## Statement by Mr. Marek Belka Executive Secretary of UNECE

## at the UNECE Forum on "Common Regulatory Language for Global Trade" Geneva, 20 June 2006

Excellencies, Distinguished Delegates, Ladies and Gentlemen, welcome to UNECE's Forum on "Common Regulatory Language for Global Trade".

Over half of US states have laws requiring that bicyclists wear helmets. In Europe, no such laws exist. Why is this? Are American cyclists more fragile than Europeans? Are traffic accidents any less dangerous for cyclists in Europe? Is the US government overprotective? Is the EU under protective?

This is a typical example of two contrasting approaches to a public safety issue. These are two different answers to the "classic" question: to regulate or not to regulate?

In developing laws, governments must constantly ask themselves *if* and *how* they should regulate. They must also consider the costs of regulating, or *not* regulating. These are important steps in creating a well-tailored regulatory framework: one that protects our health and safety as citizens, while helping our businesses thrive.

A good regulatory framework also needs to take into account what other countries are doing. Adopting *harmonized standards* can significantly improve a country's competitiveness in international markets. This does not mean adopting the *same* standards as your biggest trading partners, but standards that are *compatible* with theirs. This type of regulatory convergence is exactly what the WTO's Agreement on Technical Barriers to Trade tries to achieve.

Regulatory convergence is more important than ever in the UNECE region. Our region has gone through many changes, the most recent being the European Union's historic enlargement two years ago. While offering many new opportunities to the region, this enlargement has also brought challenges. There is a risk that we will see new divides develop between EU members and the EU's "new neighbours". These divides can arise because of differences in national regulations. For example, the EU's "new neighbours" will have to conform to the *acquis communautaire* to be able to sell their products in the EU.

UNECE can help improve our region's economic development and cooperation. UNECE is a platform that allows *all* member States to participate equally in decision-making. We ensure that even less advanced countries can have their say. Further, our legislative tools are invaluable for helping craft the regulatory instruments that best meet your country's needs.

Regulatory reform can be complex and time-consuming, yet the gains to be obtained from a well-tailored regulatory framework are too important to be ignored. In the words of a Canadian regulator, a good regulatory framework provides "the right

response, at the right time, developed in the right way." Such an approach "puts citizens at the centre, making their safety, health and quality of life the starting point - and bottom line - for every regulation."

Today and tomorrow, we will examine how regulatory frameworks affect trade. How can changing or eliminating regulations improve a country's competitiveness? What more can be done to eliminate technical barriers to trade? What new opportunities are there for improving cooperation in the region?

We would like to hear about regulatory cooperation trends in your countries, and good regulatory practices that you are using. We would also like to tell you about UNECE's regulatory and standards-related activities. Finally, we would like to hear from you as to what projects you would like UNECE to take on in this area.

We look forward to your comments and input. Together, we can create the regulatory frameworks needed to make our region even more prosperous.

<sup>&</sup>lt;sup>1</sup> Reg Alcock, President of the Treasury Board of Canada, in his speech to launch the Government of Canada's Implementation Plan for Smart Regulation, March 24, 2005, <a href="http://www.tbs-sct.gc.ca/media/ps-dp/2005/0324">http://www.tbs-sct.gc.ca/media/ps-dp/2005/0324</a> e.asp. <sup>2</sup> Id.