

# The Intersection of Global Trade & National Regulations

CAN WE HAVE BOTH ?

# World Trade Organization (WTO)

- Established January, 1995
- Emerged from General Agreement on Tariffs and Trade (GATT)
- Embodies & facilitates a multilateral trading system
- Stated objective: “..to help trade flow smoothly, freely, fairly and predictably.”
- 144 member countries as of November 2001 with the accession of China and Chinese Taipei.

# WTO Functions

- Administers WTO trade agreements
- Provides forum for trade negotiations
- Arbitrates trade disputes between members
- Monitors national trade policies
- Provides technical assistance and training for developing countries
- Cooperates with other international organizations

# Agreement on Technical Barriers to Trade (TBT)

- An agreement under the WTO dealing with *non-tariff* barriers to trade.
- Binds Parties to adopt national regulations, standards and conformity assessment procedures that do not present unnecessary obstacles to the free flow of international trade.

# Permitted Actions

Contracting Parties are not prevented from taking measures necessary to:

- ensure the quality of its exports,
- ensure the protection of human, animal or plant life or health,
- ensure protection of the environment,
- prevent deceptive practices.

# Provisos

Actions must not be applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or present a disguised restriction on international trade.

# Obligations of Contracting Parties

Parties shall ensure that products imported from the territory of any other Contracting Party is accorded treatment no less favorable than that accorded to like products of national origin and to like products originating in any other country.

# Avoidance of Conflicts

- Party may rescind its national regulation,
- Harmonize its regulation with that of the other party,
- Permit products that comply with “comparable” regulations.



# Technical Regulations & International Standards

- Where technical regulations are required and relevant international standards exist or are imminent, Parties are obliged to use them as a basis for their technical regulation.
- An exception is where such international standards would be ineffective or an inappropriate means for fulfillment of the legitimate objectives.

# Some International Standards Organizations

- UN / International Civil Aviation Organization (ICAO) – (Governmental)
- UN / International Maritime Organization (IMO) – (Governmental)
- International Organization for Standardization (ISO) – (Non-governmental)
- International Electrotechnical Commission (IEC) – (Non-governmental)

# Some International Regulatory Organizations

- UN / Economic Commission for Europe (ECE) / World Forum for Harmonizing Vehicle Regulations (WP.29) – (Governmental and non-governmental)