

Chemicals

Future UK international trade policy, barriers to trade, and priority markets



Department for
International Trade

**BUSINESS
IS
GREAT**

BRITAIN & NORTHERN IRELAND



Why 'Free Trade Agreements'?

DISCRIMINATION

Treaties...

**... always about freedom/constraint
of government
(give and take)**

The World Trade Organisation (WTO)

Marrakesh Agreement Establishing the World Trade Organization



WORLD TRADE
ORGANIZATION



General
Agreement on
Tariffs and Trade
(GATT)



General
Agreement on
Trade in Services
(GATS)



Agreement on
Trade-Related
Aspects of
Intellectual Property
(TRIPS)

Ways of addressing barriers: Free Trade Agreements (FTAs)

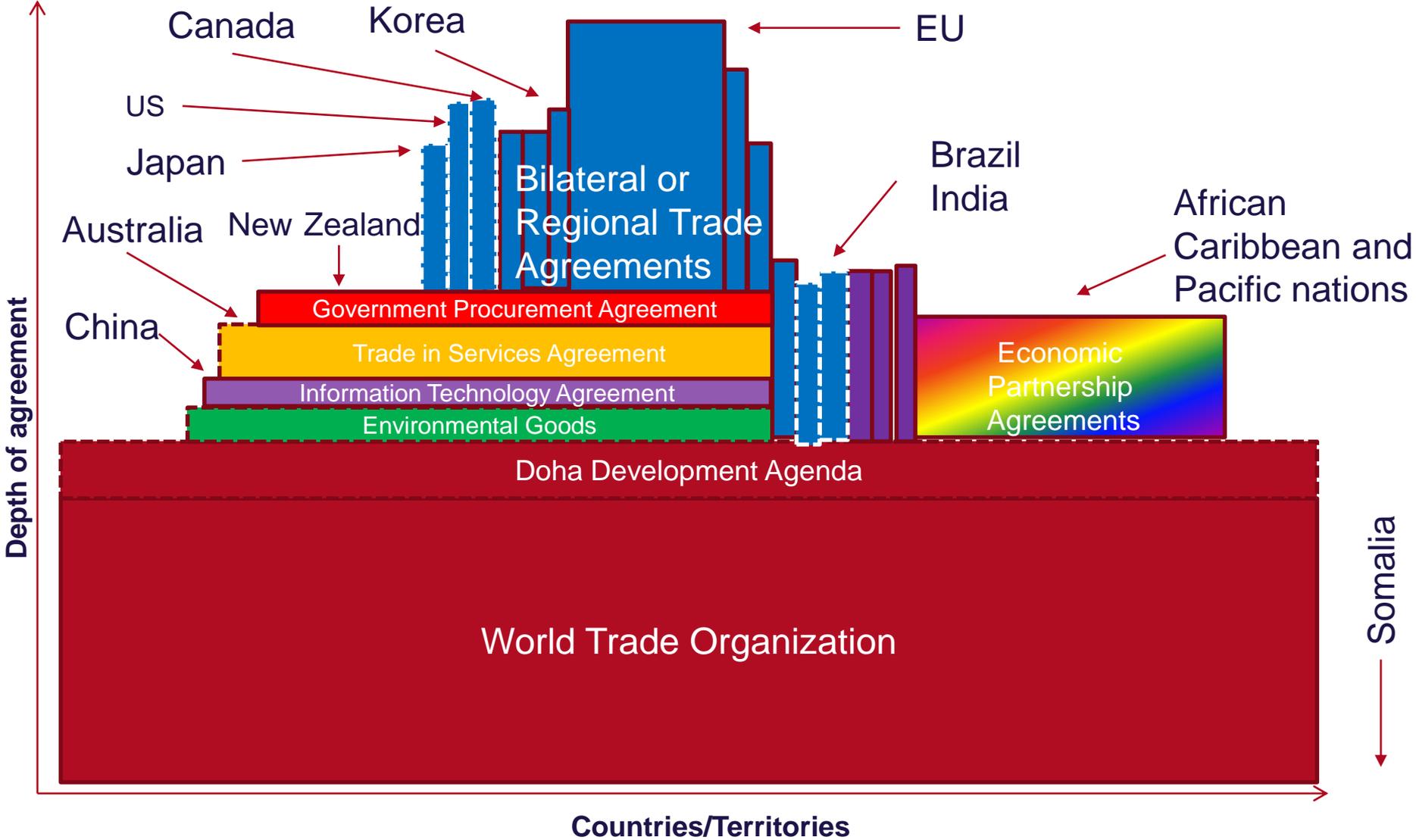
A Free Trade Agreement is a Treaty between two or more countries to establish a free trade area where commerce in goods and services can be conducted across their common borders without tariffs or other unnecessary barriers.



