APEC Business Advisory Council

REIWG III 2026

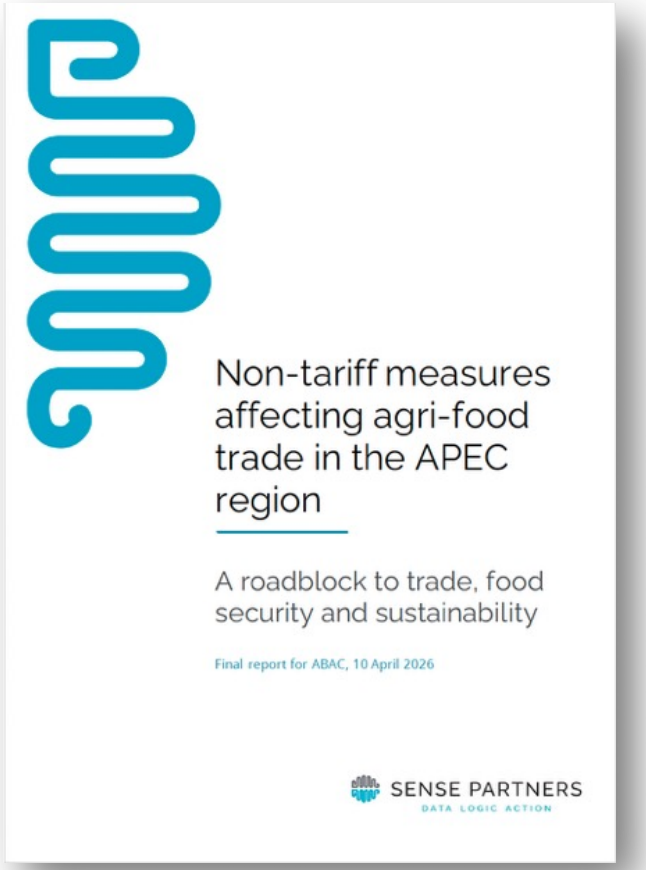
Agri-Food NTBs in the APEC Region:

Business Perspectives on a Subborn Problem

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2026 Food NTB Research: Part 1 – the numbers



282,550 Total stock of agri-food NTMs in APEC	17 Average NTMs per agri-food product	96% Share of agri-food imports facing at least one NTM	26% Trade-weighted AVE on APEC agri-food trade
US$505b Intra-APEC agri-food trade, 2023	US$133b Estimated total NTM cost	49% TBT share of estimated costs	47% SPS share of estimated costs

From Measures to Barriers: The 4 Quadrants

NTMs are policy measures other than tariffs that affect trade. Many are **legitimate and vital**: food safety, biosecurity, consumer protection, the environment.

NTBs arise when measures become impediments to trade — through protectionist intent, poor design, uneven implementation, or a lack of transparency.

- ***Not all NTMs are NTBs*** *(i.e. total cost is less than USD$133 billion)*
- *But even legitimate measures can impose a crushing compliance cost.*

The barrier can be "in the eye of the beholder" — a legitimate measure to the importer can be a real-world barrier to the exporter

	INTENTIONAL	UNINTENTIONAL
NECESSARY	NTM **Necessary & Intentional** Legitimate, efficient, welfare-enhancing measures	NTB **Necessary but Unintentional** By-product of poor design: same goal, divergent rules; lack of infrastructure; inconsistent application
UNNECESSARY	NTB **Intentional but Unnecessary** Protectionist or discriminatory — shielding domestic producers	NTB **Unnecessary & Unintentional** Outdated or non-science based rules

Business Realities: Trade and Food Security

How NTBs bite in practice

Fragmentation

The same product faces different labelling, testing and certification rules in each market.

Duplication

The same work — auditing, re-testing, re-certification — is repeated market by market.

Delays & uncertainty

Unclear timelines and multiple agencies hit perishables and supply chains hardest.

Why this matters for food security

Trade stabilizes prices, widens access and affordability, and lets economies fill gaps when harvests fail. NTBs make supplies less dependable and affordable — **just when they may be most needed.** The result: higher prices, less choice, and weaker investment in innovation and resilience.

"The regulations in one market are designed for consumer labelling, but our product is an ingredient that goes into food service. We have to use complex and costly labels which are completely unnecessary … this reduces our flexibility to supply multiple customers."

"We are dealing with inconsistent rules and a lot of extra cost. People ask why we are not doing more business with particular markets – the fact is that when markets are really unpredictable, commercially it just doesn't make sense to try to operate there."

"Tariffs aren't really the problem any more… the rubber hits the road with NTBs."

Sustainability NTMs: Good Intentions, Real Frictions



EU Deforestation Regulation (EUDR)

Requires proof of deforestation-free supply chains.

The friction: Legitimate goal — but onerous traceability and geolocation duties carry heavy compliance costs that risk excluding smaller producers, directly or as input suppliers.

"Best of intentions, but can still end up creating a major barrier felt throughout the supply chain."

EU Packaging Regulation

New sustainability-driven rules on packaging waste.

The friction: Compliant packaging is made mainly in Europe — so exporters import it, fill it, and ship it back, adding cost and emissions.

"Ironically, we have to import their packaging and ship it back… all that extra shipping undermines EU climate goals."

A double-edged sword: poorly designed measures can become "green protectionism" — but where sustainability NTMs are well-designed and predictable, producers who can meet them win premium-market access, brand differentiation and stronger customer relationships.

Recommendations

- Members to endorse the research report.
- Members to encourage APEC economies to:
  - Prioritize the application of the **APEC Cross-Cutting Principles on NTMs** (and Best Practice Guidelines) to the food sector, including for sustainability-related NTMs
  - Prioritise '**systems recognition' and 'equivalence'**
  - Prioritise **convergence on relevant FTA chapters under the FTAAP Agenda** (e.g. SPS, TBT, Customs, Trade Facilitation, Good Regulatory Practices, Digital Trade)
  - Support greater **transparency via consultation** in developing food NTMs and an **online NTB portal** (part of the APEC Trade Repository) to report trade barriers
  - Provide **targeted capacity-building for MSMEs on SPS and TBT requirements**, including via a PPD
  - Support trade facilitation for food products via **paperless trade (incl electronic SPS certification)** and tailored paperless food trade upskilling in **ACCEPT**