

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

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Committee on Technical Barriers to Trade

MINUTES OF THE MEETING HELD ON 4 MAY 1994

Chairman: Mr. A. Meloni (Italy)

1. The Committee on Technical Barriers to Trade held its forty-seventh meeting on 4 May 1994.

2. The agenda contained in GATT/AIR/3570/Rev.1 was adopted:

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A. Election of officers

3. The Committee elected Mr. Andrea Meloni (Italy) Chairman and Miss Ng Bee Kim (Singapore) Vice-Chairman for 1994.

B. Statements on implementation and administration of the Agreement

4. The Chairman drew attention to a matter which had been raised at the last several meetings concerning the Korean Marks of Origin System notified by the Republic of Korea in TBT/Notifs.91.194, 92.7, 93.34 and 93.164.

5. The representative of the Republic of Korea, referring to the statement contained in TBT/W/176, said that the Korean position remained the same as presented at the last meeting.

6. The representative of Finland, speaking on behalf of the EFTA countries, Parties to the TBT Agreement (Austria, Norway, Sweden, Switzerland and Finland), said that the EFTA proposal presented at the last meeting was still on the table and the EFTA countries maintained that it was a reasonable and constructive way to seek solution to the problem faced within the Committee. He recalled that at the last meeting, the EFTA proposal had received a wide support within the Committee, Korea had been the only delegation which could not accept it and that the Chairman had urged Korea to reconsider its position.

7. He thought that the main reason why Korea had not been able to accept the EFTA proposal was that Korea had concluded that the issue did not fall under the scope of the TBT Agreement. He said that he could not understand how Korea had come to such a conclusion since Korea had four times notified to the TBT Committee measures concerning Marks of Origin. He questioned if the Korean position was a recent one and if so, the reasons for such a sudden change of mind. He asked whether the Korean delegation had really reconsidered its position and would be able to accept the EFTA proposal.

8. The representative of the Republic of Korea recalled the explanation made by him at the last meeting, contained in TBT/W/176, page 2, that: "Right from the beginning of the discussions on this matter in this Committee, we expressed doubts as to whether the provisions of the TBT Agreement were applicable to the Korean system. These considerations made us submit to the Committee the details of the system on an informal basis and not to notify them formally." He said that his government had notified the Korean Marks of Origin System to the Committee with some doubt as whether the system was covered by the TBT Agreement. He reiterated that a pure marks of origin system could not be covered under the TBT Agreement.

9. He said that a pure marks of origin system was used in most countries to indicate the origin of imported goods and the marking was made only on imported goods. If a marks of origin system was covered by the TBT Agreement, then the system should be subject to national treatment as required under Article 2.1 of the Agreement. It would require marking of origin on imported goods as well as on like products of national origin. The end result would be that the marks of origin system could not exist at all or Article IX of the GATT should be amended. He said that in the United States there was also a sophisticated origin marking system under Section 304 for manufactured products as well as consumer products. He concluded that the Korean Marks of Origin System could not be covered by the TBT Agreement but was covered by Article IX of the GATT and the 1958 Recommendation of the Contracting Parties regarding Marks of Origin.

10. The representative of the United States expressed deep concern over the statement made by the representative of the Republic of Korea. She said that the Committee had spent a lot of time discussing the issue and she thought that the statement represented a step backward since last meeting. She believed that no member of the Committee had questioned Korea's right in having a marks of origin system; the concern was to have the system developed in a transparent and reasonable fashion. She recalled that at the last meeting, there had been ample opinion expressed that marks of origin were covered by the TBT Agreement. She recalled again a decision of the Committee on labelling requirements, contained in TBT/16/Rev.7, that: "In conformity with Article 2.5 of the Agreement, Parties are obliged to notify all mandatory labelling requirements.... That obligation is not dependent upon the kind of information which is provided on the label, whether it is in the nature of a technical specification or not."

11. She noted that among the notifications made under the Agreement this year, a number related to the marking or labelling of origin, including one from the United States (TBT/Notif.94.5). She thought that at this point, the Committee should move beyond the discussion of whether a marks of origin requirement was covered, even if one delegation had a different opinion. She urged the representative of Korea to take a serious look at the reasonable and constructive proposal put forward by the EFTA countries and respond to it in a more positive fashion.

