I. The following text is proposed to be inserted as new paragraphs under Section 17 under a modified heading. Present section 17(a) would as a consequence become new section 17(e).

17. Special and differentiated treatment for developing countries and technical assistance

17. (a) Adherents shall provide differentiated and more favourable treatment to developing countries adhering to this Code, through the following provisions, as well as through the relevant provisions in other sections of this Code.

17. (b) Adherents shall give particular attention to the provisions of this Code concerning developing countries' rights and obligations and shall take into account the special development, financial and trade needs of developing countries in the administration of the Code as a whole.

17. (c) Adherents shall, in the preparation and application of technical regulations, standards, test methods and certification systems, take account of the special development, financial and trade needs of developing countries, with a view to ensure that such technical regulations, standards, test methods and certification systems do not create unnecessary obstacles to export from developing countries and thus facilitate the expansion and diversification of the trade of developing countries.

17. (d) Adherents shall use all reasonable means within their power to ensure that international standardizing bodies and international certification systems are organized and operated in a way which facilitates active and representative participation of relevant bodies in all adherents, taking into account the special problems of developing countries.
Page 26, document MTN/NTM/W/120, paragraph 3: Replace (v) by the following text:

"The preservation of indigenous technology compatible with the socio-economic conditions of developing countries".

The proposals above are intended to cover the following points in document MTN/NTM/W/120:

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II. The following proposal is new and intended to ensure possibilities for a review of the implementation of the Code by adherents in the Committee. Its purpose is to cover measures of an administrative nature taken by adherents with regard e.g. to the establishment of enquiry points. It does not intend to cover action with regard to technical regulations, standards, test methods etc. which are the subject of section 2.

19. (b) Each adherent shall, after the date upon which the Code becomes effective for the adherent concerned, inform the Committee of measures in existence or taken to ensure the proper administration of the Code.

III. The following proposal intends to provide a way of taking into account the differing situation among developing countries in respect of their ability to assume the obligations under the Code. The text is partly based on paragraph 2 of the Brazilian proposal (MTN/NTM/W/120).
19. (c) With a view to ensure that developing countries are able to comply with the Code, the Committee is enabled to grant upon request specified, time-limited exceptions in whole or in part from obligations under the Code. When considering such requests the Committee shall take into account the special problems, including institutional and infrastructural problems, in the field of preparation and application of technical regulations, standards, test methods and certification systems and the special development and trade needs of the developing country, as well as its stage of technological development, which may hinder its ability to discharge fully its obligations under the Code.

IV. Scope of the Code

With regard to processes and production methods it was agreed at the last meeting that a way should be found to ensure that the obligations under the Code are not circumvented by the drafting of technical specifications in terms of processes and production methods rather than in terms of characteristics of products. This problem could in the Nordic view appropriately be dealt with through the enforcement provision, e.g. by adopting the following text as a "point for the record" relating to section 21.

It was agreed that the enforcement provisions could be invoked in cases where an adherent considers that obligations under the Code are being circumvented by the drafting of technical specifications in terms of processes and production methods rather than in terms of characteristics of products.

In addition the words "directly or indirectly" should be added after "adherent" in the second line of section 21(a).

V. Retroactivity

Replace the whole of section 20 by the following (to be placed before present section 19).

Retroactivity

To the extent that an adherent considers, that existing technical regulations, standards, methods for assuring conformity with technical regulations or standards, or certification systems are not consistent with the provisions of the Code, such regulations, standards, methods and systems shall be subject to the enforcement provisions in section 21 of the Code.

VI. The Nordic countries suggest that the problem raised with regard to section 2(k) could be solved by adding the words "when adopting a regional standard as a technical regulation" after "shall" in the first line.