

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

TBT/W/69
20 March 1984

Special Distribution

Committee on Technical Barriers to Trade

DRAFT MINUTES OF THE MEETING HELD ON 28 FEBRUARY 1984

Chairman: Mr. H.W. Verbeek

1. The Committee on Technical Barriers to Trade held its fifteenth meeting on 28-29 February 1984.

2. The agenda of the meeting was as follows:

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A. Election of Officers for 1984

3. The Committee elected Mr. H.W. Verbeek (Federal Republic of Germany), Chairman and Mr. P. Molson (Canada), Vice-Chairman, for 1984.

B. Statements on Implementation and Administration of the Agreement

4. The representative of Egypt said that the Agreement had entered into force on 13 November 1983 for his country and his authorities would comply fully with the obligations under the Agreement.

5. The representative of India informed the Committee that the enquiry point set up in his country had begun to respond to enquiries from other Parties, including those on notifications. The preparation of rules and regulations for amending the Indian Standards Institution Certification Mark Act was under way. ISI took into account the relevant international standards in formulating its new technical regulations or standards and also participated in international standardization activities.

6. The representative of Japan referred to a communication by his delegation, circulated in document TBT/1/Add.34 which described further simplification of certification procedures in Japan. He said that a recent revision of Cabinet Orders allowed acceptance of foreign test data produced by authorized foreign testing laboratories on such imports as electric and gas domestic appliances.

7. The representative of Brazil drew attention to three publications which were prepared in 1983 by the National Institute of Metrology, Standardization and Industrial Quality (INMETRO) and entitled respectively, Regulations for the Accreditation of Test Laboratories, Procedures for the Application of Test Laboratory Accreditation, Criteria of Competence for the Accreditation of Testing Laboratories.

8. The representative of the United States pointed to three guideline documents contained in the Federal Register Notices of 15 February 1984. The first document established guidelines on participation by the US government agencies, employees or representatives in international standards-related activities. The second and third documents provided, respectively, guidelines for federal agency use of private sector third-party certification programs and for self-certification by producer or supplier. These two latter guidelines were developed by the Interagency Committee on Standards Policy in order to ensure full compliance with the provisions of Article 5.2 of the Agreement on Technical Barriers to Trade. The representative of the United States also expressed the hope that the Committee would soon hear from signatories which had not yet ratified the Agreement or had not yet established enquiry points.

9. The representative of Canada stated that the Treasury Board Administrative Policy Manual, Chapter 307, which was the basic directive in Canada for implementing the Agreement, would be amended as of 1 April 1984. One aspect of this amendment would be to reflect the transfer of responsibilities for coordinating the implementation of the Agreement, which were previously carried out by the Department of Industry, Trade and Commerce, to the Department of External Affairs. Another aspect would relate to the extension of the normal time limit allowed for comments in Canada to sixty days in accordance with the recommendation adopted by the Committee in May 1983.

10. The Committee took note of the statements made.

C. Handling of Comments on Notifications

11. The Chairman recalled the discussion at the previous meeting on a proposal by the delegation of the European Economic Community contained in TBT/W/64 (TBT/M/14, paragraphs 9 to 11). After a brief exchange of views, the Committee agreed to revert to this item at its next regular meeting in the light of consultations to be held among interested delegations.

D. Application of Article 2.5 (Preambular Part)

12. The representative of Finland, speaking for the Nordic countries, recalled the Nordic proposal contained in document TBT/W/59 and discussed at the Second Meeting on Procedures for Information Exchange. He said that further clarification of the concept of "significant effect on trade of other Parties" in the Preambular part of Article 2.5 was needed for a consistent application of notification procedures by all Parties and different agencies within each Party. However, the Nordic countries were flexible as to the approach that might be followed for that purpose.

13. The representative of the United States reiterated his support for the Nordic proposal.

14. The representative of the European Economic Community, while supporting the goal of the proposal, expressed his preference for a non-exhaustive list of elements which should be taken into account without attaching specific values to those elements. The representative of India agreed with the proposal to use the criterion of value of trade, but not market size or market growth. The representative of Japan said that whatever the criteria, these should not be used as an excuse for not notifying technical regulations. Japan for its part would continue to notify all relevant regulations.

15. The representative of Chile said that in order to find a common basis for agreement, signatories should be invited to report on the methods they applied to determine "significant effect".

16. The Committee agreed to revert to the matter at its next regular meeting in the light of further consultations among interested delegations.

