International Trade Centre





Information Note

Contribution by J. Denis Bélisle, Executive Director International Trade Centre to the high-level panel on INTERNATIONAL STANDARDIZATION – BRINGING THE MESSAGE TO THE TOP at the ISO General Assembly Geneva, Switzerland, 15-16 September 2004

President and Secretary-General of ISO,

Chief executives of national standard-setting bodies,

Ladies and gentlemen,

Allow me to thank ISO for having invited me to participate in this high-level panel. I see the invitation as a testimony to our fruitful collaboration, and I welcome the opportunity to speak about the role of standardization in facilitating trade and globalization.

As you may know, the International Trade Centre is a trade-related technical cooperation agency reporting to both the United Nations and the World Trade Organization. We specialize in enterprise-related aspects of trade development, working with developing and transition economies, and particularly their business sectors, to help them develop their exports and improve their import operations.

The importance and benefits of international standardization are well known to businesspeople in industrialized countries, as can be gauged by their support. It is no secret that in most industrialized countries the views of industry do influence the attitudes and approaches of national standard-setting bodies in the formulation of international standards. These bodies have established effective mechanisms for soliciting the views of industry.

The situation is different in developing and transition economies. In most developing countries there seems to be a general lack of awareness on the part of trade and business associations of the important role played by international standards in facilitating trade. Only a few developing countries, where the standardization infrastructure is well developed, have adopted effective mechanisms for obtaining the views of industry on draft international standards. In these few cases, however, industry often devotes resources on analysis and research to ensure that their specific national requirements are taken into account in the preparation of international standards. An example of this is the proactive role played by India in formulating the international standard on tea. The well-researched Indian Committee draft on the subject resulted in the Indian point of view being well taken into account in ISO 3720, the international standard for black tea. The situation is more complex in transition economies where most standards are mandatory and the notion of voluntary standards is a novelty. Government people have to be convinced of the need to evolve towards a system of voluntary standards, based on international standards.

I have the impression that there is a tendency to view standards and quality as matters for specialists and not as strategic issues. It is imperative to bring standardization and quality

assurance to the boardrooms of businesses as strategic issues to be dealt with by senior management. A new impetus has been given to international standards by the WTO Agreements on Technical Barriers to Trade and the Application of Sanitary and Phytosanitary Measures, which require WTO Members to base their technical regulations and sanitary and phytosanitary measures on international standards. This is one more reason why businesses should attempt to influence international standard-setting for products of export interest. Furthermore, businesses also have to demonstrate that they abide by the rules. This, indeed, is complex and costly, and exporters often have to rely on foreign certification bodies to do it. Hence, business should have a direct interest in supporting the development of an efficient national infrastructure for conformity assessment. This would eventually facilitate mutual recognition agreements between their country and its main trading partners.

These issues have been addressed in Volume One of a recent joint Commonwealth Secretariat/ITC publication entitled *Influencing and Meeting International Standards – Challenges for developing countries.* The book, based on case studies conducted in six countries, highlights technical assistance needs in the area of technical regulations and sanitary and phytosanitary measures. It also makes recommendations on ways for developing countries to overcome their difficulties in participating effectively in international standardization activities. These recommendations will be discussed at a workshop early next year. The workshop will also investigate the desirability and feasibility of helping with mentoring and twinning arrangements under which assistance would be given to developing and emerging countries to improve their participation in international technical committees for products of special export interest to them. To succeed, this initiative needs the support of influential people in business, industry and government.

We believe that it would also be helpful to prepare information packages for developing and transition economies explaining how international standards are developed and how industry and business contributions can help keep them responsive to national requirements for quality and safety and not develop into barriers to trade. These packages would give actual success stories and highlight international standardization benefits in financial terms. They would be used to create greater awareness about the importance of business taking a more active interest in standardization activities at both national and international levels. Participation in international standardization work is not the exclusive responsibility of national standards bodies; it is also that of business and industry. Here I see an opportunity for ISO and ITC to jointly explore ways to ensure more effective participation of the developing world in the preparation of international standards. ISO could enlist the support of national standard-setting bodies and ITC that of business and industry associations and trade support institutions.

In this connection, we have developed an information package on *Improving and Maintaining Market Access through Standards and Conformity Assessment*. The package has been used in various countries, including in four Central Asian CIS countries under a project funded by **seco**, the Swiss State Secretarial for Economic Affairs. It has fulfilled a pressing need for information on the role of standards and conformity assessment in free-market economies. Under the project, ITC also provides advice on legislation to bring the new technical regulatory infrastructure into line with international requirements. One country has already accepted most of the ITC recommendations regarding the new law on technical regulations.

Finally, I believe that standard-setters and quality professionals have to avoid the trap of "preaching to the converted". We need to bring the message of standardization and conformity assessment to forums where senior businesspeople, industry and government representatives meet on related subjects.

ITC makes efforts in this regard. We organize an annual Executive Forum to share best practices in national export strategy design and management with public sector strategy-makers and leading representatives of the export community. At the 2001 Executive Forum, we had a breakout session on Standards and Quality, which led to a chapter on "Quality First" in the

follow-up publication entitled *Is Your Trade Support Network Working*? At a Business Sector Round Table for Least Developed Countries on *Converting LDC Export Opportunities into Business* we made a presentation on the importance of quality and standards for the export competitiveness of LDCs. I would be pleased if ISO could make presentations on the strategic importance of standardization in some of our forums for senior managers and policy makers.

It is said that developing countries have been "standard-takers" rather than "standard-makers". Our challenge is to convince senior people in business, industry and government that it is to their advantage to become "standard-makers" for products they wish to export. This would require a more solid national infrastructure for standards and conformity assessment. This has a cost. Once business clearly sees its benefit, it should be ready to share in this cost.

There are no short-cuts or quick fixes for understanding and benefiting from international standardization but the potential benefits for all exporters are high. I invite ISO and ISO members to work with us to make developing countries and economies in transition enthusiastically involved in the quality world. All will benefit from this.

