WORLD TRADE ORGANIZATION

G/TBT/W/348
14 February 2012

(12-0853)

Committee on Technical Barriers to Trade

SUMMARY REPORT OF THE TBT WORKSHOP ON REGULATORY COOPERATION BETWEEN MEMBERS 8-9 NOVEMBER 2011

Note by the Secretariat[1]

Regulatory cooperation is about regulators from different governments engaging with one another on rules and principles for regulating markets in the pursuit of more compatible, transparent and simple regulations, and the lowering of trade barriers. The TBT Committee has given importance to regulatory cooperation in its work, especially since the Fifth Triennial Review of the Agreement. To build on this work and pursuant to its mandate from the Fifth Triennial Review, the Committee held a Workshop on Regulatory Cooperation Between Members.

The Workshop was divided into four sessions. The first session focused on the work of the WTO particularly in the TBT and SPS contexts, the second Session focused on Members' experiences with regulatory Cooperation, the third session focused on presentations from relevant organizations on regional regulatory cooperation initiatives, and the fourth session heard expert panellists discuss lessons learned and ways forward on regulatory cooperation.[2]

This Report provides a summary of key points and issues that arose from the presentations and discussions during the Workshop. The full presentations made by speakers are available on the WTO website.[3] A background note by the Secretariat, circulated before the Workshop, is contained in document G/TBT/W/340.

[1] This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members and to their rights and obligations under the WTO.

[2] The programme, as well as the biographies of speakers and moderators, is contained in Annex 1.

[3] http://www.wto.org/english/tratop_e/tbt_e/wkshop_nov11_e.htm

I. OPENING REMARKS

1. The session was opened by the Chair, Ms Denise Pereira. She said that regulatory cooperation took place through various mechanisms, including formal and informal exchanges in bilateral, plurilateral and regional institutional contexts. The work of the TBT Committee was, in fact, a form of regulatory Cooperation: including discussion of specific trade concerns. The Committee had given importance to regulatory cooperation in its work, especially since the Fifth Triennial Review, and most often in the context of the Committee's work on Good Regulatory Practices. Members had shared experiences and reiterated the importance of regulatory cooperation and good regulatory practice (GRP) as a means of avoiding unnecessary barriers early on in the regulatory process. As the use of non-tariff measures affecting international trade in goods had grown in recent years this type of cooperation was becoming more important. Enhancing mutual understanding of regulatory systems through regulatory cooperation could help avoid trade friction in the design and implementation of these non-tariff measures.

II. SESSION I: OVERVIEW OF REGULATORY COOPERATION

A. BACKGROUND OF THE TBT COMMITTEE'S WORK ON REGULATORY COOPERATION

2. Erik Wijkström (WTO Secretariat), discussed the rationale and concept of regulatory Cooperation, and the various avenues for Cooperation, from the perspective of the TBT Agreement. Various issues arose in regulatory Cooperation, such as compatibility of regulatory regimes, development levels, capacity constraints, and exchange of information, and the mandate of the workshop was to allow Members to discuss how best to work towards effective convergence. While diversity among countries was natural, the aim of regulatory Cooperation should be reduction of unnecessary diversity and associated costs. For this, it was important to define the scope, setting and level of ambition of an exercise undertaking convergence at the outset.

3. The World Trade Report 2011 noted that, not only had the number of preferential trade agreements (PTAs) increased globally, the value of trade and depth of issues covered by them had also increased significantly. Most PTAs also focused on reducing and eliminating non-tariff barriers to trade, through mutual recognition, conformity assessment and deeper regulatory convergence. Early lessons in regulatory convergence showed that similarity between regulatory regimes helped build confidence between trading partners, and that such Cooperation was most efficient when it came at an early stage. He highlighted the significance of robust domestic institutions in ensuring effective regulatory Cooperation.

B. THE EXPERIENCE OF THE SPS COMMITTEE IN DEVELOPING AND IMPLEMENTING GUIDELINES ON EQUIVALENCE

4. Marième Fall (WTO Secretariat) spoke about Article 4 of the SPS Agreement which provided for an approach on the implementation of equivalence, and for consultations with the aim of harmonization. She stressed the significance of improved market access and policy innovations as consequences of convergence, particularly for least-developed countries (LDCs) and developing countries. Document G/SPS/19/Rev.2 provided guidelines for equivalence, transparency, and technical assistance for Members, and she provided a brief history of how the guidelines were developed. Additionally, she discussed the procedure for notifications of equivalence in the SPS Committee, noting that so far only two such notifications had been made.

III. SESSION II: MEMBERS' EXPERIENCES

5. The moderator, Mr. George Opiyo[4] opened the session which was to focus on specific examples of national and bilateral regulatory Cooperation aimed at improving regulatory procedures and processes.

A. CHINA - EU COOPERATION : WORKING TOGETHER TO MAKE CONSUMER PRODUCTS SAFER: THE CHINA-EU EXAMPLE, MR. KONG XIAOBANG[5] (CHINA) AND MR. FABRIZIO SACCHETTI [6] (EU)

6. Mr. Sacchetti noted that since China's accession to the WTO, EU-China Cooperation efforts had intensified greatly in an increasing number of sectors and in more than 50 policy areas. Efforts at regulatory Cooperation were supported by political oversight, and a technical assistance programme which included a component on quality infrastructure and TBT. In introducing the EU-China regulatory Cooperation framework, he highlighted the three main dialogues relevant to TBT contained therein: (i) a regulatory dialogue between EU's DG Enterprise and Industry (DG Enterprise) and China's General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) to promote regulatory convergence and eliminate unnecessary obstacles to trade and investment; (ii) an industrial policy dialogue between DG Enterprise, and the Ministry of Industry and Information Technology (MIIT), (iii) and a consumer product safety dialogue between DG Health and Consumers (DG SANCO) and AQSIQ with the objective of enhancing safety of consumer products exported from China to the EU through information exchange, regulatory exchanges, awareness raising campaigns, training, and stakeholder participation.

7. He explained that the rationale for regulatory cooperation on product safety was based on the premise that product safety was a global concern and a shared responsibility of manufacturers, exporters, and the government. With rising global trade volumes, supply chains and manufacturing processes had undergone a dramatic change with increasingly interdependent markets. Therefore, ensuring and enhancing consumer confidence that goods, no matter where they are produced, are safe, was key. Enforcement was no longer a national issue and there was therefore a need for reinforcing international cooperation in this area. In providing a case study on EU-China cooperative efforts to strengthen toy safety, he explained the activities and achievements, including the current priorities, as well as lessons learned. Activities included regular meetings among toy experts, raising awareness of applicable requirements through outreach and training activities, exchanging information on unsafe products and close Cooperation on standards. These activities would continue as priorities, as would closer Cooperation on market surveillance and promoting compatible traceability requirements and solutions. While the importance of creating a «product safety culture», of effective supply chain management to ensure a high level of compliance, and of preventing, rather than curing, was learned, important challenges remained in dealing with the internationalization of the supply chain, in ensuring timely information exchange e.g. on scientific evidence on new risks, new regulations and enforcement actions, and in achieving greater convergence of standards and safety requirements.

---

[4] Mr. George Opiyo works with Uganda National Bureau of Standards in the Technical Operations Directorate. He is the Secretary to the National Committee on Technical Barriers to Trade/Sanitary and Phytosanitary Measures of Uganda and is the officer in charge of the WTO TBT National Enquiry Point of Uganda.

[5] Kong Xiaobang is from the Department of Supervision on Inspection, Administration for Quality, Supervision, Inspection and Quarantine, China.

[6] Fabrizio Sacchetti joined the European Commission's Directorate-General for Enterprise and Industry in July 2003. He is currently responsible for policy coordination regarding matters falling under the WTO Agreement on Technical Barriers to Trade (TBT) and represents the European Union at the meetings of the WTO TBT Committee in Geneva.

8. Mr Kong Xiaobang introduced the AQSIQ, which was a ministerial administrative organ directly under the state council. He explained that the legal framework of RAPEX provided guidelines and general rules on product quality and safety, and explained how the notification system worked therein. The EU-China RAPEX (The Rapid Alert System for non-food dangerous Products) collaboration was a mechanism of information exchange that would ease the challenges faced by the fast-paced development of the EU-China economic and trade relationship. He explained how the RAPEX-China notification system worked through AQSIQ and how a special online platform had been set up by China in 2009 to run the programme. Essentially, this was a system for transmission of data between the EU and China on product safety (consumer products identified as dangerous). He explained the working of the RAPEX-China system, and discussed key achievements including technical exchange activities, improved quality and safety control, effective investigation and feedback on information on quality and safety of consumer products, thus protecting consumer rights and consumer interests. He described the EU-China RAPEX system as a good example of keeping markets open, coordination of policies, and reducing trade frictions between partners. By 31 December 2010, 4885 cases of products identified as dangerous had been notified and translated into Chinese through the RAPEX-CHINA system. Inspection and quarantine agencies at various locations were organized to investigate 1678 of these cases.

9. The focus of the EU-China RAPEX system since 2007 had been to create a win-win scenario for both China and the EU in trade in toys by ensuring that the toys reaching consumers were safe and of good quality. China's role was to monitor that only toys certified as safe would be exported to the EU, while the latter played a role in enforcing EU's own safety regulations and feeding back information on non-compliant products. Through the cooperative mechanism, expert-level meetings were held at least twice each year, with regulators, industry stakeholders, as well as market surveillance authorities. Targeted outreach events were designed to raise awareness of EU's applicable safety requirements among Chinese economic operators and government officials, and closer Cooperation on standard setting had been established.

10. Mr. Sacchetti discussed a study undertaken by the EU in 2008 on toy supply chains, noting that it was necessary to ensure that a toy safety culture was embedded in the entire supply chain. He also noted lessons learned and priorities for the future work. He concluded that a one-size-fits-all solution would not work in regulatory Cooperation, and that there was a need to intensify international Cooperation and greater convergence and harmonization of international safety standards.

