

... **Trade Term Definitions**

Non-Tariff Trade Barriers

Non-Tariff trade barriers are regulatory trade restrictions arising from the application of technical regulations or standards such as testing requirements, labeling requirements, packaging requirements, pre-shipment inspections, certification requirements, rules of origin, origin-marking requirements, health and safety regulations, and sanitary and phytosanitary regulations.

The costs of these restrictions, which usually bring no discernible value to the importer, is estimated by the WCO [World Customs Organization] "to exceed in many cases the costs of tariffs"; i.e. tariffs being applicable customs' duties and taxes.

Related Item: The National Foreign Trade Council (NFTC) has published a paper examining the recent proliferation of trade barriers that take the form of national standards and technical regulations. These violations of the principles of "sound science" are used by member countries of the World Trade Organization (WTO) to impede the flow of legally traded goods, the NFTC charges in its paper, "Looking Behind the Curtain: The Growth of Trade Barriers that Ignore Sound Science". The paper, released on May 6 attempts to list, categorize, and describe "the breadth of the application of unjust trade restrictions across a multitude of industries. If you look at only one product or industry at a time, you miss the tremendous damage these barriers represent not only to U.S. exports but also to the development efforts of many poorer nations," said NFTC President Bill Reinsch. For a copy of this paper, go to: <http://www.nftc.org/default/white%20paper/TR2%20final.pdf>