



Green barriers for China Tea

A Case study of Anhui tea Imports and Exports Co, Ltd faces green barriers in exporting

Zou Yanjing
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Author(s) Yanjing Zou			
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<p>Abstract</p> <p>Tea industry is one of the traditional industries in China, and it is an indispensable livelihood industry with obvious competitive advantages in China. As we know, the economy of China has grown quickly after sweeping economic reform.</p> <p>Nowadays, the green barriers have become the most popular topic in the tea exporting area. No country escapes the impact of green barriers. Similarly, green barriers will bring opportunities and challenges.</p> <p>Anhui Tea Imports and Exports Co., Ltd is an international trade company. But due to the green barriers, the company has met problems and opportunities in the tea trade process.</p> <p>The research areas of the thesis were the barriers faced by the small and medium sized companies during they export product to the foreign market. And the topic of the thesis deals with finding out the barriers faced by the Anhui tea exporting companies in the European market .Furthermore, the aim of the thesis is to improve the company's exporting strategy and overcome the green barriers among the international tea trade process.</p>			
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1 INTRODUCTION

China is really a big country. It stands in Asia and lies on the west coast of the ocean. China covers 9,600,000 square kilometers. It has 34 provinces. The Capital is Beijing, located in North of China. As we know, the economy of China has boomed since 1978, as a result of sweeping economic reforms. GNP grew from \$128 billion in 1980 to \$745 billion in 1998. In recent decades, China's economy has continued to grow rapidly, with a GDP real growth rate of 8 percent in 2002, and an annual industrial production growth rate of 11.6 percentages from 1979 to 2000. On the other hand, the main economy of the country is an agricultural economy. The major exported goods are garments, leather products, jute, vegetables and tea. (China Economical Weekly 2012)

For a long time, agricultural production has been considered as the main content of China's economy development, The export of agricultural products and related products plays a vital position in the structure of China's foreign trade exports, Since China has taken part in WTO, the development of export-oriented agriculture has been identified as main objective of the adjustment of the agriculture. Along with the development of trade liberalization, the protective effect of tariff barriers in agriculture has gradually become smaller, thus, new barriers have become a new type of trade protection. (China Economical Weekly 2012)

Tea industry is one of the traditional industries in China, and it is an indispensable livelihood industry with obvious competitive advantages in China. Tea industry, in general, plays an important role in Anhui's economy. In recent years, the tea trade has been seen as one of the pillar industries in the economic development of Anhui Province. (Anhui Tea Yearbook 2012)

According to the data of CNTV, the tea industry's proportion of the total industrial output value in China has been rising since 2004. Tea export companies pay more efforts to develop the international market. The data shows that in 2012, the green tea exports to Africa were \$ 78,340,000 and there was an increase of 40.46 % when comparing the data of last year. The value of exports to Asia is \$ 10,810,000 and there is an increase of 51.56% when considering the number of last decades. (China Economical Weekly 2012)

Anhui province is located in the southern, it is a suitable tea production area, and called "home-town of tea". The tea output is more than 50,000MT which is the best of the successful candidates of Chinese tea production areas. The annual tea production and export volume in Anhui has ranked NO.3 around China. But in recent years the phenomenon of green barriers for tea exports of Anhui Province, has seriously affected the trade of exporting. (Anhui Tea Yearbook 2012)

The research area of the thesis is the barriers faced by exporting companies during their export to the foreign market. And the topic of the thesis deals with finding out the barriers faced by the Anhui tea exporting companies in the European market.

The main goal of the research was to focus on the green barriers that are faced by Anhui Tea Imports and Exports Co., Ltd and to analyse the current situation in order to find the competitive advantages of Tea Company. On the other hand the thesis also combines the learned marketing and exporting theory with the situation to improve the company's exporting strategy and overcome the green barriers among the international tea trade process.

2 PRINCIPLES OF EXPORTING AND INTERNATIONAL TRADE.

Due to the economical reason, the world has developed a lot in the past years. Today, exporting has become a most popular topic in public area. China, United States and Japan are all influenced by exporting process and they also establish various connections with different countries. (British Columbia Canada 2012)

As we know, joining in exporting has more benefits. Exporting company usually increase more job for labor force. When considering about improve the competitive advantages of company, due to the numerous pressure of globalization, more and more manager taken various business factors into their account. (Bartlett 2011)

In recent decades, exporting company becomes the hottest topic in economy area. According to the survey, exporting company as a factor in economy area, act an irreplaceable role in whole business process. The development and developed countries' market are controlled by the exporting companies. For example, 90% of companies in Japan are exporting company. (International Economical Weekly 2012)

Joining in exporting create huge positive business environment for company. In general, exporting able to help the company to find more potential market and get more profits, especially when their domestic markets are saturated. (Keegan 1998, 355-365)

The original reason for exporting are profit and money, but single factor rarely results in exporting, so it is reasonable to take multiple factors and motives into consideration. Many scholars believe that when discussing the reason of exporting, various elements are deserved to be mentioned. (Keegan 1998, 355-360)

TABLE 1. Main motive for exporting (Hollensen 2010, 28)

Proactive motives	Reactive motives
<ul style="list-style-type: none"> ● Profit and growth goals ● Managerial urge ● Technical competence /Unique product ● Foreign market opportunities ● Economies of scale ● Tax benefits 	<ul style="list-style-type: none"> ● Competitive pressures ● Domestic market :small and saturated ● Overproduction ● Unsolicited foreign orders ● Extending sales of seasonal product ● Proximity to international customers

This table gives a whole viewpoint of the major motivation of internationalizing. In general, proactive motives simulates the change of the strategy, it is usually based on exploiting their unique competence in terms of competition in exporting. On the other hand, the reactive motive means a company is usually adjusting their strategies passively when the companies have trouble in domestic market or foreign exporting market. (Hollensen 2010, 25-28)

In terms of the target of the exporting, the profits might be an essence reason for exporting company. In general, the increase awareness of exporting is a most essential reason for exporting. (Hollensen 2010, 25-30)

On the other hand, the manager's idea cannot be ignored. As we know, the managers always have opportunity to going abroad. After touching to different business model, more and more managers taken exporting into account and declare the importance of exporting. (Hollensen 2010, 25-28)

In the past, firms able to being a single supplier depend on their specific products and advanced technology. But, nowadays, more countries are focus on the development of the technology and follow closely to establishing international patent protection. This kind of benefits has been gradually disappeared. (Hollensen 2010, 25-28.)

In recent decades, certain overseas market has become a popular topic. The attraction of the Asian market is based on their cheap labor force, while the attraction of the eastern European market is due to their political freedom and they try to establish economic relationship with countries which in Europe, North America and Japan, some other countries are also trying to increase their market. To sum up, the earth has been becoming a huge market. More and more countries have been building business connection. (Johansson 2010, 110-122)

Becoming a member of global marketing might be able to help companies to increase the amount of the sales. As we know, increasing the sales data for the international market able to reduce the cost of production for domestic market. (Johansson 2010, 110-122).

Tax benefits also play an essential role in exporting, tax benefits always allow firms to offer their products with lower price in foreign market. This situation result in gaining more profits. (Hollensen 2010, 30-32.)

On the other hand, a company may be pushed to speed up to export process. Due to the domestic market sometimes unable to sustain their economies of scale and more companies have to choose export strategy. (Hollensen 2010, 32-33.)