12. The representative of the European Communities shared the view expressed by the representatives of the EFTA countries and the United States, and reiterated his support for the EFTA proposal. He regretted the fact that the Committee had been during the last several meetings discussing in substance the Korean Marks of Origin system but that at the last meeting the Korean delegation had come up

with a conclusion that the issue was not covered under the TBT Agreement and should not be discussed within the Committee.

13. He thought that the Committee should make a distinction between the two aspects of the issue, the legal and the substance. He thought that regarding the legal aspect, up until now, all delegations except Korea were clear that a marks of origin system was covered by the TBT Agreement. He said that it was true that there existed many issues which were covered by GATT articles as well as specialized agreements which went even further, as in the case of TBT Agreement. Article XX of the GATT and Article 2 of the TBT Agreement were examples. He urged Korea to leave the substantive aspects of the matter aside for the moment, concentrate on the legal aspect regarding the coverage of the Agreement and reconsider its position, because it was an important matter of principle for all members. He said that the precedent which the Korean delegation would create could destroy the work of many aspects of the functioning of the TBT Agreement.

14. Concerning the substantive aspect of the issue, he shared the view expressed by the delegation of the United States that no member had contested Korea's right to have a Marks of Origin System nor the objective of the system for consumer protection. The question was whether the system was burdensome and went beyond the objective of consumer protection. He noted that there had been bilateral consultations between delegations and the Korean authorities and regretted that no solution had been found. He urged Korea and the other members of the Committee to make a distinction between the two aspects of the issue and to find a satisfactory solution.

15. The representative of Japan shared the concerns expressed by the EFTA countries, the United States and the European Communities and thought the Korean interpretation contained in TBT/W/176 unacceptable. His delegation could not agree that the Korean Marks of Origin System did not fall under the TBT Agreement but under Article IX of the GATT. He said that Korea should notify all the new or amended regulations regarding its marks of origin system, which amounted to at least eight, and not only those four which were notified in 1991, 1992 and 1993. He referred to two problems that exporters in Japan were facing in implementing the Korean measures. One was that companies were often asked to submit documents regarding the origin of parts, if the value of parts or components exceeded five per cent of FOB price. The other problem concerned whether markings on packaging or containers were allowed; he said that companies were often asked to put markings on the goods themselves. He thought the two measures were creating unnecessary obstacles to trade and possibly violating Article 2.1 of the TBT Agreement. He supported the adoption of the EFTA proposal and urged Korea to observe the obligations of the TBT Agreement and to submit information to the Committee regarding the marking system.

16. The representative of Brazil said that although Brazil up to now had no specific commercial interest in the Korean system, it seemed clear to his delegation that all Parties to the Agreement except Korea agreed that marks of origin systems were covered by the TBT Agreement. Korea not only differed from the rest of the Committee by maintaining its position but also introduced another, even more disturbing element by saying that Article IX of the GATT was an exception to Article III of the GATT. He suggested that instead of maintaining that the TBT Agreement did not cover the marks of origin system or to introduce new interpretation of the GATT, Korea should proceed with bilateral discussions with the countries concerned and try to find a solution on the substance of the issue.

17. The representative of New Zealand reported that on 7 March 1994, the Korean Ministry of Agriculture had circulated to several Korean organizations proposed regulations for marks of origin on food products containing selected imported food ingredients and it was indicated that the regulations were scheduled to be implemented from March 1994. He expressed concern that the proposed regulation might not be in accordance with the transparency obligation of the Agreement, especially the provision of Article 2.5. His delegation was not sure at this stage whether those new draft regulations were

necessary. He asked Korea to explain the relationship between those latest draft regulations regarding food ingredients and the marks of origin regulations which had been introduced by the Korean Ministry of Agriculture in September 1993, referred to by the United States at the last meeting, and the more general marks of origin system that had been introduced earlier by the Ministry of Trade, Industry and Energy. He joined other speakers urging Korea to reconsider its position in respect of the EFTA proposal, and thought that it would be a reasonable basis for achieving a progress in this area.

18. The representative of Australia shared the view of the previous speakers that marks of origin systems were covered by the TBT Agreement and the TBT Committee was the appropriate forum for members to take up their concerns. He noted that the Republic of Korea had not provided information on the administration and implementation of the system and had generally not addressed the concerns put to it by other members of the Committee. He associated his delegation with the representative of the European Communities that the situation had a more serious implication for the operation of the GATT system. He hoped that the Committee, particularly the delegation of Korea could move on and come to a satisfactory conclusion to the issue.

