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G/TBT/M/3 TBT/M/505 January 1996

(96-0017)

ORGANIZATION

Committee on Technical Barriers to Trade

MINUTES OF THE MEETING HELD ON 20 OCTOBER 1995

Chairperson: Ambassador C. L. Guarda (Chile)

- 1. The WTO and the GATT Committees on Technical Barriers to Trade held jointly their third and fifty-first meetings, respectively, on 20 October 1995.
- 2. The following agenda, contained in WTO/AIR/173 and GATT/AIR/3700, was adopted:

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A.SIXTEENTH ANNUAL REVIEW OF THE IMPLEMENTATION AND OPERATION OF THE TOKYO ROUND TBT AGREEMENT UNDER ARTICLE 15.8

3. The Tokyo Round TBT Committee <u>agreed</u> to conclude its Sixteenth Annual Review on the basis of the background documentation contained in TBT/39.

B.REPORT (1995) TO THE CONTRACTING PARTIES OF THE GATT

- 4. The <u>Chairperson</u> drew attention to the draft report that had been prepared by the Secretariat (TBT/Spec/28).
- 5. The Tokyo Round TBT Committee asked the Secretariat to update the draft in the light of developments at the current meeting and <u>agreed</u> to adopt its Report (1995) to the CONTRACTING PARTIES.

C.TERMINATION OF THE TOKYO ROUND AGREEMENT ON TECHNICAL BARRIERS TO TRADE

6. The Tokyo Round TBT Committee <u>agreed</u> to adopt the decision on the Termination of the Tokyo Round TBT Agreement as contained in TBT/W/195, that the Tokyo Round TBT Agreement would terminate on 1 January 1996.

D.STATEMENTS ON IMPLEMENTATION AND ADMINISTRATION OF THE WTO TBT AGREEMENT

- 7. The representative of the <u>United States</u> informed the Committee that her government was preparing the statement on implementation and administration of the WTO TBT Agreement under Article 15.2. She said that although additional legislation had been passed to implement the Uruguay Round TBT Agreement, the information provided by her authorities in 1980 on the implementation and administration of the Tokyo Round TBT Agreement (TBT/1/Add.1) remained valid.
- 8. The representative of <u>Australia</u> recalled that at the previous meeting the Chairperson had suggested that Members who had been Signatories of the Tokyo Round TBT Agreement whose legislation was already in place should simply indicate whether the statements notified under the Tokyo Round TBT Agreement remained valid under the WTO TBT Agreement. He said that his delegation would submit the statement soon.
- 9. The Committee <u>took note</u> of the statements made.
- 10. The <u>Chairperson</u> drew attention to the fact that one of the main elements of the Singapore Ministerial Conference to be held in December 1996 would be to report on the implementation of the WTO Agreements, indicating the progress and problems, if any, of implementation. Under Article 15.2 of the WTO TBT Agreement, Members should promptly inform the Committee of measures in existence or taken to ensure the implementation and administration of the Agreement in the form of written statements. She said that decisions regarding the contents of the statement had been adopted by the Committee and were contained on page 9 of document G/TBT/1/Rev.1. She invited Members to submit their statements as promptly as possible.

