



# Non-Tariff Measures

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# What are Non-Tariff Measures (NTM)?

- Other than duties:
  - Standards and procedures
    - SPS
    - TBT
  - Customs procedures
  - Security measures (9/11)
  - Etc.

Non-tariff measures more and more important as tariff barriers fall



# Standards in the EFTA States Technical Barriers to Trade (TBT) Sanitary and Phytosanitary Standards (SPS)

- Standards in EFTA based on WTO and EU regulations
- Adherence is mandatory to enter EFTA/European markets



# Specific WTO-GATT Agreements

Two specific WTO Agreements dealing with:  
food safety, animal and plant health and safety, and  
with products standards in general:

- SPS (sanitary and phytosanitary) agreement
- TBT (technical barriers to trade) agreement



# What is WTO?

- The World Trade Organization (WTO) sets out the rules of international trade and sort out the trade problems
- The WTO agreements provide the legal ground-rules for international commerce:
  - to help producers of goods, exporters and importers conduct their business, while allowing governments to meet social and environmental objectives.



# Principles of the WTO

- **Trade without discrimination**
  1. **Most-favoured-nation (MFN):** treating products originating in all countries equally
  2. **National treatment:** Treating foreigners and locals equally
- **Gradual liberalisation of trade through periodical negotiation**
- **Predictability:** through binding and **transparency**
- Promoting fair competition
- Encouraging development and economic reform



# Why the WTO TBT Agreement?

- Technical regulations and standards are necessary
- But technical regulations and standards vary a lot
- Different regulations or standards makes life difficult for producers and exporters
- Standards as obstacles to trade

**How can we ensure that standards are really useful, and not arbitrary or an excuse for protectionism?**



# EFTA Agreements with the EU

## EEA

- Requires Norway's and Iceland's application of EU's legislation.  
<http://secretariat.efta.int/Web/EuropeanEconomicArea/EEAAgreement/annexes/annex2a.pdf>

## Bilateral agreements

- Switzerland has bilateral EU agreements (also applied by Liechtenstein).
- **These standards must be followed by all importers to the EFTA/EU markets**



# TBT

Technical barriers to trade



# Principles of the WTO TBT Agreement

- Regulations and certification procedures shall not create unnecessary obstacles
- Adoption of appropriate standards for interests of overriding importance
- Applying of international standards
- No discrimination: between countries or between domestic and external products
- Recognition of conformity assessments procedures
- Notification of all new or changed regulations



# Technical regulations and standards

Technical regulations and standards are dealing with :

- product characteristics
- process or production method
- terminology
- packaging
- marking or labelling requirements

Technical regulations must be mandatory!

Sometimes stricter market standards apply!



# TBT Agreement

- Legitimate objectives listed
- Non-listed objectives can be challenged
- Aims to ensure that regulations, standards and testing and certification procedures do not create unnecessary obstacles to international trade
- Notification procedure



# Technical regulation

- Three elements that a document must meet in order to fall within the definition of “technical regulation” in the WTO Agreement:
  - Apply to an identifiable product or group of products
  - Lay down one or more characteristics of the product
  - Compliance with the product characteristics must be mandatory
- Technical regulations must be mandatory



# EFTA-SACU FTA ARTICLE 13

## *Technical Regulations, Standards and Conformity Assessment*

- WTO Agreement on Technical Barriers to Trade
- Co-operation
- Consultations



# Product labelling and packaging

- <http://europa.eu/scadplus/leg/en/s16600.htm>



# Technical requirements

- Labelling
- Quality requirements  
Labelling
- Packaging requirements
- Electrical appliances
- Testing vehicles and accessories
- Safety requirements



# CAP → MRA

(conformity assessment procedures -> mutual recognition agreements)

Bilateral recognition of a CAP → Mutual recognition agreement (MRA)

- EU – EEA MRA (Prot. 12 of the EEA agreement)
- EU – CH MRA (June 2002)



# Norway, Iceland and the EU

- Most of Norwegian and Icelandic technical regulations and standards are the same as the EU
- There are only a few remaining substances where Norway has stricter provisions than the EU
- As Mutual Recognition Agreements (MRAs) extend the EU Internal Market the EEA/EFTA States may not conclude MRAs with countries outside the EU which do not already have an agreement with the EU
- <http://www.standard.no/>
- <http://www.stadlar.is>



# Switzerland

- Mutual Recognition Agreement between EU and Switzerland
- Federal Law on Technical Barriers to Trade
- Its article 4 states that technical legislation has to be drafted in such a way that it does not create trade barriers
- However, exceptions...

<http://europa.eu.int/comm/enterprise/international/indexb1.htm>

- Liechtenstein for the most part applies Swiss technical regulations and standards deriving from its customs union with Switzerland.