19. The representative of the Republic of Korea agreed with the remark made by the delegation of the European Communities that the Committee had to distinguish the legal and the substantive aspects of the issue. He said that in his initial remarks made at this meeting, he had already addressed the legal aspect of the issue and at the same time his government had made efforts to solve the problems in substance for foreign exporters. He said that Korea had amended the Marks of Origin System twice both in July 1993 and January 1994. His authorities had expanded the exemption of the system - for example, machinery parts and raw material imported by manufactures were exempted from the system - and that actually only consumer products were covered. In 1993, the value of Korean imports was US\$83.8 billion, of which 53 per cent was raw material, 36.7 per cent was capital goods, and 10.4 per cent was consumer products. He thought that the coverage of the system had been reduced drastically.

20. He said that the marking method had also been improved, providing flexibility; for example, stickers and tags were allowed. In January 1994, the system had been amended in that the degree of permanence of the marking should be to ensure that in the process of normal distribution the marking should remain on the article until it reached the ultimate purchaser unless it was deliberately removed. A pre-evaluation system had been introduced so that importers could provide evidence or documents, such as photographs, to the customs office to get a guarantee of the marking requirement. He said that those amendments would help to solve all the problems raised by other members during the previous meetings as well as during the bilateral consultations. He reported to the Committee a statement from his capital that this year there had been no arguments nor questions raised about the Korean system in the process of importation.

21. Concerning the two questions raised by the delegation of Japan, one relating to the value added criteria, he said that the issue should be covered by the Rules of Origin Agreement and he was not sure whether the two questions were covered by the marks of origin system. He invited the delegation of Japan to hold bilateral consultations on those issues. Concerning the remark made by the representative of Brazil regarding Article IX and Article III of the GATT, he recalled his statement at the last meeting, referring to the panel report on the complaint by Mexico against the United States Restrictions on Imports of Tuna, that the marks of origin under Article IX did not require national treatment but only most favoured nation treatment. Concerning the question raised by the representative of New Zealand about the Korean food code of 7 March 1994 and its relation to the regulations of September 1993, he said he would check with his authorities and would have bilateral consultations with the delegation of New Zealand before the next meeting.

22. The representative of the European Communities appreciated Korea's effort to improve the system, and thought that the amendments were useful and in a good direction. He emphasized that the Committee was trying to achieve something constructive and thought that the other members would show signs of good will to solve the problems in connection with substance of the Korean Marks of Origin System. He thought that those problems must be solved and might be solved without too much difficulty. He urged again Korea to separate the issue into the two aspects and to join the other members of the Committee on the matter of principle so that a discussion on the matters of substance could be held within the Committee.

23. The representative of Finland, speaking on behalf of the EFTA countries welcomed the information given by the delegation of Korea and thought that Korea was going in the right direction. He thought that from what he had heard about the amendments made in Korea, it might have solved or would solve a number of the problems faced by exporters and there might even be no more outstanding substantive problems, although he said that he would have to study more carefully the amendments made and preferably with the information in a written form. However, he stressed that even if there was no substantive problem with the Korean system, it would be most important that the Committee clearly stated that marks of origin systems were under the coverage of the Agreement, otherwise the Committee would run into very serious difficulties in the operation of the TBT Agreement as a whole. He urged the Korean delegation to reconsider its position as to the coverage of the Agreement and consider the consequences for the operation of the Agreement. He expressed concern on how the Committee could proceed if one country could block the application of the Agreement by saying that some issues fell outside its scope.

24. The representative of Mexico said that he had not been in the previous meetings, and at this meeting he had heard about the positions taken on whether marks of origin were covered by the TBT Agreement but not the arguments in depth. He suggested that in an attempt to find some means of proceeding, it might be worthwhile to separate the discussion from the matter at hand, which was the particular case of the Korean Marks of Origin System, and to hold informal consultations so that the Committee would have a full opportunity to discuss the problem without prejudging the outcome and the position of any Party. He thought that a separate informal consultation would enable the Committee to take a more collective position.

25. The representative of the Philippines recalled that her country had had problems with the Korean Marks of Origin System and reported that some problems still remained. She said that her delegation was encouraged by the fact that Korea was trying to address the problems of her country in a positive way. She associated her delegation with others in that a solution should be sought on whether marks of origin was covered by the TBT Agreement. She shared the view of the representative of the EC that the Committee should look at the problem in two aspects and supported the Mexican proposal to have informal consultations in connection with the coverage of the Agreement.