E.DECISIONS AND RECOMMENDATIONS TAKEN BY THE TOKYO ROUND COMMITTEE ON TECHNICAL BARRIERS TO TRADE

- 11. The <u>Chairperson</u> recalled that at the last two meetings, the WTO TBT Committee had held discussions on the decisions and recommendations taken by the Tokyo Round TBT Committee and had adopted decisions and recommendations relating to procedures for notification and information exchange. At the meeting on 21 April 1995, the Committee had agreed that the Chairperson would hold informal discussions on how to treat the other decisions and recommendations contained in document TBT/16/Rev.7, some of which the Secretariat had updated in G/TBT/W/14 to facilitate discussions.
- 12. She drew attention to decisions and recommendations contained in items B, D, K and L of document TBT/16/Rev.7 and said that: (i) item B "Projected Agenda" and item L "Participation of Observers" would be covered by the Rules of Procedure adopted by the WTO TBT Committee on 21 April 1995 and were awaiting approval by the Council for Trade in Goods; (ii) item K "Accession of Non-Contracting Parties" was no longer applicable to the WTO; and (iii) item D "List of Products covered by the Notifications" was related to document TBT/W/68/Rev.1 prepared by the Secretariat to clarify what categories of products of importance in international trade were subject to notified technical regulations or certification systems. It covered notifications made in 1980 to 1984 and no further work had been carried out on the issue since then, so that it would not appear to warrant any further attention.
- 13. The WTO TBT Committee <u>agreed</u> that decisions and recommendations taken by the Tokyo Round TBT Committee on "Projected Agenda", "Participation of Observers", "Accession of Non-Contracting Parties" and "List of Products covered by the Notifications" were no longer necessary or applicable for the WTO TBT Committee.
- 14. The <u>Chairperson</u> drew attention to items G and I of the decisions and recommendations contained in G/TBT/W/14 and said that item G "Technical Assistance" could promote the operational significance of Article 11 of the WTO TBT Agreement, and item I "Regional Standard-Related Activities" might be useful to encourage for representatives of regional standardizing bodies and of systems for assessment of conformity to inform the TBT Committee of their activities relating to the WTO TBT Agreement.
- 15. The WTO TBT Committee <u>agreed</u> to adopt the decisions relating to "Technical Assistance" and "Regional Standard-Related Activities" as contained in document G/TBT/W/14.
- 16. Regarding item M of TBT/16/Rev.7, a decision on "ISO/IEC Code of Good Practice for Standardization", the <u>Chairperson</u> drew attention to the fact that ISO/IEC Guide 59 "Code of Good Practice for Standardization" had been approved by the ISO and IEC Members in 1993.
- 17. The representative of the <u>United States</u> said that although the decision might need updating, certain elements were still of value, such as "The Committee notes that ensuring the two Codes in question are mutually supportive would contribute considerably to furthering the objectives of the Agreement (1991) on Technical Barriers to Trade. The Committee decides that it will, upon completion of the ISO/IEC Code, evaluate its implications for the operation of the Agreement (1991) on Technical Barriers to Trade and take whatever further action it may consider appropriate at that time". She noted that one difference between the Code of Good Practice contained in Annex 3 of the WTO TBT Agreement and the ISO Code of Good Practice was that the ISO Code was limited to consensus-making standardizing bodies while the WTO TBT Code covered all standardization activities. She recalled that after the adoption of the ISO/IEC code, the Secretariat had prepared a paper, used as a basis for discussions in the Committee which had led to the conclusion that the two

codes should co-exist. She noted that a certain number of private standardizing bodies had not signed the Code of Good Practice (Annex 3 of the WTO TBT Agreement), and said that there was a need for the ISO code. She said that her delegation would take up the issue at a future meeting.

- 18. The Committee <u>took note</u> of the statement made. The <u>Chairperson</u> invited the delegation of the United States to prepare proposals to update the decision on "ISO/IEC Code of Good Practice for Standardization" and said the Committee could come back to the issue at its next meeting.
- 19. The <u>Chairperson</u> drew attention to the fact that recommendation item J "Avoidance of Duplication" referred to ad hoc arrangements with the FAO/WHO Codex Alimentarius Commission. Article 13.3 of the WTO TBT Agreement stated that "It is understood that unnecessary duplication should be avoided between the work under this Agreement and that of governments in other technical bodies. The Committee shall examine this problem with a view to minimizing such duplication". She suggested that further discussions on this item were necessary.
- 20. The <u>Chairperson</u> recalled that recommendation item F "Testing, Inspection and Type Approval" had been last revised two years ago. She said that since the coverage of the WTO TBT Agreement over conformity assessment procedures had been extended in comparison with the Tokyo Round TBT Agreement, it would be useful for the Committee to invite the representative of the ISO to outline the latest developments in ISO and IEC work relating to rules and guides in conformity assessment activities at the next meeting, before the Committee started discussions on the recommendations. She invited delegations to share their experience relating to conformity assessment procedures in the Committee.
- 21. The representative of <u>New Zealand</u> welcomed the start of work on recommendations on conformity assessment procedures.
- 22. Regarding item H "Applicability of the Agreement to Processes and Production Methods (PPMs)", the <u>Chairperson</u> said that since the Committee would hold discussions on document G/TBT/W/11 (Negotiating History of the Coverage of the Agreement on Technical Barriers to Trade with regard to Labelling Requirements, Voluntary Standards, and Processes and Production Methods Unrelated to Product Characteristics) which included the issue of PPMs, the Committee could reflect on this decision at a later time, taking into account any result of the discussions.
- 23. The Committee <u>took note</u> of the statements made and <u>agreed</u> that decisions and recommendations relating to "Testing, Inspection and Type Approval", "Avoidance of Duplication" and "ISO/IEC Code of Good Practice for Standardization" would be included in the agenda of the next meeting.

