## What constitutes a Non-Tariff Barrier?

NTBs are of different forms but broadly include:

- O Discriminatory quality conditions imposed by importing country on exporting country.
- Bureaucratic Sanitary & Phytosanitary measures.
- Complex regulatory environment
- Complex trade documentation and procedures.
- Monopolistic State procurement and trading.
- Bureaucratic/restrictive foreign exchange controls.
- Discriminatory 'Buy National' policies.
- Seasonal import regimes.
- Restrictive licenses.
- O Bribery and corruption.
- Cumbersome customs procedures.
- Inadequate trade facilitation infrastructure.



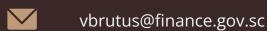
An empowered trade environment begins with informed individuals and that journey begins with you.



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## Understanding Non-Tariff Barriers (NTBs)



Ministry of Finance, National Planning and Trade

# What are Non-Tariff Measures (NTMs)?

NTMs are policy measures, other than ordinary customs tariffs, that can potentially have an effect on international trade in goods. These measures can be regulatory or procedural, and they are usually implemented to:

- Protect human, animal, or plant life and health.
- Ensure product safety and quality.
- Safeguard national security or the environment.

## Classification of Non-Tariff Measures

#### **Technical Measures**

- Sanitary and phytosanitary measures.
- Technical barriers to trade.
- Pre-shipment inspection and other formalities.

#### **Non-Technical Measures**

- Contingent trade-protective measures.
- Non-automatic import licensing, quotas, prohibitions, quantity-control measures and other restrictions not including sanitary and phytosanitary measures or measures relating to technical barriers to trade.
- Price-control measures, including additional taxes and charges.
- Finance measures.
- Measures affecting competition.
- Trade-related investment measures.
- Distribution restrictions.
- Restrictions on post-sales services.
- Subsidies and other forms of support.
- Government procurement restrictions.
- Intellectual property.
- Rules of origin.

### **Exports**

• Export-related measures.



# Why It Matters for Seychelles

For small island developing states like Seychelles, NTBs can significantly:

- Undermine export competitiveness.
- Limit market diversification.
- Increase import costs.

Reducing NTBs is key to maximizing the benefits under regional and multilateral trade agreements like the SADC, COMESA, AfCFTA and the WTO.

# What should I do if I encounter an NTB?

If you encounter a non-tariff barrier (NTB), you can contact the Trade Division using the contact information provided in this brochure or report it using the links below.

**TOAM:** www.tradeobstacles.org

AfCFTA: www.tradebarriers.africa

**SADC-COMESA-EAC:** www.tradebarriers.org

## Non-Tariff Barriers to Trade

A Non-Tariff Barrier (NTB) is a measure that impedes or restricts international trade other than tariffs. NTBs, such as technical, bureaucratic, or legal issues, can be put in place for the purpose of restricting trade.

However, some of these measures are necessary and are put in place for the protection of human, animal, and plant life. In such cases, they are referred to as Non-Tariff Measures (NTMs). But some of these measures are often applied without conforming to international or agreed standards and requirements, in which case they are deemed to be NTBs. For example, an outbreak of foot-and-mouth disease will result in restrictions on the export of animals, meat, and meat products from the area affected by the outbreak.

Like most trade barriers, the imposition of NTBs increases the cost of doing business by raising the prices of traded products. Experience worldwide indicates that as tariffs are removed, there is a tendency for NTBs to proliferate, thus hindering the smooth trade of goods.

The removal of NTBs is a challenge and is complicated by the fact that, often, NTBs result from policies that are not intended to restrict trade. However, their removal is critical for increased international trade.