

# TOWARDS THE MODELLING OF REDUCTIONS IN NEW ZEALAND'S SANITARY AND PHYTOSANITARY MEASURES

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Non-tariff measures, both sanitary and phytosanitary (SPS) measures and technical barriers to trade (TBTs), are widely understood to influence trade flows. Modelling the effect of these measures, however, has long been a challenge due to the absence of detailed information on individual country regulations constituting non-tariff measures.

This paper firstly presents the authors' research collecting detailed data on all New Zealand non-tariff measures for inclusion in a publicly available UNCTAD/World Bank database. The paper shows how data on other countries, collected by other research teams, can also be obtained.

The second part of this paper presents econometric analysis and exploratory CGE modelling, using the Global Trade Analysis Project (GTAP) framework to explore the potential economic effects of reducing the burden of SPS measures. Our focus is the regime established under the Biosecurity Act 1993, whereby animal and plant products that may present a biosecurity risk for the introduction of pests and diseases cannot be imported until a risk analysis assessment, consistent with international standards, has been completed. This process, triggered by a request from a country interested in exporting the product, involves the development of an Import Health Standard that aims to mitigate the risk associated with importing that product. Specifically, our framework estimates the impact of increases in the number of countries covered by Import Health Standards for particular products and therefore permitted to export these products to New Zealand. These econometric estimates are used in exploratory CGE modelling within the Global Trade Analysis Project (GTAP) framework.