

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

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IMPROVEMENT OF TRANSPARENCY ON BILATERAL
STANDARDS AGREEMENTS

Statement by the Delegation of the United States

For the TBT Committee's "Second Three-Year Review", the United States Delegation circulated in TBT/21 as "Proposal 2" a suggested way of ensuring that information is available on the range and content of bilateral standards-related agreements.

The United States seeks agreement on the following language for a Committee recommendation:

"The TBT Committee recommends that parties should provide the GATT Secretariat with information on bilateral standards-related agreements entered into with other parties, noting that the term "standards-related" includes regulations, testing and certification."

The proposal, which received the support of several delegations, but was not the subject of a consensus in the Committee, is important to the functioning of the Agreement as it could reveal information pertinent to the Agreement's provisions on "Most-Favored Nation" treatment (MFN). Where MFN is not in question, the proposal would benefit all parties by providing illustrations of the range and type of bilateral agreements that exist in the standards area.

In response to the proposal, some delegations asserted that the the TBT Committee should avoid the dissemination of superfluous information. It was also suggested that, rather than establish a new notification procedure, parties could obtain information on bilateral standards-related agreements directly from "enquiry points".

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The United States maintains the view that transparency in the area of bilateral standards-related agreements could assist parties in ensuring that MFN is applied as required under, inter alia, Articles 2 and 7 of the Agreement. Thus, the information provided under "Proposal 2" would not be superfluous. Moreover, the suggestion that information be requested by individual parties from "enquiry points" is only practical if there is prior knowledge that an agreement exists. The question remains as to how a party is to know when to make such an inquiry, since that party might not know what bilateral agreements exist.

Subsequent to circulation of the U.S. proposal, the GATT Secretariat issued in TBT/W/90 a list of bilateral agreements on testing and inspection. The scope of this list is less comprehensive than a list that would be issued under Proposal 2 as it does not refer to agreements on (1) the harmonization or concordance of standards and regulations nor (2) the general issues of standards policy. However, TBT/W/90 could serve as the basis for implementing Proposal 2.

In this regard, the United States notes that earlier in the process of implementing the Agreement, it circulated to parties in TBT/Spec/1 the text of an agreement reached with the Government of Japan.

Parties may find many uses for information on bilateral standards-related agreements. As an illustration, they may:

- Choose to inform their exporters that, under a bilateral agreement, product approval granted in one party will be recognized by another party;
- Seek to enter into a similar agreement, on mutually agreed terms, with one or both of the parties to a bilateral agreements; or,
- Choose to use the agreement as a model for its own bilateral agreement with a different party.