

Online Course on Economic Analysis of Non-Tariff Measures

Second edition: **17 October – 11 December 2022**

PROSPECTUS

Background

The ability to gain and to benefit from market access opportunities depends increasingly on compliance with non-tariff measures (NTMs) – all policy interventions other than tariffs that can potentially affect the quantities and the prices of internationally traded goods, such as sanitary and phytosanitary measures and technical regulations and norms. These measures represent a major challenge for exporters, importers and policymakers. Although many NTMs have primarily non-trade objectives, such as the protection of public health or the environment, they may affect trade and can unintentionally become discriminatory against smaller exporters and poorer countries. It is therefore important for developing countries to understand the use of NTMs and their implications for the formulation and implementation of effective development strategies.

Measurement of NTMs is more complex than that of any other trade policy instrument such as tariffs given their variety and the difficulty of assessing their restrictiveness.

In this context, UNCTAD's Trade Analysis Branch has developed an online training course on Economic Analysis of NTMs to introduce the main empirical approaches used to assess the impact of NTMs on bilateral trade flows. This course, alongside with the introductory course on NTMs, and the course on NTMs and data collection, is part of UNCTAD's efforts to provide to the public a comprehensive knowledge of NTMs: the Multi-Agency Support Team (MAST) NTM classification, NTM data collection approach, NTMs' effects on trade and development, as well as to create a platform to facilitate discussion on NTMs among governments, trade practitioners, and researchers.

Overview and learning objectives

This course introduces the main empirical approaches used to assess the impact of non-tariff measures (NTMs) on bilateral trade flows. After a short introduction about the nature and scope of the NTMs that can be imposed by governments, we present the major sources of data on the various types of NTMs. We then take a close look at how the presence and incidence of NTMs can be measured.

Following this discussion, we introduce some core econometric techniques that can be used to estimate the effects of NTMs on trade flows and prices at the country and sectoral levels. We also look at recent attempts to define and calculate the NTM trade restrictiveness indices based on estimated ad valorem equivalents.

In recent years, the use of firm-level data has been facilitated by efforts by international organizations in collaboration with national authorities to collect information at a more micro level. We show how to use this type of data to assess the impact of NTMs on firms' export decisions and performance.

The course concludes with an illustration of how estimates of the impact of NTMs on trade flows and prices can be used, and how they can be complemented with health data to draw conclusions in terms of welfare.

At the end of each section, we present applications of the techniques discussed in the various sections using the Stata software.

In this course, you will learn:

- What a non-tariff measure is and what types of NTMs governments can impose;
- Where to find NTM data and how those data are presented in the various databases available;
- How to calculate several measures of the presence and incidence of NTMs and what biases are possibly involved in their calculation;
- How to assess the trade impact of NTMs using the gravity model of international trade;
- How to calculate the ad valorem tariff equivalent of an NTM using different methods such as the direct or price-gap method based on observed prices and the indirect method based on trade effects;
- How to assess the impact of NTMs on the margins of trade using firm-level observations; and
- How to use trade-effect estimates to compute some welfare effects induced by the implementation of an NTM.

At the end of this course you will be able to perform an empirical analysis of the presence and incidence of NTMs and empirically assess their impact on the export performance and prices of traded goods at the country and firm level.

Target audience

The objective of this hands-on introductory course is to increase the understanding of non-tariff measures (NTMs), their connection with the Sustainable Development Goals, and the work of UNCTAD on NTMs. It targets audiences who are working in trade and/or development field, such as government officials, researchers, and representatives of the private sectors. We especially encourage participants who want to strengthen their understanding of NTMs, use NTM data, and/or who are or may be involved in the design or negotiation of policies related to NTMs. The course may also benefit to participants involved in the regulatory cooperation and harmonization of NTMs across countries/sectors, and participants involved in the resolution of trade frictions related to NTMs.

Course prerequisites

Candidates should have good knowledge of English and hold a Master's Degree in Economics. Applications may also be accepted from students enrolled in such programmes who hold a Bachelor's degree in one of these fields. A specialization in international economics or development, and basic knowledge in econometrics (and familiarity with data manipulation software such as STATA) is desirable.

Course fees

Thanks to the support of UNCTAD's Trade Analysis Branch, the selected participants will be exempt from the fees associated with access to the course and the e-tutoring services provided.

Grading and certificate

In order to pass, participants must receive a grade of at least 60 per cent and complete the questionnaire survey. A completion certificate will be awarded to participants who have successfully completed the course.

Application information and deadline

To apply, please follow the instructions at <https://www.research.net/r/EconNTM22>

The deadline for applications is **October 15, 2022** (23:59 Geneva time). Applications received thereafter or incomplete applications will not be considered.

Requests for further information or clarification about this course should be sent to:
Ms. Chi-Le NGO, Trade Information Section, Division on International Trade in Goods and Services,
and Commodities, UNCTAD. E-mail: ntm.training@unctad.org

A selection committee will review each application and select the course participants based on the answers to the selecting questionnaire and the relevance of the course for their work.

Structure and timetable of the course

The course comprises of an online forum in which participants can exchange ideas and pose questions to the course tutors. It also features reading materials, multimedia lecture, exercises and a multiple-choice test. The course will be run entirely from the course website. An Internet connection is required to interact with the course tutor and complete end-of-module tests and questionnaire.

No hard copies (printed papers, CD, DVD) of the course materials will be provided.