

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Group "Non-Tariff Measures"

Sub-Group "Technical Barriers to Trade"

MEETING AT TECHNICAL LEVEL OF SEPTEMBER/OCTOBER 1975

Note by the Secretariat

Addendum

The Sub-Group "Technical Barriers to Trade" has agreed that at its meeting of January/February 1976 it should examine the points identified at technical level relating to standards and packaging and labelling on the basis of the secretariat note on the meeting (MTN/NTM/W/25) and any other points raised before the meeting (MTN/NTM/W/24, paragraph 11).

This paper sets out the comments and suggestions of the Japanese Government on the proposed GATT Standards Code.

1. Definitions

(a) As to the applicability of the ECE/ISO definitions to the Code, it would be appropriate to examine the substance of the definitions one by one on the assumption that the coverage of the Code is kept unchanged. In case the application of some of the definitions be found to cause changes in obligations or coverage of the Code, the ECE/ISO definitions themselves should be modified as necessary. From this point of view, the Japanese Delegation is in favour of the approach used in hypothesis B as set out in the annex to MTN/NTM/W/25.

(b) As for the substance, the definitions of "technical specification" and "voluntary standard" are of particular importance to the Code, as the former has bearings upon the whole coverage of the Code and the latter relates to the coverage of Section 4 and other relevant provisions.

As to the definition of "certification body", the question of "competence and reliability" should carefully be considered in the light of the relevant provisions of the Code.

(c) With respect to the ECE/ISO terminology, the Japanese Delegation prefers to use the term "standard" in place of "technical specification", as the term "standard" is widely used in Japan in this context.

2. Balance of obligations of central governments

The present text of the Code imposes two different levels of obligations on adherents. This would result in significant imbalance in obligations of central governments, in particular, as between countries with a unitary structure and those with a federal structure. For the purpose of redressing the balance of obligations as between different adherents, the Japanese Delegation wishes to propose that, throughout the Code, the first level of obligation ("shall ensure") should apply to mandatory standards (including test methods and quality assurance systems) of central as well as local government bodies, and that the second level of obligation ("shall use all reasonable means within their power to ensure") should apply to voluntary standards (including quantity assurance systems) regardless of bodies which prepare and apply them.

The above proposal is relevant to Sections 3, 7 and 11 in the field of mandatory standards, and to Section 10 in the field of voluntary standards. In this connexion, the proposal set out in footnote 2 to Section 10 in the text of the Code (page 19, MTN/NTM/W/5) should be brought to mind.

3. Notifications to the GATT secretariat and their circulation
(Section 2(e)(ii) and Section 16(d))

The Japanese Delegation has doubts as to whether effective information system could be created in the framework of the Code. It holds the view that appropriate international organizations specialized in the area of standards, such as the International Organization for Standardization (ISO) could preferably be used for this purpose. It is therefore advisable to discuss a possible rôle of the ISO in this field on the basis of the secretariat note (MTN/NTM/W/15).

4. Regional quality assurance systems

The Japanese Delegation notes that two bracketed alternatives are set out in the text of Section 13(h)(ii). It is the view of the Japanese Delegation that regional quality assurance systems should be open to access by third countries in compliance with non-discrimination principle of the GATT. It therefore does not agree with the second alternative which admits of exclusive regional systems by introducing certain qualifications as to access by third countries.

5. Packaging and labelling

(a) Although the definition on "standard" in the draft Code states that "it includes, where applicable, ... packaging, marking or labelling", the precise content of the Code in its definitive form is yet to be seen. It is also necessary to avoid complexity of the work. The practical course of action therefore would be that the Sub-Group should, as a first step, continue to work on the draft Standard Code and at a later stage, when some measure of agreement has been reached on the substantive provisions, proceed to review definitions and relevant provisions of the Code in the light of the problems relating to packaging and labelling.

(b) It should be noted that the adoption of the Standard Code will not give solutions to all the problems notified in the Inventory. In the view of the Japanese Delegation, some of them would more properly be dealt with through bilateral consultations.

As to problems for which multilateral solutions are required, the Sub-Group should examine issues in detail according to their types and nature, bearing in mind a distinction between those to be covered by the Code and those to be dealt with through separate approaches. In order to facilitate to clarify the problems, it is advisable to review the various suggestions made during the preparatory phase relating, inter alia, to identification of issues to be covered, discussion based on classification of various regulations, and the possibility of working out alternative solutions other than the Code.