

# WORLD TRADE ORGANIZATION

**G/L/122**

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(96-4491)

## REPORT OF THE COMMITTEE ON TECHNICAL BARRIERS TO TRADE

This Report was adopted by the Committee on Technical Barriers to Trade on 22 October 1996, for the consideration by the Singapore Ministerial Conference.

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### **I. INTRODUCTION**

1. The Committee on Technical Barriers to Trade was established on 1 January 1995 under Article 13.1 of the Agreement on Technical Barriers to Trade (TBT). Membership of the TBT Committee is open to all WTO Members. Observer governments and observers from international intergovernmental organizations were invited to participate in the TBT Committee's formal meetings in accordance with the relevant Decisions of the General Council.<sup>1</sup>
2. The Committee held its first, second, third, fourth, fifth, sixth and seventh meetings on 21 April 1995 (G/TBT/M/1), 14 July 1995 (G/TBT/M/2), 20 October 1995 (G/TBT/M/3), 1 March 1996 (G/TBT/M/4), 28 June 1996 (G/TBT/M/5), 16 October 1996 (G/TBT/M/6) and 22 October 1996 (G/TBT/M/7) respectively. At its first meeting, the Committee elected Ambassador C. L. Guarda (Chile) as Chairperson. On 6-7 November 1995, the Committee held a special joint meeting on Procedures for Information Exchange with the SPS Committee to facilitate the implementation of these procedures by Members. No formal decisions were taken at the meeting, but proposals emanating from the discussions were brought to the attention of the Committee for consideration (G/TBT/W/16). On 27 February 1996, the Committee held a joint informal meeting with the Committee on Trade and Environment to pursue discussions on eco-labelling.

### **II. IMPLEMENTATION OF THE MARRAKESH MINISTERIAL DECISIONS**

3. On 15 April 1994, Ministers in Marrakesh adopted two Decisions relating to the TBT Agreement. They are: (i) Decision on Proposed Understanding on WTO-ISO Standards Information System; and (ii) Decision on Review of the ISO/IEC Information Centre Publication. Subsequent to these Decisions, an agreement was reached between the Secretary-General of the ISO Central Secretariat and the Director-General of the WTO to establish a WTO Standards Information Service operated by the ISO to provide information on standardizing bodies under Paragraphs C and J of the Code of Good Practice for the Preparation, Adoption and Application of Standards contained in Annex 3 of the WTO TBT Agreement. The Memorandum of Understanding agreed upon was circulated in document G/L/1.

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<sup>1</sup>Decisions of the General Council: Participation in Meetings of WTO Bodies by Certain Signatories of the Final Act eligible to become Original Members of the WTO (WT/L/27); Guidelines for Observer Status for Governments in the WTO (WT/L/161 - Annex 2); and Observer Status for International Intergovernmental Organizations in the WTO (WT/L/161 - Annex 3). Representatives of the IMF, UNCTAD, ITC (UNCTAD/GATT), ISO, IEC, FAO, WHO, FAO/WHO Codex Alimentarius Commission, International Office of Epizootics, OECD and UN/ECE are invited to attend meetings of the TBT Committee in an observer capacity.

4. At its first meeting, the Committee took note of the statements made regarding the procedures for notifications under the Code of Good Practice (G/TBT/W/4/Rev.1) and agreed that the Committee Chairperson would inform the Chairman of the Budget Committee of the financial resources needed by the ISO/IEC Information Centre for the application of the WTO Standards Information Service operated by ISO.

5. The first annual WTO TBT Standard Code Directory was prepared by the ISO/IEC Information Centre at the beginning of 1996, and contains information received pursuant to paragraphs C and J of the Code of Good Practice, including information on the work programmes of standardizing bodies that have accepted the Code. At the end of 1995, 28 standardizing bodies from 26 Members had accepted the Code of Good Practice. At its fourth meeting on 1 March 1996, the Committee carried out its first annual review of the Code of Good Practice under the Ministerial Decision on review of the ISO/IEC Information Centre Publication.

### **III. STATUS OF IMPLEMENTATION OF THE AGREEMENT**

#### **A. Statements received under Article 15.2 from Members on Measures taken to Implement and Administer the Agreement (G/TBT/2 and Add.1-26)**

6. This is a one-time notification by each Member of the legislative, regulatory and administrative actions it has taken to ensure that the provisions of the Agreement are applied.

Total: 42

of which:

Tokyo Round TBT Signatories (46): 37

New WTO Members of the Agreement (79): 5

The Chairperson sent reminders at the beginning of May 1996 to delegations whose statements had not yet been received.

