

GENERAL AGREEMENT ON  
TARIFFS AND TRADEMultilateral Trade Negotiations  
Group "Agriculture"

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APPLICABILITY OF THE DRAFT STANDARDS CODE TO AGRICULTURENote by Hungary

The Hungarian delegation highly appreciates the efforts of the secretariat elaborating the documents MTN/AG/W/24 and MTN/AG/W/21. It forwards some remarks and proposals concerning the documents above-mentioned as follows:

MTN/AG/W/24

This is a very useful study about the various international and regional bodies preparing agricultural product standards. This document will serve as a very instructive tool to inform delegations how international and regional product standards are elaborated.

However, our delegation feels that this study should be completed by the activities of the International Organization for Standardization (ISO). ISO is a specialized international agency for preparing and issuing international standards. ISO has some seventy member bodies representing countries all over the world.

The Technical Committee No. 34 of ISO "Agricultural Food Products" prepares many agricultural product standards and also standards defining test methods. Most countries follow ISO International Standards when preparing their national standards or technical regulations. ISO/TC/34 is working in close co-operation with the FAO/WHO Codex Alimentarius Commission.

This Commission has agreed to endorse ISO International Standards to be elaborated in the framework of the co-operation of the two organizations, in order to avoid any duplication in the work.

The headquarters of ISO is in Geneva, 1, rue Varembé, and our delegation is convinced that the Central Secretariat of ISO would be helpful and co-operative if contacted in this matter.

The Hungarian Office for Standardization (MSZH), the Hungarian member body of ISO, takes care of the Secretariat of ISO/TC/34, "Agricultural Food Products" and this organization is also ready to supply information on the work of the Technical Committee.

Our country takes active part in the organizations elaborating international standards to agriculture, and this fact is reflected in document W/24. But the picture will be more complete if containing the activities of ISO, too.

MTN/AG/W/21

This document produces a very useful list of the main problems and proposal tabled at the March meeting of the Group "Agriculture".

The first part of the document "General observations" summarizes the most important principles and reservations of the delegations.

Our delegation would make hereby some comments to the points of this chapter only:

(a) Our delegation agrees with the intention of the code as expressed in paragraph 4 of the "General observations". However, we would make a slight addition saying "unnecessary barriers" instead of "barriers". We have to keep in mind that any technical regulation produces some barrier to trade in order to define internationally recognized safety and quality requirements, to promote the trade of goods fulfilling these requirements, and to protect consumers from the dangerous or substandard goods.

The purpose of the code is to prevent the application of unnecessary strict technical regulations, which cause unjustified and unnecessary technical barriers to trade. The notification procedure of the international standards organizations serves for establishing the internationally recognized level of requirements to be published in international standards, and adherents to the code will be obliged to make notification to GATT secretariat, if they intend to establish a higher level of requirements in their national standards or technical regulations, than that of the internationally recognized level of requirements set up in the relevant international standard adopted by the necessary majority votes.

Therefore, paragraph 2(a) of the standards code speaks fairly about "unnecessary obstacles to international trade".

(b) We agree with paragraph 7 saying: "the right of countries to implement measures for the protection of human, animal or plant life and health, environment or national security, or for prevention of deceptive practices must be recognized".

May we call the attention of the delegations that paragraph 2(f) and 4(f) of the draft standards code fulfils this request, saying: "However, where urgent problems of safety, health, environmental protection or national security exist, adherents may omit such of the steps in paragraph (e) of this section as they find necessary".

(c) Another sentence of paragraph 7 of document W/21 says: "participants must have freedom to decide whether certificates given by others are acceptable".

May we remind delegations that paragraph 5(e) of the draft standard code states: "adherents should permit the use of test methods which differ from their own, provided the importing adherent is satisfied that the exporting adherent's methods provide an equivalent means of determining whether the products tested conform to the relevant technical regulation".

Based on these and other similar facts, the Hungarian delegation is of the opinion that the draft standards code could be the optimum basis for an international agreement on how standards and technical regulations should be applied to the trade of agricultural products.

One has to admit, however, that some specific additions may be required to the code concerning its application to agricultural products, since there are some specific conditions in the trade of agricultural products. One example only: the time factor in an agricultural trade operation is much sharper than that of industrial products. In case of any dispute, industrial products can be retained at the boundary-station for weeks, at a low risk of damaging. The same measure causes at the complete damage of a fruit delivery.

To summarize the opinion of the Hungarian delegation: the Standards Code should apply to agricultural products too, with some added specific provisions if necessary. It is to be avoided to have two different codes for industrial and for agricultural products respectively.

Last but not least we have to make a comment to the paragraph 9 of document W/21.

We consider that the code to be signed cannot avoid interference with every bilateral agreement, since there is a very large variety of bilateral agreements and some of them can be conflicting to each other.

We think that after having signed the Standards Code the bilateral agreements shall take into account the principles and measures of the multilateral Standards Code.