

July 29, 1998

Ms. Gloria Blue  
Executive Secretary  
Trade Policy Staff Committee  
Office of the US Trade Representative  
600 17<sup>th</sup> Street, NW, Room 501  
Washington, DC 20508

**RE: COMMENTS ON THE INITIAL US OBJECTIVES FOR THE NINE  
NEGOTIATING GROUPS OF THE FREE TRADE AREA OF THE AMERICAS (FTAA)**

On behalf of JBC International and pursuant to the July 6, 1998 Federal Register notice, we respectfully submit these comments in response to USTR's solicitation for comments on the initiation of Free Trade Area of the Americas (FTAA) negotiations. In particular, USTR expressed an interest in receiving comments on the initial objectives for the nine negotiating groups.

JBC International is a trade and lobbying group based in Washington, DC with clients ranging from associations to multinational corporations. JBC covers a wide variety of international issues, including standards and technical barriers to trade.

According to the Department of Commerce, standards affect at least \$150 billion in US exports and act as barriers to trade. Under the World Trade Organization (WTO), Agreement on Technical Barriers to Trade (TBT), signatories decided to use internationally agreed upon standards when feasible. As a result, the Geneva-based International Organization for Standards (ISO) has become a key organization in standards development. European nations have maintained a consistent standards-setting strategy with emphasis on influencing the content of international standards to their benefit, especially within ISO. We encourage the US Market Access Negotiating Group and other FTAA member country negotiators to encourage participation in international standards development, specifically within the International Organization for Standardization (ISO), International Electrotechnical Commission (IEC), and the International Telecommunications Union (ITU). If FTAA members establish a united front with strong technical input in these international organizations, the result should be fewer technical barriers to trade for FTAA countries.

In order to ensure open markets within the FTAA, it is important for the negotiating parties to eliminate the use of non-tariff barriers (NTBs) as means of restricting trade between signatories. Although the reduction of tariff levels is also significant to trade, NTBs are often more prohibitive measures. Transparency and mutual recognition are important concepts that must be encouraged in the negotiations. US negotiators should support the inclusion of the notification process established in the Agreement on Technical Barriers to Trade (TBT). Notifying members of proposed regulations and allowing for public comments reinforces the idea of transparency. In addition, mutual recognition of certification systems eliminates the need

for products to be tested and certified more than once. If certification procedures are comparable, there is no need to require companies to duplicate tests already performed and incur significant additional costs.

With respect to agricultural products, we also concur with the US position that the provisions established in the WTO Application of Sanitary and Phytosanitary Measures (SPS) should be consistent with the FTAA. In order to prevent the unjustified imposition of SPS measures, the SPS Agreement requires that members base the measures on scientific principles. Thus far, this has been an effective means of discouraging the use of unnecessary SPS regulations. In the event of questionable SPS measures, the WTO dispute resolution forum has provided an adequate means to resolve conflicts.

We appreciate the opportunity to submit these recommendations to the US Market Access Negotiating Group. The FTAA allows the member countries the opportunity to negotiate provisions to facilitate trade in the region. We commend US negotiators on their efforts.

Sincerely,

James B. Clawson