26. The representative of the Republic of Korea recalled that at the previous meeting, his delegation's position was to distinguish the difference between Article IX of the GATT and the TBT Agreement, and to state that pure marks of origin system could not be covered by the TBT Agreement. He said that he had consulted with legal experts at his capital as well as in other institutions, and their legal comment was that a pure marks of origin system was covered by Article IX of the GATT and the 1958 Recommendations. As long as the Korean system was in full conformity with Article IX of the GATT and the 1958 Recommendations, he thought that it would be strange to discuss the issue in the TBT Committee. He argued that because a pure marks of origin system had no technical specifications, it could not be covered by the TBT Agreement and that it was difficult for his government to provide an official document to the TBT Committee. He agreed with the representative of Mexico to have informal consultations to clarify the coverage of the Agreement. On the substantive side of the matter, he reiterated that his delegation was ready to discuss all the concerns on a bilateral or informal basis

in accordance with the provisions of paragraph 16 of the 1958 Recommendation with a view to securing removal of the difficulties encountered by Korea's trading partners.

27. The Chairman proposed the Committee take note of the statements made regarding the substantive aspect of the matter and adopt the Mexican proposal to have informal consultations to clarify the coverage of the Agreement. He said that the informal consultations could be conducted by the Chairman in the near future.

28. The Committee took note of the statements made and agreed to hold informal consultations to clarify the coverage of the Agreement with respect to marks of origin requirements. The issue would be put on the agenda of the next meeting.

29. The Chairman drew attention to paragraphs 65-68 of the minutes of the last meeting in connection with the Mexican rules for the importation of meat. He recalled that the representative of Mexico had suggested the matter to be taken up at this meeting as a separate agenda item so that a satisfactory solution could be found.

30. The representative of Mexico recalled that at the last meeting his delegation had asked for the matter to be placed on the agenda, because within his delegation there had been some gaps in information and doubts of a legal nature. He said that the particular Mexican rules for the importation of meat were measures referring to inspection or certification of plants exporting meat from Sweden to Mexico. In the light of the definition of technical regulation in the TBT Agreement, referring to the characteristics of a product and not the characteristics of the plant where products were produced, his delegation had come to the conclusion that those Mexican rules were not technical regulations as contained in the TBT Agreement and that Mexico had no obligation to notify them to the TBT Committee.

31. However, in order to prove that there was no intent of protection for the meat sector in Mexico, he reported that in practice trade in meat was flowing between Sweden and Mexico. At the same time, he said that if Mexico really wanted to take protection measures, Mexico could have used other legitimate ways available within the GATT, such as to increase tariffs, as had been done for certain meat products in 1993. He said that his delegation was open to continue talking and exchanging information with Sweden to clarify any doubt, without having to enter into a lengthy debate on whether the measure should be dealt within the TBT forum or the Council. He said that the practical thing would be to find a solution and since there was no protection intent, he thought it would be easy to find one. He suggested the matter not be put on the agenda for the next Committee meeting.

32. The representative of Sweden welcomed the information provided by the Mexican delegation. He recalled that when Mexico first introduced those rules for the importation of meat, there had been a package of measures, including marking and labelling requirements. He said that it was still his delegation's view that those requirements fell under the provisions of the TBT Agreement. He said that Sweden had never had any suspicion that the Mexican rules were for a protection reason, but had been trying to clarify those rules since his exporters had been encountering problems with them and his authorities had been having difficulties in obtaining information. He agreed that the issue should proceed bilaterally and hoped that a solution would be found.

33. The Committee took note of the statements made.

34. The Chairman drew attention to document TBT/1/Add.38, which had been submitted by the Republic of Indonesia in accordance with Article 15.7 of the Agreement, that "Each Party shall, promptly after the date on which the Agreement enters into force for the Party concerned, inform the Committee of measures in existence or taken to ensure the implementation and administration of the Agreement..." September 1993, the Government of the Republic of Indonesia accepted the Agreement on Technical

Barriers to Trade and it entered into force for Indonesia on 1 October 1993. The Chairman welcomed the statement provided by the Indonesian authorities and said that the Committee looked forward to receiving statements from the other new members in the near future.

35. The representative of Indonesia confirmed that his government had appointed the National Standardization Council of Indonesia (DSN) as the enquiry point and notification body. He informed the Committee that currently the DSN was in the process of preparing information on technical regulations, standards and rules of certification systems.