FTAs...

- Can be bilateral or have several Parties
- Must cover 'substantially all' trade
- Are an exception from the MFN rule and must be notified to the WTO

Ways of addressing barriers: a complex architecture!



Priority UK Trade Agreements

EU

Future Economic Partnership

Continuity

70+ partners in 40+ agreements – including Switzerland, South Korea, Canada, Japan, Mexico...

New

- USA
- Australia
- New Zealand
- CPTPP – 11 (+?)

Technical Barriers to Trade?

Barriers to trade: tariffs and... others!

Non-Tariff Barriers (NTBs) aka Non-Tariff Measures (NTMs)

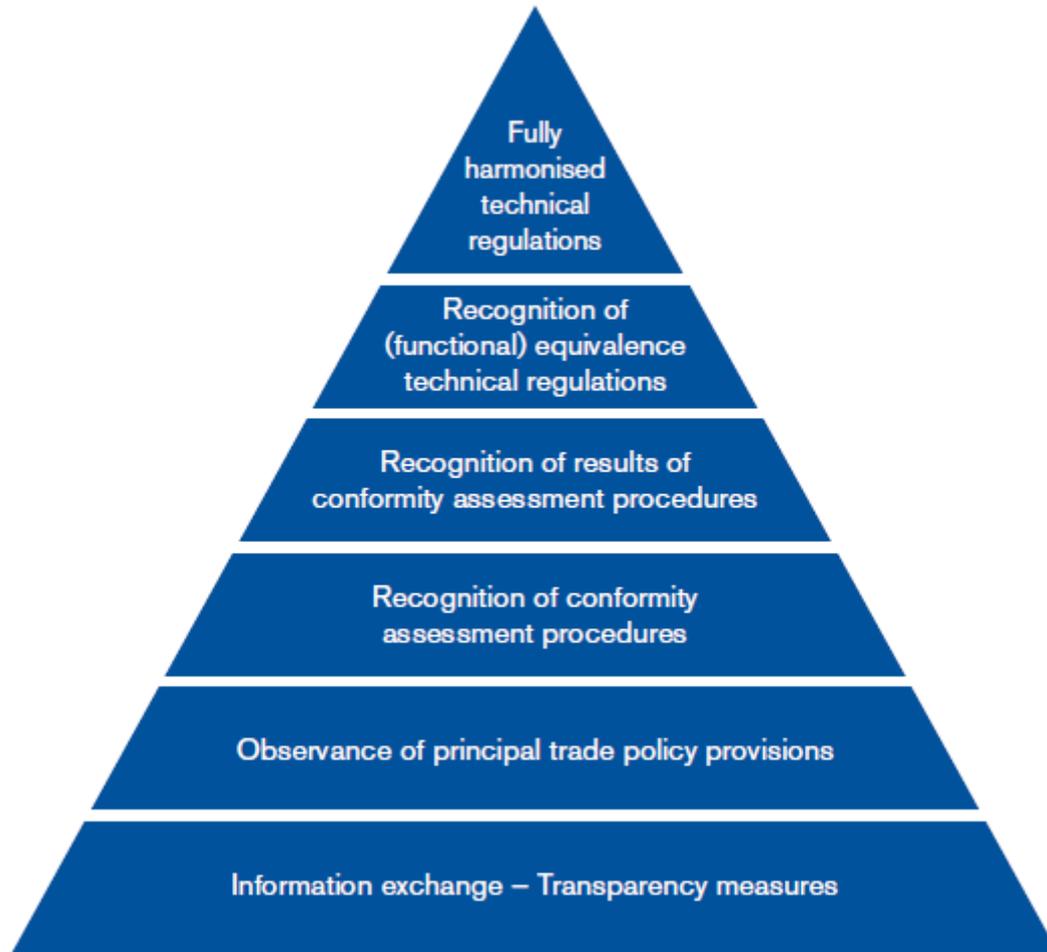
- Quota, packaging/labelling/product requirements, regulatory complexity/opacity, certificates of origin or authenticity, import licences, state subsidies/ownership, rules on procurement, intellectual property, minimum import prices, professional qualification requirements... and many more.