The information about market saturation is also as explanation for the increasing number of exporting companies. Domestic market saturation creates a lot of unused resources. In order to avoid wasting, the companies have to find more market. Due to the change of customer buying behavior, sometimes the product is surplus. In this situation, companies have to find more overseas market opportunities and sale their product. (Hollensen 2010, 34-35)

Sometimes, in terms of exporting process, a lot of exporting companies always gain more profits in overseas market due to the exporting company has their own worldwide circulation. (Hollensen 2010, 40-42)

The exporting processes always have two ways. The first one is indirect exporting. Indirect exporting is surrounding agencies. It means the company establishes their exporting process depends on trading companies or exporting management organizations. On the contrary, the direct exporting is means the company do exporting issues by mail-order and telemarketing. (Hollensen 2010, 33-34)

Due to the different culture and different buying habits, the environments in the international market are totally different when compared with local market. International market is more complicated and unique. Exporting companies face challenges and different uncertain problems or situations in the international market.

2.1 Challenges and Possibilities of Exporting

In most cases, the domestic needs are not high because of the transferring of buying behavior. Exporting company able to gain profits from overseas' market and find more customer. (Baidu, Export)

Exporting is highly profitable for exporting companies. When compared with non-exporting companies, the exporting companies always get higher profits. Sometimes, the non-exporting companies face more risks, such as currency fluctuation. (International Trade Administration, 2012)

In terms of exporting process, direct exporting and indirect exporting are belongs to exporting process. Direct exporting are responsible for exporting company and the market and sales people should complete relevance task. Indirect exporting is controlled by exporters and the process is simple. (International Trade Administration, 2012)

Many organizations depend on exporting to do their international business. Exporting able to helping the exporting companies meet less risk among international market. (Daniels, Radebaugh & Sullivan 2011, 534-555).

Exporting companies always gain more profits when compared with non-exporting companies. Exporting companies get various benefits from exporting process. Exporting process help the company to do more deep-processing and developing the economic scale. Generally speaking, the company will becomes more flexibility result from exporting. Finally, exporting might improve the whole business performance and gain great reputation around world.

Many companies are showing their interest in exporting. The exporting teams always follow by definite way to select their international market. In general, the exporting organizations should do market research and carry out measurement about potential market. After those steps, exporting teams should choose the entry way and draw up the commitment. Sometimes, exporting teams are focus on distributing issues and technological problems .Exporting teams also pay more effort on marketing plan. Finally, ex-

porting team has to evaluate whole process and control the operations after complete the marketing strategy.

In our contemporary society, the business competition is not only to improve the further development of the developed economies, but also to promote the economic development of the developing countries. On the other hand, exporting and international trade create jobs and opportunities, more families out of poverty through finding new job. Furthermore, more companies improve their competitive by do deep-processing. (European Union 2012)

2.2 Barriers among Exporting Process

In recent decades, the global economy environments are showing different situation. The competitions in global market are more complex and complicated. Trade has considered as a vital role in international market. Another fact should be pointed out here is that developing countries always meet problems in international market due to the product quality is low and the shortage of strategy. (European Union, 2012)

International business means the buyers and sellers are not from same country. In recent decades, the serious tariffs are related to international community and these tariffs are focus on against for the international competition. For example, the GATT (General Agreement on Tariffs and Trade) is established by developed countries. This community aim to discuss about removing barriers in international market. GATT carried out popular negotiations in 1993 and these negotiations is named Uruguay Round. The WTO has been built by the Uruguay Round. The main purpose for WTO is reducing barriers. (Hill 2009, 11)

Nowadays, the global trade is depending on sophisticated communication skills and transportation skills. But, due to the sellers and buyers are from different countries, the different culture-background will lead to more barriers. Thus, no one can deny that the importance of removing barriers in global market. (Hill 2009, 12-15)

Barriers are related to the procedure of exporting. The export procedures and the regulations for exporting are different from country to country. In order to meet the needs which caused from exporting country, the exporting companies have to spend a lot of time to prepare export documents.

In most circumstances, barriers able to helping the exporting company to make their product more competitive and popular in global market. Trade barriers have different forms, such as legal and illegal. On the other hand, customers' protection will generate barriers too.

As we know, the global markets are complex and complicated. Unfair competition and unfair law also can be identified as a barrier in global business. (Export.Gov 2012)

In public ideas, trade barriers always generate more positive environment for their domestic products depend on tax rules. Cultural, social and political elements also cause barriers. But those barriers which connect to culture and political are named non-tariff barriers. (Gov.UK 2012)

More business people are interested in exporting barriers. To sum up, different barriers have their own characterises. In the global market, the exporting companies are always having the same problems like lacking of finance, limited resources, misunderstanding

with overseas' customer, lacking of certification and difficult for conducting foreign operations. (Baidu Top Barriers 2009)

Generally, if the company has insufficient finance, the company will faces barriers in international market, in the export process, if the exporting company lacking of foreign market connection or the certification of exporting, it is easily to cause misunderstanding between seller and buyer. In recent decades, some companies said if the corporation companies are just focusing on the developing domestic market, this situation will cause barriers in the exporting process as well. At last, due to the high cost of exporting manufacturing, distribution and financing expenditure, a few companies have maintained less enthusiasm on exporting.

Trade barriers usually focus on different rules which established by import country, In general, the incorrect ideas about potential market as an essence barrier in global market. In terms of import tariffs, sometimes, the excessive spending is result from lacking of investigation. (Hollensen, 2010, 35-40).

The competitions in global market are complex. A great number of companies are showing their interest in exporting. Companies always have a lot of troubles in the initial part. The barriers are live in the complicated global market. To sum up, the barriers are always surrounding finance and culture. For example, the United States faced some trouble in exporting process due to lacking of resources and unfamiliar about foreign government rule in the past.

Hence, critical barriers of exporting can be divided into three groups: general market risks, commercial risks and political risks. (Hollensen, 2010, 39-42).

Simply, the market is complex and complicated. First of all, the distance and competition can be regarded as the main problem in the exporting process. Secondly, the difference ideas about product and culture background also considered as the problem in the exporting process. Thirdly, shipping services are considered as a general problem in the exporting, because shipping can be imaged as a bridge between exporting company and importing company. (Hollensen 2010, 39-42)

The commercial risks include critical barriers. Initially, the fluctuation of exchange rate was considered as main risk among exporting process. The fluctuation of exchange rate sometimes might result in losing of funds. Next, the transmission also cannot be ignored. At last, in some cases, some troubles are connecting to gaining export finance in exporting process. (Hollensen 2010, 39-42)

The risks usually closed to the intervening of domestic government. The risks include the restrictions of foreign government, national export policy, exchange controls and civil strife, revolution and wars. (Hollensen 2010, 40-42)

According to the some exporting example, it is easily to conclude that half-baked information is main obstacle in international market. The buyer and seller should collect more resources, such as quotas, rules. Sometimes, the buyer and seller disagree about details. Hence, the communication problems bring about production disruptions.

Recently, an important meeting which convened by WTO is talk about reducing barriers and publishing related laws. It is easily to conclude that this target of the meeting is expanding a new life for exporting company. More and more exporting companies are paying more attention on innovation instead of considering barriers. (Hill 2009, 12-16)

Sum up, a great number of books talk about barriers, in terms of exporting companies, they always faces internal and external barriers in initial exporting process.

