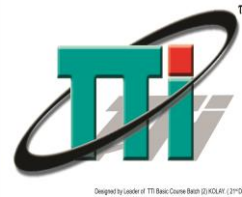


WTO TBT and SPS Agreements

3 April 2014

Centre for WTO Studies

India



Rajan Sudesh Ratna

***Economic Affairs Officer
Trade Policy Section
Trade and Investment Division
UNESCAP, Bangkok***

***ratna@un.org
rsratnaun@gmail.com***

Standards and safety: Objectives

- Article XX of the General Agreement on Tariffs and Trade (GATT) allows governments to act on trade in order to protect human, animal or plant life or health, provided they do not discriminate or use this as disguised protectionism.
- In addition, there are two specific WTO agreements dealing with food safety and animal and plant health and safety, and with product standards in general. Both try to identify how to meet the need to apply standards and at the same time avoid protectionism in disguise:
 - Agreement on Technical Barriers to Trade (TBT Agreement.)
 - The Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement).

- **Countries require certain standards for protection of the health and safety of their people.**

Two types of Standards :

- ❑ **Mandatory Standards**
- ❑ **Voluntary Standards**

Technical Barriers to Trade

TBT Agreement: the coverage

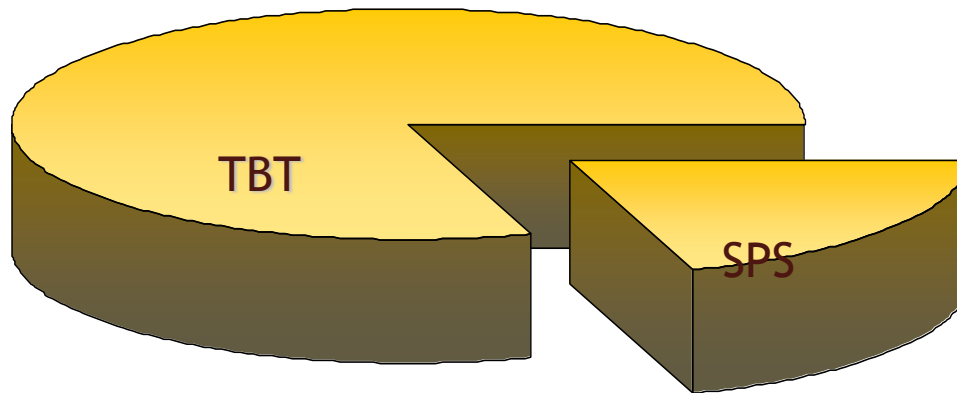
Art. 1.3

"All products, including **industrial** and **agricultural** products, shall be subject to the provisions of this Agreement."

