



**Economic and Social
Council**

Distr.
GENERAL

TRADE/2004/11
1 March 2004

ORIGINAL: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE FOR TRADE, INDUSTRY AND
ENTERPRISE DEVELOPMENT

Eighth session, 11, 13 and 14 May 2004

Item 5.6 of the provisional agenda

**WORKING PARTY ON TECHNICAL HARMONIZATION
AND STANDARDIZATION POLICIES**

Summary of main activities and developments

DOCUMENT FOR DECISION

This paper summarizes the main activities of the Working Party on Technical Harmonization and Standardization Policies (WP.6) since its thirteenth session (10-12 November 2003).

The objective of this subprogramme is to promote trade, as well as industrial and enterprise development, in the UNECE region, by (a) encouraging the international harmonization of standards and technical regulations, (b) removing or gradually reducing technical barriers to trade, and (c) promoting scientific and technological cooperation through the development of policies for standardization and related activities.

The Committee will be asked to endorse the report of the Working Party's thirteenth session (TRADE/WP.6/2003/16). With regard to this report, the Committee will be asked to approve the decisions contained in paragraphs 13 for the establishment of a Telecom task force, 17 for the establishment of an advisory group on Market Surveillance, and 18 for its new items of reference and a change of name of the Working Party on Technical Harmonization and Standardization Policies to "Working Party for Regulatory Cooperation and Standardization Policies" and to note the remainder of the document.

The report of the Working Party's thirteenth session and other documents of the Working Party are available at the following website address: <http://www.unece.org/trade/stdpol>

The Working Party will hold its fourteenth session in Geneva on 22-24 November 2004.

Working Party 6 November 2003 session-main results and follow-up activities

1. The Working Party on Technical Harmonization and Standardization Policies held its "Regulatory Cooperation and Standardization Week" from 10 to 13 November 2003 in Geneva. This week included the Working Party's thirteenth session (10-12 November 2003), the International Seminar on Regional Experiences in Good Governance for Regulatory Practices (10 and 11 November 2003) and an Expert Meeting of the UNECE "Telecom Initiative" Project (13 November 2003). The meetings were attended by 33 countries, 2 UN System organizations, 4 intergovernmental organizations and 7 non-governmental organizations. The main results of the session and follow-up to be undertaken in 2004 are described below (for more details please see the report of the session: document TRADE/WP.6/2003/16).

Regional and sectoral regulatory cooperation projects

2. These are projects for the implementation of UNECE Recommendation "L"- "International Model for technical harmonization based on good regulatory practice for the preparation, adoption and application of technical regulations via the use of international standards" ("International Model for technical harmonization"), which was adopted by the Working Party as a new UNECE "Recommendation on Standardization Policies" in October 2001.

3. The UNECE Recommendation "L" is primarily based on three principles, these being:

- 1) The need to base national technical regulations on international standards, or in their absence, on applicable regional or national standards. Such an approach would create a level playing field for companies. Thus a company, which is manufacturing a product according to a standard referenced in a regulation, would be able to demonstrate its compliance to such a regulation.
- 2) That "Common regulatory objectives" (as proposed in the "International Model") should form the basis of technical regulations and should be based on mutually agreed, legitimate requirements (such as those related to health, safety, the environment, etc.). And such broad regulatory objectives should make reference to international (preferably) standards for more detailed technical requirements. This would allow companies that are manufacturing regulated products according to relevant international standards to obtain conformity to technical regulations and thus contribute to establishing a level playing field for the benefit of all market players (industry, trade, consumers, etc.).
- 3) That regulators should establish regulatory convergence through an agreement on what safety (etc.) levels they would like to achieve (i.e. on their "common regulatory objectives") and then agree on what relevant standards could be used for this purpose.