3 THE PRESENTATION OF GREEN BARRIERS

Nowadays, Green barriers as a new trade protection measures, are playing an increasingly large role in the trade of developing countries.

In terms of international trade, tariff barriers used to be an important content of trade protection. Americans, Germany and Japan used to depend on Tariff barriers to develop their local economy. But in recent decades, With the grows of global ecological problems, the conflict of environment has become more and more intense, Green Barriers are consider as new non-tariff barriers. More developed countries use green barriers as a pretext to control the quantity of export from developing countries.

3.1 Definition of Green Barriers

Green Barriers were developed in the later period of 20th Century. Green barriers have become the most popular topic in the tea exporting area. More and more products are involved in the content of green barriers. No country escapes the impact of green barriers. Similarly, green barriers will bring opportunities and challenges.

Green barriers are the abbreviation of Green Barriers to trade. Sometimes people called it Environmental trade Barriers and Environment trade. Generally, in order to protecting safety, government and international community publish regulations, policies and laws. International communities through the relevant agencies indirectly restrict the international trade activities. In other words, the effects of those regulations, standards, are aim at preventing harmful influence which is caused by some international trade. And sometimes the green barriers can be considered as public wishes. A great number of people

hope these kinds of barriers can boost the interaction of economic environment and environment. (Ye 2010, 27-30)

The meaning of green barriers has multiple explanations in theoretical circles. The essence of the green barriers are aim at developed countries relies on advanced technology and establishing strict criteria to control the quantity of importing foreign goods. (Xu 2012, 3-7)

From some information and theories, in recent decades, different scholars have different views on the definition of green barriers, the main difference is the discussion about the purpose of the green barriers which is to protect the environment and human health or import restrictions. With the continuous development of the technical barriers, green barriers (Green Barriers, GBs) has become an important part of the technical barriers. In fact, we cannot find more details about green barriers in international literature, "Green barriers" can be said to be a new word. In the international community, there is no authoritative definition. Some of our scholars put forward the concept of green barriers, mostly from the economic interests of the developing countries. (Baidu Green barriers, 2012)

3.2 Background and Reasons of Green Barriers

Since the 1990s, due to the establishment of the WTO, the international trade competition becomes more intense. Traditional trade protection measures are neither reasonable nor lawful, Western countries have adopted some new reasonable and legitimate trade protection measures to protect their own interests. Environmental protection measures are flexible and vulnerable. Developed countries through legislation or enact-

ing strict technical standards, making foreign products cannot be imported or set up certain limitations. (Xu 2012, 9-15)

In profound view, the green barriers are caused from the mix effect of international demand for environmental protection as well as the inevitable outcome of the development of international trade. (Ye 2010, 6-10)

In terms of the reason of green barriers, according to the (Xia 2012, 20-25) the formation of green barriers consist of various factors.

Deeply thinking, the four factors will form the main reason of green barriers in international market. (The North Economy Weekly, 2007)

1. Global environmental problem

Environmental protection is increasingly noticed in international community. Because of economic development and progress of human society, more and more serious environmental pollution are appeared in our society. Human are gradually aware of fact that the deterioration of the environment will eventually affect the survival environment and development of human beings. In recent years, due to over-exploitation of resources and the destruction of the ecological environment, natural disasters appeared as usual. Hence, sustainable economic development has become a common goal of mankind. Furthermore, with the development of modern medicine, the health and safety community made requirements of GM products. Hence, An endless stream of the international community is publishing more stringent health and safety standards.

2. The product of tea trade protection policy

In some circumstance, it can be considered the green barriers as a product of trade protection policy. Controlling the quantity of importing of agricultural products from other countries in the international trade of agricultural products is a way to protect the domestic agricultural market and those countries are especially developed countries which have consistently adhered to the policy for all countries. Countries which are in WTO are required to cut off tariff. Green barriers, due to the effect in external and internal operability become the framework of agricultural trade protection. (Xia 2012, 55-70)

3. The transform of consumption style

People are increasingly concerned about food safety issues, and consumer attitudes for food is shift to subsistence - Nutrition - Health - environmentally friendly, thus, a vital fact should be pointed here is that different countries have experienced strict standards and fight for market share with green food, it can be seen as an obstacle of the agricultural export which can't meet the standard. Objectively it is green barriers. (Xia 2012, 55-70)

4. Relevant law and international regulation

The relevant provisions of the GATT and the WTO are provided for the implementation of the green barriers, sometimes it lacks of clear rules especially cannot find the definite solution about green barriers .WTO published the agreement and emphasized the environmental exceptions, On the other word, under the WTO, the green rules are faultiness provided an possibility for generation of green barriers in somehow. (Xia 2012, 55-70)

3.3 Features of Green Barriers

- Hypocrisy: The Green barriers are aim at protecting the Earth's ecological environment and human health. In fact it is not an act of trade protection, but restricting import. Green Barriers have nominally reasonable, in other word, green barriers are

protecting the human resources and environment, but actually do the trade restrictions and sanctions in fact. (Xu 2012, 3-9)

- Unbalance: developed and developing countries have shown a sign of a great unbalance. Western developed countries ignore the realities of developing countries, raised too high standard of importing, it will cause unbalance. (Xu 2009, 3-9)
- Elusive: Various green barriers concealed in specific trade regulations and the implementation of the international convention, the importing countries rejected those barriers as a nuclear weapon. Compared with traditional measures, non-tariff barriers, such as publishing the limitation about the number of import. Green barriers are more concealed, First of all, it is not like the quota and license management measures, it has obviously unreasonable and discriminatory distribution zone. Secondly, the establishment of various inspection standards in the foundation of modern science and technology is not only extremely strict but also complex, and it would be difficult to adapt for the exporting countries. For example, in April 1995, the International Organization for Standardization carried out the implementation of international environmental monitoring standard system, many countries limited the use of this standard and refuses products imported. (Baidu Zhidao 2012)
- Ruggedness: Green barriers seize the psychological attention, according to the situation of the domestic market, consumers making ultra-high standards, creating obstacles to consumption of imported goods, it is a sturdy fortress among importing process. (Xu 2012, 3-10)
- Strong technicality: The identification of the production, usage, consumption, and the process includes the technical component. (Xu 2012, 3-10)

- The breadth of protection : Green barriers include a wide range of content, it is not only related to the regulations and restrictions which connect about environmental protection, But also for those who need to reach a certain standard of safety, health, anti-fouling. In the meanwhile, due to the green trade barriers are uncertainty and plasticity, hence, in the process of specific implementation and operation, sometimes it is very easy to be used by some developed countries. (Xu 2012, 3-10)
- Forms of legitimacy: Green trade barriers belong to the category of non-tariff barriers, but it is different from non-tariff barriers, it is not through public legislation and implementation but based on a series of international and domestic public legislation and foundation, Since the 1970s, some international community through the relevant international organizations and international conferences formulated a number of multilateral international environmental accord rules. (Liang 2010, 12)

3.4 Pattern and Example of Green Barriers

As we know, green barriers are flexible, combinational and ruggedness, hence developed countries are doing trade protection by using the definition of environmental protection but actually provided convenient for local production. Simply, Green trade barriers mainly characterized by the following types. (Xu 2012, 19-22).