## Specific regulations between Switzerland and the EU

- Machinery
- Personal Protective Equipment
- Toys
- Medical Devices
- Gas appliances and boilers (Hot water boilers)
- Pressure vessels
- Building products
- Electrical equipment
- Measuring instruments and pre-packages
- Motor Vehicles
- Agricultural and forestry tractors
- Good Laboratory Practice - GLP
- Medicinal products, Good Manufacturing Practice (GMP), inspection batch and certification



# TBT Conclusions

- Find importers in the relevant country – they know the regulations and market requirements
- The EU/EFTA-Market has a high level of standards and is based on international criteria
- Quality and safety are the Key aspects of the adopted requirements
- Knowledge and science
- Influence and development through international cooperation
- A consumer's perspective



## International Standardisation organisations

- [www.iso.org](http://www.iso.org)
- [www.IEC.ch](http://www.IEC.ch)
- [www.itu.int](http://www.itu.int)

## Corresponding European Standardisation organisations

- [www.cenorm.be](http://www.cenorm.be)
- [www.cenelec.org](http://www.cenelec.org)
- [www.etsi.org](http://www.etsi.org)



SPS



# WTO SPS Agreement

- How do you ensure that consumers are supplied with safe food?
  - And how can you ensure that safety regulations will not be used as an excuse for protecting domestic producers?
- SPS (Sanitary and Phytosanitary) Agreement sets out the basic rules



# Principles of the WTO SPS Agreement

- Countries are allowed to set their own standards but regulation must be based on **scientific justification**
- Regulations should be applied only to protect human, animal or plant life or health.
- **No discrimination** between countries and between domestic and external products
- Countries are encouraged to use international standards
- **Transparency:**
  - Notification of new or changed SPS-regulations
  - Enquiry point must provide Information
  - Legal framework



# EFTA-SACU FTA

## ARTICLE 14

### *Sanitary and Phytosanitary Measures*

- WTO SPS Agreement
- Co-operation
- Expert consultations and contact points
- Domestic Legislation
- Support of the standards set by the international bodies



# International regulations

International regulations as bases for national regulations

Standard setting bodies:

- CODEX (foodstuffs)
- OIE (animals)
- IPPC (plants)



# What are SPS Measures?

- Certification requirements: food safety, animal or plant health
- Processing methods with implications for food safety
- Plant and animal quarantine
- Preventing disease or pests spreading
- Other sanitary requirements for imports



# EU – Food Safety

- "Food scandals" (=feeding stuffs!) in Europe
- New orientation – safety and consumer protection first
- Rapid alert system
- Regulators left with no choice – high level of protection must be applied
- Food law (umbrella legislation) and Hygiene package
- Food chain approach – from "farm to fork"
- Producers are responsible for food safety
- Scepticism towards "artificial" techniques, such as growth promoters, radiation, antibiotics, GMO etc.
- New Animal Health Strategy and Animal Welfare Action Plan – important also to third countries



# EU/EEA

- The general principle is that authorised third countries and third country establishments must comply with the EU rules
  - Information on legislation:
    - <http://europa.eu/scadplus/leg/en/s85000.htm>
    - [http://europa.eu/pol/food/index\\_en.htm](http://europa.eu/pol/food/index_en.htm)



# SPS in EFTA

- EEA agreement, 1994
- WTO/SPS agreement, 1995
- Switzerland-EU bilateral agriculture Agreement, 2002
  
- From official controls towards private responsibility
  - Notification Point
  - Enquiry Point



# An export oriented industry

- Cooperate with public sector in own country
- Cooperate with scientific institutions (provide information etc.)
- Comply with official requirements in the importing country
- Comply with the market requirements
  - health/hygiene
  - quality/consumer taste
  - private standards
- Advisable:  
int. standards (CODEX, OIE, IPPC) = "quality stamp"



# SPS – Conclusions

- A consumer's perspective
- Knowledge and Science
- Influence and development through international cooperation
- Export to EFTA?
  - Base Production on international standards
  - Follow EU regulations!
  - Find an Importer in the relevant country
  - Aim for products that are missing on the market



# Safe food for Europe's consumers

- From farm to fork:  
[http://ec.europa.eu/publications/booklets/move/46/index\\_en.htm](http://ec.europa.eu/publications/booklets/move/46/index_en.htm)
- White Paper on food safety:  
[europa.eu.int/comm/dgs/health\\_consumer/library/pub/pub06\\_en.pdf](europa.eu.int/comm/dgs/health_consumer/library/pub/pub06_en.pdf)
- Consumer Voice (magazine on EU consumer policy):  
[europa.eu.int/comm/dgs/health\\_consumer/library/pub/index\\_en.html](europa.eu.int/comm/dgs/health_consumer/library/pub/index_en.html)
- The European Commission's food safety website:  
[europa.eu.int/comm/food/index\\_en.html](europa.eu.int/comm/food/index_en.html)
- The European Commission's agriculture and food website:  
[europa.eu.int/comm/agriculture/foodqual/index\\_en.htm](europa.eu.int/comm/agriculture/foodqual/index_en.htm)
- The European Food Safety Authority website:  
<efsa.eu.int/>
- The rapid alert system for food and feed website:  
[europa.eu.int/comm/food/food/rapidalert/index\\_en.htm](europa.eu.int/comm/food/food/rapidalert/index_en.htm)



# Questions ?

- Questions related to  
SPS EFTA - SACU  
FTA

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