A Study on the Establishment of a System to Remove/Reduce Technical Barriers to Trade (TBTs) in Central and South America

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ABSTRACT

The purpose of this article is to analyze and investigate, to find out the appropriate way to remove/reduce TBT when exporting goods between Korea and Central & South America. The elimination strategy of TBT with aid of technical regulations or standards is beyond this article scope and only the conformity assessment shall be considered as the strategic measure of eliminating TBT. The scope of this article is in accord with the international standards corresponding to countries technical regulations and standards, every membership countries must prevent TBT-related Specific Trade Concern (STC) to WTO. This article analyzes international rules & systems with following research methodology. First, the article makes use of reviewing 2nd data analysis and focuses on a group interview, and then compares with an analysis of the international rules and systems, such as customs system, technical regulation, and standards through test & certification procedures and inspections. Second, this article reviews electric/electronic tests, certifications, and calibration. Third, through analyzing MRA between Korea and Central & South America, the article focuses on SDOC, Mutual Acceptance of International tests & certification and the IEC CB scheme. The results show that it is important to promote multi-track agreements with the countries that need a short-term promotion. Moreover, it is necessary to conclude an agreement with the leading countries in the Middle East and Central & South America. This article intends to draw a conclusion and make implication as follows. Through the reviews and analysis, the importance of promotion in FTA and MRA with the efforts to remove/reduce the obstacles and promote to make a remove/reduce TBT by MRA between Korea and Central & South America is shown.

KEYWORDS
Certification, FTA, MRA, Standards, TBT, Technical Regulations, Test

1. INTRODUCTION

The recent trade barriers between countries are Non-Tariff Barriers (NTBs), meaning all trade barriers are possible other than Tariff Barriers. And the most typical examples are Technical Barriers to Trade (hereinafter; TBT), which refer to measure Technical Regulation, Standards, Procedure for Conformity Assessment, etc. Therefore, in order to eliminate TBT, World Trade Organization (hereinafter; WTO) has made all membership countries automatically enter into an agreement on TBT.

In this study, the elimination strategy of TBT with aid of technical regulation or standards is excluded, and only the conformity assessment shall be considered as the strategic measure of eliminating TBT. The measure for every membership country to accord with the international standards corresponding to their technical regulations and standards is only to present TBT related Specific

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Trade Concern (hereinafter; STC) to WTO. However, each of countries retains its own conformity assessment area, and measures to settle such differences are various as well. Therefore, it is likely required an appropriate level of harmonization in them to carry forward this scheme.

Methods for the study are as follows. First, this article analyzes the earlier studies designed to eliminate/remove/reduce TBTs. Second, this article has used primary materials collected through the questionnaire-based survey to identify the difficulties and problems involved in the Korean companies exporting to Central and South America. Third, this article analyzes previous research papers and other data on eliminating or reducing TBTs. Fourth, as far as the creation and implementation of government policies are concerned, this paper has used the data on the projects that provide financial supports for the Korean exporters with regard to the costs for acquiring international accreditation standards through the organizations affiliated with the Korean government.

Suggestions of the current study include ways to eliminate and reduce TBTs. First, one can resort to the certification with International Laboratory Accreditation Cooperation (ILAC; and APLAC for Asia Pacific Laboratory Accreditation Cooperation) and the IEC System of Conformity Assessment Schemes for Electro technical Equipment and Components (IECEE) CB Scheme. Second, Korea operates an international accreditation in IT among twenty-three APEC member countries, which is also used with South and Central American countries. Third, we should help the developing countries in South and Central America commands the strategy to go around TBTs by supporting their creation and operation of testing and accrediting agencies through official development assistance.

2. EXPANSION STRATEGY TO REMOVE/EASE THE TBT

2.1. Definition of the TBT Concept

TBT is an abbreviation for ‘Technical Barriers to Trade’ while this stands for the various obstacles in terms of trade that hinder the free movement of goods and services as the trading partner countries adopt and apply different Technical Regulations, Standards, Certification Procedures and Inspection Systems, etc. from each other. TBT agreement requires the membership countries to follow the rules of ‘Harmonization’ and ‘Transparency’, when the countries adopt technical regulations, standards, and conformity assessment. The rule of ‘Harmonization’ refers to WTO membership countries enacting and reviewing the following technical regulations, standards, and conformity assessment procedures in line with international standards. The rule of ‘Transparency’ is to reveal their operating standards and technical regulations, etc. based on enacted or legislative purpose.

2.2. Tools for Distribution of TBT

TBT makes the countries to harmonize technical regulations, standards or conformity assessments with the international standards and does not occur in case of being transparent. However, the fact is that TBT occurs if a specific country does not comply with the principles above during legislation and amendment of the laws related to technical regulations, standards or conformity assessments while STC must be submitted to settle this TBT. In the conformity assessment of ICT (Information & Communication Technology) section, various methods of solution exist on TBT depending on the issue other than filing a lawsuit to WTO if a specific country operates the conformity assessment section differently from TBT.

As it is specified in the TBT agreement, the tests and the certification results implemented at the exporting country may be accepted through various channels. In other words, the tests and certification results implemented at the partner country may be recognized through Mutual Recognition Agreement (hereinafter; MRA) or the mutual acceptance plan of an internationally certified test report. Also, offshore manufacturers are able to present the conformity assessment results required by the partner country in a relatively easy way if Supplier’s Declaration of Conformity (hereinafter; SDoC) system is introduced. Accordingly, this study intends to discuss the conclusion of MRA, introduction of
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