

**COMMITTEE ON TECHNICAL BARRIERS TO TRADE: LABELING**

Submission from the United States

1. Labeling requirements are increasingly identified as impediments to trade. The Committee will recall its Decision (G/TBT/1/Rev.7, page 18) to clarify the coverage of the TBT Agreement with respect to labeling requirements and the fact that notification obligations apply, irrespective of the kind of information which is provided on the label. For the most part, discussions in the TBT Committee have been driven in response to specific trade irritants. Concerns with a variety of labelling requirements have been raised under "Statements on Implementation" at meetings of the TBT Committee.

2. A review of the record on discussions to date in the Committee reveals concerns have been raised with labelling requirements affecting a broad range of products, but in particular textiles, food and agricultural products and consumer goods. The labelling requirements have also been proposed and/or implemented by both developed and developing country Members. The requirements at issue generally have stated objectives and justifications based on the need to provide consumer information, prevent deceptive practices or protect consumers. (Certain labelling requirements related to the protection of human, animal or plant life or health would fall under the *WTO Agreement on the Application of Sanitary and Phytosanitary Measures*).

3. A few general observations can be made about the types of trade issues raised at the TBT Committee meetings which have generally concerned the following:

A. TRANSPARENCY

- (i) lack of notification;
- (ii) timing of notification;
- (iii) questions concerning consideration and disposition of comments provided on drafts.

B. CHOICE OF APPROACH FOR ACHIEVING REGULATORY OBJECTIVE

- (i) whether mandatory labeling would in fact achieve the stated objective; whether the approach was justifiable in relation to the legitimate objective being pursued;
- (ii) whether alternative, less trade restrictive approaches had been considered (e.g., voluntary labeling; consumer awareness campaigns; less excessive amount of information, documentation, etc.) and could be appropriate for achieving the objective in view of the risks of its non-fulfilment (e.g. risk of not informing consumers);
- (iii) relationship to international standards or practice (e.g., why not base the requirements on international standards when relevant ones perceived to be appropriate exist);

- (iv) concern that mandatory labeling was being used for trade protectionism rather than the stated objective;
- (v) concern that certain mandatory labeling violates obligations for national and MFN treatment.

C. PRACTICAL COMPLIANCE ISSUES

- (i) the method and timing of label application, for example, whether adhesive labels would be acceptable for meeting the requirements and could they be applied at time of import;
  - (ii) costs and burdens associated with testing and conformity assurance, including the availability of reliable testing methodology.
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