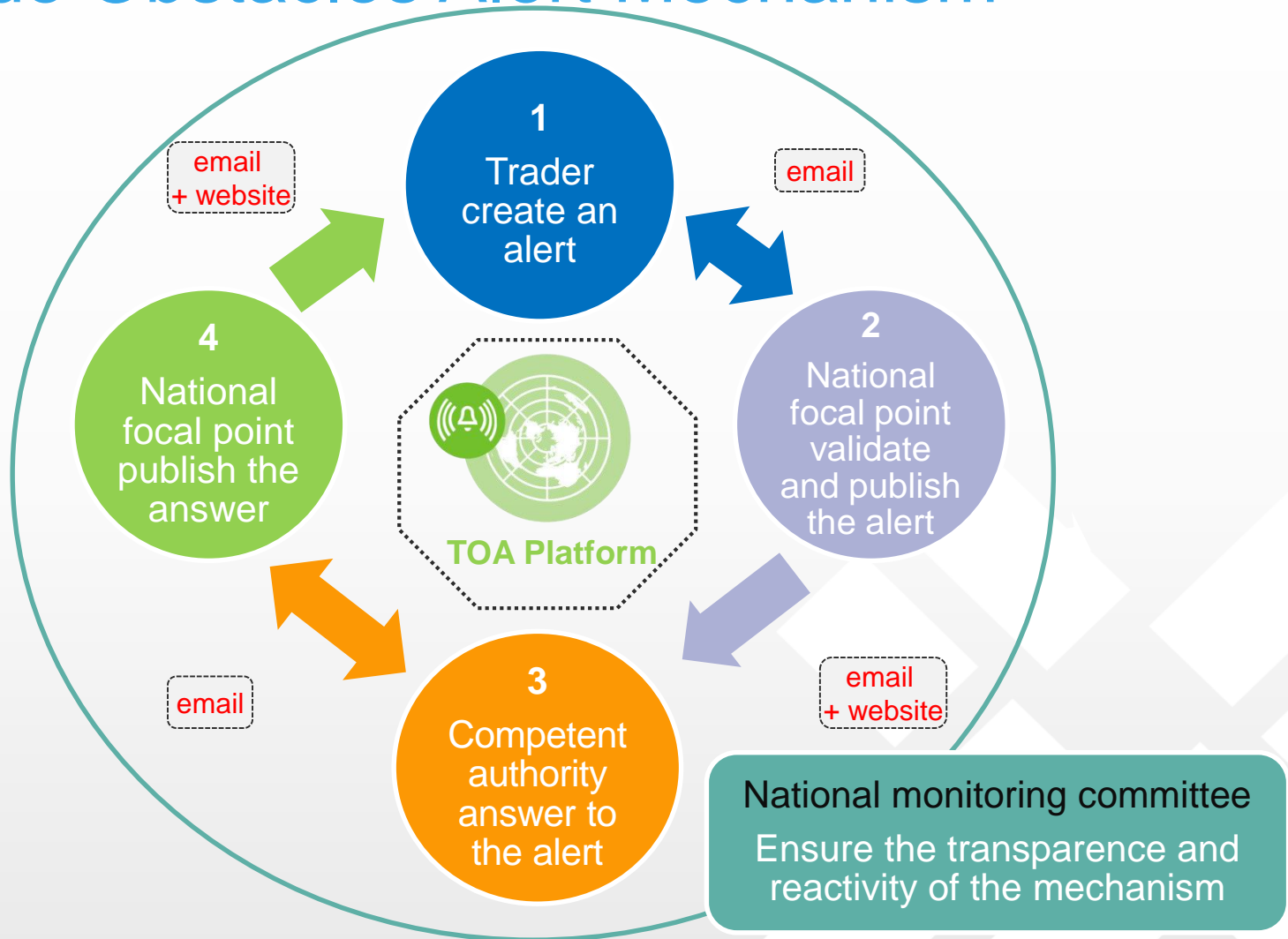


## An online tool which allows:

- Trade operators to report online the obstacles they face when exporting or importing their goods and alert the competent authority;
- National authorities to know instantaneously the problems faced by the private sector and be able to provide them directly with an answer;
- All users to be alerted of the reported obstacles for the markets and products of their interest.