1. Green tariff system: Importing countries imposed an import surcharge on some imported products which cause environmental threats and destruction. (Xu 2012, 19-22)

2. The green market access system: Importing countries depend on some international laws and regulations taking measure of the action that will pollute the environment and endanger human health. (Xu 2012, 19-22)
3. Mandatory green flag: Mandatory green flag (signed), the mandatory require for the certification ISO 14000. (Xu 2012, 19-22)
4. Green packaging system: Green packing means conserving resources ,reducing wastes ,recycling or helping some feature easy to break down naturally, At present, the measures are taken by the different countries. (Xu 2012, 19-22)

The international standards are stricter. In next table, we can see that, the pesticide in coffee, cocoa is 185 and 132, but the special stand for tea is 35 and 18

TABLE2. EC/2008 the law of Pesticide (MRL standard) (Anhui Tea Yearbook 2012)

Name of product — pesticide	Tea, Coffee ,Cocoa	Special Standards for Tea
1	185	35
2	152	18
To sum up	337	53

TABLE3. The comparison about New MRL and Old MRL (Anhui Tea Yearbook 2012)

Pesticide residue — mg/kg %	Old	New
1,2 BrCH ₂ CH ₂ B	0.1	0.02
O, O-dimethyl-O	0.1	0.02
Diflubenzuron	0.05	0.02
Chlorfenapyr	0.1	0.02

In Table 3, we can see that in terms of different pesticide residue, the old MRL declare that 0, 1.or 0, 05. But the new MRL declare that all of 0, 02. Obviously, it is not difficult to conclude a new MRL standard and the law has more strict measurement for tea.

On the other hand ,the market coordinator say a lot of countries claim that when the tea arrive to destination, they will take a test again, if the tea cannot meet the need and standard, they will reject the goods. In order to avoid rejecting, tea exporting companies do more tests, it leads to the consumption. On the other hand, the complex and complicated tea certification program brings about a lot of problems, for example, it will increase the economic burden of tea enterprise and decrease the profit.

3.5 The Effect of Green Barriers

The widespread use of green trade barriers in the field of international trade has a serious impact on the normal development of the international trade, as well as the smooth development of the national economies. In terms of developing countries, especially as the country's export-oriented economy, green trade barriers are "soft" cutting edge and stabbing the lifeblood of the economies of developing countries.

But just like one coin have two sides, the green barriers has positive and harmful effect

3.5.1. Positive Effects (Xia 2012, 192-250)

- More than half of the Dutch, 90% German, 89% of Americans said when they go shopping, the environment standards of consumer goods will be in the first consideration, 85% of Swedes are willing to pay a higher price for a clean environment; 77% in Japan people only choose the products with environmental labeling. According to

incomplete statistics, in the 21th century, in terms of green market, the whole turnover exceeded \$ 600,000,000,000, the environmental protection industry will truly become a pillar industry. In terms of developing countries, Green industry output value accounted for only 0.7% of GDP. Developing green products can help enterprises enhance their competitive advantage.

- Enhancing international competitiveness of enterprise, in general, promoting international enterprises cause effect on the development of the product consciously and finding more pollution-free products, improving the level of science and technology as well as improving internal production efficiency and product quality.

TABLE 4.The solution of facing green barriers (Xia 2012, 150-180)

Solutions Measurement	Changing market	Adjusting production line	Calling for help
The difficulties of implement	Low	High	High
Cost	Small	Huge	Medium
Effect	Short-term	Long-term	Unsure

After carefully analysis of green barriers, when the enterprises face green barriers, they have three solution, one is change market, because of different kind and extent of green barriers in different countries, when importing countries cannot suit the previous market, they can change the market and make adjustment of production line to suit the new version and the last choice is call for help from government or international organization.

Just like the picture said, Changing exporting countries' market will cause short-term effect and due to the exporting market has low-level green barriers ,the test of quality are maintain low- level, hence, it causes the quality of products are keep low too ,it is

unable to suit the green consumption in international market. And in terms of calling for help from government and international organization, it will engender high-cost and the effect are unsure .Finally, only adjusting the production line will be a good way for enterprise when they faced green barriers .The next smiling curve can be used to describe the effect .

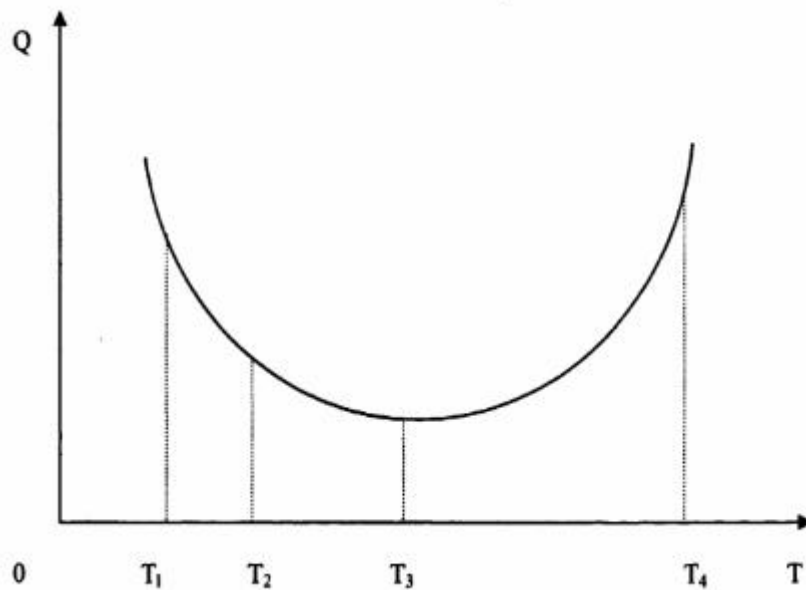


FIGURE 1. Trade development curve. (Xia 2012.193-198)

According to the curve picture, among the process of (T1, T2), it is an initial part for exporting enterprise ,due to the serious green barriers ,the developing countries cannot response ,hence it causes the decreasing trend about exporting volume ,But in the process of (T2 ,T3), though the export volume are also decreasing ,but this situation is temporarily, because in this term, the enterprises are doing the adjustment of their production line and improving the level of science and technology, After the reform of the production line, the product are gradually popular in international market, hence, it shows a significant increasing in curve in (T3,T4), To sum up, it is easy to say that in some circumstances, the green barriers are stimulating the adjustment and reform of the exporting enterprises. (Xia 2012, 194).

3.5.2. Harmful Effects

Environmental regulations are enacted by the developed countries for their own environmental problems, but those environmental regulations also become a disguised form of trade protection measures. In recent decades, developing countries have been set up numerous barriers when they enter the international market. (Xia 2012, 200-204)

In terms of exporting, in most circumstances, most of developing countries is focusing on Europe and the United States, the newly industrialized countries in Asian, But these countries vigorously promote green products, such as France green products occupy for 30% of its national general category of goods, so many of export products are severely hampered due to market access in these countries. (Xia 2012, 200-204)

On the other hand, it will affect the sustainable development of exporting countries. Some devolved countries are not only setting green barriers but also transferring polluting industry to developing countries, such as the United States, Japan and other countries. For instance, a great number of high pollution, high energy-consuming industries are transferred to developing countries. Under this circumstance, the environment problems are becoming increasingly prominent in the world. (Xia 2012, 200-204).

3.6 Development Tendency of Green Barriers

Due to the widespread use of green barriers in international trade, the situation of trade conflict are increasing tendency, hence, it is no reason to concern about the development tendency of green barriers. (Wang 2010, 20-22).

