

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Committee on Technical Barriers to Trade

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SECOND THREE-YEAR REVIEW OF THE OPERATION AND IMPLEMENTATION OF THE AGREEMENT

Proposals by the United States

The following proposals to be considered in the context of the Second Three-Year Review, are being circulated at the request of the United States delegation.

Proposal 1: Increased acceptance of Test Data Generated in Other Parties

Issue

Analysis of comments received by the U.S. Government since the Agreement's entry into force (January 1980) reveals that the single most important standards-related trade issue is the non-acceptance by regulatory authorities in Code Parties of test data generated in other Parties. Discussions to resolve these problems should begin now in the Standards Code Committee and should become part of any future multilateral trade round.

Background

Articles 5 and 6 of the Agreement concern the testing of products to determine conformity with standards and regulations. The Articles oblige countries which are Parties to the Agreement to non-discriminatorily test products in their own territories and only "encourage" the acceptance of test data generated in other Parties. Furthermore, Article 5.2 recognizes that bilateral negotiations may be necessary to achieve this goal.

In February, 1985, the U.S. Delegation circulated to the Committee two relevant documents. The first is a paper that suggests specific ways for tightening the Code's coverage of the acceptance of foreign-generated test data. The second is a draft agreement on the procedures used for approving telecommunications terminal equipment.

The great majority of standards-related comments brought to the U.S. Government by American exporters over the last several years have concerned the non-acceptance by foreign governments of test data generated in the United States. Therefore, the U.S. Delegation is proposing an initiative in the area of testing and type approval. The proposal involves the negotiation of an agreement which, subject to certain conditions, would lead to countries accepting each other's test data and maintaining expedited approval procedures.

The U.S. Delegation believes that this agreement would not apply to all products. Rather, it should be responsive to requests received from Parties' exporters. Judging from the past, affected products are likely to be those which are most subject to government regulations.

The U.S. Delegation appreciates that this is a highly technical and complex area and Parties will need to explore carefully how best to proceed. Any agreement would have to recognize that full knowledge of the test methods and procedures would have to be gained before data could be accepted. Any agreement would also build on international efforts already underway in other fora, such as the International Organization for

Standardization (ISO) and the International Laboratory Accreditation Conference (ILAC). For instance, the ISO certification committee (CERTICO) has proposed a step-by-step approach whereby participants would proceed from test data acceptance to acceptance of certification marks, and from one product category to several as they gain increased confidence in each other's work.

Proposal 2: Transparency in Bilateral Standards Agreements

Issue

The United States Government proposes that Parties notify the Committee of any agreements reached through formal/informal bilateral standards discussions and provide other Parties with an opportunity to request reasonable information. The notification would include: the type of agreement (e.g. acceptance of test data), specific regulations, commodities involved, and terms of agreements reached.

Background

The Committee should be kept abreast of developments concerning bilateral standards discussions in which an agreement is struck between Code Signatories. The Code provides a framework for bilateral consultations of standards-related trade issues, and discussions between Parties have taken place regularly since the entry into force of the Code in 1930. One of the principal benefits and successes of the Code has been to enable Parties to be better informed about methods of meeting compliance requirements of foreign standards systems.

Agreements that result from bilateral consultations often involve a valuable exchange of technical information which could be of immediate interest and usefulness to other Parties. An increased awareness and understanding of foreign technical standards, including the administration and operation of these requirements, facilitates trade and makes it easier to deal with new technical requirements, standards, and rules of certification. The United States believes that all parties would benefit by requiring transparency for bilateral standards discussions between Code Signatories that have resulted in an agreement on standards, testing and certification.

Proposal 3: Transparency in Regional Standards Activities

Issue

The U.S. Government proposes that Parties be required to ensure that regional standardizing bodies of which they are members adopt transparency provisions consistent with their obligations as Parties to the Agreement.

Background

Many Parties to the Standards Code belong to a variety of governmental and nongovernmental regional standards development organizations. Frequently, these regional organizations have procedures that prevent non-members from fully participating in the regional organizations' standards development activities. Suppliers in non-member countries are not given the same advance notice of the organizations' proposed standards as are suppliers in member countries and the opportunity for comment is severely restricted.

Presently, Parties are bound to take such reasonable measures as may be available to them to ensure that regional bodies of which they are members comply with the appropriate transparency provisions of the Code. It is inconsistent with the spirit of the Code for a Party or Parties to engage in the development of regional standards when other Parties are not provided equal treatment.