

ROOM DOCUMENT FOR THE POLICY ROUNDTABLE SESSION OF THE 7TH COMCEC TRADE WG MEETING

A policy debate session was held during the 7th Meeting of the Trade Working Group regarding the possible policy actions to be taken to approximate member state policies in the field of standards. The items discussed in this session were identified by taking into consideration the analytic study titled “Strengthening the Compliance of the OIC Member States to International Standards”, as well as the responses of Member States to the policy questions sent by the COMCEC Coordination Office specifically for the meeting.

Policy Advice I: Developing/Strengthening National Quality Infrastructure

Rationale:

A well-functioning quality infrastructure is a strong component of an enabling trade environment and may greatly facilitate countries’ access to international markets. Therefore, there are strong economic and competitiveness rationales for countries to develop that infrastructure. If important export markets use international standards then domestic industries will need to comply with those standards, have their products tested, and have conformity certified before they can enter the export market. Given the widespread use of international standards such as those of ISO, IEC, and the Codex, it is a common requirement for developing country firms to meet international standards as a condition of being able to export to third markets. Development of a national quality infrastructure is not just a question of financial resources, but also involves human and technical capacity that is lacking in many developing countries, including OIC member states. The agenda for building national standards and quality capacity is a broad one, covering institutions and agencies, rules and regulations, and links with global and regional institutions and rules.

One way of dealing with this issue may be regional approach, particularly for developing countries where the volume of economic activity may not support the costs of a quality infrastructure. Having a regional approach is highly important since regional cooperation and the division of labor in the field of quality infrastructure services (standardization, metrology, testing, conformity assessment, accreditation, quality assurance) will allow countries to pool their resources thereby benefit from economies of scale. It is also important that regional initiatives should also facilitate and support adoption of international standards. Linking and aligning national quality policy and strategies of the countries with regional initiatives is another important element in this regard.

Policy Advice II: Supporting the Member States’ Efforts for their Active Participation in the work of International Standardization Bodies

Rationale:

International standards bodies are primarily responsible for standardization at the international level. All international standardization bodies have in common that they issue norms that can then be adopted by national standards bodies. The standards issued by these bodies need to be applicable in a wide range of contexts. Countries differ substantially in terms of their level of economic development, consumer preferences in relation to various issues, level of industrialization, as well as institutional and cultural factors. For this reason, it is important

for countries to participate actively in the work of international standards bodies, so that the resulting norms can be applicable to their particular circumstances. Moreover, beside participation, close cooperation of the OIC Member Countries in relevant committees/bodies of the international standardization organizations is critical especially for; i) setting standards of specific product groups that are unique or highly important for the Member Countries ii) strengthening the voting power of the Member Countries. On the other hand, participation alone represents a particular challenge for developing countries, especially those where national quality infrastructure is at an early stage of development and standardization is not well advanced at the national level. There is therefore a real risk that international standards may not adequately reflect conditions prevailing in lower income member states. In this regard, it will be necessary to initiate cooperation activities among the countries that need technical assistance and capacity building, and those countries with more developed national quality infrastructure to share experience and support their efforts to take active part in international standardization. Compliance to the international standards would increase export competitiveness of the OIC Member Countries as well as the trade among them thereby enhance the intra-OIC trade.

Policy Advice III: Strengthening the SMIIC for the Adoption of Harmonized Standards and Development of Quality Infrastructure in the OIC for Enhancing Intra-OIC Trade

Rationale:

Standards and Metrology Institute for the Islamic Countries (SMIIC) has an important potential for the member states, in particular as it is committed to working towards broader international harmonization of the elements of quality infrastructure which are standardization, metrology and accreditation. In that sense, member states' support and ownership for the work of the SMIIC will be essential for its future success for developing and disseminating harmonized standards in the fields where there are no established and well-recognized international standards as well as accreditation services specific to Muslim world such as halal food, cosmetics, pharmaceuticals, tourism, etc. and other related issues. Furthermore, having harmonized standards within the OIC would facilitate the trade of goods & services among the Member Countries which will eventually enhance in the intra-OIC trade. Besides, SMIIC can provide a forum to exchange information, experience and best practices as well as technical assistance to the Member States for the development of quality infrastructure.

Instruments to Realize the Policy Advices:

COMCEC Trade Working Group: In its subsequent meetings, the Working Group may elaborate on the above mentioned policy areas in a more detailed manner.

COMCEC Project Funding: Under the COMCEC Project Funding, the COMCEC Coordination Office calls for projects each year. With the COMCEC Project Funding, the Member Countries participating in the Working Groups can submit multilateral cooperation projects to be financed through grants by the COMCEC Coordination Office. For the above mentioned policy areas, the Member Countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office may finance the successful projects in this regard.

SMIIC: With its 32 members, SMIIC's mandate is to help develop quality infrastructure among OIC member states, including through the promotion of harmonization of standards, as well as various other aspects of quality infrastructure as metrology and accreditation. Apart from harmonization of standards, through its technical committees, metrology and accreditation committees, SMIIC is also an important forum for Member States for discussion and exchange of views and experiences on issues of common interest.