F.ANNUAL REVIEW OF THE IMPLEMENTATION AND OPERATION OF THE WTO TBT AGREEMENT UNDER ARTICLE 15.3

- 24. The <u>Chairperson</u> recalled that at its last meeting the WTO TBT Committee had held discussions on how to carry out the annual review under Article 15.3 of the WTO TBT Agreement and that further informal consultations had been called for (paragraph 15 of G/TBT/M/2). She drew attention to document G/TBT/W/12 which compiled and consolidated suggestions made by interested Members regarding the structure of the Annual Review.
- 25. The representative of <u>Australia</u> welcomed the proposal made by the United States to streamline the information compiled for the annual review (G/TBT/W/8) and to delete the information regarding requests received and answered in enquiry points. He shared the concern

expressed by Mexico that Members should be evaluated during the annual review, not only on a quantitative basis but also on a qualitative basis of whether or not the standards notified had an impact on trade (paragraph 14 of G/TBT/M/2). He said that his delegation recognized the need to include the information on observation of comment periods by Members and suggested that notifications made both under the TBT and SPS Agreements should be highlighted in the review.

- 26. The representative of <u>New Zealand</u> noted that item 2.2 of the proposed format "Ad hoc submissions by Members" would provide Members with opportunities to clarify any special circumstances in the annual review.
- 27. The representative of <u>Mexico</u> said that the format contained in G/TBT/W/12 should be treated as an interim arrangement for the first annual review.
- 28. The WTO TBT Committee <u>agreed</u> that the first Annual Review of the Implementation and Operation of the WTO TBT Agreement would take place at the first meeting in 1996 with the format as contained in document G/TBT/W/12, and that the Committee could continue discussions on the format for the Second and subsequent Annual Reviews.

G. ECO-LABELLING

- 29. The <u>Chairperson</u> recalled that at its last meeting, the WTO TBT Committee had agreed to endorse a request by the Committee on Trade and Environment for a Secretariat background paper on the factual negotiating history of the TBT Agreement relating to eco-labelling, and that eco-labelling would be included in the agenda of today's meeting (paragraph 33 of document G/TBT/M/2). She drew attention to the Secretariat background paper (Negotiating History of the Coverage of the Agreement on Technical Barriers to Trade with regard to Labelling Requirements, Voluntary Standards, and Processes and Production Methods Unrelated to Product Characteristics) (G/TBT/W/11).
- 30. The representative of <u>Canada</u> said that the Secretariat paper was useful in pursuing the analysis of the four aspects of eco-labelling suggested by his delegation which included: transparency, government participation, life-cycle analysis and work in other fora (G/TBT/W/9). The paper suggested possible approaches to address the issue of non-product related PPMs and had set the base for discussions on eco-labelling.
- 31. He said that the application of the transparency provisions of the TBT Agreement to eco-labelling programmes could serve to address some of the substantive concerns regarding these initiatives. He recalled that the Secretariat paper suggested that according to the decision taken by the Tokyo Round and WTO TBT Committees, mandatory labelling requirements were subject to notification provisions regardless of the kind of information provided on the label, and by implication, voluntary labelling standards were subject to the notification provisions under Article 4 and Annex 3 of the Agreement. He said that it would thus appear that eco-labelling programmes were well within the scope of the TBT notification procedures, including those under the Code of Good Practice, ensuring governments and industries the opportunities to obtain information and submit comments. Although there might be a need to consider whether further transparency provisions were required for voluntary labelling standards, the notification disciplines established under the TBT Agreement formed the basis for any such transparency. He informed the Committee that Canada was prepared to notify its current and future eco-labelling schemes and hoped that other Members would consider notifying theirs.

