

## NCCR Trade Regulation Brown Bag Series

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### IMPLICATIONS OF NON-COMPLIANCE WITH TECHNICAL NTMS: THE CASE OF CHILEAN FOOD RELATED EXPORT REFUSALS AT THE US BORDER

Wednesday, 26 April 2017, 12.30 – 13.30

Anna Nussbaum Auditorium, World Trade Institute, University of Bern  
Hallerstrasse 6, 3012 Bern, Switzerland

#### Abstract

The requirements for food quality and safety for imports are being augmented and this is reflected in an increasing number of technical non-tariff measures (NTMs). In extreme cases, non-compliance leads to the refusal of shipments at the border, representing a loss of both the revenue expected from the sale of the goods and the costs of their transportation. The objective of this seminar is to analyze the implications of non-compliance with technical NTMs. For this, we focus on the case of Chilean exports of fruit and vegetables to the US. Data on fruit and vegetables shipped from Chile to the US between January 2002 and December 2015 were examined, with cases of refusals of specific products and the reasons involved in such refusals being recorded. The information was extracted from the US Food and Drug Administration (FDA) Operational and Administrative System for Import Support (OASIS). To evaluate the importance of refusals of this nature, first we related Latin American countries' share of shipments refused by the US to their share of all fruit and vegetable exports to the US. We also assessed the economic value of refused exports from Chile. To contextualize the results, details of the composition and operation of the

Chilean and US food quality and safety control systems are given. Additionally, comparisons are drawn between the situation in Chile and that in other Latin American exporters with regards to the relevant public policies. This analysis shows that Chile has the lowest level of refusals in the region, representing a negligible economic value, and suggests that its public policy on quality and safety, which is based on a system that promotes collaboration among agencies, could be a key reason for the good performance.

#### Biography of the Speaker

Sofia Boza is a professor in the Department of Agricultural Economics at the University of Chile in the area of agricultural policy and in the Institute of International Studies at the same University. She has a Bachelor's Degree in Economics from the University of Sevilla, a Master's Degree in Economic Development and Public Policy and a PhD in Economics from the Autonomous University of Madrid. She has numerous publications and conference presentations on the dynamics and effects of product certification, based on safety and quality attributes in food markets.

**Participation is free of charge, no registration is needed.  
We warmly welcome you to join our seminar at the World Trade Institute!**

NCCR Trade Regulation Brown Bag Seminars are 30-minute presentations, given by external or in-house researchers. The presentations are followed by a 30-minute Q&A session. The Brown Bag concept comes from the US; it means that people bring their own lunch and eat it during the presentation.