15. Various members of the Group made suggestions on general principles and on practical methods which would make it possible to solve or reduce the difficulties. These suggestions concern on the one hand the development and harmonization of standards and regulations, and on the other hand their enforcement through control, inspection, testing, certification, etc.

I. Development and harmonization

16. General principles

(i) Contracting parties should ensure that an effective contribution is made to the work of international organizations concerned with standardization.

(ii) All appropriate measures should be taken to implement the uniform standards and recommendations adopted by such specialized bodies. To the maximum extent feasible, account should be taken of recommendations of international organizations such as the ISO, IEC, WHO and FAO in developing or revising standards.

(iii) Contracting parties should act in the international organizations concerned with standardization in such a way as to ensure that in their work they take due account of the need to avoid the creation of trade barriers and to eliminate existing barriers.

(iv) All international schemes to harmonize standards should be open to all contracting parties. If for practical reasons such schemes started out with limited participation, it was important that universal participation remain possible and that third parties not originally participating in a scheme be invited to do so. Such participation should begin with the stage of formulating the rules for the scheme.
(v) Contracting parties should make use of the possibilities for action at their disposal in order to prompt local authorities and private standardization organizations to apply international standards and regulations. In cases where trade difficulties resulting from discrepancies in the regulations issued by local authorities or in standards cannot be resolved otherwise, contracting parties should take the necessary measures to deal with such problems. The provisions of Article XXIV paragraph 12 of the General Agreement were recalled in this context.

(vi) In so far as possible, standards and regulations should be based on performance rather than on the physical description of the product.

(vii) Contracting parties should take all necessary action to ensure that any proposed regulation or standard, whether new or revised, receives sufficient publicity well in advance of its implementation so that all interested parties in fact have an opportunity to take cognizance thereof and comment thereon. Upon request of interested countries, the opportunity for consultation should be provided on a bilateral basis, within the framework of GATT, or in the competent international standardization organizations as the case may be. Consideration should be given to those comments or of the results of those consultations when regulations and standards are being finalized.

Practical methods

17. It was suggested that in the case of technical regulations the practical methods which the contracting parties could encourage would include:

(a) The development of uniform regulations.

(b) The so-called optional solution which gives producers a choice between national regulations or an international "standard".

(c) The so-called "reference to standards" solution which consists in defining basic requirements accompanied by decisions that compliance with such requirements shall be ensured through equivalence to previously established and internationally harmonized standards. Such standards could be international standards (ISO, IEC) national standards or standards which have been harmonized between a number of countries.
II. **Enforcement of standards or regulations** (through control, inspection, testing, certification, etc.)

18. **General principles**

(i) While it was desirable that the solution to these problems should be sought on an international basis it was recognized that certain solutions could operate only on a bilateral or limited basis.

(ii) The testing procedures for imported products should be as expeditious as possible. The results of such testings should be made available in writing to the exporter so that corrective action may be taken if necessary.

(iii) Testing requirements should be formulated in such a way that imported products have realistic access to domestic markets.

(iv) Multilateral quality assurance and certifications schemes should be open to foreign participation where the participants are willing and able to meet the obligations of the schemes. Such participation should begin with the stage of formulating the rules for the scheme.

(v) Multilateral quality assurance and certifications schemes should make provisions for the testing and acceptance of products from countries that, for one reason or another, are not participating in the schemes.

This could be accomplished by:

(a) Testing and certifying products from non-participants;

(b) accepting certifications granted by other participants to products from non-participants; or

(c) accepting the certification of competent organizations in non-participating countries where this can be demonstrated to be equivalent to the certification requirements of the scheme.

(vi) **Contracting parties** should take into account measures adopted by developing countries to ensure adequate quality standards for their exports. The rigours of the testing and inspection procedures which work in some cases as a barrier, could be greatly reduced if the authorities responsible for administration of health and sanitary regulations relied upon the measures adopted by the exporting countries for ensuring minimum quality standards, through such means as standardization, quality control, pre-shipment inspection of export products, etc.
Contracting parties should take into account efforts made by developing countries in establishing adequate standards and quality controls for their exports. To give realistic access to markets for exports from developing countries, authorities in importing countries should accept quality controls and standards of the exporting countries.

