Indian Economy · GS - III

“Non-tariff barriers can restrict export opportunities even when customs duties are low.” Explain the challenges posed by non-tariff barriers in India–China trade relations and suggest measures to improve market access for Indian exporters.

EXAM YEAR	PAPER	SUBJECT
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MARKS	WORD LIMIT
10	~150 words

Answer Hint

Non-tariff barriers, market access, technical standards, import licensing, sanitary and phytosanitary measures, India–China trade imbalance, pharmaceutical exports, IT services, WTO rules, regulatory transparency, bilateral dialogue, export competitiveness, trade diversification, quality certification, trade facilitation.

Model Answer

Introduction

Non-tariff barriers (NTBs) are trade restrictions arising from regulations and procedures other than customs duties. They can limit market access and affect bilateral trade, including trade between India and China.

Major Challenges

1. Regulatory Hurdles: Complex licensing, certification requirements and technical standards can delay or restrict Indian exports.

2. Trade Imbalance: Limited market access for Indian products may constrain export growth and contribute to concerns over bilateral trade imbalances.

3. Sectoral Impact: Indian pharmaceutical companies and IT service providers may face regulatory approvals, compliance requirements and other market-entry challenges.

Way Forward

India should pursue bilateral dialogue with China to seek transparent, predictable and non-discriminatory regulations. It should help exporters meet international quality standards, strengthen trade facilitation and use appropriate WTO mechanisms to address measures inconsistent with trade rules. Diversifying export markets and improving domestic competitiveness can further reduce dependence on individual markets.

Conclusion

Addressing non-tariff barriers requires a combination of diplomacy, regulatory cooperation and export competitiveness to promote fairer and more balanced trade relations.

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