

Technical Standards in International Trade: the EU Perspective

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Technical norms and standards – governmental perspective

- Governmental measures – concern domestic and imported products on the market = autonomous decision
- Governmental policy aimed at protection of consumers and environment = necessity
- Increases prices for final consumers and for consumption in production and through the price, it limits access to the product
- Could be used as a protectionist measure in order to protect domestic (infant) industry
- Certification by governmental institutions: governmental income

Technical norms and standards – consumers perspective

- Increase of prices for final consumers and for consumption in production
- Security in technical parameters and quality, use of products is not risky

Technical norms and standards – companies perspective

- Entry at the foreign market: economy of scale, benefits from specialization (comparative advantages, first on market advantages, ...)
- Condition of the target market - compliance with norms
- Increase of costs as an impact of implementation of technical norms and standards
 - Access to and costs of technical norms legislation
 - Fine tuning on the basis market to market → increase of prices → decrease of sales (economy of scale ?)
 - Conformity assessment: procedure, cost of testing
- Certification mark → added value to the brand

Dilemma of technical norms and standards

- Protective impact of technical norms and standards for international trade cannot be avoided by their elimination
- Solution? Protective and distortive impact can be neutralize through harmonization

Harmonization

- Same technical norms and standards in all countries of the world – a dream
- Reality:
 - harmonization at multilateral level (step by step, sector by sector, involving more and more countries)
 - harmonization at bilateral level
 - integration blocs

Technical norms and standards – reflected in international trading system

- GATT Agreement: Technical barriers to trade provisions - embedded into the World Trade Organization
- Free Trade Agreements
- Mutual Recognition Agreements
- Common or Single Markets

International Standardization Organizations

- International Standardization Organization (ISO)
- International Electro-technical Commission (IEC)
- International Telecommunication Union (ITU)

Standards, guidelines or recommendations for procedures of conformity assessment .

Harmonization in EU

- New approach 1985 (policy objectives achievement matters, not the manner)
- Reason: single market (from 1993)
- Mutual trust between EU Members - equivalence mutual recognition of technical regulation (*what is good for consumers in one EU country, is good for consumers in other EU countries as well*)

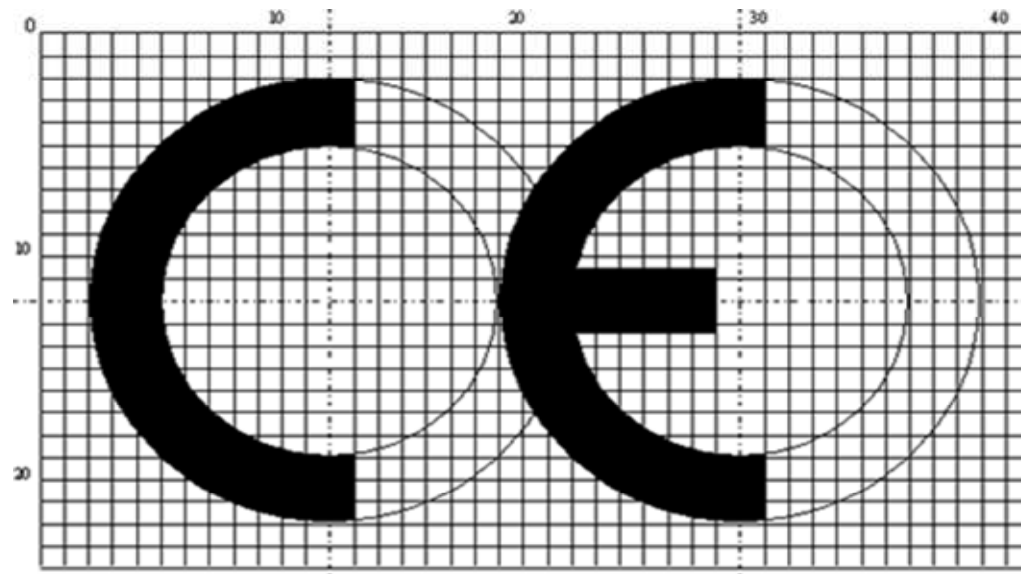
Voluntary x mandatory

- Majority of standards: compliance on voluntary basis
- Some areas (toys, electronic devices, medical and sanitary instruments, lifts, machines and measurement devices) regulated – compliance is mandatory

Attestation

- Compulsory in regulated areas
- Other: voluntary (increases competitiveness)
- Means:
 - certificates and marks of conformity
 - results of tests carried out by a third party
 - declaration of conformity issued by the manufacturer

Conformity of a product with European technical standards



European Standardization Organizations (ESOs)

- European Commission for Standardization (CEN),
- European Commission for Electro-technical Standardization (CENELEC)
- European Telecommunications Standards Institute (ETSI)
- Vienna and Dresden agreements with international organizations → identical standards, decrease of their number

Today and tomorrow

- 2010-2013 Action Plan for European Standardization: concrete steps, modernizing and improving the European standards setting (faster and more inclusive)
- Vision for 2020: a system of standards that will - in response to needs of enterprises, society and public bodies - simplify and fasten all related procedures in order to deepen financial benefits from standardization



Thank you for your attention

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