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- 32. He noted that the Secretariat's paper made clear that during Uruguay Round negotiations, it had been the intention to cover both mandatory and voluntary labelling programmes under the TBT Agreement. In the case of voluntary programmes, Article 4.1 of the Agreement required Members to take such reasonable measures as may be available to them to ensure that local governments and non-governmental standardizing bodies within their territories accept and comply with the provisions of the Code of Good Practice (Annex 3 to the Agreement). As noted in the Secretariat paper (paragraphs 54 and 58), the wording had been drafted to be consistent with Article XXIV:12 of the General Agreement and had been clarified during the Uruguay Round through the Understanding of the Interpretation of Article XXIV:12. He said that while he would at the moment agree with the European Communities' view that government involvement did not necessarily guarantee greater credibility nor greater market impact, the fact that most of the existing eco-labelling programmes had some degree of government involvement would provide the necessary level to ensure that these programmes conform to internationally agreed norms or disciplines.
- 33. He drew attention to item 3 (c) of the summary of the Secretariat paper which said that: "The negotiating history suggests that many participants were of the view that standards based inter alia on PPMs unrelated to a product's characteristics should not be considered eligible for being treated as being in conformity with the TBT Agreement". Based on discussions with the negotiators at the time, it was Canada's opinion and understanding that there had been no intent to provide scope for non-product related PPMs. He suggested that it would be useful for the TBT Committee to clarify this point with a view to set the groundwork for discussions of non-product related PPMs.
- 34. He noted the fact that during the negotiation, a number of delegations had expressed preference for requirements drafted in terms of product characteristics rather that product-related PPMs, and that discussions had referred both to product and non-product related PPMs (paragraph 134 of the paper). He said that it might be useful for the TBT Committee to clarify any additional concerns pertaining to non-product related PPMs.
- 35. He said that one could not ignore the fact that most eco-labelling programmes were or would be based on life cycle analysis (i.e., assessing the environmental impact of a product from its extraction/production through its consumption and final disposal) which included non-product related PPMs. He suggested that it would be beneficial to consider the merits and the feasibility of extending the disciplines of the GATT and the TBT Agreement to all aspects of eco-labelling programmes including non-product related PPMs. He stressed that such PPMs should be developed from multilaterally agreed criteria.
- 36. He recalled that his delegation had expressed concern over unilateral measures, particularly those pertinent to non-product related PPMs, because such PPMs might reflect unique national or regional characteristics or technologies. He said that it was generally accepted that measures which were based on multilaterally agreed criteria and were implemented internationally did not distort trade. Given that the TBT Agreement encouraged Members to participate in and adhere to international standards, it might provide a means to bring some non-product related PPMs under disciplines of the TBT Agreement.
- 37. He noted that in a number of other fora, including the ISO, UNEP and UNCTAD, work was being carried out to advance international co-operation in the development and implementation of environmental programmes. Consideration was being given to mutual recognition agreements, whereby the objectives, requirements and conformity assessment procedures of a programme could be acknowledged as being equivalent to those of another. He suggested that the TBT Committee should consider this work, its relevance to appropriate trade disciplines, and the degree to which the work enjoyed international support and participation.