4. There are a number of advantages to using the mechanisms of the "International Model" as a tool for regulatory convergence, the most important being that:

- 1) Sectoral arrangements are open for all interested UN member States;
- 2) It defines regulatory convergence which includes: the necessary health and safety conditions; applicable international standards; and the required means of proof of conformity for the sectors/product areas concerned, and provides for open market access ("free circulation");

- 3) Arrangements can be developed between interested countries/within regions on sectoral levels in an open and transparent manner. The number of countries in such arrangements can gradually be enlarged (a flexible “step” by “step” approach);
- 4) It simplifies the linking of sectoral/regional arrangements between countries using similar regulatory techniques.

5. Following the positive response to the “International Model” from a number of UNECE Member States, including the EU, the Working Party has started a number of pilot projects aimed at practical implementation of the mechanisms foreseen in the “International Model”. The UNECE Team of specialists on standardization and regulatory techniques (START Team) is assisting the Working Party in regional and sectoral initiatives according to the “International Model”.

(a) On a regional level

6. On the basis of the International Model’s approaches, the CIS countries have prepared a draft agreement on harmonization of technical regulations in the CIS region. This draft agreement was prepared in cooperation with the CIS Interstate Council for Standardization, Certification and Metrology (which unites the standardization agencies from the 12 countries of the former Soviet Union). The draft agreement was approved in May 2003 and has been sent for comments to CIS Governments.

7. This draft agreement was discussed at the November 2003 session (document TRADE/WP.6/2003/3) and it was agreed that implementation of such an agreement would not only contribute to the development of trade between the CIS countries but also provide a useful and practical showcase for regional cooperation that would serve as an example for regulatory cooperation in other UNECE sub-regions.

8. In 2003, with assistance from the Swedish International Development Agency (SIDA), the UNECE started a project in the Balkan region to identify regulatory related problems in trade and to explore the feasibility of initiating a regulatory convergence dialogue among countries in the region.

9. Regional experiences (including in the Balkans) in good governance for regulatory practices were discussed at the November 2003 Seminar. As an outcome of this International Seminar the Working Party agreed on the necessity of continuing the dialogue and exchange of information on regulatory approaches. The objective being to improve mutual understanding and confidence building between regulatory authorities; and to encourage and call upon regulators to, whenever possible, implement the least trade restrictive means of meeting legitimate objectives and, when feasible, cooperate to establish regulatory convergence in order to facilitate trade.

10. The Working Party also noted the usefulness of having an overview of regulatory approaches not only in the UNECE region (in particular in the EU, North America and the CIS), but in other regions as well.

(b) On a sectoral level

11. The telecommunications sector was the first to demonstrate interest in the application of “Recommendation L” and the first steps toward implementation are being taken in order to harmonize technical regulations on certain telecom products. In the respective expert community, this effort is known as the “UNECE Telecom Initiative”.

12. The Initiative was proposed by private sector companies which identified areas in the telecommunication sector where the lack of regulatory convergence impedes market access for private operators. As a result of the discussion, in 2002, representatives of telecommunication companies prepared and agreed draft proposals for administrative and technical requirements for “Common Regulatory Objectives” (“CROs” as proposed in the “Model”) for a number of products (GSM, IMT-2000, Wireless LAN, Bluetooth, Personal Computers, Public Switched Telephone Network (PSTN) Modem). These draft CROs are available at the WP.6 web page (<http://www.unece.org/trade/stdpol>) under “Sectoral Initiatives ” and then “Telecom Initiative”).

13. In 2003, the discussions were joined by representatives of public authorities and it was proposed to establish a task force to implement this project. Such a “Telecom Task Force” was formally established by the Working Party in November 2003 and its terms of reference have been adopted (see document TRADE/WP.6/16/Add.2) subject to final approval by CTIED.

14. Another sectoral project initiated in 2003 is the ‘Earth-Moving Machinery Initiative’. The idea for this project was submitted to the CTIED May 2003 session which supported it. In November 2003, the Working Party considered and endorsed this Initiative and called on the interested UNECE Member States to inform the secretariat about their interest in working on this project.

Market Surveillance

15. Following the discussions at the International Forum on Market Surveillance (29 October 2002), the Working Party decided to promote (and, when necessary, initiate) good practices in market surveillance methods within the UNECE region, making use of available expertise; to increase transparency and attract attention to the responsibilities of public authorities and their staff for market surveillance.