- 1) Green technology standard which is established by developed countries are gradually enhanced. In recent years, The developing countries are often encountering the problem of returning and rejecting in the international trade, that is because the developed countries are gradually enhanced their standard of green technology, but, in some circumstances, some of the products from developing countries such as agriculture goods cannot suit the new standard, for example the European Union declare that the number of the punishment Pesticides in tea are increasing to 69 but the old standard are only 29. The United States, Canada, Japan also unveiled new plans and standards, we can see that the green barriers in the process of the development of international trade is not a static process, developed countries always use their own unique technology to improve the green bastion of strength constantly. (Wang 2010, 20-50).

- 2) The constantly increase of the number of mandatory regulations, in the definite measure of green barriers , nearly half of the measures are voluntary, for instance, the identification of ISO14000, the identification of environmental standard is holding the principle of voluntary, However, according to the current international trade trends, many countries are enacting the relevance law and making detailed provisions about product should observe relevant rule and pass the commodity inspection in the law, such as FDA in American ,CE in European Union, ISO9000 and ISO14000 in International market . (Wang 2010, 20-50)

- 3) The association of green barriers are growing, In the Initial process of green barriers, the developed countries were making restrictive measures in a certain period of time for a particular product, The correlation between the different measures are not very closed .On the contrary, the association of green barriers are considered as a

blink topic in international area, various measures are touched. The diffusion effects of Green barriers are also becoming more and more significant.(Wang 2010, 20-55)

- 4) More green barriers are connecting to organic food certification. Organic food means food from organic agricultural production system. According to requirement about International Federation of Organic Agriculture production and the corresponding standard, the development of the oil agricultural and chemical agriculture, not only led to environmental pollution but also cause many harmful effect. The development of organic agriculture is the inevitable result of humanity. In recent years, many developed countries have started and continued to accelerate the pace of get organic food certification, EU called for exporting countries to establish relationship with the EU organic food system, if not, EU will reject the import of its products. (Wang 2010, 20-55)

4 THE PRESENTATION OF ANHUI TEA EXPORT

Generally speaking, China is the hometown of the tea. In public area, China has considered as the largest tea production area. China across six climatic zones, most of the parts in China can produce tea, China can be divided into four tea-growing areas, including Jiangnan, Jiangbe, Jiangxi, Jiangdong. The distributions of tea-producing areas are mainly in the south of China, especially in Zhejiang and Hunan, the output is No.1 in China. (Baidu China Tea, 2013)

4.1 Current Product Status of Anhui Tea

Anhui Province is near to the Changjiang River and located in the southeastern part of China, the ecological environment is very favorable. The outstanding natural environment is the main reason for explanation why Anhui has unique tea production.

Generally speaking, Anhui has more than two thousand years of history in the production of tea, Anhui Tea can be considered as a Chinese traditional tea, such as Huoshan Huangya, liuan Guapian, Huangshan Maofeng. Anhui Tea, in most cases, is called Green Golden in public.

Anhui Province is one of the important tea-producing provinces in China, the province's existing tea garden area are 18000 meter square, which produce over 40,000 tons of green tea, the output value of 700 million Chinese Yuan.

On the other hand, Anhui Province has a wide range of tea-growing areas, and involving in many people who are interested this work for tea production, According to statistics, more than 300 million people are involving in tea agriculture and production operators

are more than 100 million people, Anhui tea plantation area was about 20500 meter square in 2012, including organic, green, pollution-free areas. The whole tea production volume was 8.3 million tons. An increase of 1.45% over the previous year, ranked sixth in the country, production value was around 36 billion, an increase of 20% over the previous year. Anhui Tea Import and Export Co., Ltd. export volume occupies for nearly half of the share. (Baidu Anhui Tea 2013)

1. Tea production line develop new product or do relevance deep producing, many companies continue to develop the deep processing of tea products. Tea companies also apply for taking full advantage of the nutrients of tea. For instances, Wu Yu Tai Tea Company put forward a new idea which is not only to drink tea but also to eat some tea, this idea generate a better efficiency. This concept shows that people are not only concentrating on the taste of tea but also paying more attention on nutrition. (Anhui agriculture science 2011)
2. The distribution of tea production is distinct. Different areas are producing different kinds of tea, such as flower tea and red tea which are able to plant in unique area. (Anhui agriculture science 2011)
3. The accelerate speed of the optimization of product structure. The innovation tendency of traditional tea is becoming faster and faster. The structure of tea product shows the development toward and can be described as low price and high-quality. The quality and safety of tea has increased significantly in 2011. The total output were 53 million tons, increased of 4.4 million tons when comparing the last year, the gross output value were 30.8 billion Yuan, increased 49.8 billion Yuan comparing past. Pollution-free tea plantation area were 176300 meter square, it increases 187 million meter square, The Organic tea garden area were 13600 meter square, the

area are increase 17.8 million meter square when making a comparison with 2010 (Anhui agriculture science 2011)

4.2 Current Export Status for Anhui Tea

Anhui is a major tea-producing area in China. The exporting teas are including flower tea, black tea and oolong tea. Tea production in Anhui plays an essential role in whole tea process in China and the quantity of exporting are showing increasing trend. (Encyclopedia of China Agricultural 2001).

TABLE5. China Tea Exporting Situation from 2008 to 2012 (Anhui Agriculture Date 2012)

Year Number	Number of exporting Anhui (Ten thousand tons)	Number of exporting China tea(Ten thousand tons)	Anhui account for whole exporting (%)	Exporting volume Anhui (Ten thousand dollars)	China exporting volume (Ten thousand dollars)
2008	2.04	28.67	7.12%	3320	54700
2009	2.80	28.95	9.67%	3758	62100
2010	5.50	29.82	18.44%	3093	68700
2011	6.30	30.30	20.79%	4420	63300
2012	9.56	30.24	31.61%	7841	78417

This table shows that in recent years, the exporting tea situation in Anhui province indicated an increasing trend and made a huge contribution for whole country tea exporting. The whole exporting volumes were 9.56 ten thousand tons in 2012 which are more than 4 times than the exporting volumes in 2008.

4.2.1. Main Exporting Country for Anhui Tea

TABLE6. Anhui tea exporting situation to 4 countries (Anhui Agriculture Date 2012)

Market Number	Number of export (Ten thousand tons)	Increase extent of export (%)	Export volume (Ten thousand dollars)	Increase extent of export volume (%)
Morocco	5.68	7.9	10.985	11.6
Japan	2.77	-20	6.570	-17.7
U.S.A	1.88	2.9	3.538	19.9
EU	1.76	9.3	4.514	38.8

Morocco, Japan, U.S.A and EU are main target countries of Anhui tea exporting, the volume of trade about those countries were occupying nearly a half in the whole value of international tea trade in Anhui. The exporting situation can be described as below.