11. In response to questions, Mr. Sachetti clarified that, within the EU, at an administrative and an operational level, each member State remained free to structure market surveillance in the way that best suited its own institutional framework. At the European level, there was a legal framework for the coordination of market surveillance activities which created some common requirements and principles that all member States had to follow when performing market surveillance. Mr. Kong clarified that the system concerned only products exported to the EU.

B. EU – US COOPERATION - APPROACHES AND EXPERIENCES: MR. JAN ERIC FRYDMAN[7] (EU) AND MR. JEFF WEISS[8] (US)

12. Through a broad range of horizontal policy tools and sectoral activities, the speakers explained that cooperation took several forms, from informal exchanges to structured dialogue, to binding government agreements (MRAs). The most appropriate approach would be selected

[7] Jan Eric Frydman is the Head of Unit for International Regulatory Agreements and Toy Safety at the Directorate General for Enterprise and Industry of the European Commission.

[8] Jeff Weiss is the Senior Director for Technical Barriers to Trade (TBT) at the Office of the United States Trade Representative (USTR).

depending on the policy context and the objectives pursued. Cooperation was necessary to reduce the unnecessary costs to business; enhance competitiveness; improve quality of regulation; increase consumer confidence; minimize trade frictions; enhance and deepen EU-US trade Cooperation and economic ties. A variety of policy instruments and tools had been pursued over the past decade which featured regulatory cooperation in TBTs as a key element. They included the Transatlantic Economic Partnership (1998); US-EU Positive Economic Agenda (2002); US-EU Economic Initiative (2005); and the Framework for Enhancing Transatlantic Economic Integration (2007), all of which were devised to inject new impetus and garner political support to these processes. These initiatives were supported by sectoral dialogues at expert level and the dialogue on good regulatory practices between the Office of Management and Budget (OMB) and the European Commission's Secretariat-General as well as by the High Level Regulatory Cooperation Forum, while the Transatlantic Economic Council and EU-US summits provided political oversight.

13. Sectoral co-operative initiatives, such as in pharmaceuticals, auto safety, marine equipment, and toys, were explained. The sectoral approach was an effective means of Cooperation through development of best practices and guidelines. The High Level Regulatory Cooperation Forum was aimed at promoting Cooperation on cross-cutting regulatory subjects, and had a strong TBT angle since technical barriers to trade had been known to impact small and medium sized enterprises disproportionately. In addition to discussing best practices identified in 2006, the common understanding of regulatory principles agreed in June 2011, lessons learned and horizontal forum issues, the speakers provided a case study of successful Cooperation in the area of toys. Through a variety of approaches over the past decade, US-EU regulatory cooperation efforts had grown and expanded. The experience had shown that the following were necessary for successful international regulatory cooperation: comparable jurisdictions over the subject matter to be regulated; common powers, including comparable institutional structures and regulatory competences; shared values on the role of government, acceptable risk and issues such as impact assessment, risk assessment, transparency; confidence and trust between regulators; the need for highest level political will/supervision of the bureaucratic process; a common interest; necessary resources; and a stakeholder driven process.

14. Mr. Weiss noted that the two trading partners, EU and US decided upon the common elements of understanding. These included transparency and openness, including stakeholder participation; consideration of benefits and costs; the necessity of impact assessment before proposing a regulatory measure, based on both qualitative and quantitative analysis; selection of the least burdensome approach; adoption of behaviourally informed choices; avoidance of duplicative or divergent approaches; and evaluation of regulatory approaches on a periodic basis through a transparent procedure including stakeholder inputs. He added that the use of online tools for planning was considered effective and increased information exchange between trading partners. Additionally, he shed light on sectoral issues currently in focus such as energy efficiency; work on nanotechnology and the development of guidelines; e-mobility to avoid conflicting standards in areas such as safety and electric plugs; and developing a roadmap of standards in these areas. In response to questions, he explained that it was difficult to create one definition for a small and medium enterprise (SME) but that certain practices and policies could be put in place to benefit these types of enterprises, in particular regulatory simplification.

15. Mr. Frydman added that since 2007, one of the main topics of Cooperation had been toy safety. A task force on the subject had developed a draft report on improvement of regulatory Cooperation on product safety matters, with a focus on toy safety. The fact that both trading partners had new safety regulations for toys was a common challenge, and enhancing Cooperation on the subject, he said, had improved both sides' understanding on the issue. The two partners would like to have common approaches to common issues such as definition of materials, risk assessment, traceability, declaration of conformity etc. Additionally, the two partners were looking for closer Cooperation on enforcement issues, market surveillance, and exchange of information.

16. He underscored lessons learned over 13 years of Cooperation noting that the scope and depth of Cooperation had expanded greatly, as had the building of confidence. Since regulatory Cooperation was both technical and time consuming and based on regulatory traditions and jurisdictions, there was no one-size-fits-all approach. Further, the focus of Cooperation should be new regulations, as opposed to changing what had already been negotiated and agreed upon, and that best practices that worked in the past should be replicated as much as possible. Furthermore, he underscored the significance of expectations management, and of political oversight for technical negotiations. Political will and support were critical for regulators to enhance convergence to ensure focus on areas where the net benefits were the highest. Finally, it was essential to account for resource and statutory constraints and to create opportunities for Cooperation based on those constraints. In response to questions from the floor, he discussed the regulatory impact assessment mechanism noting that it was a combination of different types of impact assessments, including economic, social, environmental, trade etc. which were carried out before formulating the legislative proposal. He also mentioned that regulatory recognition and equivalence had higher benefits for SMEs since it reduced the cost of adapting to different types of procedures and regulations in different countries

17. In response to questions, he noted that the EU did have a definition for an SME so that the EU programmes could specifically target SMEs. In fact, he mentioned that the European Commission had recently issued a new communication which proposed support for European SMEs going to third countries because it appeared that only 13 per cent of European SMEs actually had business or trade with countries outside of the EU. According to a survey carried out, the main obstacles to such commerce were regulatory differences as well as other issues like market access, information, and IPR protection.

C. NEW ZEALAND – AUSTRALIA COOPERATION (JOINT PRESENTATION): "THE TRANS-TASMAN EXPERIENCE WITH REGULATORY COOPERATION", MS SIRMA KARAPEEVA[9] (NEW ZEALAND)

18. Ms Karapeeva spoke about the Trans-Tasman experience of regulatory Cooperation, noting that what helped ease convergence was the fact that Australia and New Zealand were very similar in terms of geographical location, climate, population and culture, allowing for similar preferences in goods and services. Since engaging in the Trans-Tasman cooperation, both countries had noticed a steady increase in flows of goods and services, and also noticeable benefits to stakeholders. She also commented that convergence was part of a larger, single, economic market initiative reflecting deeper integration and Cooperation at all levels of government. She presented three examples of regulatory co-operation and convergence: the Trans-Tasman Mutual Recognition Arrangement (TTRMA); the Joint Food Standards Code; and the Proposed Joint Therapeutic Products Agency.

19. The TTRMA was a non-treaty agreement, but the commitment contained therein was reflected in mirror legislation in both countries. It was essentially an equivalence arrangement: any good that could be legally sold in one country could be sold in the other, regardless of differing technical regulations. It also applied to registered occupations. The principles contained in the agreement were cornerstones of the economic and policy regulation in both countries and had delivered benefits to all stakeholders, at low administrative costs. The Arrangement had a broad coverage, with only a few exclusions and exemptions, and enabled greater mobility of goods at reduced costs of trade. It contributed to building confidence in each other's regulatory outcomes and was a central driver for regulatory policy cooperation and Trans-Tasman integration. Some examples of activities included a joint programme on minimum energy performance standards and labelling; involvement in reviews of electrical and gas safety regimes; joint development of standards; and sharing of compliance information from market surveillance. Remaining challenges included the

[9] Ms Karapeeva is a Senior Analyst with the Trade Environment Team of the New Zealand Ministry of Economic Development and leads the team's international technical barriers to trade agenda.

continued building of trust and confidence between regulators, raising awareness among regulators, and finding ways to bridge differences in areas where large differences still existed.

20. Cooperation on food standards via the Joint Food Standards Code resulted in the Single Food Standards Code developed by a single agency, the Food Standards Australia New Zealand (FSANZ). Harmonised food standards were implemented by each country's regulators. They were based on sound science, a shared expertise base and had a clear focus on protecting public health & safety. Similarly, the Proposed Joint Therapeutic Products Agency was creating a single regulatory scheme and a trans-Tasman regulator for therapeutic goods. It was a three phase approach beginning in July 2011. Like other speakers, she emphasized the significance of political will and drive, deeper stakeholder involvement, and strong domestic institutions while asserting that there could not be a one size fits all solution to regulatory Cooperation.

21. In response to questions, Ms Karapeeva stressed the importance of constant and on-going dialogue between the regulators in both countries as well as dialogue and interaction through the entire political system. New Zealand ministers participated in Australian ministerial council meetings and had voting rights on issues of trans-Tasman concern so many decisions on regulatory action were made at ministerial levels. She added that regulatory impact analyses were made early on in the policy and development process so that consideration of the trans-Tasman trade impact was taken into account early in the process.

D. BRAZIL: "STRENGTHENING INTERNATIONAL COOPERATION TO IMPROVE REGULATION IN BRAZIL: PRO-REG AND REGULATORY GUIDANCE", MR. RODRIGO AUGUSTO RODRIGUES[10] AND MR. ALFREDO LOBO[11]

22. Mr. Rodrigues presented Brazil's Programme for the Strengthening of the Institutional Capacity for Regulatory Management. It was presently the seventh largest world economy with a population of 191 million in 2010. The regulatory directives for Brazil were to improve the quality of regulation; reduce regulatory risks; increase transparency and accountability; work towards wider social participation in the improvement of regulatory framework with a stronger consumer engagement; reinforce regulatory performance; and improve regulatory governance.

