

Trade Developments

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Trade Capacity Building in Central America—Standards and Technical Barriers to Trade *Project Summary*

When the United States and five Central American countries concluded negotiations for the US-Central America Free Trade Agreement (US-CAFTA), they identified standards and technical barriers to trade (TBT) as areas for which these countries required technical assistance. USAID worked with Nathan Associates Inc. to develop two training programs in standards and technical barriers—a regional program for representatives of the five governments, as well as regional institutions, and a program for private sector "multipliers" in each country.

Regional Programs for Regional Needs

The regional program for government representatives helped governments understand their obligations for notification and regulatory transparency under the CAFTA, as well as the U.S. regulatory system and system of voluntary standards. Participants included regulatory agencies; agencies involved in national quality systems, testing, and standards development; and agencies assisting small and medium companies, ensuring compliance with the WTO TBT agreement,

implementing CAFTA, and building national competitiveness. Subjects included how to implement a national notification system; promote regulatory transparency; set up infrastructure for a national quality system, especially for laboratory testing, certification, and accreditation; and obtain information on foreign standards and technical regulations. Program presentations and agenda can be downloaded from <http://www.tcb-project.com/tcb/level1.php>.

Country Events for Multipliers

Nathan also worked with USAID to develop training programs for each country over a period of 10 weeks. Participants consisted of 40-80 private sector entrepreneurs, consultants, trade associations, training institutes, and government officials. Participants were carefully selected to ensure high potential for spreading ("multiplying") the knowledge imparted during the training events to a wider audience of clients, association members, associates, and constituents. Subjects included understanding the importance of voluntary standards in the U.S. system; U.S. standards and regulations for processed food, wood prod-

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ucts, construction materials, and textiles and apparel; implementing an ISO 9000 audit for a company; and how to become certified, obtain information on foreign standards and regulations, and promote adoption of international standards among domestic industry groups.

Results

Short-term project results included development of a week-long training program for 40 government representatives and five programs for 300 private sector representatives on how to prepare for the implementation of the CAFTA in standards and technical barriers to trade. Using the materials and information provided during the courses, participants will be able to help their clients, association members, colleagues, and constituents implement industry and company-specific quality systems, better understand foreign regulatory requirements, and improve their ability to produce for international markets.

Lessons Learned

The following observations are based on the comments and suggestions of program participants, who shared their experiences with exporting, standards, auditing, and assessments:

- Small businesses do not appreciate how meeting international quality standards can boost exports. More work needs to be done, industry by industry, to make small producers aware of consumers' expectations.
- Governments need assistance in developing systems for distributing information on standards and regulations and in developing infrastructure required for conformity assessment.
- Companies need assistance in contracting reliable ISO-9000 and other quality auditors. In particular, the CAFTA countries should try to expand the pool of regional consultants (accredited by national and international accreditation agencies) to lower costs to their firms.

- Legislators and other decision makers are not sufficiently familiar with the role of international standards and conformity assessment in export success. More work needs to be done to make investment in this area a priority in preparation for implementing the CAFTA.

Many participants requested follow-up activities to focus exclusively on the realities of their particular country, while recognizing the value of the international experiences presented by the trainers.

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