Air-Conditioning and Refrigeration Institute
American Petroleum Institute
American Society of Mechanical Engineers International
American Society of Nondestructive Testing
ASTM International
International Code Council
NACE, International
National Electrical Manufacturers Association
National Fire Protection Association, International
Society of Automotive Engineers, International
Underwriters Laboratories, Inc.

April 2, 2002

The Honorable Robert B. Zoellick U.S. Trade Representative 600 17th Street, NW Washington, DC 20508

Dear Ambassador Zoellick:

This letter addresses the issue of standardization in trade agreements, the U.S. approach to international standardization, and the provision on standards in the current draft proposal of the FTAA Agreement.

The undersigned represent many of the major U.S.-based standards developing organizations. Together we have a membership of over 300,000 scientists and engineers worldwide. The standards developed by these experts are international in scope and use. Their effect on trade is significant, and the prohibition or deterrence of their use adversely affects the economy of the United States.

There are those among our trading partners who adhere to the notion that the development of voluntary international standards is within the sole purview of two standards organizations: the ISO (International Organization for Standardization), and the IEC (International Electrotechnical Commission) based in Geneva. Because of the great diversity that exists in the U.S., some industries are able to apply these standards, access markets, and remain competitive. But there are many who cannot. For them, the appropriate standard may not exist, or it may exist on a technical level that is not sufficiently advanced. The standard in question may even lend itself to the interests and regulatory agendas of a competitive economy.

Dynamic sectors, such as the ones we represent, must be able to seek international standards solutions that do not thwart their ability to trade.

At present, the FTAA draft Agreement's Section on Market Access and Technical Barriers to Trade contains a definition that would limit international standards solutions and place some U.S. industry sectors at a disadvantage. The language used to define an International Standardization Body makes specific reference to the member-body based

organizations (ISO and IEC), pointedly excluding all other voluntary standards organizations that develop international standards. At present, the text is bracketed.

We have registered our view with Ms. Suzanne Troje that the bracketed language does not represent the range of views and the various standardization processes that exist within the United States. We understand that at present the U.S. Government has not made a proposal in this area.

We also understand that the position taken by the USTR within the WTO Committee on Technical Barriers to Trade has been that bodies which operate with open and transparent procedures and that afford an opportunity for consensus among all interested parties will result in standards which are relevant on a global basis and prevent unnecessary barriers to trade. In other words, the position of the USTR has been that the process of international standardization and the relevance and fair trade aspects of the resulting standards are related more to principles than to the structure of institutions. We agree wholeheartedly.

Thanks to the extraordinary efforts of Ms. Troje, these principles have been effectively shepherded through the Second Triennial Review of the Operation and Implementation of the WTO/TBT Agreement and are articulated in Annex 4 of that review. It is the view of all our organizations that these principles go to the heart and spirit of the TBT Agreement, and can be and should be applied to any agreement that has as its aim the elimination of technical barriers to trade. We also assert that the position articulated in Annex 4 is representative of the full range of processes that support and advance U.S. trade.

To that end, we propose that the FTAA draft language in brackets be replaced by the following:

"The Parties recognize that international standards, guides or recommendations must have been elaborated following the set of principles set forth in the WTO Committee on Technical Barriers to Trade, "Decisions and Recommendations adopted by the Committee since 1 January 1995", G/TBT/1/Rev.7, 28 November 2000, Section IX (Decision of the Committee on Principles for the Development of International Standards, Guides and Recommendations with relation to Articles 2,5, and Annex 3 of the Agreement)", i.e., Annex 4.

We recognize that the acceptance of these principles in the WTO/TBT Committee was a significant step forward for those who hold the view that there are multiple paths to international trade, and that it was a tremendous achievement. We again commend the USTR and especially Suzanne Troje upon its success and we offer our thanks for its staunch support of the U.S. standardization system. We support the objectives of the WTO/TBT Agreement and we will support every effort to replace the current FTAA draft Agreement language with language that is inclusive of U.S. practices and trade interests.

In this regard, we would very much like to have a meeting with you to discuss this issue and answer any questions you might wish to put to us. Thank you for your consideration.

Sincerely,

William G. Sutton, President, Air-Conditioning and Refrigeration Institute

S. William Frick William Frick, Vice President, American Petroleum Institute

Thomas S. Passek, Executive Director, American Society of Nondestructive Testing

June Ling, Associate Executive Director, American Society of Mechanical Engineers International

James Thomas, President, ASTM International

W.J. Taype

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Jem Thomas

William J. Tangye, Chief Executive Officer, International Code Council

Jeff Littleton, Executive Director, NACE International

Malcolm O'Hagan, President, National Electrical Manufacturers Association

George Miller, President and Chief Operating Officer, National Fire Protection Association, International

Kegmend J. Morris

Deorge D. Miller

Raymond A. Morris, Executive Vice President, Society of Automotive Engineers, International

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Donald A. Mader, Executive Vice President and Chief Operating Officer, Underwriters Laboratories, Inc.

Cc: Ms. Dorothy Dwoskin Ms. Suzanne Troje Mr. Bennett Harmon