- 38. He concluded that Canada had focused the discussions on eco-labelling given its assessment that eco-labelling programmes were fully covered by the TBT Agreement. His delegation would reiterate this point in the discussions of the next meeting of the Committee on Trade and Environment where the approach taken by his delegation to eco-labelling in the TBT Committee would provide guidance to all the related issues in item 3 (b) of the CTE's agenda: requirements for environmental purposes relating to products, including standards and technical regulations, packaging, labelling and recycling. He said that in order to develop a consensus on trade disciplines on eco-labelling programmes both in the TBT Committee and the CTE, joint informal sessions of the two Committees should be held. He suggested the first joint meeting could be held back to back with the CTE December meeting. He informed the Committee that in order to further discussion and debate on the issue, Canada was prepared to present its Environmental Choice eco-labelling programme to provide Members an idea of the nature, coverage and market impact of such programmes.
- 39. The representative of <u>Japan</u> said that his delegation recognized eco-labelling as a mean to promote environmentally-friendly products. However, given its great impact on international trade, eco-labelling should be analyzed to prevent unnecessary obstacles to trade. He noted that in Annex 1 of the WTO TBT Agreement, different wordings were used for the definitions of technical regulation and standard, i.e. the wording "their related processes and production methods" was used in the case of technical regulation and "related processes and production methods" in the case of standard. He said that before clarifying the question of to what extent the TBT Agreement could be applied to ecolabelling, the definitions of technical regulation and standard relating to PPMs must be elaborated. If it was clear that some aspects of eco-labelling did not fall under of scope of the TBT Agreement, it would be appropriate that such aspects be addressed in the Committee on Trade and Environment. However, the concepts of harmonization to international standards and transparency under the TBT Agreement should be applied.
- 40. The representative of <u>Australia</u> recalled that the Committee on Trade and Environment was examining the provisions of the multilateral trading system in relation to eco-labelling schemes to ensure that those provisions encouraged a positive interaction between trade and environment measures. The TBT Agreement and its transparency provisions were among those being examined to address the concerns relating to eco-labelling. He said that it was recognized that the transparency of eco-labelling schemes could contribute to the effectiveness of these schemes in promoting environmental goals and addressing concerns about their effects on other countries. Greater understanding of the TBT Agreement could also assist work in other international fora on issues relating to eco-labelling.
- 41. The representative of <u>Mexico</u> expressed concerned about the proliferation of eco-labelling programmes in different countries and their potential negative trade effects. She said that eco-labelling was the tip of the iceberg of a series of emerging environmental measures, e.g. packaging, re-filling and recycling. A cost-benefit analysis of eco-labelling and these other measures should be elaborated, assessing their trade impact and effectiveness. She recalled that in the CTE, discussions had been held regarding the unilateral application of these measures and said that the TBT Committee should participate in those discussions.
- 42. Regarding the transparency of voluntary eco-labelling standards prepared by non-governmental standardizing bodies, she shared Canada's view that voluntary eco-labelling standards were subject to the notification obligations under Article 4 and Annex 3 of the TBT Agreement irrespective the kind of information provided on the label. She said that although the CTE was examining whether further transparency provisions and more disciplines on eco-labelling were necessary, as a starting point for further discussions the TBT Committee could confirm that voluntary

standards, including labelling standards were subject to the TBT disciplines, including the obligations of notification, avoidance of unnecessary obstacles to trade and non-discrimination.