#### **B. Standardizing Bodies accepting the Code of Good Practice for the Preparation, Adoption and Application of Standards (G/TBT/CS/N/1-60)**

7. It is an obligation under Article 4 that central government standardizing bodies accept and comply with the Code of Good Practice. Members shall also take such reasonable measures as may be available to them to ensure that local government, non-governmental and regional standardizing bodies accept and comply with the Code. There are estimated to be somewhat in excess of 600 standardizing bodies worldwide.

Total: 60

of which:

Central Government Standardizing Bodies: 23

Others: 37

C. Notifications made by Members under Articles 2.9.2, 2.10.1, 3.2, 5.6.2, 5.7.1 and 7.2 of the Agreement since 1 January 1995 (G/TBT/Notif.95.1-365 and G/TBT/Notif.96.1-390)

8. These are periodic notifications of changes in technical regulations and conformity assessment procedures by central governments and local governments. A list indicating the number of notifications made by Members and by Articles is contained in Annex 1.

Total: 755

of which:

Tokyo Round TBT Signatories (46): 31

New WTO Members of the Agreement (79): 2

Local Governmental technical regulations and conformity assessment procedures: 3

Non-notified measures raised in TBT Committee meetings: 1

D. Establishment of Enquiry Points by Members under Article 10 (G/TBT/ENQ/7)

9. Members are required to establish national Enquiry Points to answer all reasonable enquiries on their application of trade-related technical regulations, standards and conformity assessment procedures.

Total: 73

of which:

Tokyo Round TBT Signatories (46): 45

New WTO Members of the Agreement (79): 28

E. Notifications made by Members under Article 10.7 of the Agreement

10. Members are obliged to notify whenever they have reached agreements with any other country or countries on issues related to technical regulations, standards or conformity assessment procedures which may have a significant effect on trade.

Total: none

F. Overall assessment

11. At the Committee's fifth meeting, the Chairperson expressed the view that implementation of the TBT Agreement was proceeding slower than is desirable in relation to the submission of statements under Article 15.2 and the number of standardizing bodies that have accepted the Code of Good Practice. To the extent that this was due to real technical difficulties or a lack of awareness of the obligations under the Agreement, the Secretariat was encouraged to redouble its technical assistance work in this area. The Secretariat has organized together with the ISO and with the ITC three regional seminars in 1996 in South Africa, Latin America and Central America, aiming at providing technical assistance to new Members, in particular developing countries, to better understand the Agreement so that it can be fully implemented.

#### IV. ACTIVITIES OF THE COMMITTEE SINCE 1 JANUARY 1995

##### A. Decisions and Recommendations adopted by the Committee (G/TBT/1/Rev.4)

12. At its first meeting, the Committee adopted its rules of procedure. These were subsequently approved by the Council for Trade in Goods. At its second meeting, the Committee adopted decisions and recommendations regarding: (i) Statements on implementation and administration of the Agreement under Article 15.2 of the Agreement; (ii) Notification procedures; and (iii) Procedures for information exchange. At its third meeting, the Committee adopted decisions and recommendations regarding: (i) Technical assistance; and (ii) Regional standard-related activities. At its fourth meeting, the Committee adopted certain changes to the format for notifications under Articles 2, 3, 5 and 7 and agreed to derestrict TBT notifications and the list of enquiry points. At its fifth meeting, the Committee adopted the format for notifications under Article 10.7 of the Agreement and agreed to amend its decision regarding technical assistance to make special mention of the technical assistance needs of the least developed countries.

##### B. Main Issues discussed at Committee Meetings

13. At each of its meetings, the Committee heard statements on the implementation and administration of the Agreement. A number of Members informed the Committee of measures taken to ensure the implementation and administration of the Agreement. Several measures were brought to the Committee's attention by Members who raised concerns about the potential adverse trade effect or inconsistency with the Agreement of those measures. A number of requests were made for additional information from Members on their proposed or adopted technical regulations, standards and conformity assessment procedures. In several instances the Members concerned chose to communicate their replies to these requests through the Committee. (G/TBT/M/1, 5 and 6)

14. The Committee held discussions on the issue of technical assistance (G/TBT/W/26 and G/TBT/M/1, 3 and 5). At its third and fifth meetings, the Committee adopted decisions on technical assistance (G/TBT/1/Rev.4).

