The influences Green Trade Barriers have on Zhejiang’s Aquatic Export – the Empirical Analysis Utilizing the Gravity Model of Trade

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ABSTRACT. In recent years with the decrease of tariff barriers, green trade barriers are widely used by the Western developed countries and the situation is getting worse. For example, the developed countries try every possible means to establish numerous green trade barriers and continue to raise the threshold of aquatic food import in order to restrict Chinese aquatic food export. As a major area of exporting aquatic products province in China, Zhejiang’s aquatic export has been seriously affected by green trade barriers. It raises the cost of export, so the situation of export is not optimistic. Therefore, how to deal with this challenge is the urgent matter for Zhejiang.

On the basis of the theoretical analysis of green trade barriers, the first part of this study is to systematically elaborate the Green Trade Barriers’ characteristics, basic forms, and also stress the negative economic effects of Green Trade Barrier, such as price control and export volume control. Meanwhile, it also has some positive effects. In the second part, the study would discuss the existing green trade barriers together with the status of aquatic products export in Zhejiang, and then analyze the main forms of green trade barriers that Zhejiang has encountered. At the last part, the study would use the gravity model to conduct an empirical analysis on Zhejiang’s aquatic export to America. Then, the study advises that breaking the trade barriers relies on both the government and enterprises. Only with the joint efforts can Zhejiang’s aquatic export business has sustainable development.

Keywords: green trade barriers; to trade; aquatic export; gravity model

A. Introduction. In recent years, America, Japan and European nations have used their technical advantages of aquatic product trade to inhibit aquatic exports from developing countries by setting up a variety of stringent green trade barriers, such as green technique standards, quarantine evaluation procedures, green hygiene inspection systems and green environment signs.

Zhejiang, as an important aquatic export province in China, has been influenced deeply by the green trade barriers. Take the incident of chloramphenicol in 2002 and the case of Zhoushan’s frozen shrimps in 2008 for example. Both were restricted by the green trade barriers for failing to meet the quality and safety standards of import countries. The aquatic export businesses in Zhejiang have incurred a huge loss since some of their aquatic products are less competitive internationally and are faced with various uncertain export risks. Therefore, exploring the green barriers and analyzing their substantial influences on aquatic exports in Zhejiang would bring important implications for crossing the green barriers and cultivating development of export trade.

B. Theoretical Analysis of Green Trade Barriers
   a. The Concept of Green Trade Barriers
      Generally, the green trade barriers are a kind of non-tariff trade barrier, or the