

Tariff Equivalent of Japanese Sanitary and Phytosanitary:
Econometric Estimation of Protocol for U.S.-Japanese Apple Trade

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Abstract

This paper econometrically estimates the tariff equivalent of sanitary and phytosanitary for U.S. apple imports in Japan. There are many researches that calculate the tariff equivalent of Japanese sanitary and phytosanitary for U.S. apple using the price differential between domestic price and export price. In this study, I use the method that can econometrically estimate the tariff equivalent of prohibitive technical barriers to trade suggested by Yue and Beghin (2009). This approach overcomes the lack of observed data on bilateral trade flows and accounts for differentiated goods by place of origin. I find that the tariff equivalent of Japanese sanitary and phytosanitary for U.S. apple is approximately 78.2%. This result suggests that the previous results of tariff equivalent of Japanese sanitary and phytosanitary for U.S. apple imports are underestimated.

Keywords

U.S.-Japanese apple trade, sanitary and phytosanitary, tariff equivalent, Kuhn-Tucker approach, corner solution

JEL Classification: F13, Q17, Q18.