

## Lecture 5 (Alan Matthews– Trinity College Dublin, Ireland)

### Regulatory Co-operation in Regional Trade Agreements

#### Lecture topics

Modern regional trade agreements (RTAs) are about much more than tariff liberalization. They also address 'behind-the-border' topics such as differences in regulations which can reduce the level of trade because of the additional trade costs of compliance. However, regulations are not simply a trade barrier (though they can be introduced or maintained for protectionist reasons) but are introduced for consumer protection, financial stability, food safety or environmental protection reasons. Regulatory co-operation in RTAs is controversial because it involves consumer and citizen concerns, and not only traditional producer concerns. This is well illustrated by the controversies surrounding the negotiation of the TTIP free trade agreement between the EU and the United States. In this lecture, we assess how economists approach the measurement and evaluation of regulatory differences and the role of regulatory co-operation in trade agreements, taking food safety and TTIP as our case studies.

1. Non-tariff barriers to trade: an introduction
2. Statistical sources on non-tariff measures (NTMs)
3. Assessing the importance of NTMs as a barrier to trade
4. Approaches to regulatory co-operation in trade agreements
5. Regulatory co-operation and food safety: the WTO baseline
6. Regulatory co-operation and food safety: TTIP case study
7. Challenges for economists in evaluating regulatory co-operation

#### Readings

Arita, S., Mitchell, L. and Beckman, J., 2015. Estimating the Effects of Selected Sanitary and Phytosanitary Measures and Technical Barriers to Trade on U.S.-EU Agricultural Trade, Economic Research Report Number 199.

Beghin, J., Disdier, A.C., Marette, S. and Van Tongeren, F., 2012. Welfare costs and benefits of nontariff measures in trade: a conceptual framework and application. *World Trade Review*, 11, pp 356375  
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Berden, K. and Francois, J., 2015. Quantifying Non-Tariff Measures for TTIP, Paper No. 12 in the CEPS-CTR project 'TTIP in the Balance' and CEPS Special Report No. 116.

Chase, P. and Pelkmans, J., 2015. This time it's different: Turbo-charging regulatory cooperation in TTIP, Paper No. 7 in the CEPS-CTR project 'TTIP in the Balance' and CEPS Special Report No. 110.

Korinek, J., Melatos, M. and Rau, M.-L., 2008. A review of methods for quantifying the trade effects of standards in the agri-food sector, OECD Trade Policy Working Paper No. 79, Paris.

Matthews, A. (forthcoming), Food safety regulation in TTIP: much ado about nothing? *European Journal of Risk Regulation*.

Van Tongeren, F., Bastien, V. and Von Lampe, M., 2015. International Regulatory Cooperation, a Trade-Facilitating Mechanism, E15Initiative. Geneva: International Centre for Trade and Sustainable Development (ICTSD) and World Economic Forum, 2015. [www.e15initiative.org/](http://www.e15initiative.org/).