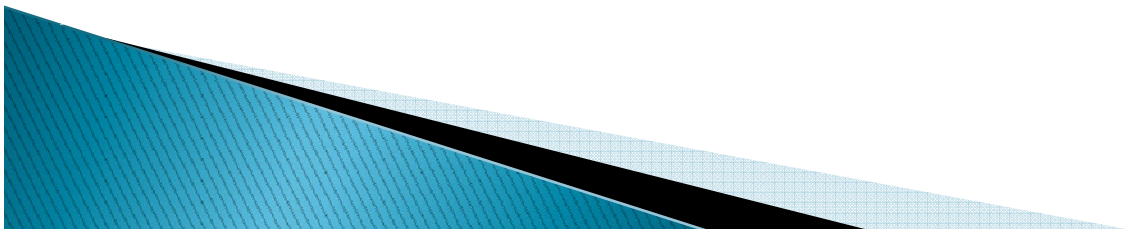




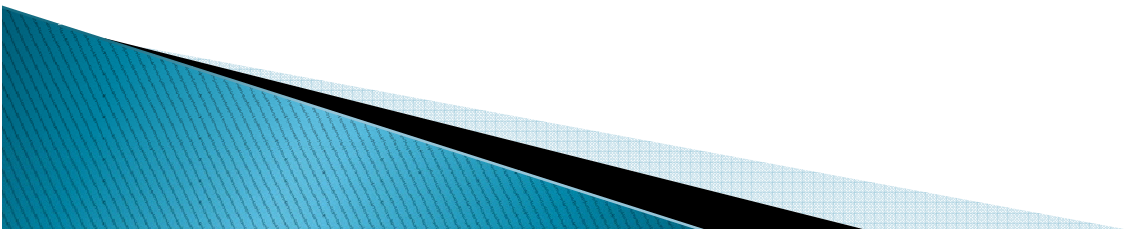
Convergence towards regional integration between the EU and India: Trade implications for India and the UK