36. The representative of the United States welcomed the information provided by the Indonesian delegation. She raised concern that some delegations which had signed the Agreement for some time had not yet fulfilled the obligation of supplying the information on the steps their governments were taking to implement the Agreement. She said that it was important for the Committee and her delegation that Israel submitted as soon as possible the statement in accordance with Article 15.7 of the Agreement. She said that if Israel had been able to sign the Agreement, then Israel should be able to provide the information.

37. The representative of the European Communities shared the concern expressed by the United States. He said that he understood Israel had established an enquiry point but had not provided the information to the Committee. He requested the Chairman to urge the delegation of Israel to provide the information before the next meeting.

38. The Chairman informed the Committee that, as instructed at the last meeting, the Secretariat had contacted the delegation of Israel, conveying the concern expressed at the last meeting by the delegations of the United States and the European Communities, regarding the fact that Israel had never submitted a statement on the implementation and administration of the Agreement. He said that he would contact the delegation of Israel to remind it of Israel's obligation to provide the statement under Article 15.7 of the Agreement.

39. The representative of the United States drew attention to a problem faced by US exporters that since mid-February Korea had refused to allow the entry of US sausages while for the past four years the product had been allowed to enter into Korea without any problem. There had been bilateral consultations both at a technical and political level, and the answer given by the Korean authorities was similar to that given regarding the Korean Marks or Origin System. She regretted that Korea could not agree with the view of her delegation that the issue of Korean sausage standards was also a subject covered by the TBT Agreement and the TBT Committee would be a proper place for discussion.

40. She said that one of the explanations given to her authorities during the bilateral consultations was that the Korean customs officials had been misclassifying the products for the past four years and that it was only recently that it came to the attention of the Korean authorities so that the product had to be reclassified. She said that under the TBT Agreement, members were not to use technical regulations and related procedures as barriers to trade. She said that the situation was urgent and urged the Republic of Korea to notify the fact that there was a re-interpretation of the regulation and that time should be allowed for the US suppliers to adapt effectively to the change of interpretation that the shelf life of the product was reduced from 90 days to 30 days. She reported that her regulatory authorities had provided Korea with information, explaining how the product was regulated in her country. She said that in the United States, there was no federal regulation concerning shelf life. The same sausage product was used by the US military and government sponsored school lunch program and the shelf life period is three to six months.

41. She posed questions on the substance of the requirement itself, the abrupt changes on the interpretation of the regulation and the transparency of the requirements. She said that a broader concern

was how the Republic of Korea interpreted its obligations under the TBT Agreement, examples being the issues of the Korean Marks of Origin System and the Korean standards for frozen sausage. She said that she had tried to have consultations with the Korean delegation in Geneva but had been told that it was not appropriate. She thought that it was a dangerous and difficult situation when discussion was refused because the Korean authorities considered some issues were not covered by the TBT Agreement. She noted that her delegation was going to raise the same issue again at the Council Meeting for the information of the other Contracting Parties. She said that her delegation would continue to reflect on all available options to find solutions on the practical problems of the two issues and also on the broader problem of Korea taking seriously the obligation of the TBT Agreement.

42. The representative of the Republic of Korea said that a food safety working group meeting was being held in his capital and hoped that the expert group meeting would come up with some constructive solutions. He said that his authorities had not notified the standards for frozen sausage to the TBT Committee because Korea had not changed the technical regulations and standards of the related food code.

43. The Committee took note of the statements made.

44. The representative of New Zealand recalled that in 1992 and 1993, there had been exchanges on the question of notification of the German Packaging Regulations. He said that he did not want to initiate a further series of exchanges on the substance of the topic at this meeting. His delegation was following developments concerning the German regulations bilaterally and might wish to revert to the issue at future Committee meetings.

45. The representative of Brazil manifested Brazil's interest in the German Packaging Regulations. He said that his delegation took note of the fact that a paper concerning the German regulation was circulated in the Group on Environmental Measures and International Trade, but still considered that the measures should be notified to the TBT Committee.

46. The representative of the European Communities said that it was important to keep in mind the distinction between compulsory and voluntary specifications. He took note of the statements made.

