



**Asia-Pacific  
Economic Cooperation**

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## **Technical Requirements, WTO Rules and Trade**

Submitted by: SCSC



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# Technical Requirements, WTO Rules and Trade

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- Standards-related measures and trade
- Relevant WTO rules
- Specific trade concerns on wine



## Standards-related Measures\* and Trade

Meet regulatory, procurement and policy objectives (safety, health, the environment)

Manage the flow of product-related information through complex global supply chains

Organize production processes around replicable routines for greater quality assurance

Ensure the connectivity, interoperability and compatibility of inputs sourced in global markets

\*SRMs is shorthand for technical regulations, voluntary standards and conformity assessment procedures



## However

Outdated, burdensome or discriminatory SRMs can reduce competition, stifle innovation and create unnecessary obstacles to trade

Firms can face significant challenges in accessing information on, and complying with, diverse and evolving requirements in export markets

Costs and delays attributable to unnecessary, duplicative and unclear testing and certification requirements are a key concern for exporters



## Building understanding is critical

Standards-related measures are often highly technical and complex

Processes for development and implementation of standards-related measures vary considerably across APEC members

Engagement often strengthens the implementation and effectiveness of trade obligations

➤ *Need ongoing dialogue among technical experts, regulators, industry and trade officials*



## WTO Rules

- Agreement on Technical Barriers to Trade
  - Agreement on Sanitary and Phyto-Sanitary Measures
- ✓ Transparency - Notice & Comment on Proposed Measures; Inquiry Point



## SPS Agreement

- Allows economies to set own health standards.
- Must be based on science.
- Applied only to the extent necessary to protect human, animal and plant health; and
- Cannot be arbitrary or used to unjustifiably discriminate in favor of domestics (“national treatment”) or between trading partners.
- Measures cannot be more trade-restrictive than necessary to achieve appropriate level of protection.



## Science is fundamental

- SPS Agreement obligates members to use international standards (OIE, IPPC and **CODEX**);
- Members can apply measures that result in higher or lower level of protection than set out in an international standard;
- Higher level allowed with scientific justification, and consistent application.



## TBT Agreement

Objective: improve efficiency of production and facilitate trade by

- ensuring that regulations and standards do not create unnecessary obstacles to trade, and
  - encouraging the development of international standards and conformity assessment systems
- *Members have the right to regulate at levels they deem appropriate to achieve legitimate objectives, provided that they do not discriminate in an arbitrary or unjustified manner*



## Measures covered by the TBT Agreement

- **Technical regulation (TR)**: a document setting out product characteristics or their related processes and production methods with which compliance is mandatory (includes labeling, packaging, symbols, etc.)
- **Standard**: a document approved by a recognized body that provides for common and repeated use, rules, guidelines, or characteristics for products or related processes and production methods, with which compliance is voluntary.
- **Conformity assessment procedure (CAPs)**: a procedure used to determine that requirements in TRs and standards are fulfilled

Coverage: all products (industrial/agricultural) except SPS and GPA

## Conformity Assessment Procedures

- •sampling
  - testing
  - inspection
  - certification
  - evaluation
  - registration
  - verification
  - accreditation
  - etc.
- ... and combinations thereof*



### Some examples of obligations on conformity assessment ...:

- Promptness (5.2.1)
- Fair order of treatment (5.2.1)
- Publish processing period (5.2.2)
- Explain delays (5.2.2)
- Limit information requirements (5.2.3)
- Respect confidentiality (5.2.4)
- Equitable fees (5.2.5)
- Avoid inconvenient siting of facilities (5.2.6)
- Procedure for review (5.2.8)



*Some TBT concerns on Wine raised in the WTO*

<b>DS263</b>	European Communities – Measures Affecting Imports of Wine	Argentina	On 4 September 2002, Argentina requested consultations with the European Communities regarding several EC regulations and other mandatory provisions on oenological practices and on trade in wine (WT/DS263/1).	TBT Art 2 and 12
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<b>57. China – Wines</b>	
Raised by	European Union
Minutes	G/TBT/M/49, paras. 163-164 G/TBT/M/44-48
First raised	20 March 2008
Relevant document(s)	G/TBT/N/CHN/197

<b>64. European Union – Regulation on Certain Wine Sector Products</b>	
Raised by	Argentina, Australia, Bolivia, Brazil, Canada, Chile, Mexico, New Zealand, Peru, Paraguay, South Africa, United States, Uruguay
Minutes	G/TBT/M/49, paras. 79-86 G/TBT/M/17-18; 25-36; 38-39; 45-48
First raised	1 October 1999
Relevant document(s)	G/TBT/N/EEC/15 and Corr.1-2; G/TBT/N/EEC/57; G/TBT/N/EEC/252 and Add.1; G/TBT/N/EEC/264 and Add.1; G/TBT/W/119 (USA); G/TBT/W/290 (ARG)

**The Challenge**

Promote policies to maximize the positive contribution of standards-related measures to regional economic integration and growth

Address practices that result in protectionist, discriminatory or unnecessarily burdensome measures that restrict trade





Thank you