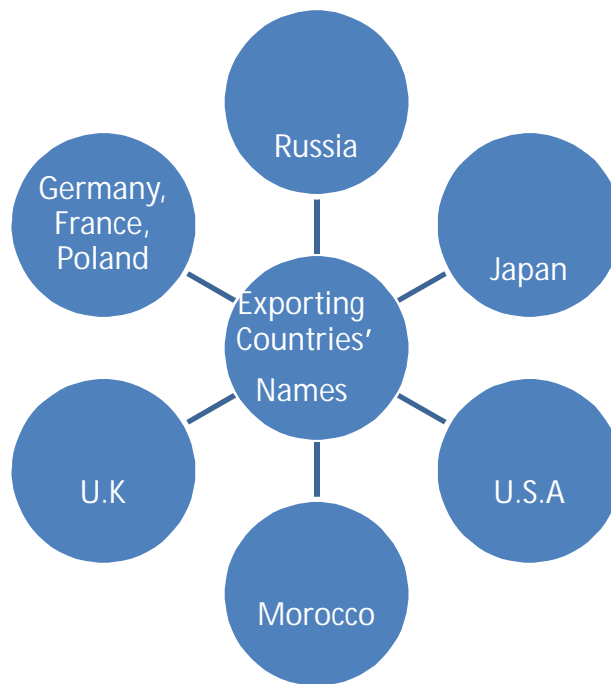


FIGURE2. Main Exporting Countries for Anhui Tea (Anhui Agriculture Date 2012)

- 1) Morocco, one of the major export markets of Anhui tea, so Morocco is able to be seen as a traditional export market of China tea. The market in Morocco plays a vital role in Anhui exporting trade, but recent data shows the increasing speed is slowly in last year. According to the feedback of Morocco, the quality of Anhui tea is reflected-

ing decreasing trend , If they do not increase the tea quality management and pay more attention on testing, the market share of Morocco will be affected

- 2) Japan, Japan is one of the major industrial countries in the world, the consumption of domestic agriculture product are mainly depend on exporting in Japan, Tea is noticed as a important site in exporting process. In recent years, agricultural residue standards set by Japan are becoming more serious and relevant testing are more and more difficult .Hence, exporting problem seemed complex and complicated, it can be considered as main obstacle for Anhui tea exporting.
- 3) U.S.A, the detection about residues of pesticide and related systems are pretty well in U.S.A, However, due to the gradually elimination of tariff barriers of international trade, complicated pesticide residue test system increase the cost of importing tea. The government of U.S.A declares all of the importing tea should be applied with FDA (Food and Drug Administration), meanwhile, the government are draw up a law named Tea exporting law, this law gives a detail description of produce, identify, package and relevant test rule.
- 4) EU, China is the EU's largest supplier of green tea, China tea are mainly exported to Germany, followed by France, the United Kingdom, the Netherlands and Poland, these five countries occupied for more than 85% of Chinese tea exports to the EU in 2005, Although due to the EU set technical barriers in recent years, the exporting volume of Chinese tea in the EU market has been declining, EU is one of the community use MRL standard and it is the most stringent standard when considering about residues of pesticide, The majority of European countries are use EU's MRL standard as well.

Additionally, apart from those four countries, Anhui tea is established cooperation with many country .Next Table will illustrate the exporting situation about Anhui Tea.

TABLE8. Tea Export Volume in Different Countries from China in 2002 to 2010 (Agriculture Date 2012)

Country Million Dollars	2002	2003	2004	2005	2006	2007	2008	2009	2010
Germany	6692	9838	7883	100709	20243	19678	22000	25678	35282
French	2908	3267	4030	4239	5882	7070	8034	11002	16622
England	4153	5500	6040	6233	11289	11789	22008	23440	32989
Holland	3898	4020	4500	6499	7899	8078	9000	10023	15672
Spain	2792	3002	4300	5500	6472	8970	10023	16462	23921

In this table, the exporting volume in different country were showed notable increasing trend between 2002 and 2008, especially between 2005 and 2010, and the speed of increasing are totally different, in terms German, it is made a great contribution, the export volume were 35282 millions in 2010, it is increasing so much when comparing with previous data. In general, it is can be conclude that German is a main cooperater for Anhui tea.

Another fact should be pointed here is that, in addition to European market, Anhui Tea also export to African market but it is not main market for Anhui tea, Anhui always exporting old tea to African, due to the shortage of teas, tea export commodities do a strict controls, the supply management should apply for state plan, The exporting tea to African tea are implemented by local government, because the demands from Africa are short, hence, sometimes, the fresh tea are surplus, in order to prevent the tea become mildewed, the company in Anhui pick some of old tea to shipment and export to Africa . (Anhui Statistical 2012)

4.2.2 Export Standard and Export Process for Anhui Tea.

In order to avoid the complicated misunderstanding between exporter and importer, when it comes about exporting in international market, each goods should abide by special process and relevant standard. (Encyclopedia of China Agricultural, 2001).

Export process is including following steps:

1. Preparatory

The result of tea detecting in the domestic market determine whether the tea is able to get permit to export, domestic detecting also focus on testing whether the tea product abide by EU standards. Currently, Tea companies usually send their product to professional institutes, such as, The Tea Research Institute of Chinese Academy of Agricultural Sciences and the Ministry of Agriculture; those institutes have variety of ways to detect the pesticide residues. If the test results are up to EU standards, the companies are able to negotiate to their co-operator (Encyclopedia of China Agricultural, 2001).

2. Commercial negotiations

The importer and exporter negotiate about the intention to export China tea and exporter should send off the first tea sample, after the sample passing the test which caused by importer, exporters are able to continue further formal contract. (Encyclopedia of China Agricultural, 2001).

3. Apply for a permit

China tea companies have a long history which engage in the import and export trade and hold independent import and export rights, according to the requirement from exporter, the exporter and importer licences are given from importer companies directly.

After receiving the licences, the exporters are able to do further process. (Encyclopedia of China Agricultural, 2001).

4. Inspections

Export Companies should complete the inspection work. Customers ask for all material from tea product that should join in the detection from China Import and Export Commodity and write a test report.

5. Declarations

Export Company should complete the declaration process. The declaration means the company should show their import and export licenses which given by the authorities. After that, the company will receive a verification letter. (Encyclopedia of China Agricultural, 2001).

6. Booking

After the export company completing the report and test, China's tea company is able to implement exporting. Hence, the company should consider about booking ships or other vehicle in advance. (Encyclopedia of China Agricultural, 2001).

7. Bills of lading confirmed

The exporter and importer confirm the details of the bill and the contract, to ensure that the bill of lading without any omissions. (Encyclopedia of China Agricultural, 2001).

8. Cargo insurance

If the value is higher, the insurance should cover the entire product. (Encyclopedia of China Agricultural, 2001).

9. Shipments of goods

In most circumstances, the customers are from European Union, the products are usually transported by ship. Hence, the exporter company should contact with Transport Company. (Encyclopedia of China Agricultural, 2001).

10. Shipping charge notification

After shipments, The Company should inform the customer that the goods have been shipped. After communicating, the bill of lading is send to the customer. (Encyclopedia of China Agricultural, 2001).

11. Arrival of sample testing

In terms of exporting countries, when the goods arrive to the destination, the importer company will test large parts of products. If the detection is qualified, the export process will be completed. If it fails, the customer has the right to reject whole trade. (Encyclopedia of China Agricultural, 2001).

12. Pay a single settlement

Generally, after the test, the customer will pay their single settlement by transferring account. (Encyclopedia of China Agricultural, 2001).

13. Finishing work

After complete those 12 steps, China tea Export Company will regain declarations, verification form, and foreign exchange verification and finally get the export tax rebates. (China Tea exports to the EU program)

To sum up, only finishing these 13 steps and each step is qualified; the exporting goods can be legally exported to the EU market.