47. The Committee took note of the statements made.

C. Circulation of Notification to Parties

48. The Chairman drew attention to paragraphs 89-98 of the minutes of the last meeting concerning the activities of the GATT Secretariat in servicing the TBT Agreement. The Secretariat had been requested to reflect on the statements made during that meeting in connection with the practice of sending out notifications to Parties and in particular the number of copies of notifications circulated to different addresses in each Party. On 17 March 1994, the Secretariat had circulated a document TBT/W/183, containing information on the number of copies in different languages Parties received at various destinations. Delegations had been invited to advise the Secretariat by 1 May of how many copies they wished to receive in the future in order to rationalize the process. He reported that, up to the present, the Secretariat had received five replies from delegations, three requesting more copies, one indicating that the current practice should remain and one asking for less copies. He asked if the Committee could consider the issue closed and that the Secretariat would proceed as advised. He said that delegations might still contact the Secretariat in the future if they wished to reduce the number of copies they received.

49. In connection with the proposal which arose out of the meeting on procedures for information exchange of sending out notifications in a double system, using telefax in addition to the regular way

of circulation in order to provide delegations more time to work on the notifications, he drew attention to paragraphs 92 and 93 of the minutes of the last meeting, regarding a suggestion made by the European Communities of sending notifications by mail in Geneva and by telefax elsewhere. He reported that the Secretariat had calculated that the arrangement would cost in the region of SwF 13,000 without taking into account any additional staff that would be needed for the operation. He said that the Secretariat had pointed out that under the new TBT Agreement, with the expansion of membership and additional notifications, there would certainly be additional work involved if the practice were to be carried over. He said that the Secretariat had also informed him that given the negative reaction of the Budget Committee to all requests from the Secretariat for additional resources, the Secretariat was not in a position to undertake the telefaxing of notifications without expressed authority and an explicit request from the TBT Committee to the Budget Committee to allocate the necessary resources.

50. Given the impending entry into force of the new TBT Agreement, he proposed that the Committee should ask the Secretariat to prepare, in advance of the Autumn meeting, a proposal regarding all aspects of notifications, with approximate costing, so that the Committee, with its experience of the notification process could develop a set of recommendations for the new Uruguay Round Committee on TBT on the most efficient and cost effective way of undertaking the distribution of notifications.

51. The representatives of New Zealand, Japan, the Republic of Korea, Canada, the European Communities, the Nordic countries and Australia supported the Chairman's proposal to ask the Secretariat to prepare a paper on notifications.

52. The representative of New Zealand thought that in view of the transition the Committee was facing, the Committee should not try to take a premature decision on notification requirements under the WTO/TBT Agreement.

53. The representative of Japan recalled that at the last meeting, his delegation had noted that the present system basically worked well. He said that although fax transmission system was fast, it was not always reliable and that even if the fax transmission system was introduced, it should be a dual-system. He said that with impending entry into force of the WTO, the Committee should consider the implication of the system for the future and not just for this half year. He thought that under the new TBT Agreement, there would be an increase on membership to more than one hundred and it would increase costs and work for the Secretariat. He said that although Japan was flexible, the solution should be carefully sought.

54. The representative of the Republic of Korea also thought that the current system worked well. He said that modern software for telefax was used in many countries and would reduce the cost drastically.

55. The representative of Canada recalled that at the last meeting Canada had supported the EC proposal, but her delegation was aware of the implication of the cost of the new system and was flexible for different possibilities in order to have a smooth transition period to the new Agreement.

56. The representative of the European Communities shared the view made by the representative of Canada that the Committee could look into different possibilities and find the most useful way of circulating notifications, including the device suggested by the Korean representative. He said that the Committee should also consider all other aspects of the issue, including the situation of all the members of the new Agreement because not all the countries would have the necessary facilities right from the entry into force of the WTO.

57. The representative of Finland, speaking on behalf of the Nordic countries thought that it was not feasible to change the system for the remaining time of the existing Agreement. He thought that

since the Committee had no mandate for the preparation of the WTO, the Committee should not ask the Secretariat to prepare a paper in view of the new WTO Agreement. The paper should give just a general view on how different options might result with their economic consequences without the reference to the WTO.

58. The representative of Australia said that the Committee could decide later on whether the paper was going to be put forward into the Preparatory Committee process. At the same time, he raised his government's concern regarding the statistics provided from individual enquiry points for the annual review of the Committee. He said that the Secretariat could provide some guidelines on what figures should be provided and how that information could be presented. He said that with the number of new members and the increase of papers and documents involved, there was a need for efficiency and economy of paper.

59. The representative of Austria recalled that at the last meeting, his delegation had raised the concern of an increase in notifications not observing the 60 days time limit for comments. He said that the situation had not been improved since then. He noted that since the first of January, about 150 notifications had been issued and among them 20 per cent provided only 30 days for comments. He reiterated his delegation's concern on the matter and said that the situation might be a result of lack of information for those preparing notifications.