23. He discussed the main proposals for regulatory reform in Brazil, noting the Programme for the Strengthening of the Institutional Capacity for Regulatory Management – PRO-REG which was aimed at improving the regulatory management system of the country.

24. The OECD Peer Review of Regulatory Framework in Brazil represented a unique opportunity to discuss current regulatory practices in Brazil in order to improve the performance of the system; achieve policy objectives; demystify the ideological debate over regulatory structure involving ministries and agencies; and learn from the international experience. The Review emphasized that was necessary to adopt Regulatory Impact Analysis in Brazil, and called attention to the importance of an oversight body. Following the Review, the Programme envisaged the conception and set-up of a Unit of Coordination, Monitoring, and Evaluation of Regulatory Issues in the Executive branch and would introduce Regulatory Impact Analysis, and would learn with international best practices. The Programme, sponsored by the Inter-American Development Bank, was also working with the Institute of Brazilian Affairs at George Washington University, the US Office of Information and Regulatory Affairs (OIRA), and established Cooperation agreements between the Brazilian Federal Government and the Embassy of the United Kingdom in Brazil.

[10] Mr. Rodrigues is Deputy-Head of the Department of Analysis and Attendance of Governmental Policies (SAG – Casa Civil).

[11] Mr. Lobo is Director of Quality at the Brazilian National Institute of Metrology, Quality and Technology - INMETRO.

25. Mr. Lobo discussed the work undertaken by the National Institute of Metrology, Quality and Technology (INMETRO), which was an agency under the Ministry of Development, Industry and Foreign Trade (MDIC). Its main activities were scientific and industrial metrology; legal metrology; conformity assessment; accreditation of certification and inspection bodies and testing; calibration laboratories; the Enquiry Point for the TBT Agreement (WTO); and diffusing innovation and knowledge. While there were 32 regulatory agencies in Brazil including ANVISA for health, DENATRAN for traffic safety, and IBAMA for the environment, INMETRO could act in any area/product where there was no regulatory authority. Products regulated by INMETRO included toys, tires, household appliances, auto parts and electric wires and cables.

26. He discussed activities undertaken to strengthen the regulatory structure in Brazil. The Guide on Good Regulatory Practices on Technical Regulations was developed by CONMETRO in 2007. As part of the exercise, sector panels were conducted to allow for effective stakeholder participation in the development of the guide; a deployment plan was established consisting of training in various government institutions; and a training programme for managers and professionals of regulatory authorities was developed and implemented. A second activity was the development and implementation of a Methodology for Impact Assessment and Technical Feasibility of Technical Regulations and Conformity Assessment Procedures. A third activity was the Assisted Deployment of Technical Regulations and Conformity Assessment Procedures. As a result of these initiatives, Brazil was fifth in notifications in the WTO and Brazilian technical regulations complied with international standards. This led to fewer complaints about Brazilian regulations and fewer specific trade concerns raised against Brazil. Finally, he mentioned that Brazil, through INMETRO, was co-operating with the United States, China and Mozambique in regulatory programmes.

27. On this last point, in response to a question, he explained that the agreements with the US and China were about harmonizing technical regulations and exchanging information about the recalls and incidents with products. On the agreement with Mozambique, Brazil was assisting in the implementation of good types of technical regulation and conformity assessment procedures.

E. MEXICO: "THE MEXICAN EXPERIENCE WITH REGARD TO REGULATORY COOPERATION: CHALLENGES AND BENEFITS", MR. JUAN ANTONIO DORANTES[12]

28. Mr. Dorantes noted that the origins of regulatory Cooperation in Mexico could be traced to Federal Law on Metrology and Standardization (LFMN); the North American Free Trade Agreement (NAFTA); the WTO TBT and SPS Agreements; and other FTA's. With respect to NAFTA, presidential commitment resulted in the terms of reference of the High Level Regulatory Cooperation Council (HLRCC) being concluded in March 2011. The six main objectives of the HLRCC were to make regulations more compatible and simple; increase regulatory transparency; promote public participation; improve the analysis of regulations; link regulatory cooperation to improved border-crossing and customs procedures; and increase technical Cooperation. A Work Plan was being elaborated through a public consultation mechanism which would result in an outline of activities that would be carried out over two years. Possible subjects to be covered included food safety; e-health; safety regulations in transportation; oil and gas; nanotechnologies; recognition of laboratories; and e-certification at factories.

29. In the Latin American context, Members of the Latin Arch Forum, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama and Peru, aimed at optimizing their commercial exchanges, and increasing trade, investment, and cooperation with economies in the Asia-Pacific region. One of the goals of the Forum, in relation to TBT, was to enhance transparency, regulatory cooperation and technical Cooperation.

[12] Mr. Dorantes is the Director General of International Trade Rules at the Secretariat of Economy in Mexico.

30. Lessons learned from Mexico's international regulatory cooperation included the notion that a one-size fits all approach would not work. He also underscored the significance of strong political will and drive, confidence building among regulators, and technical assistance. Additionally, he asserted the importance of private sector involvement in identifying priorities and types of activities to be subject to regulatory Cooperation. Further challenges to be addressed included defining priorities in activities, countries and regions; convincing regulators and private sector of their importance; upholding Cooperation as a priority on the trade agenda and the use of good regulatory practice.

31. In response to questions, he noted that the main problem experienced was that of human resources. Because the regulatory and legal systems as well as the legislation were different, the necessary expertise was not always available. For this reason, private sector involvement was important; they often had the necessary technical input. Nevertheless, technical assistance from other countries was also important particularly when working with a developed country which had available resources. On another point, he added that the most significant challenge faced in mutual recognition of the telecommunications sector was convincing both the national manufacturers and the national laboratories of the benefits of this agreement because they were not often immediately obvious.

F. CONCLUSION ON DISCUSSION OF MEMBERS' EXPERIENCES

32. The moderator highlighted some factors that came to light from the presentations in this session. The first was the need for strong political goodwill. Regulatory agencies could cooperate but they still remained accountable to their domestic regulators. Without political goodwill cooperative efforts might not be successful. Secondly, strong institutional structures were necessary to achieve regulatory Cooperation. Thirdly, it was clear that one size does not fit all situations so all approaches must be tailored to political and institutional circumstances. Fourthly, he noted the importance of being clear about the objectives of Cooperation and selecting the appropriate tool to achieve that objective. Finally, he noted the importance of building confidence and trust between regulatory agencies.

33. He provided an example of Cooperation efforts among Least-developed countries in Africa. In the treaty establishing the East African Community there was an article on Cooperation in the area of standards, technical regulations and conformity assessment which gave rise to a protocol that was negotiated and agreed on by the members of the East African Community. Once adopted, the protocol gave birth to the East African Community Standard Quality Assurance Metrology and Testing Act. Such cooperative efforts were also experienced in the common market for east and southern Africa. This treaty also provided for Cooperation in the areas of standard, technical regulations, conformity assessment and testing. Finally, the treaty that established the Southern Africa Development Community also provided for Cooperation in the areas of standards, technical regulations and conformity assessment.

IV. SESSION 3: COOPERATION IN REGIONAL AND OTHER INTERNATIONAL FORA

34. The session moderator, Mr. Bipin Menon[13], introduced the session on co-operation in regional and other international fora. He spoke about the importance referencing international standards in regulatory cooperation initiatives even when regional (or sectoral) in nature – and about the importance of capacity building and technical assistance in this respect.

[13] Bipin Menon has a trade specialization background in the Department of Commerce of India. He has been involved in the NAMA negotiations for the past six years and more recently in TBT where he has worked in areas such as international standard setting and transparency.

A. APEC: "REGULATORY COOPERATION IN APEC", MS SIRMA KARAPEEVA (NEW ZEALAND)

35. Ms Karapeeva, on behalf of Ms Julia Doherty the 2011 APEC SCSC Chair, discussed regulatory Cooperation within APEC. She provided a background on APEC, and then discussed initiatives undertaken on regulatory Cooperation and convergence in 2011 by APEC members. She also provided case studies of several sectoral initiatives in regulatory Cooperation. She noted that the focus of APEC was not just on regional Cooperation, but regulatory cooperation aimed at strengthening the multilateral trading system and promoting sustainable economic growth. The mandate of the APEC Sub-Committee on Standards and Conformance (SCSC) was based on the principles and obligations of the TBT and SPS Agreements. She underscored the strong global presence and dynamic growth of the APEC region, and noted that the 2011 priorities of APEC included strengthening regional economic integration and expanding trade; promoting green growth; expanding regulatory cooperation and advancing regulatory convergence. Political will and drive, as well as effective engagement of stakeholders, were significant for regulatory Cooperation. Additionally, she discussed the APEC-OECD Integrated Checklist on Regulatory Reform, which she said, included: internal coordination to enable a whole of government approach to rule making; assessing the impact of alternatives to achieving regulatory objectives; and transparency and public consultation processes.

36. Speaking about the APEC SCSC she noted that its objectives included reducing negative effects on trade due to differing standards, technical regulations and conformity assessment procedures; promoting greater alignment of national standards with international standards and greater consistency of approaches to conformity assessment; promoting good regulatory practices and transparency of standards, technical regulations and conformity assessment procedures; encouraging cooperation on the development of technical infrastructure; promoting greater regulatory dialogue; and encouraging business involvement in standards and conformance activities. She also discussed sectoral initiatives in the toy, wine, food safety, solar technologies, and green buildings sectors. The objectives of these initiatives were to enhance transparency, encourage better alignment and reduce barriers to trade related to standards, technical regulations and conformity assessment procedures, and the associated unnecessary costs and expenses, while still promoting high levels of product safety; encourage participation from key stakeholders, the private sector and academia, to bring in expertise; provide a baseline on the use of standards, regulations and conformity assessment procedures; encourage the use of international standards; and minimize disruptions to trade. Finally, speaking on the outcomes of the sectoral initiatives, these had enhanced transparency, and policy coordination, increased exchange of information between agencies, and encouraged a model of public private Cooperation to enable sustainable capacity building.

