

Title:

Hidden Trade Protection: Estimating Tariff Equivalents of Core and Non-Core Non-Tariff Measures in the APEC Member Economies

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Abstract:

Our empirical study attempts to estimate tariff equivalents of both core and non-core NTMs in 13 APEC economies by type, focusing on price differentials between the c.i.f. price of imported goods and the domestic producer price of the domestic substitutes as well as using by-type frequency ratios. The types of measures examined are price control measures, quantity control measures (core NTMs), auto-licensing measures, monopolistic measures, and technical measures (non-core NTMs). Our estimates reveal that both core and non-core NTMs do provide a certain degree of protection. In particular, developed countries with lower tariffs or countries with lower preferential tariffs under a number of free trade agreements significantly use non-core NTMs to effectively protect domestic producers.

Keywords: Core and Non-Core Non-Tariff Measures (NTMs), Frequency Ratio, Tariff Equivalent Approach, and APEC Member Economies

JEL classification code: F13, F14