60. The Committee took note of the statements made and agreed to ask the Secretariat to prepare the paper regarding the notification procedures. Later the Committee could decide how these recommendations would be treated, finding a suitable way to send the study to the Preparatory Committee reflecting the concerns of the Committee.

D. ISO/IEC Guide 59 - Code of Good Practice for Standardization

61. The Chairman drew attention to document TBT/W/178, in which the Committee was informed that in November 1993, the ISO/IEC Code of Good Practice for Standardization had been approved by the ISO and IEC Councils as ISO/IEC Guide 59 and at the same time it had been decided that neither ISO nor IEC would seek statements of adherence to the Code at the present time. He recalled that at the Committee meeting on 11 May 1993, the Secretariat had been requested to prepare a factual comparison of the final text of the ISO/IEC Code of Good Practice for Standardization and Annex 3 of the draft 1991 Agreement on Technical Barriers to Trade. He said that due to the fact that the ISO/IEC Code of Good Practice for Standardization had now been adopted as a Guide and that there was no longer any statement of adherence, it had been felt that the Committee might like to reconsider the new situation, evaluate the implications of the ISO/IEC Guide 59 for the operation of the Agreement on Technical Barriers to Trade and take whatever further action it might consider appropriate, including whether it would still be useful for the Secretariat to make the factual comparison of the two texts.

62. The representative of the United States said that it was a decision of the Committee that there would be a comparison of the text of the two codes. Her delegation's concern was the substantive question of the obligations of the ISO/IEC Guide compared to those of Annex 3 of the new TBT Agreement, disregarding the fact that statements of adherence to the ISO/IEC Guide were not being sought at the present time. She said that it was important to have the comparison so that the Committee could have a better understanding of the ISO/IEC Guide.

63. The representative of Canada associated her delegation to the statement made by the representative of the United States.

64. The representative of New Zealand said that because of the change in the status of the ISO/IEC Code which had relieved some of the concerns within the Committee, his delegation was not sure that

it would be necessary to have an extensive work done in the area and was quite comfortable with a general side-by-side comparison of the two codes, enabling delegations to see the differences of the two codes.

65. The representative of the European Communities recalled that the Committee had decided to look into the ISO/IEC Code of Good Practice. He thought that it was worthwhile to have the comparison in order to have a better understanding of the ISO/IEC Guide and also because of the Committee's good relationship with the ISO/IEC. The Committee could then look into the ISO/IEC Code. However, he thought that the Committee would not discuss anything in substance at this stage.

66. The representative of Finland thought that the Code of Good Practice on Conformity Assessment prepared by the ISO/IEC could also be of interest to the Committee. He proposed that the Chairman could request the ISO/IEC to present that code to the Committee, although there was no such code prepared under the TBT Agreement.

67. The representative of the ISO confirmed that the ISO/IEC Guide 59 - Code of Good Practice for Standardization had been published and served as a reference document for voluntary standardization organizations. He said that the Guide laid out the principles to be respected for the development of standards reached by consensus among voluntary standards bodies, their relation to the market, the openness of participation in the standards development process and the need to ensure co-ordination and transparency by an appropriate information system. The Guide stated that all information concerning the development of standards should be available through the network for exchange of information on standardization - ISONET.

68. He said that it was recognized that the WTO Code of Good Practice was broader than that of the ISO/IEC Guide and that it was also applicable to non-voluntary standardization organizations. However, he said that the ISO/IEC Guide was compatible with the WTO Code, though it was less detailed with regard to administrative details concerning the exchange of information on standardization work programmes since that was covered in the voluntary standardization system by the network for exchange of information on standardization - ISONET. He informed the Committee that the ISO/IEC Guide was available at a reasonable cost from all ISO member bodies or IEC national committees.

69. He said that the ISO Information Committee (INFCO), the supervisory body of the network of information on standards - ISONET, had noted the approval of the revised Agreement on TBT at the conclusion of the Uruguay Round and that it would be enacted within the next months. It had also noted that Annex 3 of the new TBT Agreement placed expectations on ISONET which were compatible with its mission, and would increase the workload placed on ISONET members and on the ISO/IEC Information Centre in Geneva. He reported that reaction from INFCO members had been very positive and at the INFCO meeting on 28-29 April, it had been decided to revise the constitution of ISONET. The revision would, among other things, enable a smooth implementation of the tasks delegated to ISO/ISONET within the context of the Code of Good Practice for Standardization. He said that guidelines would be circulated within two months to the member bodies of ISO and ISONET on the implementation in the ISO/IEC system of the administrative requirements of the WTO Code so as to provide unified methods for handling information coming from those standardizing organizations that had chosen to adhere to the WTO Code.