E. Presentation by the Representatives of Two Regional Standardizing and Certifying Bodies (CENELEC and PASC)

17. The Committee took note of presentations made by the Secretary-General of the European Committee for Electrotechnical Standardization (CENELEC) and by the representative of Pacific Area Standards Congress (PASC) on the basis of agreed questions, (the full text of the presentations is reproduced at Annex).

18. The representative of the United States proposed that the representative of the European Conference of Post and Telecommunications Administrations (CEPT) be invited to address the Committee at its next regular meeting, following the same procedures as for previous presentations. It was so agreed.

F. Technical Assistance

19. At the invitation of the Chairman, the observer from the International Standardization Organization (ISO) reported on various technical assistance programmes of ISO. An ISO Council Committee, called the Development Committee (DEVCO), was established to identify the needs and requirements of the developing countries in the field of standardization and related matters and to recommend actions which would help developing countries meet those needs. The ISO Development Programme for 1983-1985 included nine primary project elements.

20. The Chairman drew attention to a note by the secretariat on technical assistance, circulated in document TBT/W/67. The representatives of Brazil, Chile, Egypt, the European Economic Community, Finland speaking for Nordic countries, India, the Philippines and Switzerland supported the multilateral approach suggested in this note, which would help giving operational significance to Article 11.

21. The representative of the United States stated that technical assistance was being provided on a continuing basis by his country in accordance with Article 11. Technical assistance had been envisaged as a bilateral matter between the requesting and the donor country by the drafters of this Article and his authorities did not see any rôle for the secretariat in this connection. He could therefore not agree with the suggestions contained in paragraphs 4 and 5 of document TBT/W/67.

22. The representative of Egypt said that the subject of technical assistance should be kept as a permanent item on the agenda of the Committee in order to draw the attention of the requesting and donor countries to ongoing activities in this field. The representative of the European Economic Community underlined that multilateralization of information on technical assistance would assist in raising the interest of non-signatory developing countries in the Agreement.

23. The representative of India suggested that technical assistance could be made available by persons responsible for information exchange in the developed countries by sharing their experience on the establishment and

operation of enquiry points and also by training officials in the developing countries on methods of handling data on technical regulations and certification systems.

24. The representative of Brazil said that his authorities would seek assistance from other signatories and from the secretariat for holding a seminar on standardization policies in Brazil in the near future.

25. The representative of France informed the Committee of the establishment of CERLAB (Interlaboratory Engineering Services Group) which was specialized in technical assistance on quality standards and metrology and was composed of participants from major standardizing, testing and calibration agencies.

26. In concluding the discussion, the Chairman noted that although a number of delegations supported the proposal contained in TBT/W/67, no consensus had been reached on the matter. He suggested that the Committee revert to this item at its next regular meeting in the light of further informal consultations. It was so agreed.

G. List of Products Covered by the Notifications Under the Agreement

27. The Chairman called attention to the list of notifications made under the Agreement circulated in document TBT/W/68. After a brief discussion, the Committee agreed to revert to this item at its next regular meeting with a view to finalizing the list and agreeing what use should be made of it.

H. Projected Agenda for the Committee

28. The Chairman drew attention to the discussion at the previous meeting on a proposal by the delegation of the United States (TBT/M/14, paragraphs 22-25). He suggested that this proposal be implemented by circulating an annotated and updated list of outstanding items with the draft agenda for each meeting. Delegations wishing any of the items contained in such a list, or any other items, to be included in the agenda of coming meetings would be invited to communicate their suggestions to the Chairman of the Committee. It was so agreed.

29. In connection with this item of the agenda, a representative of the secretariat made an oral report concerning the work of the International Laboratory Accreditation Conference (ILAC). He said that the Committee's attention was drawn to the work of ILAC in the belief that it provided a useful background for any discussion it might wish to have on testing and inspection, which was an outstanding item on the Committee's agenda.

I. Derestriction of Documents

30. The Committee agreed to the proposal by the Nordic countries to derestrict the notes by the secretariat contained in documents TBT/W/30 and Corrigenda 1 to 3 on Regional Standards-Related Activities, TBT/W/44 on Individual Standardizing and Certifying Bodies and TBT/W/31/Rev.3/Corr.3 on National Enquiry Points.

J. Date and Agenda of the Next Meeting

31. The Committee agreed to hold its next meeting on 25 April 1984, in closed session, to pursue its investigation under Article 14.4 concerning procedures for type approval of heating radiators and electrical medical equipment.