Furthermore, in terms of some teas which are planning to export to Germany and England, Chinese tea Export Company should improve the quality of the tea. This detection in Germany is stricter than other countries. (EU Import procedures 2013)

4.3 Exporting Regulations, Certification, Documentation

This part explains about the requirements which caused by China and EU market. It is including exporting certifications and documentations.

4.3.1. China's Requirements

The Anhui Tea Import and Export Co., Ltd. abide by many international regulations and these regulations are as following:

China Requirements and Documentation are described below:

1) GAP

GAP stands for Good Agricultural Practices. Broadly speaking, good agricultural practices (Good Agricultural Practices, GAP) are a measure system, and it is a measurement which protects food safety and food quality. It is based on hazard prevention (HACCP) and sustainable development of agriculture to prevent serious contamination happening. The standard is mainly related to the cultivation of field crops, fruit and vegetable cultivation, livestock and poultry, cattle and sheep farming, dairy farming, pig farming, poultry farming. (Baidu GAP 2013)

In April 2003, the China Certification and Accreditation Administration Committee proposed the establishment of the food chain in China, and started the preparation and formulation of the China GAP standard in 2004. China GAP focus on series of standards,

including: terminology, farm base control points and compliance criteria. The implementations of China GAP standard will promote the sustainable development of agricultural production and enhance the level of security, it is also able to improve the international competitiveness of Chinese agricultural products. (Baidu GAP 2013)

2) IMO

The IMO (International Maritime Organization – IMO) is from United Nations and responsible for the safety of maritime navigation. The International Maritime Organization (IMO) is paying attention on national shipping industry and focusing on how to improve maritime safety. The organization was founded in 1959 and it is formerly known as the Intergovernmental Maritime Consultative Organization. (Baidu IMO 2013)

The purpose of the organization is to promote the shipping technical cooperation among different countries and encourage states to promote maritime safety and also focus on controlling the shipment process and helping them to adopt a uniform standard. (Baidu IMO 2013)

3) ISO 14000

ISO 14000, its full name is the International Organization for Standardization, or International Standard Organized. The International Organization for Standardization (ISO) is a worldwide federation of national standards bodies (ISO member bodies). Development of international standards work is usually completed by the ISO Technical Committee. ISO and the International Electro technical Commission (IEC) maintain a close cooperative relationship in the electro technical standardization. (Baidu IMO14000, 2013)

4) HACCP

The HACCP means Hazard Analysis and Critical Control Points. HACCP focus on ensuring the safety of food in production, manufacturing, preparation and consumption process. (Baidu Baike HACCP, 2013)

4.3.2. EU's Requirements

This part explains about the requirements caused by EU. It also gives information about internal taxes when products arrive to the destination country. This part describes about information on general requirement for all products as well as the specific requirement about specific product. (Export helpdesk 2013)

EU, as a member of the World Trade Organization (WTO), carries out the rule of "free importation" for their members. This rule presents that EU encourages publishing more trade policies to lighten the difficulties of exporting goods and services. (Export helpdesk 2013)

1. EU documentations

All the export companies should prepare for the commercial invoice, freight documents and customs import declaration, the content of those documentations is described in the next page. (Export helpdesk 2013)

1) Commercial invoice

The commercial invoice records are evidence of transactions between exporters and importers. Commercial invoice contains basic information on the transaction, it is always talking about certain entries in the import and export trade, which is similar to the ordinary sales invoice. The information generally include exporters and importers (name and address information), release Date, invoice number ,The description of the goods (name,

quality, etc.), the quantity of goods, the value of units, the total value of the subject, invoice total value and currency of payment. Those factors must be marked in the commercial invoice. (Export helpdesk 2013)

The commercial invoice must be prepared according to the standard and the commercial invoice must be an original submission. In normal circumstances, there is no need to sign the invoice. Commercial invoice might be able to be signed by any language. However, sometimes, the commercial invoice is called for translating into English. (Export helpdesk 2013)

2) Freight Documents (Transport Documentation)

Depending on the means of transport, the following documents should be filled out a form and presented to the customs authorities. (Export helpdesk 2013):

3) Customs Import Declaration (SAD)

All goods imported into the European Union (EU) must be declared to the customs authorities and used the Single Administrative Document (SAD), which is the common import declaration form for all the Member States. The declaration must be drawn up in one of the official languages of the EU and the language should be acceptable to the customs authorities of the Member. (Export helpdesk 2013)

5 RESEARCH ON GREEN BARRIERS FACED BY ANHUI TEA IMPORTS AND EXPORTS CO., LTD

The working about the research process was gathering the information on the topic of Green Barriers and tea exporting companies in Anhui. The research questions were referring green barriers in the international market.

The data has been collected by interviewing the company leader and relevant exporting market team member. At the beginning of the research process, it was difficult to communicate with the companies and members. Sometimes, the interviewers are very busy and not interested in the question. Sometimes the contact time is limited. On the other hand, sometimes, the companies' website are not update new information on time, it is difficult to find the correct address or telephone number. In the end, after repeatedly explain my reason for interviewing, the members of the exporting company show their interest in interviewing. The information gathering took two months and completed at end of last august.

The important fact should be pointed out here is that in order to complete the interview, the data collected by all the necessary information relevant with the topic of the process of the research. The respondents are male and ages are between 25-40 years old. Another fact also should be pointed out here is that all the respondents are working in the tea industry for least 5 years and having relevant experience of Tea Exporting.

On the other hand, the researcher not just focusing on the tea company, because in China, not only tea company taking part in exporting process but also many estates paying attention on exporting process, such as Knit industry and food companies, hence, I also transfer the questionnaire to those companies, I choose 6 companies in Anhui and

received the feedback. In some ways, I handed out the questionnaire for some people who are working in the exporting department. (Interview with Gu 2013)

5.1 Description of the Case Company

Anhui Tea Imports and Exports Co., Ltd are mainly engaged in tea export in international market. Depending on the abundant fund resources, a large number of professional staffs, the business in this company has been increasing rapidly and formed specialized departments about foreign trade and domestic trade. The company strictly carries out ISO9001 and ISO14000 standard, and also implements the principle of "Quality first, credit above all".

The company has been establishing the trade relationship with business partners from domestic and abroad, obtained great reputation from clients. The annual turnover is more than USD44 million. (Anhui Tea 2012)

Anhui Tea Imports and Exports Co., Ltd have a tiny marketing department. The marketing decision in the company is implemented by the managing director and other executives. Anhui Tea Import and Export Co., Ltd also have a website, in the website, it is easy to find the information and description about tea, on the other hand, The Company uses their brochure to give information about their company. (Anhui Tea 2012)

However, the company uses e-mail, phone and fax to communicate with foreign buyers and business partners. Anhui Tea Imports and Exports Co., Ltd carry out both direct and indirect exporting ways to connect to their cooperators. (Anhui Tea 2012)

The impetus of the company's business is the tea export-oriented. The company usually carries out eight kinds of businesses, mainly tea exportation, chemicals (PVC hose), clothing, textiles, fruits and vegetables (dehydrated garlic products), mechanical and electrical (electromagnetic meters), graphite electrodes backbone export commodities and import and domestic business. More than 100 countries have relationship with Anhui Tea Imports and Exports Co., Ltd.