70. He said that concerning the tasks of the ISO/IEC Information Centre in the preparation of information on the standardization programmes of adherents to the WTO Code of Good Practice for Standardization, a draft memorandum had been submitted to the WTO Secretariat in the hope that co-operative administrative arrangements for implementing the notification procedures of the WTO Code could be concluded soon and submitted to the ISO Council for final approval at its regular meeting

in September. He said that the ISO Central Secretariat was willing to co-operate with the GATT Secretariat in preparing the requested comparative study.

71. The Committee took note of the statements made and asked the Secretariat to prepare the factual comparison of the ISO/IEC Guide 59 and the Code of Good Practice contained in Annex 3 of the new TBT Agreement.

E. Other Business

72. The Chairman invited delegations, in particular new members, to communicate to the Secretariat by 1 July 1994 if they wished to update the list of names of Panellists which was contained in document TBT/W/25/Rev.12 and the information on Consultation Points which was contained in document TBT/W/62/Rev.1 and Corrs. 1-4.

73. The representative of Canada recalled that at the last meeting her delegation had raised the issue of a Mexican ban on the importation of seed potatoes. She reported that her authorities had been having bilateral consultations with Mexico and that technical discussion between Canada and Mexico had continued, but regretted that the issue remained unresolved. She said that her authorities had met with Mexican officials on 21 April, progress had been made on a number of outstanding technical issues, and it had been agreed to independently undertake pest risk analysis of the same pests involved. She said that consultations would resume within two months and hoped that the remaining issues might be resolved.

74. The representative of Mexico confirmed the statement made by the Canadian delegation and hoped that by the next meeting a satisfactory solution would be reached.

75. The representative of Austria recalled that at the last meeting, the EFTA countries had drawn attention to the issue of new certification procedures introduced by Hungary. He informed the Committee that the problem seemed to have been solved bilaterally within the free trading agreement. He reported that there were now ten certification points instead of one and certification had no more to be made per every single import but once per category of goods imported. However, he regretted that a few weeks ago, his authorities had learned by letter from the Hungarian tele-communication authority that new stricter measures which concerned identification marks of compliance for electric as well as electronic devices were going to be introduced soon. He urged Hungary for more transparency, because there had not been sufficient information either on the full coverage of the procedures or the date of entering into force. He repeated his delegation's invitation to Hungary, made already at the last meeting, to notify new measures which could create technical barriers to trade.

76. The representative of Hungary took note of the statement made by the Austrian delegation and said that she would inform her authorities in Hungary about the issues.

77. The Chairman, sharing his reflection with the Committee over some aspects of the transition to the new Agreement, said that although it was not the competence of the TBT Committee to have any decision on the matter, there was a feeling that some work had to be done in the mean time in some areas to assist with a smooth entry into force of the new Agreement. He recalled the Ministerial decision, recommending the Secretariat to reach an agreement with the ISO to establish a WTO-ISO information system for the functioning of the Code of Good Practice attached to the Annex 3 of the new TBT Agreement. He welcomed the initial work which had been done on the ISO side, and thought that there should be some conclusion on the matter before the entry into force of the new Agreement.

78. Concerning the many new members to the new Agreement, he thought that it might be helpful to have some recommendation on the measures which were needed to ensure the implementation of

the new Agreement at a national level. He said that one other aspect for reflection would be to find the best way to ensure uniform and efficient operation of the procedure for notifications, especially those which were not covered by the existing Agreement. He said that the work would be done within the framework of the Preparatory Committee and the TBT Committee could help to focus on the areas of work that needed to be done. He said that he would contact and consult with members before the next Committee meeting in the light of the decision made by the Preparatory Committee on how to best approach the matter.

79. The Committee took note of the statements made.

80. The Chairman informed the Committee that the agenda of the next meeting would include the Committee's fifteenth Annual Review under Article 15.8 of the Agreement and its Annual Report to the Contracting Parties. He urged delegations, in regard to the Annual Review of the Agreement, to provide the Secretariat promptly and fully with the information which would be needed to prepare the background documentation for the Review. The Committee agreed to the Chairman's proposal that the date of the next Committee meeting be worked out by himself in consultation with delegations in the autumn.