

Apparel Export Promotion Council

69% of textile related NTBs/TBTs notifications issued since 2019 relate to the Apparel industry alone

- *AEPC organizes webinar to sensitize the industry about non-tariff barriers. Makes appeal to its members to keep abreast of the developments.*

9th August 2023; New Delhi/ Gurugram: AEPC in collaboration with Sarvada Legal organized a webinar on “Emerging non-tariff barriers in the apparel export sector”. The aim of the webinar was to sensitize the apparel industry about the issues relating to NTB.

During the webinar it was highlighted that in a survey it was found that since the year 2019, 69% of textile related NTB/TBT notifications relate to the apparel industry alone.

There are 131 NTBs notification issued related to the textile sector since 2019 with Uganda topping the list with 71 notifications followed by Ecuador 10, China 8, Taiwan 7, Israel 5, USA 4, Peru 3, etc.

In his opening remarks Shri Mithileshwar Thakur, Secretary General AEPC said that “Non-tariff barriers have slowly but surely emerged as a potent tool to damage and even disrupt legitimate trade”.

Shri Thakur further stated that, non-tariff measures like certifications, inspections, regulations, standards, SPS and TBT measures are by and large in conformity with WTO laws and agreements and it is only when these measures are used unfairly, in violation of WTO agreements, to discriminate against imports and restrict market access that these become non-tariff barriers hampering legitimate trade. NTBs also include unjustified and/or improper application of Non-Tariff Measures (NTMs) such as sanitary and phytosanitary (SPS) measures and other technical barriers to Trade (TBT).

SG AEPC went on to say that of late, innovative ways were being explored by developed economies like the EU to restrict imports from developing countries. Legislations like CBAM (Carbon Border Adjustment Mechanism) and EUDR (EU Deforestation Legislation) are violative of WTO agreements and bound to make Indian exports to EU less competitive and thus ways and means need to be explored to handle the challenges arising out of these legislations, he said.

Speaking during the webinar Shri Seetharaman Sampath, Co-founder Sarvada Legal said, “NTBs arise from different measures taken by governments and authorities in the form of laws, regulations, policies, conditions, restrictions or specific requirements, or prohibitions that protect the domestic industries from foreign competition”. The TBTs include Technical Regulations that are applied mandatorily, Conformity assessment procedures and voluntary Standards, Shri Seetharaman added.

Shri Seetharaman observed that, “EU, USA and UK are our top markets for the apparel sector and so we should be extra careful about their moves to bring any legislation / regulation in the nature of TBTs affecting the apparel sector. Most countries follow a consultation process before a new TBT is introduced or an existing TBT is modified. Indian industry must participate in the consultation process and report its apprehension and objections to the government at the initial stage of the law-making process itself rather than complaining after its entry into force,” he said.

During the Webinar, it was informed that non-tariff barriers to trade can arise due to unjustified sanitary and Phyto-sanitary measures, unreasonable/unjustified packaging, labelling, product standards, complex regulatory environment, additional trade documents like certificate of authenticity, occupational safety and health regulation, employment law, etc. Some case studies on NTBs relating to the apparel trade and its impact on the industry were also discussed.