The TBT Agreement

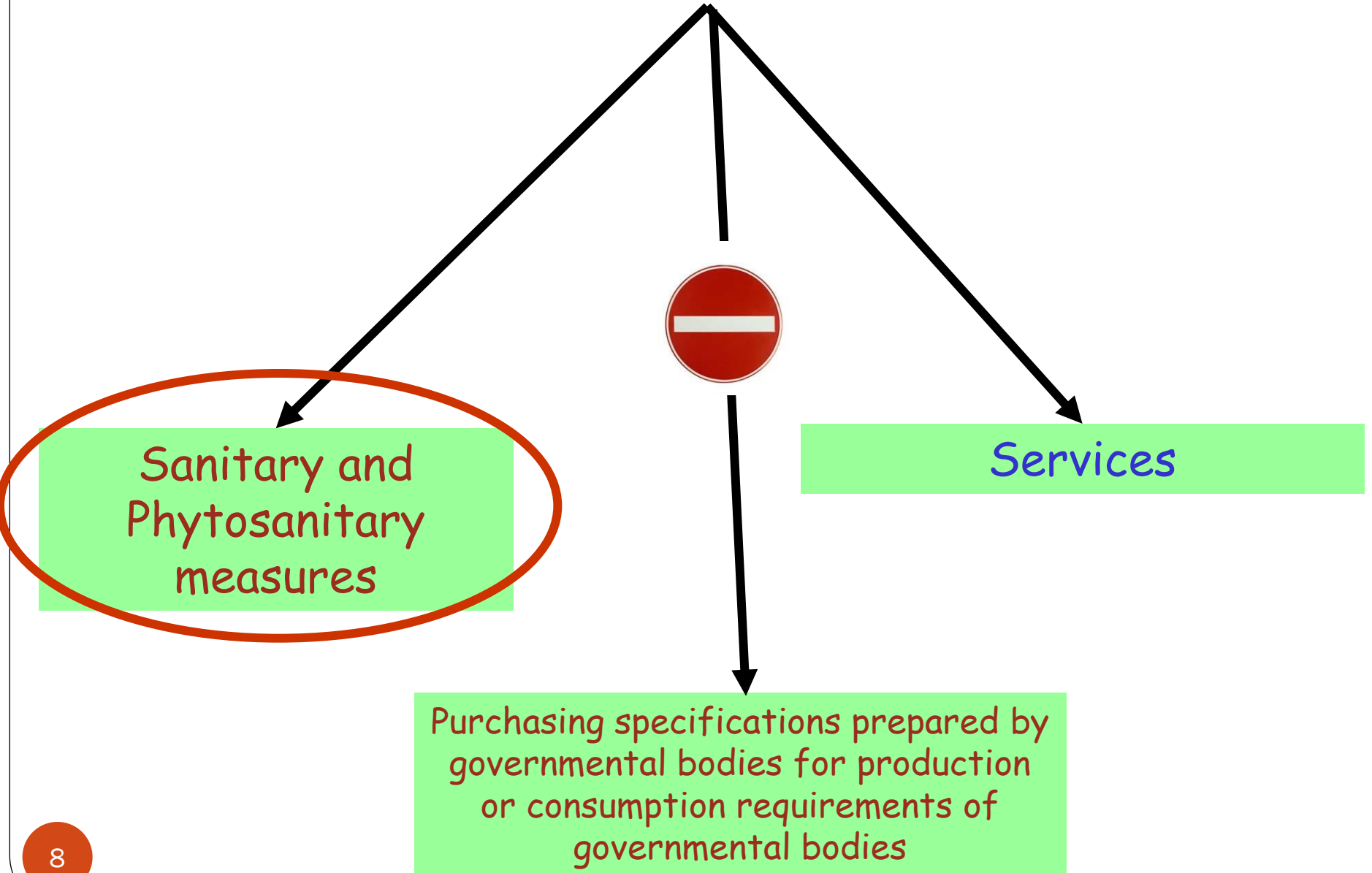
It applies to all

- + technical regulations (mandatory)
- + standards (voluntary)
- + conformity assessment procedures



But: its provisions do **not** apply to SPS measures

The TBT Agreement does not cover



Standards

- International standards
- If standards are not based on international standards: notify to WTO members seeking their comments on draft regulation.
- Conformity assessment procedures
- For voluntary standards Code of good practices applies

Sanitary and Phytosanitary Measures (SPS)

What is the purpose of the SPS Agreement?

The right to protect human, animal or plant life or health



Avoiding unnecessary barriers to trade

SPS Agreement - Basic Right

“Members **have the right** to take sanitary and phytosanitary measures **necessary** for the protection of human, animal or plant life or health, provided that such measures are **not inconsistent** with the provisions of this Agreement”

SPS Measures

A measure taken to protect:

Human or
animal health

from

risks arising from additives,
contaminants, toxins or disease
organisms in food, drink, feedstuff

Human life

from

plant- or animal-carried diseases

Animal or
plant life

from

pests, diseases, disease-causing
organisms

A country

from

other damage caused by entry,
establishment or spread of pests

TBT measures typically deal with

- Labeling of food, drink and drugs
- Quality requirements for fresh food
- Packaging requirements for fresh food
- Packaging and labeling for dangerous chemicals and toxic substances
- Regulations for electrical appliances
- Regulations for cordless phones, radio equipment etc.
- Textiles and garments labeling
- Testing vehicles and accessories
- Regulations for ships and ship equipment
- Safety regulations for toys
- Etc.....