15. The issue of eco-labelling was taken up at various meetings of the Committee (G/TBT/M/2-6) and also at a special joint informal meeting with the Committee on Trade and Environment. Discussions focused on environmental labelling (eco-labelling) programmes and measures and their relationship to the provisions of the TBT Agreement. While there is no consensus on the coverage by the TBT Agreement of eco-labelling schemes and the criteria, based on non-product related processes and production methods, it is generally felt important to review thoroughly the process of eco-labelling, from its design stages to its application in practice, against principles and disciplines of the Agreement relating to transparency, harmonization, non-discrimination, the avoidance of unnecessary obstacles to trade, and special and differential treatment of developing country Members. In response to a request at the meeting of the Committee on Trade and Environment on 21 June 1995, the Secretariat prepared a note on Negotiating History of the Coverage of the Agreement on Technical Barriers to Trade with regard to Labelling Requirements, Voluntary Standards, and Processes and Production Methods Unrelated to Product Characteristics (G/TBT/W/11). Discussions on the issue have been enriched by presentations of several existing eco-labelling schemes at the joint informal session of the TBT Committee and the Committee on Trade and Environment (G/TBT/W/23). Papers and a draft decision were presented by the delegation of Canada (G/TBT/W/9, 21 and 30) to promote discussion of the issue. A proposal was made by the delegation of the United States regarding further work on transparency of eco-labelling (G/TBT/W/29).

16. Several Members expressed interest in and requested further information on the ISO 9000 and ISO 14000 standards series on quality management and environmental management (G/TBT/M/2-4). A presentation was made and a communication was received from the ISO in this regard (G/TBT/W/20).

C. Other Activities and Reviews conducted by the Committee

17. At its fourth meeting, the Committee carried out its first annual review of the implementation and operation of the Agreement under Article 15.3 based on background documentation contained in G/TBT/3 and Corr.1. The need for improving implementation was emphasized.

18. At its sixth meeting, the Committee conducted a periodic examination of the special and differential treatment granted to developing country Members under Article 12.10 of the Agreement (G/TBT/M/6).

19. The Committee held discussions on decisions and recommendations on conformity assessment procedures and heard representations from the ISO on latest developments in ISO/IEC work relating to rules and guides in conformity assessment activities; from the International Laboratory Accreditation Conference (ILAC) on accreditation activities in the conformity assessment area; and from the United Nations - Economic Commission for Europe on rules and work of the UN/ECE.

V. PROGRESS CONCERNING WORK UNDER THE BUILT-IN AGENDA

20. Under Article 15.4 of the Agreement, the Committee will carry out its first triennial review of the operation and implementation of the Agreement not later than the end of 1997, including the provisions relating to transparency, with a view to recommending an adjustment of the rights and obligations of the Agreement where necessary to ensure mutual economic advantage and balance of rights and obligations. Having regard to the experience gained in the implementation of the Agreement, the Committee shall, where appropriate, submit proposals for amendments to the text of the Agreement to the Committee for Trade in Goods.

21. It is felt important to ensure that a thorough examination of all aspects of the TBT Agreement relevant to technical regulations, standards and conformity assessment procedures can be carried out at the triennial review in order to strengthen implementation of the existing disciplines and further the Agreement with the aim of facilitating trade through more efficient and effective regulation. Issues suggested by Members for the review include: the Code of Good Practice for the Preparation, Adoption and Application of Standards; international standards; notification procedures; mutual recognition agreements and equivalence; measures not more trade restrictive than necessary; and conformity assessment procedures.

Annex 1  
 Notifications made in 1995 and 1996 by Members and by relevant Articles of the Agreement

Members	Number of notifications made in 1995	Number of notifications made under the relevant Articles in 1995					Number of notifications made in 1996	Number of notifications made under the relevant Articles in 1996				2.9	2.10	3.2	5.6	5.7	7.2	not specify.
		2.9	2.10	3.2	5.6	5.7		2.9	2.10	3.2	5.6							
Argentina	-							1		1								
Australia	20	20						14		14								
Belgium	17	17						13		13								
Brazil	-							7		2		3						2
Canada <sup>2</sup>	29	27	2					18		18		1						
Czech Republic	12	12						13		13								
Denmark <sup>2</sup>	28	20	10		7	6		10		5								5
El Salvador	1		1					-										
European <sup>2</sup> Community	32	32						36		34		8						1
Finland	4	4						3		3								
France	1	1						1		1								
Germany	2	2						1										1
Hong Kong	6	5			1			4		3								
India	11	10						1		14		1						
Korea, Rep. of	13	8	1					4		8		8						2

<sup>2</sup>The number of notifications made under the relevant Articles does not correspond to the total number of notifications made during the current period since certain notifications were made under more than one Article.

