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Committee on Technical Barriers to Trade

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PROBLEMS FACED BY DEVELOPING COUNTRIES IN INTERNATIONAL STANDARDS AND CONFORMITY ASSESSMENT

Discussions of the TBT Committee in the context of the
Second Triennial Review of the TBT Agreement

Report by the Chairman

I. INTRODUCTION

1. At its special Session on 18 October 2000, the General Council referred to the relevant WTO bodies a number of implementation-related issues. Among these, the General Council requested the TBT Committee

"to examine the problems faced by developing countries in both international standards and conformity assessment, and to explore possible solutions in the context of the ongoing Triennial Review."

As Chairman of the Committee, I was requested to report on the outcome of that Review to the General Council before its special Session in December.

II. OUTCOME OF THE TRIENNIAL REVIEW (G/L/412)

2. The TBT Committee concluded its Second Triennial Review of the Implementation and Operation of the Agreement on 10 November (G/TBT/9). In this context, the Committee took note of the discussions in the General Council on implementation concerns, and recognized that the issue of implementation was linked to a number of elements of the Second Triennial Review, such as technical assistance, international standards and conformity assessment. A number of elements considered and decisions taken by the Committee under the Review dealt with the problems faced by developing countries in both international standards and conformity assessment, and possible solutions were explored and suggested. I set out below the main conclusions reached by the Committee in these areas.

A. INTERNATIONAL STANDARDS (Paragraphs 17 to 25 and Annex 4 of G/L/412)

3. At the Second Triennial Review, the Committee noted that international standards, guides and recommendations were important elements of the Agreement and played a significant role in its implementation. In order for international standards to make a maximum contribution to the achievement of the trade facilitating objectives of the Agreement, it was important that all Members had the opportunity to participate in the elaboration and adoption of international standards. In order to improve the quality of international standards and to ensure the effective application of the Agreement, the Committee agreed that there was a need to develop principles concerning transparency, openness, impartiality and consensus, relevance and effectiveness, coherence and developing country interests that would clarify and strengthen the concept of international standards under the Agreement and contribute to the advancement of its objectives. In this regard, the Committee adopted a decision containing a set of principles it considered important for international

standards development under the TBT Agreement (Annex 4 of G/TBT/9). These principles were seen by the Committee to be equally relevant to the preparation of international standards, guides and recommendations relating to conformity assessment procedures. The Committee agreed that the dissemination of such principles by Members and standardizing bodies in their territories would encourage the various international bodies to clarify and strengthen their rules and procedures on standards development, including those relating to effective participation, thus further contributing to the advancement of the objectives of the Agreement.

4. With particular reference to the mandate that the General Council charged me with, I would draw attention, in particular, to the principle concerning the “development dimension”. The Committee decided in Paragraph 13 of the “Principles” document, as follows:

"Constraints on developing countries, in particular, to effectively participate in standards development, should be taken into consideration in the standards development process. Tangible ways of facilitating developing countries participation in international standards development should be sought. The impartiality and openness of any international standardization process requires that developing countries are not excluded *de facto* from the process. With respect to improving participation by developing countries, it may be appropriate to use technical assistance, in line with Article 11 of the TBT Agreement. Provisions for capacity building and technical assistance within international standardizing bodies are important in this context."

5. The Committee noted that international standardization was an area where developing country participation was still limited and constrained. Some of the reasons identified for this situation were the lack of technical capacity, the location of secretariats and meetings, as well as other constraints in the areas of financial and human resources which impeded participation in meetings. This was recognized as an area for ongoing attention within international and regional bodies. The Committee also noted that certain Members encountered problems relating to the translation of international standards into their national languages.