SPS measures typically deal with

- Additives in food or drink
- Contaminants in food or drink
- Poisonous substances in food or drink
- Residues of veterinary drugs or pesticides in food or drink
- Certification: food safety, animal or plant health
- Processing methods with implications for food safety
- Labeling requirements directly related to food safety
- Plant / animal quarantine
- Declaring areas free from pests or disease
- Preventing disease or pests spreading to a country
- Etc.....

NATIONAL ENQUIRY POINT

TBT

- Director General
Myanmar Scientific and
Technological
Research Department,
Ministry of Science and
Technology,
Yangon, Myanmar

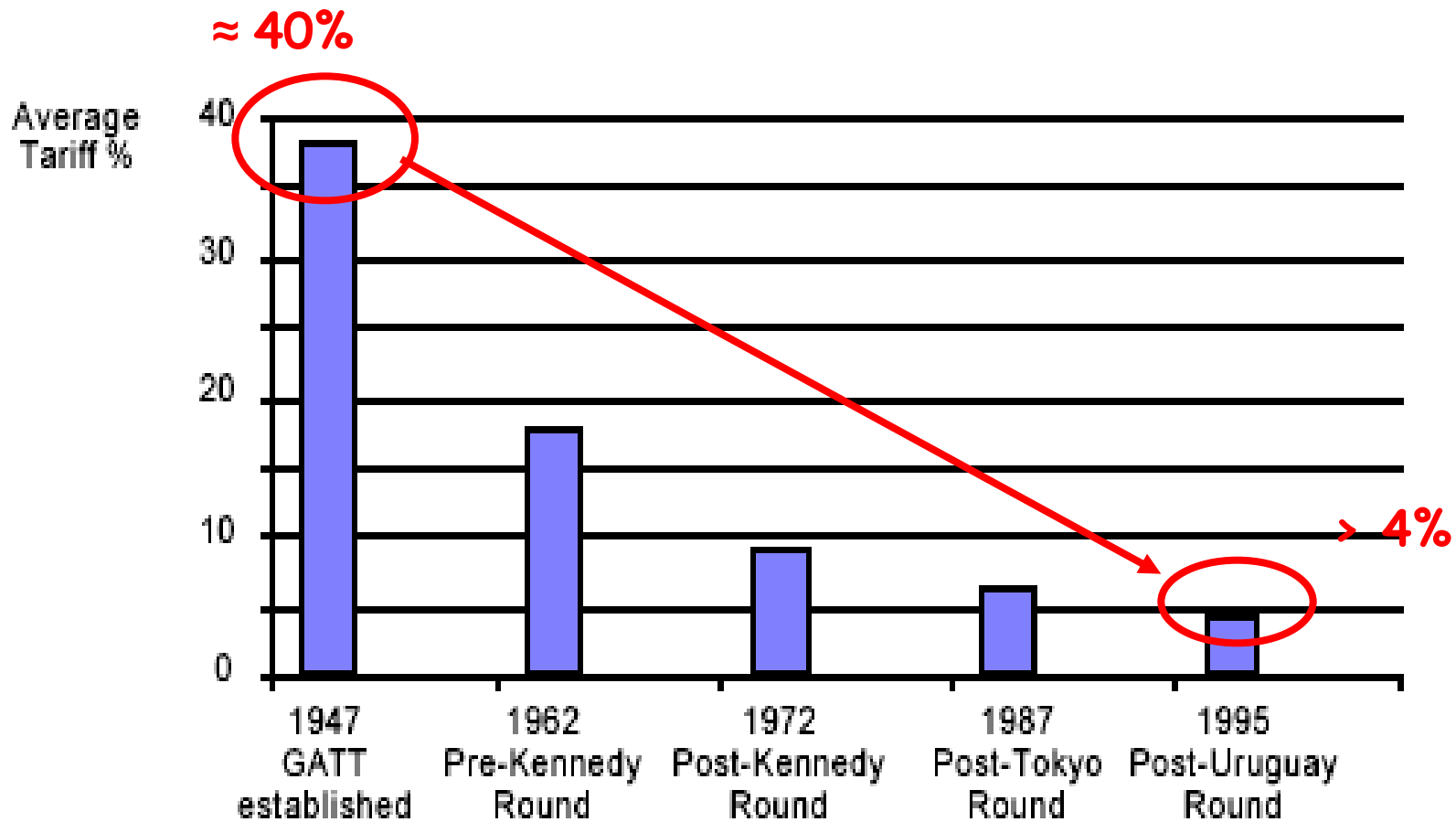
SPS

- Directorate of Investment
and Company
Administration (DICA),
Ministry of National
Planning and Economic
Development, Merchant
Street, Yangon, Myanmar