16. In order to support this objective, the Working Party recommended to establish an ad hoc group of experts to consider the “list of issues of concern and suggestions” brought forward during the Forum and other relevant market surveillance issues.

17. The first meeting of the Advisory Group on Market Surveillance (acronym “MARS” Group) and a workshop on the market surveillance in the context of a “wider Europe” were held in Slovakia in September 2003. The reports of both of these meetings are available as TRADE/WP.6/2003/13. The Working Party endorsed the establishment of the MARS Group and its terms of reference (see document TRADE/WP.6/16/Add.2) subject to final approval by CTIED.

Terms of References of the Working Party and of its ad hoc groups

18. Following the request from the CTIED to subsidiary bodies to address sustainability and cross-sectoral issues, the Working Party's Extended Bureau at its meeting in March 2003 decided to revise its terms of reference to take these matters into account. The Working Party at its November 2003 session considered and adopted new terms of reference (in annex to this document). In order to better reflect its current activities, the Working Party also decided to change its name to "UNECE Working Party on Standardization and Regulatory Cooperation Policies", subject to final endorsement by the CTIED.

19. At the recommendation of the CTIED, the Working Party also revised the status of its ad hoc group of experts and decided on the timetable for their regular reporting to the Working Party and revision of their mandates and duration of their activities.

20. At its next session in November 2004, the Working Party will consider the status of its cooperation with the ad hoc team of experts on quality management systems (QMS Team) established under the auspices of the Working Party on Industry and Enterprise Development (WP.8), but which is also reporting to WP.6. As a result of the revision of the activities of Working Party 8 at its latest session in February 2003, the WP.8 asked the Working Party 6 to consider a possibility of incorporating activities of the QMS Team under the auspices of Working Party 6. This proposal will be considered by WP.6 as it revises its programme of work, and taking into consideration available resources.

* * * * *

Annex

**REVISED TERMS OF REFERENCE FOR THE WORKING PARTY
ON REGULATORY COOPERATION AND STANDARDIZATION POLICIES**

The Working Party:

- (a) Serves as a forum for the exchange of information on developments and experiences in the areas of technical regulations, standardization, conformity assessment and related activities at the national, regional and international levels, with the goal of contributing to the establishment of an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system;
- (b) Determines priorities for international standardization activities with a view to:
 - promoting a global policy based on sustainable development principles in selected domains such as public health and safety, environmental protection, energy efficiency, consumer protection and new technologies;
 - preventing, reducing or eliminating technical barriers to trade;
- (c) Analyses problems of an international and regional nature and experiences in solving them. Prepares recommendations aimed at facilitating international trade through the harmonization of national policies and the promotion of best practices based on good governance principles with respect to technical regulations, standardization, conformity assessment and related activities such as quality and environment management, consumer protection and market surveillance;
- (d) Acts as a Forum for reflection on such topics as may be referred to it by the Economic Commission for Europe, the Committee for Trade, Industry and Enterprise Development, member Governments and/or concerned international and regional organizations. Cooperates with the private sector, non-governmental organizations and civil society in general on issues contributing to the realization of its goals and programmes;
- (e) Maintains, when appropriate through special coordinators, liaison with governmental and non-governmental organizations concerned with technical regulations, standardization and related activities. Cooperates with other UNECE subsidiary bodies on cross-sectoral matters;
- (f) Organizes seminars and workshops at the international, regional and national levels on the implementation of internationally agreed principles of technical regulation, standardization and related activities. Provides advice and assistance to countries with economies in transition to facilitate their market reforms and integration into the world economy;
- (g) Arranges, upon request, for the provision of technical assistance to member Governments with a view to implementing agreed UNECE recommendations on regulatory cooperation and standardization policies;
- (h) Creates projects and establishes, when necessary, ad hoc groups of experts to address specific problems and concerns identified by the Working Party. Supervises, together with the secretariat, trust funds established for the implementation of concrete projects and undertakes other activities as requested and mandated by member States.

* * * *