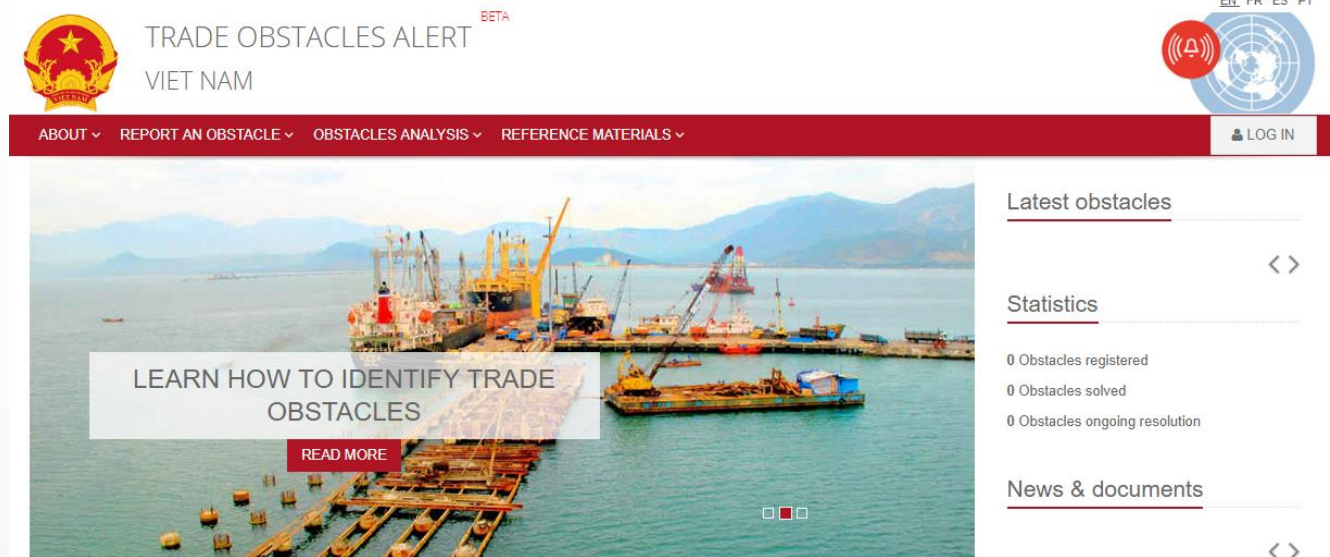
2

## Trade Obstacles Alert Mechanism



# Trade Obstacles Alert Mechanism

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## Make the TOAM work

*What do we need from you?*

1. National Monitoring Committee
2. National Focal Point
3. One focal point for each agency

# Capacity building

## Design and delivery of trainings

- Increasing awareness and understanding of NTMs and their impact on businesses;
- Focusing on building capacity of trainers in Viet Nam that can subsequently replicate trainings in various regions of the country;
- Combining theoretical concepts with practical implications.
- Tailored to different audiences and if needed, applied to a particular sector.

## Build the Capacity-Building Plan together

*What do we need from you?*

1. Your current training plan / offer around market access and NTMs
2. Confirm your training needs
3. “Trained trainers”: who from your institution should we include?
4. Availabilities for the trainings



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## Non-Tariff Measures Trainings in VIET NAM

### Tackling the invisible barriers to trade

#### Capacity Building on NTMs

#### OVERVIEW

In support of Viet Nam's efforts to **improve trade competitiveness**, ITC leverages its expertise in the area of non-tariff measures (NTMs) to create an evidence base needed to effectively reduce trade cost related to NTMs and to increase the transparency and understanding of NTMs and related procedures.

Together with its local implementation partner Vietrade, ITC collaborates with government agencies, trade support institutions and academia in Viet Nam in the **design and delivery of trainings** to increase awareness and understanding of NTMs and their impact on businesses. ITC focuses on building capacity of trainers in Viet Nam that can subsequently replicate trainings in various regions of the country.

This document suggests 6 possible trainings, built on theoretical concepts with practical implications. Each training will be **adapted to its audience** and if needed, applied to a particular sector.

The trainings and suggested audiences are:

1	Market Access and NTMs	For businesses but also interested trade support institutions and policy makers
2	Train the trainers for 'Market Access and NTMs'	Network of trainers / advisors to companies
3	Tailored training related to ePing	SPS and TBT inquiry points, Ministry of Agriculture, other interested
4	NTMs and their effect on business	Ministry of Commerce, Ministry of Agriculture, Customs Authority and other government agencies
5	NTMs for analysts and researchers	Analysts in Ministries and TISIs, Academia, Researchers
6	Communicating about NTMs for a wider audience: sessions for journalists	Journalists, non-technical staff of government agencies (e.g. communications department)

## 4 Enhancing transparency



### MARKET ACCESS MAP

Improving transparency in international trade and market access



Customs tariffs and market requirements for export and import

#### Find Non-Tariff Measures

<< New search

<< Modify search

Importer **Hong Kong, China** applies to the HS6 product group **010110 - Pure-bred breeding horses and asses** imported from **South Africa** **22 measures**, affecting **1 out of 1 tariff line level products** in this product group. This information has been last updated in **June 2010**

Measures applied by importing country	Number of affected NTL products	Number of NTMs
Sanitary and phytosanitary measures (SPS)	1	16
Technical barriers to trade (TBT)	1	1
Pre-shipment inspection and other formalities	1	1
Licenses, quotas, prohibition & other quantity control measures	1	2
Charges, taxes and other para-tariff measures	1	2

Rules and Certificates of origin applied by Hong Kong, China [Open](#)

[www.macmap.org](http://www.macmap.org)



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## 4 Enhancing transparency

**ePing** SPS & TBT notification alert system

WORLD TRADE ORGANIZATION International Trade Centre UNITED NATIONS

search notifications enquiry points news & events reference materials register log in EN

Keep track of product requirements in foreign markets



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# How you can support us

## 1 NTM Business Surveys



Help us build a comprehensive list of exporters with contact details



Spread the word!



Tell us what you need!

## 2

## Stakeholder consultations & Trade Obstacles Alert Mechanism



Participate and contribute with your expertise

For TOAM:

1. National Monitoring Committee
2. National Focal Point
3. One focal point for each agency

## 3

## Capacity building



Let us know:

1. Your current training plan / offer around market access and NTMs
2. Confirm your training needs
3. “Trained trainers”: who from your institution should we include?
4. Availabilities for the trainings

## 4

## Enhancing transparency



Inform your constituencies about NTM information tools that already exist and are at their disposal

Help us customize the information to render it better accessible to Viet Nam's businesses (e.g. embedding information in institutional websites that can be navigated in Vietnamese)

Question / Comments?

# Thank you!



For further information:  
[www.ntmsurvey.org](http://www.ntmsurvey.org)

ITC Programme on Non-Tariff Measures  
Market Analysis and Research

**International Trade Centre**  
CH-1211 Geneva 10, Switzerland  
Tel.: +41 (0)22 730 0184  
Fax: +41 (0)22 730 0577

[ntm@intracen.org](mailto:ntm@intracen.org)



ITCmarketanalysistools



@ITC\_MktAnalysis

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