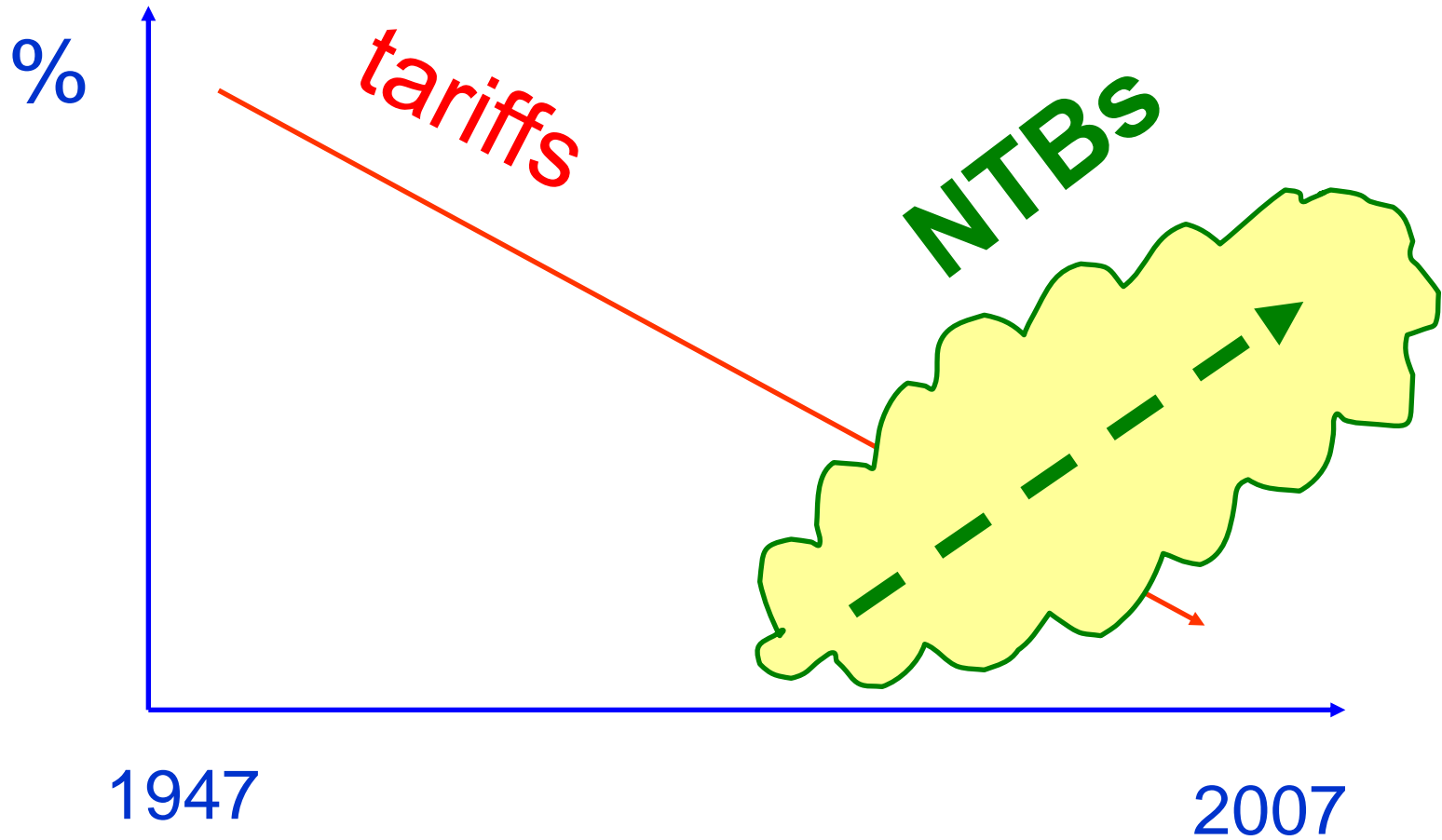
**Are
Non-Tariff Barriers
important?**



Overall, import weighted tariff on industrial products



Source: WTO



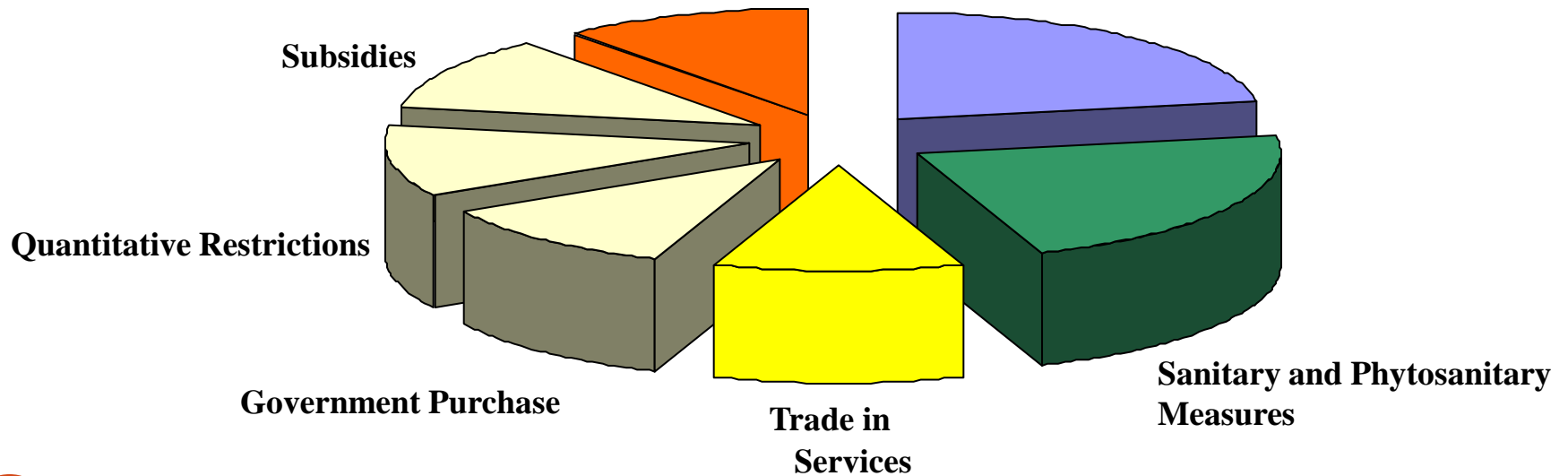
1947
Source: WTO

2007

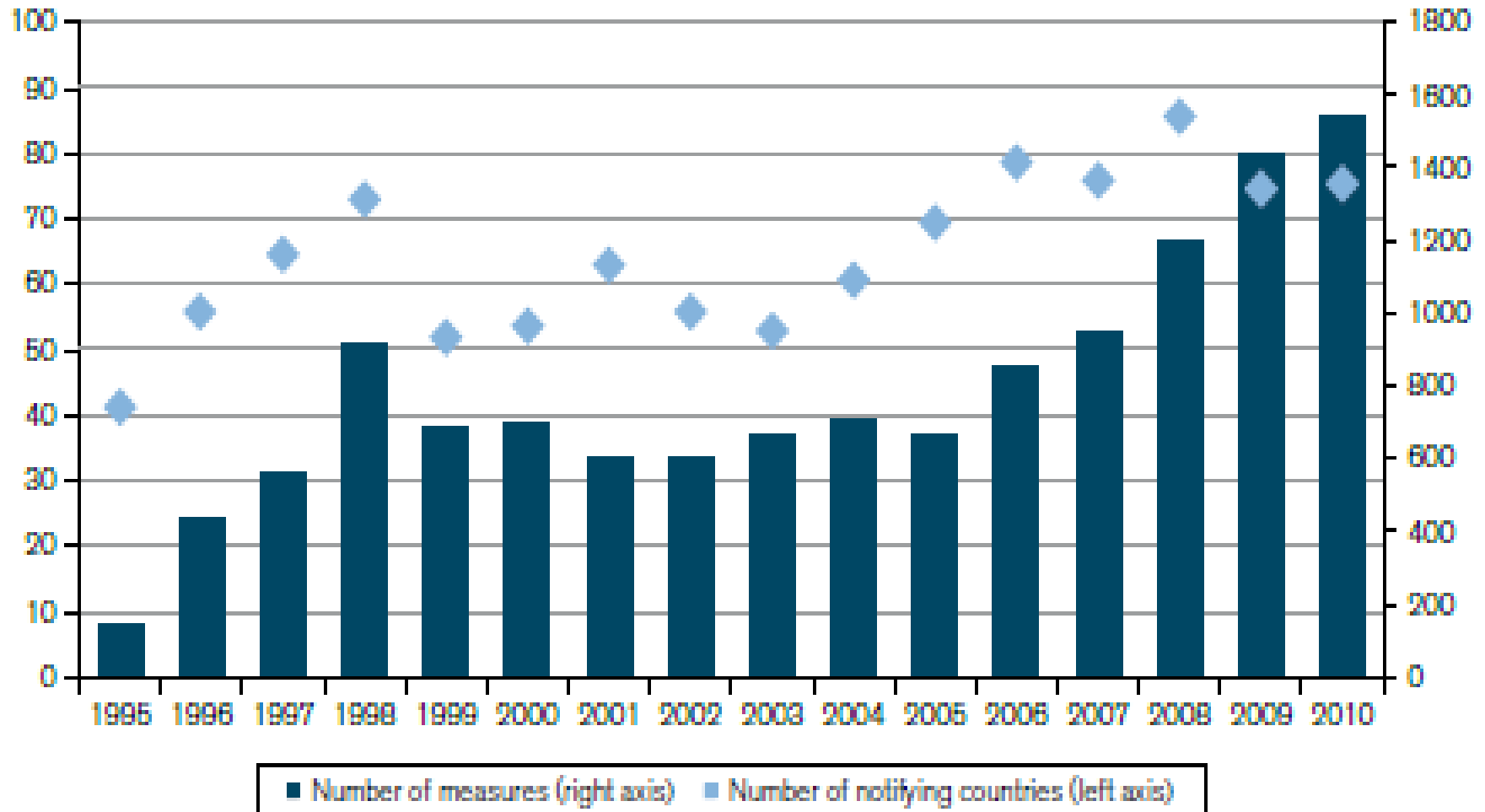
Non-tariff Measures