Practical methods

19. It was suggested that the following practical methods could be encouraged:

(a) to avoid the delays and costs resulting from inspection in the importing country, authorities of that country could delegate control and testing operations to a laboratory in the exporting country which would carry out its task on the basis of the prescriptions and standards required by the importing country;

(b) in those cases where forms of control are similar, the importing country could recognize the validity of certain tests carried out in the exporting country and limit testing of the imported product for those additional or different specifications which have not been tested in the exporting country. Agreements to this effect can be concluded on a basis of reciprocity;

(c) harmonization of methods of testing and controlling between countries could be carried by reciprocal acceptance of each others methods even if they are not identical, provided both their methods offer similar reliability guarantees;

(d) acceptance of the foreign producers certification that products meet the requirements of the importing country should be encouraged;

(e) countries' testing requirements should be clearly defined and publicized so as to enable foreign suppliers to ascertain whether their own testing requirements and products meet the foreign testing requirements;
Consultation machinery

20. Some members of the Group thought it desirable to have consultation procedures to deal with cases of trade difficulties resulting from the application of compulsory regulations or voluntary standards. To this end it was also proposed that a GATT Committee be established to consult on complaints by contracting parties concerning the trade effects of:

(a) proposed or existing standards and regulations;
(b) the implementation of standards and regulations;
(c) testing and certification requirements as to compliance with standards and regulations;
(d) multilateral harmonization programmes for standards and regulations;
(e) multilateral quality assurance and certification programmes.

This Committee would examine the trade effects of the measures notified and make appropriate recommendations. It should meet on an ad hoc basis as determined by the Chairman in consultation with interested contracting parties. Where necessary the Committee could call on the representatives of other international organizations for technical advice.

21. It was also proposed that any procedures set up for consultation should be along the lines of Article XXII and limited to complaints concerning cases of adverse trade effects or of unreasonably burdensome administrative procedures resulting from the application of standards or regulations. Such a body should also be prepared to deal with problems arising from packaging, labelling and marking requirements. It was pointed out that marks of origin requirements were more closely related to customs procedures.

22. Generally, the establishment of consultation machinery should not prevent contracting parties from seeking solutions to particular problems outside the GATT, on a bilateral or multilateral basis.

23. Such machinery should not be a negotiating body nor should it provide for retaliatory action.

24. Some contracting parties held the view that Articles VIII, XXII and XXIII of the General Agreement provided sufficient basis for consultation and that Article XXIII already provided for a complaints procedure. These Articles were applicable should any contracting party feel that its rights under the General Agreement were being impaired.
25. It was suggested that a notification procedure, similar to that provided for in Article XVI, paragraph 1, be introduced and include prior notification of new regulations likely to have trade effects. It was felt that this procedure would provide an opportunity to all interested parties to be informed in time of the development of new regulations and to consult if necessary. However, it was pointed out that it would be difficult to assess in all cases what the future trade effects would be. Other contracting parties expressed the view that a system of notifications would be too burdensome, and were of the opinion that the procedure of consultation outlined above was sufficient.

II. Packaging, labelling and marking regulations

26. The Group briefly reviewed the items under this heading in the Illustrative List; new information specifically concerning individual items in the List will be introduced as amendments to the text of the notifications. Two of these items were withdrawn.

27. It was pointed out that the question of difference of government responsibility in the field of packaging, labelling and marking requirements may in some cases present the same intrinsic difficulties in this field as it does in the field of standards. Consequently, governments' possibilities for action may also differ in some cases and this should be borne in mind in considering possible solutions.

28. It was noted that the CONTRACTING PARTIES Recommendation of 21 November 1958 on Marks of Origin (Seventh Supplement, page 30) was relevant to the problems encountered under this heading. It was felt that close observance of this Resolution would be desirable. For this purpose it was considered useful to ask the secretariat to examine, as a first step, to what extent the Recommendation on Marks of Origin was effectively implemented by the contracting parties. It was pointed out, however, that the Resolution would need elaboration and further precision on certain points such as its paragraph 2 which provides that marks of origin, "should not be applied in a way which leads to a general application to all imported goods, but should be limited to cases where such marking is considered necessary". The concept of "necessary marking" needed closer definition. There was also need to define the clauses concerning penalties.

29. There was general support for the idea that Article IX and further elaboration of the Resolution of 1958 would provide the basis for solving the problems arising from marking requirements. One delegation suggested that this Resolution be put on a contractual basis.