6. To assist in resolving the problem of participation, the Committee noted that it was important to prioritize the international standardization activities related to products or subject-matter of particular interest to developing countries. It was critical for developing country Members, as part of their national consultation, to assess products/sectors of priority interest to them for international standardization, so that resources could be appropriately targeted. It was suggested that international standardizing bodies should seek to secure greater developing country participation as chairpersons or secretariats in various technical committees, including, where appropriate, rotation of chairs and secretariats. Another solution was to facilitate effective participation by means of information technologies, such as using email and video conferencing as alternatives to traditional meetings. Such an approach could also provide solutions to the financial constraints faced by developing countries regarding their participation in international standardization. Increasing awareness and co-ordination at the national level among stakeholders with respect to the importance of international standards related to trade interests could help to strengthen the financial and human resources of national standardization bodies, thus enhancing their effectiveness in the international standardization process. Regional cooperation could also contribute to the efficient and effective use of resources and act as a useful way to influence the international standardization process.

7. The Committee agreed that regular information-exchange between the Committee and relevant bodies involved in the development of international standards was useful. The Committee agreed that its observers should be invited to provide regular updates on their activities at Committee meetings, and the Committee would invite these bodies to inform it on the ways in which they were seeking to ensure effective participation of Members, and particularly of developing country Members in their activities.

B. CONFORMITY ASSESSMENT PROCEDURES (Paragraphs 26-36 and Annex 5 of G/L/412)

8. In the area of conformity assessment, the Committee noted a number of problems expressed by developing country Members. Developing country exporters, in particular SMEs, in some cases found themselves faced with conformity assessment requirements in export markets that were difficult to meet. This could be due to the limited physical and technical resources for national conformity assessment; insufficient number of accredited laboratories at the national or regional level; high costs as well as legal difficulties in obtaining foreign accreditation; difficulties in establishing internationally recognized accreditation bodies; difficulties in participating in international conformity assessment systems; as well as difficulties related to the implementation of ISO/IEC guides on conformity assessment procedures.

9. The Committee noted the technical and financial assistance already being provided by a number of national and international bodies to developing countries, such as the training of conformity assessment practitioners; training packages focussed on establishment of accreditation and certification bodies; the design of quality strategies targeting policy-makers, conformity assessment practitioners and industry; as well as the funding of developing country participation in regional and international meetings of conformity assessment systems. The Committee also noted the work that was being conducted at the regional level to address the various common concerns relating to conformity assessment, such as the pooling of resources to facilitate accreditation at the regional level, and eventually at the international level.

10. The Committee noted that it took a long period of time for a country to develop a national conformity assessment system. Different infrastructure might be needed at different stages of development and for different sectoral needs. Priorities needed to be identified by developing countries concerning certain basic elements of a domestic conformity assessment infrastructure. Technical assistance in this area was an evolving process, given the need to nurture skills and institutional development over a long time-frame. In order to build a structure for domestic conformity assessment which could ultimately facilitate the recognition of conformity assessment results, it was important to raise awareness and develop a national strategy for quality management. Assistance to implement the relevant international guides and standards could be useful to obtain the confidence of the competence of conformity assessment bodies by import markets, to facilitate entering into negotiations of MRAs and participating in international systems. Technical assistance of this kind could be enhanced through regional and international cooperation.

C. OTHER RELATED TRIENNIAL REVIEW OUTCOMES: TECHNICAL ASSISTANCE (Paragraphs 39-47 of G/L/412)

11. In addition to the conclusions and decisions reached by the Committee in relation to international standards and conformity assessment, the Committee also addressed the issue of technical assistance which was recognized as a priority to address difficulties encountered by developing countries in the implementation of the Agreement. In particular, the Committee agreed to develop a demand-driven technical cooperation programme related to the Agreement.

12. The Committee also noted that in accordance with the mandate provided by the General Council, the Director-General had been requested through his good offices to contact relevant international standardizing bodies and intergovernmental organizations to explore financial and technical mechanisms to assist the participation of developing countries in international standard-setting activities and to identify TBT-related technical assistance needs and how best to address these. In pursuing its further work, the Committee emphasized the importance of ensuring that its efforts complemented, and did not duplicate, the work by the Director-General and other WTO bodies in this field.