- She drew attention to paragraph 3(b) of the Secretariat paper which stated that: "Whether or 43. not a standardizing body does accept the Code of Good Practice, WTO Members are required under Article 4 of the TBT Agreement to take such reasonable measures as maybe available to them to ensure that it complies with the provisions of the Code of Good Practice. In addition, Members must not take measures which have the effect of, directly or indirectly, requiring or encouraging the standardizing body to act in a manner inconsistent with the Code of Good Practice"; and paragraph 50 indicated the concerns of negotiators that "the alleged inequality of obligations which would apply between countries with a large proportion of standardization work carried out by private sector bodies producing voluntary standards and those where all standards were mandatory". She suggested that it would be useful to examine and evaluate eco-labelling schemes on issues such as: the trade effect which resulted from the fact that eco-labelling programmes existed in some countries and not in others; the compliance of Members with the obligations under Article 4.1 of the Agreement that "Members shall not take measures which have the effect of, directly or indirectly, requiring or encouraging such standardizing bodies to act in a manner inconsistent with the Code of Good Practice; and the degree of government involvement in eco-labelling programmes which were inconsistent with the disciplines of the TBT Agreement.
- 44. She noted that the Secretariat paper did not sufficiently clarify certain doubts regarding the definition of standard. However, in Mexico's view, the scope was described in the text of the Agreement. She shared the view of Canada that the TBT Committee and the CTE should take into account work being done by other organizations such as UNCTAD and UNEP on subjects such as mutual recognition and equivalence of eco-labelling programmes.
- 45. The representative of the <u>United States</u> said that the WTO TBT Agreement definitions of standard and technical regulation and the Committee's decision on labelling would provide guides for interpretation of the eco-labelling issue. She said that voluntary standards, whether developed by a central government body, local governmental or non-governmental body, would come under the disciplines of Article 4 and the Code of Good Practice (Annex 3 of the Agreement) with which Members had accepted the responsibility to comply. Referring to paragraph 3 (c) of the Secretariat paper, she said that in order to focus on the scope and coverage of the Agreement, it would have been more appropriate to say that "standards based on PPMs related to the characteristics of a product are within the scope and covered by the TBT Agreement".
- 46. She said she thought that one should first make a decision on whether a particular measure was within the scope of the TBT Agreement, judging by the provisions of Article 1 and the definitions contained in Annex 1 of the Agreement, before examining whether the technical regulation, standard or conformity assessment procedure complied with the disciplines of the Agreement. She welcomed Canada's proposal of presenting the Canadian Environmental Choice ecolabelling programme to the Committee and said that it would provide a basis for discussions. She supported the suggestion of having joint meetings with the CTE to reach a common understanding of the issue. However, she noted that the mandates of the two Committees were different and at some point in the future joint consultations would no longer be necessary.
- 47. The representative of Malaysia, speaking on behalf of the ASEAN countries, said that it was clear in the Secretariat paper that measures taken for environmental purposes, whether mandatory or voluntary eco-labelling programmes, were covered by the TBT Agreement. He said that life cycle analysis relating to the issue of PPMs was complicated, and as a result eco-labelling programmes should be developed based on scientifically and mutually agreed criteria. He reiterated the importance of notifying eco-labelling programmes and of central governments ensuring that eco-

labelling programmes adopted by local or non-governmental bodies complied with the provisions of the TBT Agreement.

- 48. The representative of <u>Norway</u> said that although eco-labelling programmes were becoming more and more perceived as a useful mean for sustainable consumption, it was important to provide transparency and avoid any practice that would create barriers to trade.
- 49. The representative of <u>Switzerland</u> welcomed the Secretariat paper in helping to clarify the implementation and application of the TBT Agreement to voluntary labelling requirements. She noted that according to the paper, it had been the intention during the TBT negotiations to include both mandatory and voluntary labelling requirements under the Agreement. Her delegation had always emphasized the need for transparency of voluntary eco-labelling schemes. She said that it was important to reach consensus between WTO Members on the application of eco-labelling programmes in terms of notification requirements under the TBT Agreement. Further discussions could assess whether additional notification provisions would be needed to respond to the specific characteristics of eco-labelling schemes.
- 50. The representative of the <u>European Communities</u> said that Members could pursue a "double-track approach". While the TBT Committee could further clarify the coverage of the Agreement, the CTE could study the current state of individual eco-labelling schemes. He shared the view of Canada that measures based on international standards did not, by definition, create barriers to trade. However, he said that the way multilaterally agreed standards were applied internationally should be defined in detail to avoid trade distortions.
- 51. The representative of <u>New Zealand</u> said he would comment on the issue in substance at future meetings.
- 52. The representative of <u>India</u> supported the Canadian proposal and shared the views expressed by Mexico. He expressed concern about the eco-labelling schemes of non-governmental bodies, especially relating to textiles.
- 53. The representative of <u>Hong Kong</u> welcomed the initiative of Canada in bringing the issue of eco-labelling in the TBT Committee. He said that there was a need to further discuss and analyze the scope of the TBT Agreement. His delegation supported enhanced transparency of eco-labelling schemes but suggested that further deliberation would be necessary on the scope of notifications and the body to coordinate them, taking into account that not all eco-labelling schemes had government involvement.
- 54. The representative of Egypt shared the concern expressed by Mexico about the trade effect of the proliferation of eco-labelling schemes and the concern expressed by Malaysia about the issue of PPMs. She called for better disciplines on eco-labelling programmes and further analysis of the issue.
- 55. The representative of <u>Venezuela</u> welcomed the initial proposals made by Canada and said that they could be further supplemented.
- 56. The representatives of Australia, Egypt, India, Japan, Norway, and Switzerland supported Canada's proposal to hold joint meetings of the TBT Committee and Committee on Trade and Environment to further discuss the issue of eco-labelling so that the TBT Committee could be kept informed and contribute to the discussions.