B. APEC: "MUTUAL RECOGNITION ARRANGEMENT ON CONFORMITY ASSESSMENT OF ELECTRICAL AND ELECTRONIC EQUIPMENT: ITS IMPLICATIONS IN REDUCING TECHNICAL BARRIERS TO TRADE", MS CAROLINA VASQUEZ[14] (CHILE)

37. Ms Vasquez spoke about the Mutual Recognition Arrangement on Conformity Assessment of Electrical and Electronic Equipment (EEMRA), and its implications for reduction of technical barriers to trade. She discussed the conclusion and endorsement of the agreement by the APEC SCSC in 1999, and briefly discussed the various parts of the EEMRA. She covered an overview of the information exchange regime, its legislative references, a description of the testing and approval mechanisms, the labelling requirements, and the regulatory and legislative requirements of the regime. She also highlighted the provisions covering acceptance of test reports and certification, underscoring that the agreement applied to both pre and post market certification and had implications for both regulators,

[14] Carolina Vasquez is a consultant in the Sub Department for Technical Barriers to Trade of the General Directorate of International Economic Relations (DIRECON), part of the Ministry of Foreign Affairs.

and manufacturers. For regulators, the MRA ensured comprehensive information on the regulatory regimes of members' economies manufacturers, allowing for improved compliance to regulations. For manufacturers, the MRA allowed for testing, certification and approval to be done in the economy of the manufacturer, reducing the costs involved, and the time to market for the products. The benefits from the MRA included reduction of cost of business through mutual recognition of testing requirements; reduction of the impact of regulatory infrastructures particularly those relating to pre-market testing, certification, inspection and approval; promotion of better information sharing of regulatory regimes in the region; improving safety and facilitating trade in electrical and electronic products; assisting in market expansion, particularly to APEC economies signatory to the APEC EEMRA; promoting greater regulatory harmonization and lesser negotiation process.

38. She also underlined the difficulties and costs of the MRA, i.e. regulatory changes, fears and insecurities in the economies, and the added costs of adaptation. For Chile, in particular, the challenges for convergence included the amendment of regulations for electrical products; incorporation to the CB Scheme; the need to work with companies and testing laboratories; working to lower the resistance to change and the participation in the MRA. Finally, she discussed the role of the Joint Regulatory Advisory Committee (JRAC) in promoting greater regulatory focus and regulator to regulator dialogue, and in facilitating the APEC EEMRA.

C. ASEAN: "EXPERIENCE OF THE ASEAN CONSULTATIVE COMMITTEE ON STANDARDS AND QUALITY (ACCSQ)" MR. HO CHI BAO[15] (SINGAPORE)

39. Mr. Ho talked about the experiences of the ASEAN Consultative Committee on Standards and Quality (ACCSQ). He also discussed the ASEAN Economic Community goal for 2015 of a single market and production base comprising free flow of goods, services, investments, capital and skilled labour. Free flow of goods would cover elimination of tariffs; elimination of non-tariff barriers; rules of origin (ROO); trade facilitation; customs integration; ASEAN single window; standards & technical barriers to trade. He also spoke about the role of the ACCSQ in harmonising standards and reducing technical barriers to trade. ACCSQ was supported by three working groups and covered sectors like automotive products, electronics, healthcare, rubber based products, and prepared food stuffs. He highlighted the achievements of the four core MRAs within the ACCSQ: the Electrical Electronic Equipment MRA; the Pharmaceutical Good Manufacturing Practice (GMP) MRA; the ASEAN Harmonised Cosmetic Regulatory Scheme; and the ASEAN Harmonised Regulatory Regime for Electrical and Electronic Equipment (AHEEER). The achievements included acceptance of test reports, cost reductions for manufacturers, and harmonised technical requirements and conformity assessment procedures.

40. Mr. Ho explained that the key lessons learned included that the challenge of convergence from Members' different development levels can be worked through and overcome with political will and drive and commitment from regulators; and that, in spite of differences, the basis of MRAs can be underpinned by international conformity assessment and accreditation schemes with minimal changes to current regimes. Underlining that MRAs provided a fertile ground for coherence with ASEAN, Mr. Ho concluded by highlighting the benefits of MRAs, which were: that MRAs help to reduce costs to business and "time to market", which in turn facilitate trade while ensuring product safety; MRAs set the groundwork for regulatory coherence in ASEAN and provided a platform for collaboration and building confidence for ASEAN, which led to ASEAN's move towards a harmonized technical regulations and conformity assessment procedures (AHEER) regime; MRAs help in harmonization of national standards with international standards (harmonization with international standards is a key component of ASEAN's harmonised AHEER regime); MRAs, by

[15] Ho Chi Bao is the Deputy Director of Policy & Promotion Division in SPRING Singapore. SPRING Singapore is a government agency that helps enterprises grow as well as being the national standards and accreditation body.

leveraging on international schemes, has helped ASEAN achieve "one standards, one test and one certificate accepted everywhere"; and this work supports the realization of ASEAN Economic Community Goal of free flow of goods.

D. SARSO (SOUTH ASIA REGIONAL STANDARDS ORGANIZATION): MR. CHANDAN BAHL[16] (INDIA)

41. Mr. Bahl spoke about the South Asia Regional Standards Organisation (SARSO). Its key objectives included placing regional cooperation on a firm foundation, accelerating the pace of social and economic development of the countries, and promoting the cause of peace, progress and stability in the region. He discussed the significance of regulatory Cooperation to reduce non-tariff barriers and allow smoother trade between nations. He spoke about the background to the establishment of SARSO by the SAARC Committee on Economic Cooperation (CEC), noting that its objectives included promoting and undertaking harmonization of national standards of the SAARC member states with a view to removing technical barriers to trade and facilitating the flow of goods and services in the region; developing SAARC standards on the products of regional/sub-regional interest; and encouraging the use of international standards published by ISO, IEC, etc. by way of adoption, where appropriate, as SAARC Standards; encouraging exchange of information and expertise, facilitating capacity building among member states; acting as a source of information for members on standards, regulations and conformity assessment; presenting the common interests of members in international standardisation organisations; and promoting MRAs conformity assessment procedures.

42. He discussed the structure of SARSO, its governing board, and their functions, and the structure and the role of the Technical Management Board (TMB). SARSO's on-going work included the development of SAARC standards for specific products and sectors, drafting the SAARC Agreement on Implementation of Regional Standards, and drafting the SAARC Agreement on Multilateral Arrangement on Recognition of Conformity Assessment. In conclusion, India's expected benefits of SARSO included harmonization of national standards of the member states which would help in removing technical barriers to trade and facilitating the flow of goods and services in the region; facilitating common interests of the Member States in the various international standardization organizations; facilitating acceptance of results of conformity assessment amongst the countries in the region; and promoting capacity building among member states.

E. OECD: "THE CHALLENGE OF SHARING INFORMATION – OBSTACLES AND COOPERATION MECHANISMS IN THE FIELD OF PRODUCT SAFETY", MR. PETER AVERY[17] (OECD)

43. Mr. Avery discussed the work undertaken by the OECD on product safety, and the challenges and obstacles encountered, particularly in information sharing, with a view to regulatory Cooperation and harmonization. He provided a background of the work undertaken by the OECD and the Working Party on Consumer Product Safety (established in 2010), including, promoting information exchange; supporting research on product safety issues; monitoring and assessing policy and regulatory developments; promoting Cooperation with non-members and; promoting harmonisation of product safety requirements and information collection. He also underlined the short, medium and long-term work plans for the OECD on product safety.

44. Speaking on the challenges and opportunities in work on product safety, he said that the main opportunities came from governments being now more receptive to sharing information, a strong interest from non-members, and cooperation resulting in cost-effectiveness and avoidance of

[16] Mr. Chandan Bahl is working as Scientist 'E' (International Relations) in the Bureau of Indian Standards, the National Standards Body of India.

[17] Peter Avery is Principal Administrator in the OECD's Directorate for Science, Technology and Industry, where he heads the Consumer Policy Unit.

duplication of regulation. On the challenges, developing web-platforms had high costs and technical challenges, a lack of common language between regulators added difficulty, and there was a need to maintain vitality and relevance of platforms, and to engage non-members into cooperation. He noted issues of agreed taxonomies, competing priorities, and funding, and underscored the significance of stakeholder involvement.

F. UNECE: "A COMMON REGULATORY LANGUAGE FOR TRADE AND DEVELOPMENT: THE CASE OF THE INTERNATIONAL MODEL AND HARMONIZATION OF VEHICLE REGULATIONS", MR. CHRISTER ARVIUS[18] (UNECE)

45. Mr. Arvius presented the case of the UNECE "International Model for Technical Harmonization". Firstly, he differentiated the degrees of regulatory cooperation, which could be separated broadly into good (national) regulatory practices and trans-national arrangements, The degrees could be seen as a "ladder of ambition" in regulatory cooperation ranging from the first step as good (national) regulatory practice embodied in the TBT Agreement, including observance of principal trade policy provisions (non-discrimination, proportionality, performance based regulations, use of international standards, etc.) and information exchange procedures for awareness building, to subsequent steps of trans-national arrangements (not included in the TBT Agreement). These arrangements included recognition of common testing procedures, accreditation systems, recognition of test results, inspections and certificates, recognition of product specifications, markings and, ultimately, recognition of fully harmonized technical regulations. He made the point that the objectives of the TBT Agreement to combat "unnecessary obstacles to trade" was much more limited than to achieve full market access which was the objective within the EU (and in the UNECE International Model). Article 2.4 of the TBT Agreement provided for exceptions to the use of international standards as certain measures could be ineffective for some countries in light of differing regulatory objectives. Therefore, coherence in regulatory objectives was needed to refer to/use the same international standard(s). This was one of the rationales for the UNECE International Model.