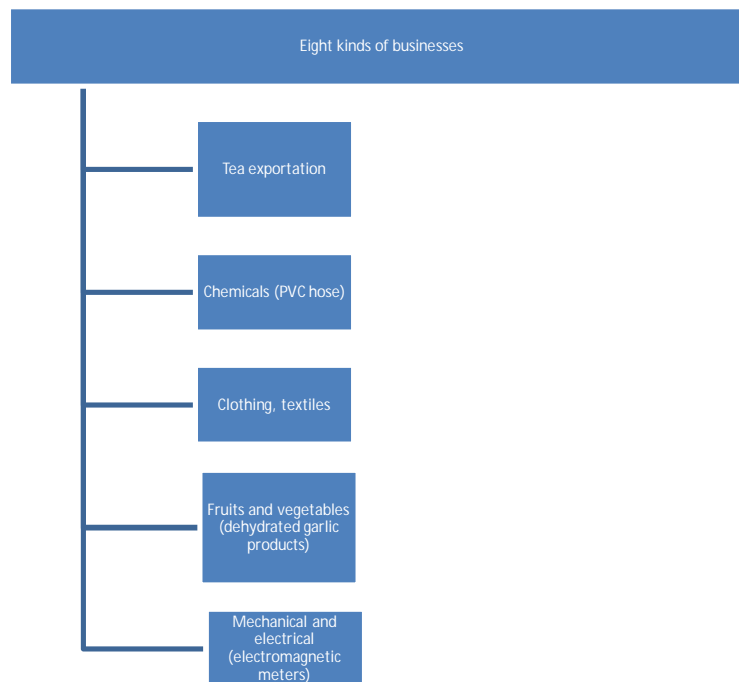


FIGURE 3. Business types of Anhui Tea Import and Export Co, Ltd (Anhui Tea 2012)

5.2 Results of the Research

For a long time, Anhui Tea Imports and Exports Co., Ltd has been paying more attention on quantity and ignoring the quality of the product, we can find a big gap between Anhui tea test systems and the relevance international standards. Hence, the export situation is showing the optimism trend in recent times. According to my research, those people

who are working in exporting department talked lots of reasons for green barriers happened that faced by Anhui Province.

- The product testing systems which are focusing on the technical standards and the environmental protection standards is the main obstacle for Anhui tea exporting, With the progress of scientific and technological, more and more countries pay more attention on high –quality product. The developed countries such as German, Japan and European Union, those countries are considered as the main tea importing countries when it comes about China tea exporting, they are always implementing the serious test for tea importing, the serious testing system and wide-range test standard can be decided as the irreversible tendency in the tea exporting process. Japan and American also published the relevance and similar law. Those laws are mainly focusing on improving the tea agricultural residues control standards and adding the test system about heavy metal, radioactive materials. In fact, nowadays, the test systems in Anhui are fall behind to the developed countries, it means Anhui Tea Company need a lot of expenditure, hence, it will lead to the increase of cost and lost the dominant position in tea exporting market.
- Complex international certification process slowed down the process of tea exports, currently, due to the backwardness of the production structure, some cooperation countries are not admit the testing system that is used by Anhui Province and asking for our tea participating the international tests. In most cases, those international tests are complex and complicated, sometimes, those certificates need a lot of expenditure. Hence, it will increase the cost and enhance the length of tea exporting process it can be considered as a burden and slowing down the efficiency of tea exporting process.

- Low technology of tea production, nowadays, deep processing in China is not mature, the quality of the tea is not very well, technical inspection standards and systems are relatively backward and The government's management capacity are limited.

6 DEVELOPMENT SUGGESTIONS

Although, in public area, green barriers brought us some benefits in exporting process, the essential thing should be write here is that in the view of the short-term impact, the green barriers bring a burden for Anhui tea exporting. Hence, how to reply the green barriers is the most essential problem for Anhui tea exporting. To be simply, it needs the cooperation of government and the association of tea producer as well.

When it comes about government, the government should strengthen the awareness of green barriers, due to the lacking awareness of the green barriers, majority of enterprises suffered from that in the exporting process. Hence, the government should act as a guide in the exporting process and do the introduction of advanced international standards. On the other hand, the government should guide our customer to do green consumption in their daily life and establish favourable consumption environment. (Wu 2010, 22-35)

In terms of tea company and tea producer, they should increase tea technological innovation and establish excellent tea production –line. Furthermore, the company should increase the number of R & D team and improve the economies of scale. Furthermore, the company should pay more effort on reducing the number of agricultural residues and focus on green packaging. (Wu 2010, 22-33)

Finally, in the process of tea exporting, when the company faces about green barriers, the company and government are able to call for help from international association such as WTO, Our company should make full using of trade principles, because the principles of national treatment and similar principles are aim to protect our benefits. (Wang 2012, 20-50)

7 CONCLUSIONS

In this thesis, it has been discussed the green barriers in tea exporting and given some relevance examples and ideas about how to solve it and described the green barriers that faced by Anhui Tea Imports and Exports Co, Ltd and the solution are also presented.

To be simply, the main purpose of the research was to find out the major green barriers and answers for the question about what are green barriers and how to solve it. The literature of the research is paying more attention on the export barriers in the international market and also presenting the meaning, pattern and feature of green barriers.

With the further development of global trade liberalization and the deteriorating of ecological environment, protection of the ecological environment becomes an important topic in public area. Hence, international green trade has been becoming an irreversible trend in international business part. Sometimes, we can find and meet the green barriers in the process of tea exporting. We should analysis the green barriers into two parts, in short term, green barriers are acted as an instrument of trade protectionism and causing negative effect. In general, the detection level and production level in developing countries cannot meet the need of the developed countries and this situation leads to the decreasing tendency in tea exporting environment. But another vital thing should be pointed out here is that in terms of long-time effect, green barriers, in some circumstances, are able to promote the development of tea process and improve the level of testing standard in Anhui tea exporting process.

To sum up, some problems were found in exporting, these kinds of problems are so general in all China tea exporting and Anhui Tea Imports and Exports Co., Ltd is just a significant example. Both the Government and enterprises should strengthen their

capacity to cooperate with each other and form an organic part and deal with the green barriers.

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Interview 3

Interview Fang Yun, Salesman in Trade Department No,8

Anhui Food imports and exports Co., Ltd in July and August of 2013

Interview 4

Interview Li Yun, Manager in Anhui Food imports and exports Co., Ltd

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Interview 5

Interview Wang Jun, Manager in Anhui Cloths imports and exports Co., Ltd
Anhui Clothes imports and exports Co., Ltd in July and August of 2013

Interview 6

Interview Xu Jia, Manager in Anhui Grain imports and exports Co., Ltd
Anhui Grain imports and exports Co., Ltd in July and August of 2013

Interview 7

Interview Pan Li, Manager in Anhui Knit imports and exports Co., Ltd
Anhui Knit imports and exports Co., Ltd in July and August of 2013

APPENDIX

Appendix. Questions for interview

1. Could you tell me about your company background in the field of international tea market?
2. What is your position in the company?
3. Do you find it difficult to get information about the EU and other international tea market?
4. Do you face problems in the EU market and other international tea market?
5. Do you find it difficult to contact with European Union and other international tea market buyers?
6. How do you think about green barriers?
7. What do you think about green barriers?
8. Which country set green barriers usually and what kind of barriers
9. Do you face any cultural problem with foreign customers?
10. Could you rank the top five different species green barriers faced by your company?
Could you rank the top five different solutions in your company when your team faced green barriers, such as asking help for government?