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57. The Committee <u>took note</u> of the statements made and <u>agreed</u> to pursue the issue of eco-labelling further in joint informal meetings with the Committee on Trade and Environment. The <u>Chairperson</u> said that she would hold consultations with the Chairman of the CTE to decide the dates for joint informal meetings, and that the minutes of this meeting would be made available to the joint informal meetings.

H. <u>ISO 9000 AND ISO 14000</u>

- 58. The <u>Chairperson</u> recalled that at the last meeting the representative of the ISO had presented the ISO 9000 and ISO 14000 schemes to help the Committees better understand the new ISO initiatives. She drew attention to paragraph 50 of G/TBT/M/2 in which the Committee had agreed to include the subject on the agenda.
- 59. The representative of New Zealand welcomed a continue dialogue between the TBT Committee and the ISO on this subject. He raised questions about the criteria contained in the ISO 14000 standards and the nature of participation in the development of international standards, particularly at the technical stages, e.g., the membership of expert working groups of the Technical Committee on Eco-labelling. He said that it would help Members to have a better comprehension of ISO work if ISO could circulate through the WTO Secretariat copies of the more advanced Draft International Standards.
- 60. He recalled that at the ISO General Assembly in September, the relationship between standard development of ISO and certain regional bodies had been discussed and concern had been raised about the fact that occasionally, the development of international standards was postponed until regional standards were developed. In connection with that, he asked about the development of ISO 9000 and ISO 14000.
- 61. He shared the concern expressed by Canada at the previous Committee meeting that the indiscriminate application of quality management standards could have potential negative effects on competition and market access. He welcomed ISO's efforts to resolve the problems by the QSAR (Quality Assessment Recognition System) and asked the representative of ISO when the QSAR programme would be implemented and if it would fully address the problems.
- 62. The representative from the <u>ISO</u> reported that in August 1995, five draft standards of the ISO 14000 series had been circulated to the 115 member countries of ISO for a six-month technical enquiry to verify technical consensus. The draft standards included: ISO 14001 EMS Specification with Guidance for Use; ISO 14004 EMS General Guidelines on Principles, Systems and Supporting Techniques; ISO 14010 Guidelines for Environmental Auditing General; ISO 14011 Auditing for Environmental Management Systems; and ISO 14012 Qualification Criteria for Environmental Auditors. He said that consultations would end on 10 February 1996, comments received could be resolved during the following months, the final draft would be submitted for final approval before July 1996 and the standards would be published immediately after the termination date of the final consultation. He noted that most of the ISO's 115 members submitted standards for national public enquiry. Although ISO 14000 was still under preparation, some certification or registration organizations had already issued certificates of conformity to the ISO 14001 draft standard.
- 63. He said that he would provide the WTO Secretariat with a list of the participating countries and observers in the various Sub-Committees of the Technical Committee 207 on Environmental Management Systems. Referring to the question raised by New Zealand regarding the relation between international standards and regional standards, he said that ISO and CEN had a co-ordinating agreement (the Vienna Agreement). In the case of ISO 14000 and the first revision of ISO 9000,

regional standardization activity was awaiting the results of international standardization and consultations on regional standards were being held at the same time, using the same documents, so that the national standards could be issued the same time as the international standards.