46. He presented the main principles in the "International Model for Technical Harmonization", a regulatory cooperation model, based on a "standards receptive regulatory technique" within the UNECE-WP.6. He emphasised that the model could be a basis for organisations dealing with regional integration aimed at aligning the technical regulations between the countries concerned. It also served as a basis for initiatives in certain sectors: the Telecom Initiative, Earth Moving Machinery Initiative, and the Initiative on Equipment for Explosive Environments. A Sector Initiative on Pipeline Safety was also underway. The model was open for application in regional and sectoral arrangements for all interested UN Member States (192 countries). It included the definition of regulatory convergence with regard to the necessary health and safety, environmental conditions, applicable international standards and proof of conformity for the sectors/product areas concerned. The number of countries involved in such arrangements could gradually be enlarged through a flexible "step-by-step" approach. He envisaged that the use of the model in different regions and sectors would provide for less fragmentation of technical regulations on the globe.

47. Mr. Ramos[19] spoke about the UNECE World Forum for Harmonization of Vehicle Regulations (WP. 29), its historical background and structure, together with the 1958 & 1998 Agreements. He focused on the environmental protection aspect of the programme, noting that it had adopted limits for the reduction of the emissions of gaseous pollutants such carbon monoxide CO (yellow), hydrocarbons HC (blue) and nitrogen oxides NOx (green). The Forum or WP.29 administered three agreements, the 1958 Agreement, the 1998 Agreement, and the 1997 Agreement.

[18] Christer Arvius is Director at the Swedish National Board of Trade and Chairman of the UNECE Working Party on Regulatory Co-operation and Standardization Policies (WP.6).

[19] J. Ramos is Chief of the Vehicle Registrations Section in the UNECE Transport Division and Secretary to WP.29

WP. 29 was unique, transparent and global, and decisions were taken by governments of contracting parties. He discussed the provisions of the 1958 and 1998 Agreements, and how WP. 29 regulations could eliminate technical barriers to trade and reduce the cost of developing new regulations and standards by recommending the application of globally developed vehicle regulations, instead of developing new ones.

G. CONCLUSION ON DISCUSSION OF CO-OPERATION IN REGIONAL AND OTHER INTERNATIONAL FORA

48. After the presentations, participants engaged in a general discussion. Regarding the presentations on APEC, Ms Karapeeva stressed that a principle lesson learned was that the problem that regulators were seeking to resolve needed to be properly framed from the outset, as did what regulators were seeking to achieve so that consensus could be sought around these parameters. Without this, moving to the next stage would be difficult. Another important element was timing. In the example of wine regulation, the growing trade in the region made clear that both producers and importers would have something to gain through regulation. In the case of electrical and electronic goods, recognition among all APEC members was not immediate because while regulation was fairly harmonized for many countries, for others, improvements had to be made for the MRA and for the export market. With regard to the CB Scheme, Ms Vasquez said that APEC members considered that it was necessary in order to guarantee certification and to ensure the safety of the products.

49. In response to a question on the need for the ASEAN MRA for electrical and electronic goods if ASEAN Members were signatories to the CB Scheme, Mr. Bao said that the two were complimentary. The CB Scheme was voluntary and the ASEAN MRA contained additional standards went further. He discussed the different rates of harmonization of standards among the members states, noting that the MRA provided some useful pressure to move at a certain speed of transformation. Some ASEAN members provided technical assistance to other Members in the transformation and accreditation process. Sometimes regulators were apprehensive in dealing with different countries but usually, through dialogue and negotiation, confidence and trust could be established. In regard to a question about the role of the private sector, Mr. Bao said that, in ASEAN, the private sector was encouraged and invited to sit in during the product working group meetings. Their input was often sought because, ultimately, regulatory integration was about meeting their needs.

50. With regard to SARSO, Mr. Bahl stressed that member states sought to develop regional standards in areas of common interest. Standards would not be developed in all areas where national standards existed, but only in identified areas of regional interest so that accepting conformity assessment results of each other member states would be easier. The development of regional standards versus the harmonization of the existing standards was a complimentary activity because some national standardizing bodies already existed. SARSO was not meant to overtake or remove any of the existing structures but to be a complimentary exercise along with individual standardisation efforts. Developing a common platform and institutional framework would accelerate trade among the member states. While the objective was to encourage use of international standards, in certain cases, situations arose whereby deviations from those standards were required. One example he cited was geographical or climatic conditions. Mr. Bahl also explained, in response to questions, that India (BIS) annually organizes training programmes for developing countries on standardization and quality assurance, on management systems and on laboratory quality assurance systems, details of which are available on the BIS website (www.bis.org.in)

51. In response to questions on the OECD work, Mr. Avery stressed that the benefits of harmonization became more apparent the more countries became involved. The OECD was always interested in expanding to include more countries. If this was not operational, then another future option could be to transform the OECD activities to a more global platform. In terms of market

surveillance, a business advisory council existed through which interested companies could participate to exchange information. This mechanism would expand in the future. He discussed the positive Cooperation with the Organization of American States (OAS), in particular the web portal for member countries of internet specific product or recall information collected in different jurisdictions. With respect to the role of non-OECD members, five countries were engaged in product safety area programmes: Brazil, China, India, Indonesia, and South Africa. Brazil was in the process of becoming a regular observer. Beyond the countries with enhanced engagement, Egypt was also a regular observer in the consumer policy committee and working party. As observers, these countries were treated as regular OECD members in that they were invited to participate in the work, the research analysis, and in the policy discussions and policy instruments. Product safety was a global issue in need of global solutions.

52. In response to questions, Mr. Christer Arvius stressed that while the TBT Agreement provided that the appropriate level of protection could be set by the individual members themselves, it also provided that countries could go further to establish trans-national arrangements. Mr. Ramos added that the 1958 and 1998 Agreements were drafted through an open process with representatives of the contracting parties, and governmental and non-governmental organizations. In the area of vehicles, this meant that not only the vehicle manufacturers were present but the association of consumers and different bodies that provided comments during the process. Also, the documents were freely available on the web for comments. The idea was to incorporate as many comments and views before the regulations were finalized.

53. Mr. Menon, the Moderator, summarized the key points raised during the discussion. He noted that the spectrum of regulatory cooperation varied across regions from information exchange to harmonization, and therefore, internal coordination, including through the use of TBT mirror Committees was critical. The sectoral initiatives, and adaptation to regional conditions with respect to the use of international standards were also highlighted as important. He underlined the significance of private sector involvement in regulatory cooperation, and the challenges faced by small and medium sized enterprises (SMEs) as regulators engaged in cooperation. Further, he spoke about new areas such as sustainable and green growth at a regional level as part of the theme of regulatory cooperation. He also stressed the significance of acceptance of test reports and certification and harmonization of conformity assessment. He also asserted that it was evident from the discussion during the session that the development of regional standards could complement the national standard setting process. He also spoke of the need for technical assistance to developing countries and LDCs, and the requirement for a database on safety from the OECD to ensure effective information exchange. Finally, he referred to the model of regulatory cooperation under the UNECE, and the co-existence of parallel agreements under the WP 29 of the UNECE.

V. SESSION 4: PANEL ON LESSONS LEARNED

A. OPENING REMARKS

54. The moderator, Mr. Matthew Smith, introduced the panellists, Mr. Bipin Menon, Mr. George Opiyo, Mr. Rodrigo de Macedo Pinto, Mr. Jeff Weiss, Mr. Jan Eric Frydman, and Mr. Xinhua Sun. This session was to be an open discussion based on the presentations made during the Workshop, as well as participant's experience. One question to guide comments was the possible role the TBT Committee could have in helping Members to further their efforts in regulatory cooperation. This could be looked at in the specific context of the Sixth Triennial Review of the TBT Agreement.

B. PANEL DISCUSSION

55. Mr. Sun began by emphasizing the importance of strong political will from high-level authorities in order to ensure successful regulatory cooperation. Another important lesson to be

learned was that "one-size-does-not-fit-all". Members should study the spectrum of options and choose those that match best their national conditions. Regulatory cooperation in the TBT context took various forms, from exchange of information to regulatory convergence and harmonization. It was also emphasized in several presentations different national conditions, geographical, climatic, infrastructural and technological situations might make it necessary to regulate in different ways. The key was to limit or reduce the costs associated with necessary regulatory diversity through, among other things, good regulatory cooperation. He proposed that the TBT Committee discuss some guidelines on best practices of regulatory cooperation between Members, possibly in the context of the Sixth Triennial Review of the Agreement. Members' efforts, such as the EU-US initiative, and those of other relevant international organizations could be brought together to form a good basis for further discussion in the TBT Committee.

56. Mr. Menon agreed with Mr. Sun's comments and suggestion. Looking at the matter from the point of view of domestic policymakers, he noted that regulatory cooperation was an important ingredient in the various stages of good regulatory practices (GRP), on the process through which Members formulated their technical regulations and conformity assessment procedures. This could begin with a needs assessment of a particular regulation; which was the first step of GRP to determine whether the regulation was necessary. After this determination, an assessment of the objectives of the regulation could be carried out. Part of this assessment could look at whether other Members had been able to satisfy their objectives through the regulation. Then an analysis of regulatory alternatives could be carried out. Policy makers were grappling in the TBT area with the multitude of international standards around the world. It was important to hone in on the correct standard to fit the national or regional context. Impact assessment was also an important element but one where developing countries often had capacity constraints and where technical assistance was important both in the regional as well as bilateral context. Following this, there were issues of benchmarking against international standards to determine whether an international standard was relevant or whether it was necessary to deviate from the standard. In addition, stakeholder consultation was necessary and often easier to carry out in a regional or bilateral forum. Finally, internal coordination was a challenge in many countries. Regulatory cooperation enabled Members to look at different models of internal coordination and find the best fit.