32. The Chairman suggested that the eighteenth meeting of the Committee be held on 17-18 May 1984. The final date will be fixed by the Chairman in consultation with delegations. Among the items for inclusion in the agenda of that meeting are the following:

- A. Statements on implementation and administration of the Agreement.
- B. Handling of comments on notifications.
- C. Application of Article 2.5 (Preambular Part).
- D. List of products covered by the notifications under the Agreement.
- E. Technical assistance.
- F. Presentation by the representative of a regional standardizing and certifying body (CEPT).
- G. Preparations for the fifth annual review.

33. The projected agenda and the draft agenda for the next regular meeting would be circulated to signatories in accordance with agreed procedures.

ANNEX

Presentation by the Representative of the European Committee
for Electrotechnical Standardization

CENELEC is an association formed of seventeen National Electrotechnical Committees in Europe of which sixteen are also members of the International Electrotechnical Commission (IEC). CENELEC works in close collaboration with the European Committee for Standardization (CEN).

The main purpose of CENELEC is the removal of trade barriers through mutual agreement between CENELEC member committees on differences of technical nature between their national standards or between national measures applied to certify conformity which could give rise to such trade barriers in the electrotechnical field. CENELEC's activities are in line with the aims of Article 100 of the Treaty of Rome, which established legal instruments for the approximation of the laws or regulations of the member States. It co-operates closely with the Commission of the European Communities as well as with the secretariat of the European Free Trade Association in selecting the areas of highest priority for removing technical barriers to trade.

Priority areas for harmonization of national standards include all safety aspects of low voltage electrical equipment covered by EEC Low Voltage Directive, safety requirements for electrical equipment covered by other Directives and any area where a trade barrier is likely to occur, or is known to exist, because of disparities in national requirements.

The harmonization process in CENELEC is based, as far as possible, on IEC results. When CENELEC has selected an available international standard, in particular an IEC standard, as the basic document, all member committees of the CENELEC stop any national standardization work on the same subject until a decision has been reached within CENELEC on how to introduce the standard in question at national level. Such an international standard may be endorsed without any change made to its text or with modifications as found to be necessary in Europe because of different reasons. These modifications are prepared by a CENELEC technical committee and agreed by vote of all National Committees. They are then given one of the two types of CENELEC publication references: European Standard (EN) and Harmonization Document (HD). When CENELEC has adopted these standards, CENELEC member committees have to take national action.

Results of the CENELEC work in EN and HD documents are either endorsed or published as national standards. The first and most important implementation requirement at national level for EN and HD is that all conflicting national standards must be either withdrawn or amended in a way to align with the technical requirements of the new CENELEC document before the end of an agreed time limit. The full text of an EN must be published as a new national standard with no additional national amendments or requirements. The National Committees are free to choose whether to

publish an HD document as new national standard or not. However, all existing conflicting national requirements should be withdrawn and any future national standard to be produced should be identical or technically equivalent to the corresponding HD document.

Concerning certification requirements, CENELEC has a Marks Committee which deals with problems of mutual recognition of national marks of conformity, certificates of conformity and other means of proving compliance with standards. CENELEC authorises issuance of its collective mark to the National Authorized Institutions, members of the CENELEC Electronic Components Committee. CENELEC does not engage directly in certification activities.

The highly specialized area of quality assessment for electronic components is dealt with entirely by the CENELEC Electronic Components Committee (CECC). The CECC fixes rules for the accreditation of test laboratories. The accreditation is carried out by the National Supervising Inspectorates, which are responsible within the respective country.

Presentation by the Representative of Pacific Area Standards Congress (PASC)

Pacific Area Standards Congress (PASC) was the first and only regional standards forum to specifically endorse early development and implementation of a GATT Agreement on Technical Barriers to Trade. This occurred in 1973.

The GATT secretariat has been invited to discuss standards matters at two plenary meetings of PASC - in Tokyo at PASC IV, and in Bangkok at PASC VIII. PASC's interface with GATT effectively goes back to its first meeting in Honolulu, Hawaii in 1973.

PASC is highly appreciative of the work of the Standards Code Committee and follows its recommendations and deliberations with considerable interest. Many PASC members are official inquiry points under the Standards Code. Others co-operate with the governmental body and publicize proposed regulations for review and comment.

PASC is not a standards body in that it has never engaged in standardization or certification activities. Unlike other multinational or regional groups PASC has no constitution, bylaws, dues, permanent secretariat or formal administrative structure.

At PASC V in 1978, delegates unanimously adopted a statement of purpose entitled "Pacific Area Standards Congress". While not a formal constitution, it is the agreed upon document for use in explaining the aims, purposes and structure of the organization. In a corollary action, PASC decided that because it is not a regional standards developing or coordinating body in the sense of the generally accepted definition, it would not seek formal recognition by ISO. IEC does not recognize regional groups, but only national committees.

