

**WTO Public Symposium  
Challenges ahead on the road to Cancún  
Session XIX  
Beyond Agriculture – Business Perspectives on the DDA**

**Market Access  
– Non Tariff Barriers  
Problems and Proposals**

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# Non tariff barriers – bottleneck for international trade

- Import barriers, e.g. customs procedures (-> trade facilitation) or “buy national campaigns”
- Export barriers, e.g. export bans (skins, leather, metal)
- Investment related measures, restrictions
- Competition related barriers, e.g. monopolies
- **Internal regulations, e.g. standards and other technical requirements**

# You know the problem!

For international travellers the multitude of national standards may

- prevent from buying abroad or using goods abroad (plugs, voltage, e.g. technical equipment like mobile phones or computers)
- or may lead to confusion or be just inconvenient (meters / feet / Celsius / Fahrenheit)

But this is just the surface as regards consumer products. The multitude of national standards does prevent many manufacturers to enter foreign markets.

# The problem for business

- Costs related to standards can amount to 10 % and more of overall production costs.
- Costs are to a large extent overheads (economies of scale). Especially SME and companies in developing countries are concerned.
- Although most industrial sectors are effected, standards are a particular big problem for the electronics and machinery industry.

# The Agreement on Technical Barriers to Trade (TBT)

- TBT says members shall use international standard
  - TBT lays out under which conditions deviating national standards are acceptable (legitimate aims, proportionality, least trade restrictive)
  - TBT should lead to more transparency (notification procedures)
- ⇒ Through dispute settlement, the agreement can be interpreted and enforced (*EC – Trade Description of Sardines*; WT/DS231/AB/R, adopted 23 October 2002)

# But in practice TBT is too weak

- Room of discretion to deviate from international standards is big. No justification required.
- Various understandings of what is an „international standard“
- Agreement did not foster more regulatory cooperation or mutual recognition of conformity assessment
- DSU is too bureaucratic and slow to tackle the multitude of national standards

# Strengthening the TBT Agreement

- Clarification of the definition of „International Standard“
- A problem solving mechanism below the level of the formal WTO dispute settlement system should be established
- Private parties should be given the right of action for filing complaints
- Promote a Code regarding conformity assessment procedures, in order to foster acceptance of foreign conformity assessment

# Briefly...

...business calls for

- the continuous reduction of Technical Barriers to Trade
- An even more privileged role of international standards
- the strengthening of the TBT Agreement

*Thank you very much.*