57. Transparency was an important issue with respect to regulatory cooperation. However, there was a lack of clarity on the notification requirements of the TBT Agreement, in terms of how to understand what a significant effect on trade was, and how to determine if a measure was not based on an international standard in the absence of an agreed set of international standards. Regulatory cooperation should be effective, especially for helping Members fulfil their multilateral obligations. Members needed to find ways to transpose the useful ideas shared during the workshop into their domestic regulatory processes, and see how regulatory cooperation can best address national needs and objectives.

58. Mr. Frydman said that the benefits of regulatory cooperation included promotion of both the aims and implementation of the TBT Agreement. The Workshop demonstrated that nearly all countries were engaged in some form of regional or bilateral regulatory cooperation, that it was a useful exercise, and that it was occurring in more organized and systematic forms. Substantial growth in organized regulatory cooperation initiatives had occurred over the past 15 years, and he wondered how this area would evolve in the coming 15 years. The two presentations from UNECE showed a successful model for global regulatory cooperation, and he suggested that automobile regulatory cooperation occurring in WP29 could be extended to other sectors, following the general model established in WP6.

59. Regarding the role of the TBT Committee, he considered that regulatory cooperation could help implement the TBT Agreement in three ways: enhancing transparency; increasing harmonization through reinforcing cooperation on the development of new regulations and on international standard-

setting; and, reducing or preventing trade problems and serving as a tool to solve those problems. He provided two suggestions for how the TBT Committee could facilitate regulatory cooperation. Building on Mr. Sun's comments, developing and disseminating best cooperative practices for regulatory cooperation could be one role for the Committee. Given the wide variety in the ways and means of regulatory cooperation, a set of best cooperative practices could identify approaches that were typically successful, suggest ways to avoid common difficulties, and highlight which solutions worked best in different contexts. Practices could be compiled by sector, by region, or by problem. While acknowledging that "one-size-does-not-fit-all", he said these practices could promote new means to fruitful regulatory cooperation. Encouraging Members to further increase transparency by providing information about new and upcoming regulations on a voluntary basis in the context of the Sixth Triennial Review could be another role. This could take the form of sharing work plans, legislative agendas or other documents that indicate regulatory work for the upcoming period, which would allow Members to learn about new and upcoming regulations earlier, and to be better prepared for notifications when they were made. A web based system could be developed to disseminate these regulatory agendas as an early warning tool to support regulatory cooperation.

60. Mr. Opiyo noted with interest that countries were engaging in regulatory cooperation in areas where international standards existed; for example, China and the EU were cooperating in the area of toy safety and quality despite the existence of ISO standards for toys. With respect to the presentation on the modernization of regulatory techniques from UNECE, there were similar activities on-going amongst East African Community (EAC) members Kenya, Uganda, Tanzania, Rwanda and Burundi, which were seeking to harmonize regulations for inspection, market surveillance, and product certification. In reference to the issue of "one-size-does-not-fit-all", he said that benchmarking against models of successful regulatory cooperation, and then adapting the model to one's particular context, was a practical approach. This followed normal practice in the standardization field. He stressed the importance of domestic coordination for regulatory cooperation, and in this respect political will was crucial, a message which was repeated throughout the Workshop.

61. Regulatory cooperation in Africa took various forms, and he provided some examples of bilateral cooperation arrangements between governments, and bilateral cooperation between regulatory agencies or authorities. With respect to the former, he described two examples: between Malaysia and Uganda in the area of standardization; and between Turkey and Uganda through an agreement on trade, economic and technical cooperation, which included direct technical cooperation between the Turkish Standards Institution and the Uganda National Bureau of Standards. With respect to the latter, he mentioned a memorandum of understanding (MOU) between the Uganda National Bureau of Standards and the National Metrology Laboratory of South Africa, as well as an MOU between the governments of Uganda and Rwanda, which comprised cooperation between the Rwanda Bureau of Standards and Uganda National Bureau of Standards. In addition, he highlighted the MOU between the Uganda National Bureau of Standards and the American Society for Testing Materials (ASTM).

62. Regional regulatory cooperation also took place in Africa, including within the EAC, within the Common Market for East and Southern Africa (COMESA) in the areas of standards and technical cooperation and conformity assessment, and within the Southern African Development Community (SADC). One area where additional efforts were needed was in regulatory cooperation between African and developed countries. There was an important gap given efforts to negotiate market access within the WTO. Without such cooperation, negotiated market access for African countries might not amount to market entry due to requirements in developed country markets. This sort of regulatory cooperation could help African exports reach the markets of developed countries.

63. Mr. Pinto noted that regulatory cooperation rested upon several factors, including, high-level commitment, similarity in regulatory regimes, internal coordination, confidence between regulators and issues relating to resource constraints. With respect to high-level commitment, nearly all

presentations during the Workshop highlighted the importance of regulatory cooperation being supported by political commitment at a high level. However, this didn't mean that political commitment should focus on cooperation with a broad ambition and scope. Rather, in its initial stages, regulatory cooperation in small areas was most valuable, and this could later be enhanced and scaled-up. For cooperation to be effective it needed to be responsive to demand from the trade community, regulators and other domestic stakeholders. Coordination first between interested parties was therefore required in order for regulatory cooperation to successfully respond to a clear demand.

64. He also highlighted the importance of similarity between partners to enable deeper forms of regulatory cooperation. For example, Australia and New Zealand shared many political, social and cultural commonalities, and these factors allowed them to engage in very deep forms of cooperation, such as the creation of a common regulatory agency for particular sectors. However, similarities were not preconditions for cooperation, and the example of EU and China cooperation in toys showed that two very different WTO Members could successfully cooperate in useful ways. Likewise, cooperation between Mexico and its NAFTA partners led to intensive and deep cooperation, notwithstanding challenges that arose due to asymmetry between the capacities of partners, highlighting the need for technical assistance in this respect. A main lesson was that groups of Members were willing to cooperate when they had an interest in facilitating trade between their economies, reducing unnecessary diversity between their regulations, and enhancing efficiency of the private sector and governments. For example, the mutual recognition of conformity assessment procedures performed by other governments improved efficiency of one's own government.

65. The TBT Committee already had an important function in regulatory cooperation. It provided a forum for Members to exchange views in areas such as transparency, standards, good regulatory practises, and in this respect helped Members to better understand each other's systems, which allowed them to engage in more regular and fruitful cooperation. The current functions of the Committee could be intensified, through opportunities such as this Workshop whereby Members would present their efforts in this area. Also, the role of the Committee in disseminating GRP was important, since it promoted common principles regarding transparency and accountability, which would enable a more effective horizontal approach to regulatory cooperation. Article 10.7 of the TBT Agreement related to the notification of agreements among Members in the areas covered by the Agreement. In his experience, such notifications were rare. The Committee could find ways to enhance this provision as part of the Sixth Triennial Review, in order to enhance transparency with respect to mutual recognition agreements and other agreements related to the Agreement. Ways could also be found to share information on regulations prior to formal notification, for example through sharing annual work plans or regulatory agendas containing those elements that would be of international interest. Such information sharing could provide a degree of early notice.

66. Mr. Menon said that discussions related to the idea of early notice were on-going in the NAMA NTB negotiations. An idea was to change the notification format of the TBT Agreement to allow Members to share more information on a voluntary basis, as a way of capturing all the possible stages of the lifecycle of a notification. The regulatory agenda could be one additional stage in the lifecycle. Another stage could be the final measure in force; since information on the final measure was not notified by Members and was often difficult to obtain, particularly for SMEs. Changes to the notification format had ramifications for the TBT IMS database, as it would then be updated and reflect all additional information that would be captured across the lifecycle of a notification.

67. Mr Weiss said his government was working closely with Canada and Mexico on a new ambitious regulatory cooperation work plans with a high level of ambition. These plans comprised a wide range of different potential mechanisms in different sectors and contexts, including, MRA or equivalency approaches, retrospective alignment, prospective alignment, and assisting certification bodies to get recognition using similar standards or similar implementation of international schemes. One way to build the necessary political will for regulatory cooperation was to ensure that regulators

considered regulatory cooperation as a GRP, and an important element of the regulatory process. In the US, the USTR and the Office of Information and Regulatory Affairs (OIRA) issued a policy memorandum asking regulators to consider regulatory cooperation in their normal process of regulating. Although this was not possible in all situations, and additional efforts were required, it was valuable to begin institutionalizing the idea of regulatory cooperation as a GRP.

68. Internal coordination was important for implementing the TBT Agreement and for regulatory cooperation in general, since it helped Members develop a coherent national approach as to how to regulate for a particular objective. On this latter point, internal coordination allowed different interested agencies to engage on a regulatory measure and be involved in regulatory cooperation. Involvement of trade agencies in regulatory cooperation, although not the primary participants in technical discussions, was particularly important because it could ensure that measures adhered to international obligations, such as not being more trade restrictive than necessary for a chosen level of protection. In other words, participation of trade agencies could help avoid a situation where an equal level of protection was achieved with a more restrictive measure. He said it would be valuable to learn about the kinds of processes, mechanisms or institutions that Members use to promote internal coordination.

69. With respect to harmonization within preferential trade agreements, there was concern about the standards to which they harmonized. Harmonization to regional standards instead of international standards could lead to a situation that was more trade-restrictive. This situation could also hinder developing countries, in that adopting regional standards could enhance exports to one region, but compromise their ability to export to other regions. Nonetheless, regional cooperation initiatives and dialogues could be very useful in certain circumstances. In contexts where relevant international standards did not exist, or the standards did not go into specific details, regulatory collaboration initiatives could be valuable incubators towards developing international approaches. To this end, US regulators and industries participated in various forums, including the Worldwide Trade Group, and regulatory collaboration initiatives in the cosmetics and pharmaceuticals sectors. These forums could minimize unnecessary regulatory divergences at least between groups of participating Members. In the presence of multiple regional initiatives, it was important to find ways to bring them together such that each initiative was aware of work being undertaken elsewhere, to avoid widely differing approaches, and to promote harmonization.