The objectives of PASC are to exchange information and views and initiate necessary actions to help ensure that international standardization activities are properly coordinated on a consensus basis to meet world needs and foster international trade and commerce; to provide a geographically convenient forum for the countries of the Pacific area to develop recommendations for communication to the international standards bodies, particularly ISO and IEC; to form a consultative liaison with the international standards bodies to help them meet world needs in standardization through communication of recommendations of PASC members; to examine future requirements in international standardization and the changes in the current international structure that may be necessary to meet these requirements.

Membership in PASC is by invitation of a PASC member organization, upon an affirmative vote of a majority of PASC members at a PASC meeting, or by postal ballot. Membership is open to any country or territory bordering on the Pacific Rim whose standards organization is a member of ISO or IEC; or any country or territory with a national organization that PASC determines is capable of making a contribution to the purposes and objectives of PASC. Currently, active members of PASC are Australia, Canada, Chile, People's Republic of China, Fiji, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Papua New Guinea, the Philippines, Singapore, South Africa, Thailand, and the United States. Seven PASC members are government departments, six are incorporated by public law and one is a private organization.

PASC secretariat duties such as planning of plenary meetings, arrangements for such meetings, nomination of a chairman and other administrative responsibilities rotate among members and are the responsibility of the PASC organization that has agreed to host the next succeeding meeting. The American National Standards Institute (ANSI) will host the tenth plenary meeting of PASC in San Francisco, United States, in June 1984. Hence, ANSI is making this presentation.

Adoption of PASC resolutions is principally by consensus. If required, PASC may reach decisions by a majority vote. Communication of a PASC resolution to international standards bodies is normally the responsibility of a designated individual PASC member.

While PASC is not a regional standards body, it is concerned with the standards activities of other regions and particularly their impact on international organizations. PASC would like to enter into the record data which clearly indicate that, while the work of regional standards organizations, e.g. CEN and CENELEC, is undoubtedly useful and may or may not create barriers to trade, there is an on-going problem of what PASC members view as "europeanization" of ISO and IEC which can no longer be ignored.

ISO and IEC are highly concentrated in Europe in the national standards bodies or national committees that constitute, respectively, the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization (CENELEC). At the end of 1983 the following comparisons between CENELEC and PASC and CEN and PASC existed:

ISO at present has a total of some 2,212 technical units. Today the CEN countries control 1,589 (72 per cent) of all these Committees. PASC has 381 (17 per cent). IEC has some 855 technical units. 71 per cent of those are controlled in Europe and 17 per cent in PASC.

In summary, IEC has a 75 to 18 per cent ratio of secretariat responsibilities in favour of CENELEC countries. ISO's ratio is virtually the same with a 70 to 16 balance in favour of CEN countries.

It is interesting to note that while technical administration is concentrated in Europe, the members of PASC pay a substantial portion of dues to both IEC and ISO. In IEC Europe pays 43 per cent, while PASC pays 28 per cent. In ISO Europe pays 38 per cent while PASC pays 30 per cent.

In addition to secretariat concentration one must be aware of the location of meetings of technical committees and sub-committees responsible for the drafting of standards. ISO and IEC rely heavily on input at committee meetings. Views expressed by correspondence do not carry much weight. We are certain that the GATT Standard Code Committee also hears a good bit about the fact that most of its meetings are held in Europe which is a decided inconvenience to delegates from North America, Asia, and the Far East.

ISO has made valiant attempts to spread the venue of meetings. It has been largely unsuccessful simply because European participants are reluctant to travel overseas for meetings. In 1972, Europe had 89 per cent of the meetings, and in 1982, they only had 76 per cent.

The last data on geographic imbalance relates to travel costs. Air fares are high and are going higher. Expense of sending delegates overseas is enormous and becoming harder to justify. A study of current round trip coach fares (as of 10 January 1984) from various cities to Geneva shows the following: from Sydney, Australia - \$3,600; from Tokyo, Japan - \$3,490; from New York, United States - \$1,200; from Paris, France - \$228; from London, England - \$334.

There are no readily available solutions to the geographic imbalance in international standardization via ISO/IEC. The concentration of power has grown from the beginning and while initially due in some measure to the late entry of North America and Asia-Far East into active participation, it now appears to be by design.

The challenge to GATT is in continuing to monitor and study the ISO and IEC systems, as well as those of regional organizations, to assure itself that the standards being produced are truly international and not merely manifestations of powerful regional blocs working in close consort within international bodies.

PASC appreciates the opportunity to express its views to the GATT Standards Code Committee. PASC supports the Committee and the GATT organization.