Members	Number of notifications made in 1995	Number of notifications made under the relevant Articles in 1995						Number of notifications made in 1996	Number of notifications made under the relevant Articles in 1996				2.9	2.10	3.2	5.6	5.7	7.2	not specify.
		2.9	2.10	3.2	5.6	5.7	7.2		2.9	2.10	3.2	5.6							
Jamaica	-							1	1										
Japan <sup>2</sup>	48	41	1	6				34	31	1		3							
Malaysia	1						1	19	5										14
Mexico	29	28	1					20	20										
Netherlands	33	33						29	29										
New Zealand	1	1							1	1									
Norway	6	6							25	25									
Philippines <sup>2</sup>	-								11	11	1		1						
Singapore	8	8							-										
Slovak Rep.	14	9		5					4	3			1						1
Spain	4	4							6	5									
Sweden <sup>2</sup>	5	4						1	26	26			1						
Switzerland	4	4							9	9									
Thailand	7	7							9	3	4		2						
United States	29	29							34	34									
<b>TOTAL</b>	<b>365</b>	<b>332</b>	<b>14</b>	<b>2</b>	<b>19</b>	<b>6</b>	<b>-</b>	<b>7</b>	<b>371</b>	<b>331</b>	<b>10</b>	<b>1</b>	<b>16</b>	<b>1</b>	<b>-</b>	<b>26</b>			

Annex 2

Notifications under Article 15.2 and of the Establishment of Enquiry Points under Article 10  
by Members; and of the Acceptance of the Code of Good Practice for the Preparation,  
Adoption and Application of standards by standardizing bodies

MEMBER	ARTICLE 15.2	ACCEPTANCE OF THE CODE OF GOOD PRACTICE	ENQUIRY POINTS
Antigua and Barbuda			
Argentina	x		x
Australia	x	1	x
Austria	x	2	x
Bahrain	x		x
Bangladesh			
Barbados			
Belgium	x		x
Belize			
Benin			x
Bolivia			x
Botswana			
Brazil	x	1	x
Brunei Darussalam			
Burkina Faso			
Burundi			
Cameroon			
Canada	x		x
Central African Republic			
Chad			
Chile	x	1	x
Colombia	x	1	x
Costa Rica			x
Côte d'Ivoire			
Cuba	x	1	x
Cyprus			x
Czech Republic	x	1	x
Denmark	x	1	x
Djibouti			
Dominica			

MEMBER	ARTICLE 15.2	ACCEPTANCE OF THE CODE OF GOOD PRACTICE	ENQUIRY POINTS
Dominican Republic			x
Ecuador		1	
Egypt		1	x
El Salvador			x
European Community	x	3	x
Fiji			x
Finland	x	1	x
France	x	1	x
Gabon			
Gambia			
Germany	x	1	x
Ghana			x
Greece	x		x
Grenada			
Guatemala			
Guinea			
Guinea Bissau			
Guyana			
Haiti			
Honduras			
Hong Kong	x		x
Hungary		1	x
Iceland			x
India		1	x
Indonesia	x	1	x
Ireland	x		x
Israel			x
Italy	x	2	x
Jamaica		1	x
Japan	x	4	x
Kenya		1	x
Korea			x
Kuwait			
Lesotho			

MEMBER	ARTICLE 15.2	ACCEPTANCE OF THE CODE OF GOOD PRACTICE	ENQUIRY POINTS
Liechtenstein			
Luxembourg	x		x
Macau			x
Madagascar			
Malawi			x
Malaysia	x	1	x
Maldives			
Mali			
Malta			
Mauritania			
Mauritius			x
Mexico	x		x
Morocco			x
Mozambique			
Myanmar			x
Namibia			
Netherlands	x	1	x
New Zealand	x	1	x
Nicaragua			
Nigeria	x		x
Norway	x	1	x
Pakistan			x
Papua New Guinea			
Paraguay			
Peru		1	x
Philippines	x	1	x
Poland		1	
Portugal	x		x
Qatar			
Romania	x	1	x
Rwanda			
Saint Kitts and Nevis			
Saint Lucia			

MEMBER	ARTICLE 15.2	ACCEPTANCE OF THE CODE OF GOOD PRACTICE	ENQUIRY POINTS
Saint Vincent & the Grenadines			
Senegal		1	
Sierra Leone			
Singapore	x	1	x
Slovak Republic	x	1	x
Slovenia	x	1	x
Solomon Islands			
South Africa		1	x
Spain	x	1	x
Sri Lanka			x
Suriname			
Swaziland			
Sweden	x	9	x
Switzerland	x	3	x
Tanzania			x
Thailand		1	x
Togo			
Trinidad and Tobago		1	x
Tunisia	x	1	x
Turkey		1	x
Uganda	x		x
United Arab Emirates			
United Kindgom	x		x
United States	x		x
Uruguay			
Venezuela		1	
Zambia			x
Zimbabwe		1	x
<b>Total</b>	<b>42</b>	<b>60</b>	<b>73</b>