70. Transparency was important for regulatory cooperation, because the earlier countries knew what others were doing, the easier it was to align regulatory approaches. It was much easier to align with future regulations, rather than aligning regulations that had already been formulated. He stressed that outcomes of regulatory cooperation should provide international benefits, in that if two countries were cooperating through a transparent process which permitted commenting by outside parties, this ensured that benefits were not limited and that trade restrictive outcomes were avoided. In this respect, he echoed the idea of sharing work plans or regulatory agendas. These documents did not need to be complicated or exhaustive, but simply provide a best guess of regulatory activity in the next year. The Committee could discuss guidelines on how to set up a work plan and what to include therein, so that Members could compare the areas in which they were regulating, with the aim of finding common areas for planned regulation and promoting exchange of information.

71. Mr. Smith summarized some of the ideas raised by the Panel in relation to regular work of the TBT Committee and in the context of the Sixth Triennial Review. There was discussion of developing best practices for regulatory cooperation and for cooperation in general, and how to embed regulatory cooperation as a good regulatory practice in domestic government systems. Panellists noted the need to promote better information sharing with respect to agreements related to the TBT Agreement, and also with respect to regulatory areas that Members were expecting to address in the future. An updated TBT notification format could capture some of this information and share it

through a formalized mechanism. The importance of early engagement before regulatory structures were entrenched was stressed, and information sharing to promote this could be valuable.

C. GENERAL DISCUSSION

72. The representative of Burkina Faso noted the lack of representation of a number of African countries active in regulatory Cooperation at the Workshop. Recalling the presentation on New Zealand and Australia cooperation, his country was engaged in a cooperation project with Cote d'Ivoire; this bilateral trading relationship represented 60 per cent of his country's trade in goods. A draft standardization agreement was under discussion between the two countries, and related activities were on-going. The experience of New Zealand and Australia provided useful lessons, and gave ideas as to how to enhance cooperation with Cote d'Ivoire.

73. The representative of Bangladesh said that deeper forms of regulatory cooperation depended on the capacity of a country. For example, without capacity to properly test or certify, countries could not participate in mutual recognition or other kind of arrangements. He proposed that the TBT Committee consider developing mechanisms for regulatory Cooperation with specific assistance for LDC countries such as Bangladesh to enhance capacities in their regulatory regimes.

74. The representative of Mauritius said his country had received assistance from the World Bank to improve its trade competitiveness. This assistance had been extended to six countries in the region. An NTB database for Mauritius had been developed, which included TBT, SPS and trade facilitation measures such as export permits, import permits, and licences affecting trade in six thousand products. Mauritius was now engaged in streamlining NTMs identified, in consultation with private stakeholders. A regulatory unit was being established to conduct RIAs, although Mauritius faced capacity constraints in this respect. The representative hoped that Mauritius could receive additional assistance from the World Bank or from other donor countries or institutions to conduct RIAs. Also, a trade information portal was under development, to provide information on all new, amended, and old regulations. This would be used to disseminate information to customs authorities and line ministries about amendments to new regulations or to old regulations. Finally, he requested assistance from ITC to develop a database for Mauritius to help identify NTMs in export markets.

75. The representative of Antigua and Barbuda explained that standards coordination in CARICOM began with a precursor in 1973, and it had been neither a short nor easy process. A central secretariat was located in Barbados. The resources to operate the secretariat were provided through contributions from CARICOM member states, but the technical work was conducted through projects that were funded by various agencies such as the IDB, and through projects with the EU and Euromat. A well-functioning secretariat was essential for success, which was the responsibility of member states. Additionally, the creation of a CARICOM single market to allow products and services to move freely within that market was an important basis for cooperation. The associated regional quality infrastructure helped promote the development of national quality infrastructures; the strength of the regional system depended on the strength of the weakest national link in that system.

76. The representative of Brazil said that regulatory cooperation was challenging, as it needed to ensure confidence, quality and protection, while addressing obligations of the TBT Agreement and the necessity of trade facilitation. Regarding the Sixth Triennial Review, he said that ways should be found to coordinate quality, confidence, protection and trade facilitation, possibly through enhanced regulatory cooperation and technical assistance. Brazil's cooperation frequently concerned quality issues, and that Brazil had engaged in long term bilateral cooperation with Mozambique.

77. The WTO Secretariat said it was important to separate the acts of regulatory cooperation from the reasons for cooperation itself, for example, transparency, harmonization, or any of the other issues that were covered by the TBT Agreement. With respect to role of the TBT Committee, added value

would come from a very focused and clear mandate as to how the Committee could contribute to regulatory cooperation work. From the discussion, two suggestions could be discerned: the Committee discuss best practices with respect to regulatory cooperation; and, that Committee serve as a forum to discuss issues on the basis of an early notice type function, in other words issues on which cooperation was valuable at an early stage. The other subjects discussed, such as good regulatory practices, transparency, the notification format, international standards, and conformity assessment, were relevant to the broader agenda of the Committee.

78. The representative of Mexico said that the experience of the SPS Committee was useful to consider. Given that all Members agreed that regulatory cooperation activities were desirable, that they promoted trade facilitation and that they were in line with the philosophy of the TBT Agreement, the Committee should find ways to ensure that regulatory cooperation tools were recognized in the Agreement. The first step to promoting widespread regulatory cooperation was through the exchange of experiences amongst Members, which was achieved in this Workshop. A longer term objective for the Committee could be to develop some form of recommendations regarding MRAs, along the same lines as guidance of the SPS Committee on equivalence agreements.

79. The representative of New Zealand noted that several speakers and panellists had referred to developing a set of guidelines or some kind of documentation that could help Members pursue regulatory cooperation. One of the outcomes of the Fifth Triennial Review was a recommendation to develop a very similar set of guidelines on conformity assessment. This idea was originally proposed by New Zealand, and although it was characterized as conformity assessment work, New Zealand had envisaged a much broader set of mechanisms capturing the lessons learned on regulatory cooperation and trying to codify some of the steps that Members needed to take or consider when they embarked on these sorts of initiatives. In response to the suggestion of developing new guidelines, she reminded Members that a work programme already existed but hadn't progressed. Discussion during the Workshop could be the impetus to move this work forward.

80. Mr. Smith asked panellists to share their thoughts on the various activities that could be undertaken by the TBT Committee to facilitate the work of reaching out and cooperating with other Members. He also inquired whether panellists had case studies to share, which illustrated how Members overcame particular challenges to successful cooperation.

81. Mr. Frydman offered to share the set of EU-US guidelines for regulatory cooperation that were developed and adopted in 2002, following an inter-service and inter-agency consultation amongst all regulators concerned. This document benefited from being developed over time, and had been recognized by regulators as realistic and useful. The document could be a starting point for steps regulators should take in regulatory cooperation, and the benefits gained at those different steps. He also offered to share guidelines for best cooperative practices that were developed in 2007 and illustrated lessons learned and challenges that could be overcome. One important challenge for those engaged in regulatory cooperation was the need to capture political interest in order to build the requisite political will. Given that regulatory cooperation was legal, detailed and technical, it was often difficult to reconcile it with the leaders' political visions. In this respect, balancing between the technical aspects and relating it to the vision of the outcomes of cooperation was crucial.

82. Mr. Pinto suggested that a precursor to developing guidelines on regulatory cooperation in the WTO context could be a compilation of Member's experiences, case studies, and internal guidelines on regulatory cooperation. This could be modelled on the Secretariat compilation on GRP.[20]

83. Mr. Opiyo explained the development of institutional structures in the East African Community similar to those shared by Antigua and Barbuda. The treaty establishing the EAC

[20] G/TBT/W/341

contained an article providing for cooperation in the areas of standards and conformity assessment. This article gave birth to a protocol for cooperation in those areas, which later led to the East African Community Act on Standards and Conformity Assessment. He agreed it was important to have a strong secretariat. The experience of the EAC showed that progress on harmonization of standards and conformity assessment only occurred after member states committed human and financial resources to a dedicated unit of the EAC secretariat.

84. Mr. Sun noted some Members had agreed with the idea of developing guidelines on regulatory Cooperation. In particular, New Zealand and Mexico provided further input on guidelines in the areas of conformity assessment and recommendations regarding MRAs. Rgulatory cooperation in the TBT context covered a vast range of areas including standards, technical regulations and conformity assessment, and topics such as MRAs, harmonization, and convergence. In this respect, there were a number of similar terms like regulatory convergence, regulatory coherence, regulatory alignment and regulatory harmonization. He suggested Members discuss how to define regulatory Cooperation and its terms in the TBT context; discussions should emphasize the TBT context so as not to complicate work on the guidelines.

85. The representative of Antigua and Barbuda clarified that despite its successes, cooperation in CARICOM still faced many challenges. Political differences between member states were sometimes presented as technical differences which was problematic. Although the Secretariat may function well, there was still much work for the national bodies in Member States, since the regional secretariat did not have jurisdiction at the national level. For example, the National Standards Body of Antigua and Barbuda, national policy and trade policy makers, officials, and representatives needed to be aware of work under way at the regional level so they could support it at the national level.

86. Mr. Weiss said that if the Committee decided to develop guidelines, they should focus on the goal rather than the type of mechanism, because the type would differ depending on the circumstances, as was illustrated throughout the Workshop. Rather than guidelines for using particular mechanisms, guidelines for Cooperation in general would be most useful; including information on mechanisms that may be most appropriate in a particular context, and what factors mattered in choosing a mechanism, given that some mechanisms were more resource and time intensive than others. If the goal was to maximize trade facilitation with least effort, certain approaches might achieve half of the objective in a very short period of time, whereas other mechanisms may achieve the full objective, but require years of effort, or be unfeasible. The Committee should take a broader view, focusing on the goal and the most efficient ways to reach it. He added that the US strongly considered requests for assistance in areas of capacity constraints. In January 2012 a United States delegation would visit several Asian countries to give seminars on legal drafting, RIAs, international coordination, and implementation of the TBT Agreement. These requests were infrequent, and he encouraged interested Members to come forward.