Session II: Textiles and clothing

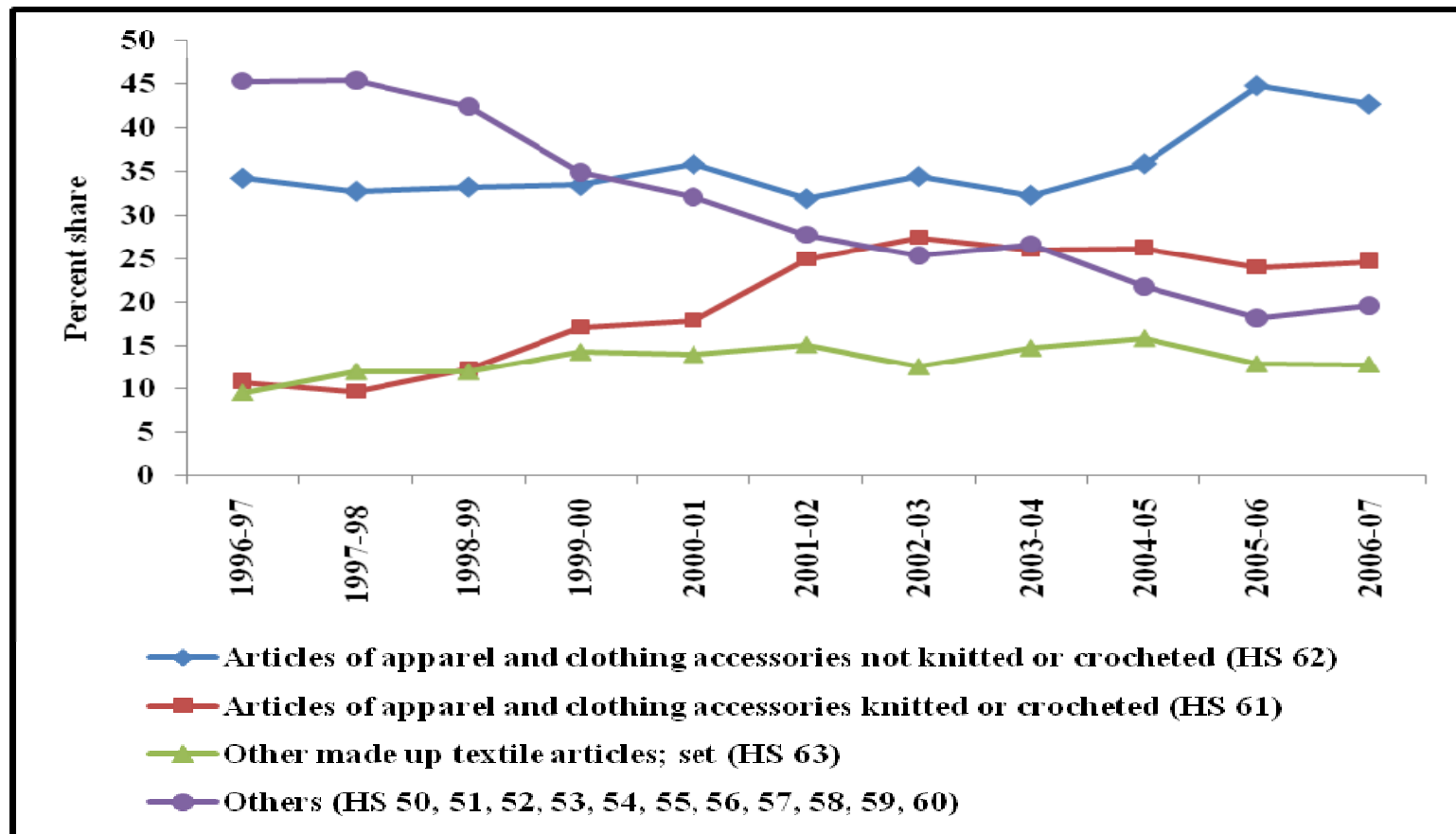


Organisation

- ▶ Trade flows in T&C
- ▶ How we did the research?
- ▶ Main findings – qualitative and quantitative
- ▶ We solicit your views on how to go forward?



India's exports of T&C to the UK



Operationalising research

- ▶ National level
 - 625 postal surveys conducted
- ▶ Sectoral hubs: North, South, West India
 - 30 exporters interviewed
 - Trade associations/councils
- ▶ Prevalence of non-tariff barriers in L&F are a major concern

Perspective of Indian T&C exporters

- ▶ Customs and associated formalities
- ▶ Regulatory requirements vary among EU Member States
 - Testing and certification (33%)
 - Environmental regulations and compliance (27%)
 - Labelling and packaging requirements (13%)
- ▶ Information asymmetry (33%)
- ▶ Lean retailing is a problem
- ▶ Domestic barriers:
 - Inadequate infrastructure
 - Transport costs

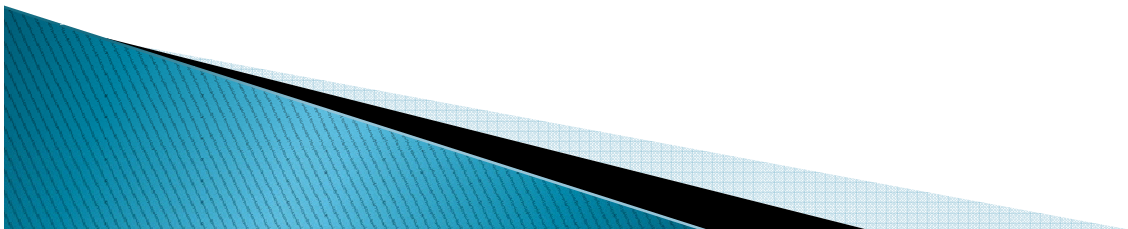
Results of the MLR

- ▶ Exporters' experience is negatively correlated with
 - Customs clearance
 - Transport costs

But positively correlated with

- Testing and certification

- ▶ Firm size is negatively correlated with
 - Customs clearance
 - But still positive relation with testing and certification



Issues to be addressed

- ▶ How relevant are the following as NTBs?
 - Customs clearance, valuation, and documentation formalities
 - Regulations and standards
- ▶ Testing and certification
 - Labelling & packaging
 - Environmental issues

Asymmetry of information about the UK market

Are legal differences a barrier?

- ▶ Domestic business barriers like transport costs; corruption and theft; and, inadequate infrastructure
- ▶ In your opinion can export experience and turnover impact the exporters' ability to overcome these NTBs?