Technical Barriers to Trade

- 'Technical Regulations'
- 'Standards'
- Conformity assessment

Sanitary and Phyto-Sanitary: inherent science/risk element (inc. Precautionary Principle)

Regulatory Hierarchy



Regulatory Content in trade agreements

The following trade agreements contain provisions on the regulatory environment of chemicals:

EU-South Korea

Includes commitments to further transparency in regulatory processes; cooperate on Good Laboratory Practice (GLP); and build on common best practices.

TTIP (EU-US, proposed)

Push for openness on reviewing substances and aims to get the US to fully implement UN GHS. Encouraged transparency and commitments to work together to inform safety assessment methodology.

USMCA (aka NAFTA 2)

Aim to enhance regulatory compatibility and data sharing. Encourages a risk-based approach to chemical safety assessments.

Regulatory Content in key existing agreements

Mutual Recognition Agreements are bilateral arrangements for 'conformity assessment' that promote trade in goods and facilitate market access.

The following MRAs contain provisions on the regulatory environment of chemicals:

EU-Switzerland

Extends mutual recognition to GLP, Good Manufacturing Practice and Biocides (excluding substances applied to birds/fish). Switzerland largely aligns to EU chemicals regulation but has the right to diverge.

EU-Japan

Includes mutual recognition of the compliance of testing facilities with GLP.

EU-Israel

Includes mutual recognition of the compliance of testing facilities with GLP.

WTO Notification of Technical Barriers

All WTO Members have a responsibility to notify proposed new or amended laws or conformity assessment procedures to the WTO TBT Committee.

This gives other Members a chance to comment on them with any concerns.

Technical regulations and conformity assessment procedures should be compliant with the WTO Agreement, for example, they should:

- Not discriminate against or between foreign products or producers.
- Not give preferential treatment to national products or producers.
- Avoid unnecessary barriers to trade.

All notified regulations can be found on www.tbtime.org or by signing up to ePing.

ePing

What is ePing?

EPing is an e-mail notification system that collates all WTO TBT notifications.

Why is it useful?

It provides an easy way to view draft technical regulations from other WTO members. Users can sign up to receive daily/weekly e-mails that collate all TBT notifications - can be filtered down to specific sectors. Ability to find out about other countries draft legislation that may impact trade in chemicals.

How to sign up?

- Register for ePing at: www.epingalert.org/en

Any concerns with another country's TBT notifications

- Contact the UK TBT Enquiry Point on TBTUK_EP@trade.gov.uk

High Value Campaigns - Chemicals

ITI sector teams focus on delivery of exports and FDI.

Deliver **High Value Campaigns** with overseas posts, to increase the value of UK exports to the chosen market through assistance to a pipeline of UK businesses.

Focus on the biggest opportunities around the world where Government can make a difference.

- **Currently**
 - India
 - DACH (Germany Austria Switzerland)
 - Iberia (Spain, Portugal)
- **Under Consideration**
 - China
 - SE Asia
 - Latin America

International Trade Adviser network

Relationship manager

- Understand your business and export needs
- Access support, networks, and funding
- Keep you updated on events, missions etc

Overseas Commercial teams

- Presence in over 110 countries - based in Embassies, Consulates, High Commissions and Overseas Chambers of Commerce
- Sector focused
- Can assist with
 - Finding agents, distributors, customers, partners in market
 - Navigating regulatory issues (via relevant agencies)
 - General advice on market entry strategy



Department for
International Trade

Thank You

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