87. Mr. Smith commented that Members seemed ready and willing to embark on regulatory cooperation discussions, provided the environment was right and that resources were available. In fact, all Members seemed to already be engaged at one level or another in talking to other Members about differences that existed between their regulations. Although Members cooperated differently, and despite various mechanisms and terminology for regulatory cooperation, there was a common appreciation in the value of ensuring that one's regulatory system interfaced with other countries regulatory systems, so to avoid situations where systems acted as a barrier to trade. While similarities between partners, in particular in regulatory culture, could facilitate regulatory cooperation, it was not the decisive factor. Other more important factors included a shared understanding about the objectives of the cooperation arrangement, alignment of interests for mutual benefit from cooperation, and proper framing of the arrangement especially vis-à-vis other trading partners. It was easier to start with basic forms of cooperation, for example simply talking about how systems might work better together. This built confidence in domestic regulatory systems, and had a better chance of

success. Deeper forms of cooperation, such as formal equivalency or mutual recognition, wherein the number of participating countries fell as the level of commitment to shared systems increased, were very attractive from a trade facilitation perspective but politically difficult with respect to sovereignty and the perceptions of other trading partners.

88. The Canadian experience showed that regulatory cooperation was most interesting to regulators when they were able to discuss with their counterparts very specific questions that both groups were seeking to address; this was easiest in areas of novel regulations. However, cooperation efforts could be complicated when political will was not aligned with the direction in which regulators believed cooperation would be most fruitful. In this regard, internal coordination was essential for all regulatory cooperation activities.

89. Mr. Smith concluded that the Workshop had provided a good basis for discussions in the TBT Committee over the coming year. A number of the panellists had offered to further share their experiences in regulatory cooperation. Finally, he noted interest in developing guidelines for regulatory cooperation that could serve as a resource for WTO Members.

ANNEX 1: CHAIRPERSONS SUMMARY REPORT

Report by the Chairperson, Ms Denise Pereira, to the regular meeting of the TBT Committee held on 10-11 November 2011

The TBT Committee held a Workshop on Regulatory Cooperation on 8-9 November 2011. Approximately 35 developing country capital-based TBT expert officials were sponsored by the WTO through the DDA Global Trust Fund. In total, over 130 TBT officials attended. The Workshop provided opportunity for Members to share experiences and information on regulatory cooperation efforts, including challenges and opportunities, as well as discuss the role of the WTO TBT Committee in promoting regulatory cooperation, including ideas that could be looked into by the TBT Committee for the upcoming 6th Triennial Review.

In the **first session**, the WTO Secretariat reported on work undertaken in the TBT and SPS Committees in the area of regulatory cooperation. With respect to TBT, the role of regulatory cooperation in building confidence between trading partners and their regulators, and improving the transparency of regulation was underscored. While certain diversity between national regulations is normal given differences between Members, regulatory cooperation could help reduce instances of unnecessary diversity, and also reduce the costs associated with necessary regulatory diversities. The growth in the number of preferential trade agreements that include TBT related provisions was noted, which is illustrative of cooperation on standards, technical regulations and conformity assessment procedures. While regulatory cooperation is not explicitly mentioned in the TBT Agreement, it is implicit throughout the various provisions of the agreement and in the work of the TBT Committee itself.

On the SPS side, the Secretariat described the provisions of the SPS Agreement that dealt with equivalence, as well as work in the SPS Committee that led to the development of guidelines for reaching equivalence arrangements.

During the **second session**, Members presented case studies of their regulatory cooperation initiatives. Members emphasized the importance of building confidence and trust between regulators in order to foster successful regulatory cooperation arrangements. Likewise, high-level political commitment to regulatory cooperation was highlighted as a crucial component. The experience of Members showed that similar institutional structures or regulatory traditions make deeper forms of regulatory cooperation easier. However, such similarities are not a necessary precondition to cooperation; rather it is a mutual interest in achieving a shared policy objective that matters.

The importance of being clear about the objectives of regulatory cooperation efforts from the outset was a point that was raised at several instances. Setting objectives to match institutional and political contexts will influence the choice of instruments selected for regulatory cooperation. The range of experiences presented by Members illustrates that there is no "one size fits all" approach to regulatory cooperation. Members have successfully cooperated in different settings and sectors, through varying methods with varying levels of ambition, from full harmonization of technical regulations to simple information sharing. The particulars of a given initiative may depend on many factors, including the level of trust between regulators, differences in regulatory capacities and regulatory traditions, and the political context for cooperation.

Members' experiences showed that ambitions for regulatory cooperation can sometimes encounter differences between Members with respect to regulatory systems, capacities, or preferences. But regulatory cooperation initiatives need not be derailed by these differences. Part of regulatory cooperation is finding other ways to facilitate trade and regulatory compatibility while respecting fundamental differences. Moreover, these differences can contribute to Members learning

from one another to improve regulatory design. Regulatory cooperation should not be seen as a threat to national sovereignty or national legislative authority. Rather it can be an opportunity to find new and more effective ways to facilitate trade while meeting national policy objectives in the context of globalized supply chains.

One principal goal of regulatory Cooperation is avoiding unnecessary regulatory differences so as to lower trade costs and improve competitiveness. Regulatory cooperation also helps lower the costs of regulating, particularly if it leads to better designed and more effective regulation. Members' presentations emphasized information sharing as an important goal of regulatory cooperation which helps regulators to meet shared policy objectives. For example, information sharing on product recalls can operationalize product safety regulations.

The discussion also touched upon the need to address situations wherein the mandate of regulatory agencies does not explicitly involve trade promotion and may therefore impose certain limitations on regulatory cooperation. Finally, the session explored some innovative regulatory cooperation initiatives, including the planned development of a joint Australia-New Zealand regulatory agency for therapeutic products, and tripartite regulatory cooperation between the European Union, China and the United States with respect to toy safety.

Session three included presentations from Members and Observers on regulatory cooperation initiatives in regional economic organizations, regional standardizing organizations, and intergovernmental organizations. Presentations showed that there exists a wide spectrum of efforts on regulatory cooperation across regions, sectors, and organizations. However, in all cases the value of strong political commitment, building confidence between regulators, and robust domestic institutional arrangements were again stressed. Equally, setting clear regulatory objectives suited to regional or sectoral needs was again highlighted. Presentations noted the importance of engagement of all key stakeholders in regulatory cooperation initiatives, particularly the private sector.

The session explored the role of sectoral regulatory cooperation initiatives in ensuring optimal conditions for trade. Members indicated that sector-specific arrangements for MRAs, mutual acceptance of test reports and certification, and harmonization of conformity assessment systems (including to international standards), could reduce costs to businesses, lessen time to market, encourage more efficient exchange of information, and enhance the transparency, which could particularly benefit SMEs and facilitate trade in general. Although levels of development and configuration of regulatory regimes varied between partners, such initiatives could nevertheless be effective with political drive and commitment by regulators, and with only minimal changes to domestic regulatory structures. Some examples presented by Members include those of MRAs on electrical and electronic products.

An important question was the reference to - or use of - international standards by regional or sectoral regulatory cooperation initiatives. In some cases regional organizations were developing and following regional standards adapted to their particular regional conditions and addressing particular regional interests, although efforts were made to follow international standards when appropriate. Presentations highlighted that the requirement to use international standards wais ideal, but that in certain cases, was not absolute, for example, regional organizations may sometimes deviate from international standards due to particular climatic, geographic, or technological conditions, and some sectoral cooperation initiatives may not follow international standards if they would not achieve regulatory objectives. Discussion reflected some of the specific challenges for regional regulatory cooperation, such as building bridges with existing national regulatory systems, agreeing on common regulatory objectives, and domestic resistance to integration.

The session touched upon the role of capacity building and technical assistance in ensuring effective regulatory cooperation. Training programmes and workshops, particularly for LDCs, are

vital to building confidence and overcoming capacity constraints and domestic resistance to regulatory cooperation. The model of regulatory cooperation under Work Programme 6 (WP6) was discussed, as was regulatory cooperation for auto standards in UNECE. The OECD presented information sharing efforts under way regarding product safety.

The **fourth** and concluding **session** featured an interactive discussion between six expert panellists, the moderator, and Members who took the floor. The panellists and moderator provided their impressions of the workshop and lessons learned, as well as ideas on new initiatives for the TBT Committee to further regulatory cooperation, and potential links to work of the Committee in the context of the 6th Triennial Review. Some of the points made by panellists include: the importance of well-placed political will for regulatory Cooperation; that regulatory cooperation should be demand-driven and derive from domestic coordination; the link between regulatory cooperation and implementation of good regulatory practices (GRP); the role of regulatory cooperation in furthering the implementation of the TBT Agreement; how to foster regulatory cooperation between regions where it is less developed; and the benefits of focusing regulatory cooperation on emerging policy issues where regulatory structures are not yet entrenched.

Some suggestions from panellists for new initiatives for the TBT Committee include the development of guidelines for best practices in regulatory cooperation and building on the existing role of the TBT Committee by sharing experiences on regulatory cooperation under existing agenda items.

On a personal note, I found the workshop to be very useful. It was interesting and informative to learn more about the regulatory cooperation activities and initiatives that Members are engaged in. A good learning point was that although similarities between Members ease cooperation and processes, differences are not necessarily an obstacle. In fact differences may provide the impetus for regulatory innovation that lower costs and improve regulatory efficiency. On the role of the TBT Committee, we know that it already plays an important part in multilateral regulatory cooperation. From the discussions we had in the workshop, we saw that there is potential for the Committee to take new initiatives to further promote regulatory cooperation between Members. This, of course, would require more work from us, but it is indeed worth exploring what the Committee can do in this area going forward that would add value to our work, to the multilateral trading system, and to global trade as a whole.