- 64. Regarding the QSAR system, he said that the ISO General Assembly had approved the following principles to be followed for its establishment: (i) openness to all accreditation bodies worldwide; (ii) autonomous peer evaluation among accreditation bodies; (iii) uniform assessment criteria and procedures for all branches of certification bodies, using ISO, IEC or ISO/IEC consensus documents; (iv) financial autonomy vis-à-vis other ISO and IEC programmes; (v) avoidance of conflict of interest in assessment functions; (vi) use of the ISO/IEC QSAR logo to signify worldwide recognition; and (vii) balance of the ISO/IEC QSAR Board among accreditation bodies, certification/registration bodies, suppliers and purchasers. It had been decided by the ISO Council to form the QSAR Board at the beginning of 1996. The Board would consist of a Chairman and twelve Members, three representatives from each of the following groups: accreditation bodies, certification/registration bodies, suppliers, and purchasers. He said that the IEC would decide whether or not to joint the QSAR system.
- 65. The representative of <u>Mexico</u> welcomed that lists of participants in various ISO Technical Committees would be provided by ISO to the TBT Committee. She supported the proposal of New Zealand that it would be useful if ISO would provide also the most advanced draft international standards to the TBT Committee.
- 66. The representative of the <u>United States</u> expressed concern about the working relationship between the WTO and ISO and said that work in the ISO should be pursued through the national bodies of the ISO.
- 67. The representative of <u>Canada</u> recalled that at the last meeting, Canada had expressed concerns about the multiple certifications which producers had to face. He sought more information on the progress and the objectives of the QSAR and the relationship between QSAR and the International Accreditation Forum (IAF).
- 68. The representative from the <u>ISO</u> replied that QSAR was expected to start functioning in mid-1996 and there would be a memorandum of understanding to avoid duplication of work between QSAR and the IAF.
- 69. The Committee took note of the statements made. The <u>Chairperson</u> invited the ISO to clarify the questions raised by Members in written form and the Secretariat to contact the representative of ISO for additional information relating to the subject matter.

I. OTHER BUSINESS

- 70. The representative of the <u>United States</u> noted that under the TBT Agreement, the intention of notifications of proposed technical regulations and conformity assessment procedures was for transparency so that information could be passed on to interested parties to solicit comments. However, the notifications were being issued as restricted documents. She proposed to derestrict them.
- 71. The representative of <u>Canada</u> shared the view of the United States and urged the Chairperson and Secretariat to take appropriate action.

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- 72. The <u>Chairperson</u> pointed out that derestriction of documents was under discussion in the General Council. She proposed that the Committee agree as a recommendation to the Chairman of the General Council that TBT notifications be derestricted immediately.
- 73. The representatives of <u>Mexico</u> and <u>Costa Rica</u> said that derestriction of documents was a horizontal issue in the WTO which covered all WTO documents, including notifications, and preferred that a decision be taken within the General Council and not separately.
- 74. The Committee <u>took note</u> of the statements made.
- 75. The Chairperson drew attention to draft guidelines on scheduling of meetings submitted to an informal meeting of Heads of Delegations to the General Council with the intention of having them agreed by the General Council. The main purpose of the exercise was to rationalize to the extent possible the programme of meetings and working methods. One of the Guidelines concerning the Arrangements for Scheduling for Meetings of WTO bodies said that "As far as possible the calendar for the formal meetings should be fixed for the whole year. For 1996 it should be possible to establish a calendar by the end of November. To the extent possible meetings of bodies attended by the same experts from capitals should be held consecutively." In response to that, 23 April and 22 October had been chosen tentatively for the meetings of the TBT Committee in 1996. She reminded Members that a special joint TBT/SPS meeting on Procedures for Information Exchange would be held on 6-7 November 1995.