**Trade-related Intellectual
Property rights**

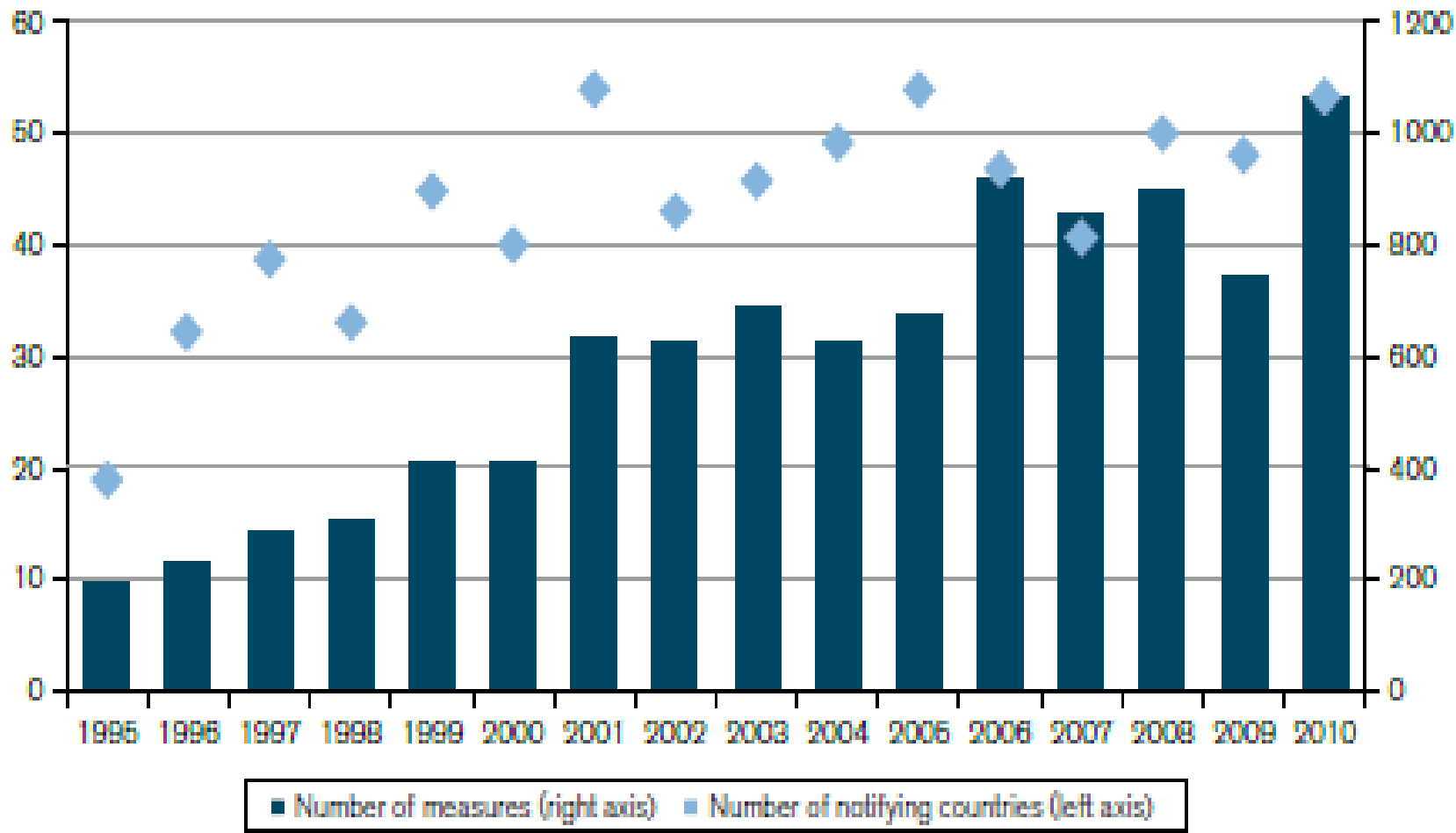
Technical Barriers to Trade



TBT notifications to WTO (1995 - 2010)



SPS notifications to WTO (1995 – 2010)



EXERCISE

Exercise: case of bottled water



MEASURE - I



**Materials
that can be
used because
safe for
human health**

SPS

MEASURE - II



Requirement:
no residues
of
disinfectant,
so water not
contaminated

SPS

MEASURE - III

Permitted size
of bottle to
ensure
standard

TBT



MEASURE - IV



Permitted
shape to
allow
stacking and
displaying

TBT

MEASURE - V

Government health
warning:

**“SMOKING IS
INJURIOUS TO
HEALTH”**

Warning:

**Objective – Human
Health**

Label appearance:

**Typography, colour, size,
position etc.**

TBT

**(Though the
objective is health,
its not for food)**

Thank You