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Committee on Technical Barriers to Trade

PROBLEMS FACED BY DEVELOPING COUNTRIES IN INTERNATIONAL STANDARDS AND CONFORMITY ASSESSMENT

<u>Discussions of the TBT Committee in the context of the</u> <u>Second Triennial Review of the TBT Agreement</u>

Report by the Chairman

I. INTRODUCTION

- 1. At its special Session on 18 October 2000, the General Council referred to the relevant WTO bodies a number of implementation-related issues. Among these, the General Council requested the TBT Committee "to examine the problems faced by developing countries in both international standards and conformity assessment, and to explore possible solutions in the context of the ongoing Triennial Review."
- 2. The former Chairman of the TBT Committee has reported to the General Council at its special Session in December 2000 on the outcome of that Review (G/L/422). As the current Chairman, I would like to further report to the General Council on how the implementation issues referred to the TBT Committee have been resolved.

II. OUTCOME OF THE SECOND TRIENNIAL REVIEW

- 3. The TBT Committee concluded its Second Triennial Review of the Implementation and Operation of the Agreement on 10 November 2000 (G/TBT/9). Among other things, it examined the problems faced by developing countries in international standards and conformity assessment, and explored possible solutions. Relevant decisions and recommendations were made. I summarize below the main conclusions by the Committee in these areas.
- 4. The Committee noted that international standards, guides and recommendations were important elements of the Agreement and played a significant role in its implementation. In order to improve the quality of international standards and to ensure the effective application of the Agreement, it adopted a set of principles for international standards development. These principles aim at ensuring transparency, openness, impartiality and consensus procedures; the relevancy, effectiveness and coherence of international standards; and that developing country interests are taken into account. The dissemination of these principles would encourage the various international bodies to clarify and strengthen their rules and procedures on standards development, including those relating to effective participation. The Committee agreed that constraints on developing countries, in particular, to effectively participate in standards development, should be taken into consideration in the standards development process. Tangible ways of facilitating developing countries participation in international standards development should be sought. Provisions for capacity building and technical assistance within international standardizing bodies were important in this context.
- 5. To assist in resolving the problem of participation, the Committee noted that it was important to prioritise the international standardization activities related to products or subject-matter of particular interest to developing countries. It was critical for developing country Members, as part of

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

- 6. In the area of conformity assessment, the Committee noted that developing country exporters, in particular SMEs, in some cases found themselves faced with conformity assessment requirements in export markets that were difficult to meet. This could be due to the limited physical and technical resources for national conformity assessment; insufficient number of accredited laboratories at the national or regional level; high costs as well as legal difficulties in obtaining foreign accreditation; difficulties in establishing internationally recognized accreditation bodies; difficulties in participating in international conformity assessment systems; as well as difficulties related to the implementation of ISO/IEC guides on conformity assessment procedures.
- 7. The Committee noted the technical and financial assistance already being provided by a number of national and international bodies to developing countries, such as the training of conformity assessment practitioners; training packages focussed on establishment of accreditation and certification bodies; the design of quality strategies targeting policy-makers, conformity assessment practitioners and industry; as well as the funding of developing country participation in regional and international meetings of conformity assessment systems. The Committee also noted the work that was being conducted at the regional level to address the various common concerns relating to conformity assessment, such as the pooling of resources to facilitate accreditation at the regional level, and eventually at the international level.
- 8. The Committee noted that it took a long period of time for a country to develop a national conformity assessment system. Different infrastructure might be needed at different stages of development and for different sectoral needs. Priorities needed to be identified by developing countries concerning certain basic elements of a domestic conformity assessment infrastructure. Technical assistance in this area was an evolving process, given the need to nurture skills and institutional development over a long time-frame. In order to build a structure for domestic conformity assessment, which could ultimately facilitate the recognition of conformity assessment results, it was important to raise awareness and develop a national strategy for quality management. Assistance to implement the relevant international guides and standards could be useful to obtain the confidence of the competence of conformity assessment bodies by import markets, to facilitate entering into negotiations of MRAs and participating in international systems. Technical assistance of this kind could be enhanced through regional and international cooperation.
- 9. In order to address the difficulties encountered by developing country Members in the implementation of the Agreement, including in areas of international standards and conformity assessment, the Committee agreed to develop a demand-driven Technical Cooperation Programme.

III. FOLLOW-UP OF THE SECOND TRIENNIAL REVIEW

10. Since the conclusion of the Second Triennial Review, progress has been made relating to the Committee's effort in developing its Technical Cooperation Programme. It has started to conduct an

information gathering exercise and to design a survey to assist developing country Members to identify and prioritise their specific needs in the TBT field. Fifteen Members have submitted information on the technical assistance activities they needed or provided. The Secretariat has been requested to compile these submissions and to prepare a draft survey questionnaire to assist needs identification for the consideration of the Committee at its upcoming meeting on 8-9 October 2001.

- 11. The Committee will continue to develop the Technical Cooperation Programme with the following steps: the consideration of the existing technical assistance activities by multilateral, regional and bilateral organizations with a view to the effective and efficient development of technical assistance programmes; enhancement of co-operation between donors; reassessment of needs in light of agreed priorities; identification of technical assistance partners and financial considerations. The progress made in implementing the programme will be assessed by the Committee in the context of the Third Triennial Review and the Committee will reflect its work on the programme in its Annual Report to the General Council.
- 12. In addition to the Technical Cooperation Programme, the Committee has also carried out a number of other activities related to seeking possible solutions to developing countries' problems in international standards and conformity assessment. In June, a special meeting on procedures for information exchange was held, when 22 developing country capital based experts were funded to participate. A session was devoted to the enhancement of electronic transmission of information, and discussions included how electronic means could facilitate the participation by developing countries in international standards development. According to the decision made at the Second Triennial Review, at its March and June meetings, ISO, CODEX, ITC and UNIDO were invited to provide updates on their activities and on the ways in which they sought to ensure effective participation of Members, and particularly of developing country Members, in their activities. On two occasions, a number of developing country Members consulted with representations of these organizations on possible technical assistance projects. The IEC, OIML and World Bank have been invited to update at the next Committee meeting. The Committee also continued to examine issues relating to conformity assessment, such as on mutual recognition agreements.