

tween the United States and Canada and Mexico. Although bilateral agreements the United States has reached with Canada and Mexico already address waste shipments, those agreements do not necessarily ensure that wastes are handled in an environmentally sound manner, the industry source said.

In addition, current U.S. rules allow waste shipments to be exported without prior consent and notification if those wastes do not have to be manifested under RCRA.

The draft does not close that loophole but should, the industry source said.

—By AMY PORTER

Trade

U.S. Claims EU Electronic Waste Directive Could Have Negative Trade Implications

GENEVA—The United States urged the European Union at the World Trade Organization March 31 to modify a draft European directive on electronic waste that U.S. officials claim could have a negative impact on transatlantic trade.

The criticisms, made at a meeting of the WTO's Committee on Technical Barriers to Trade, are the first indication that the U.S. government may be responding to lobbying efforts by businesses in both the United States and Europe urging the United States to attack the proposed directive as illegal under WTO rules.

The directive as drafted would require companies that sell electronic equipment such as computers, stereos, and televisions to either set up their own take-back systems for recycling these goods when they are no longer used or to contribute financially to a local recovery program for electronic waste where such programs exist. Representatives from the electronics industry have argued that the requirements could impact the competitiveness of European firms and place an unfair burden on American firms.

Trade officials in Geneva said the United States echoed the latter complaints at the WTO meeting, arguing that the take-back obligation will be burdensome for foreign electronic firms that do not have a physical presence in the EU. The United States, however, did not make any claims regarding the legality of the draft directive under WTO rules, the officials added.

EU officials replied that they would pass on the concerns raised at the meeting to officials in Brussels.

Under the WTO's Agreement on Technical Barriers to Trade, member countries are allowed to adopt measures deemed necessary to protect the environment as long as the measures are not applied in a manner that would constitute arbitrary discrimination between countries or a disguised restriction on international trade.

'Hushkits' for Retrofitted Airplanes Also at the March 31 meeting, U.S. officials told the WTO TBT committee that the government is still strongly opposed to the EU proposal to ban the resale of airplanes retrofitted with noise-reducing "hushkits." U.S. officials argued that the measure violates bilateral and international agreements and that it deviates from noise standards developed by the International Civil Aviation Organization (22 INER 270). The officials also charged that the proposal had no

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scientific basis and called on the EU to provide the WTO with the data used to justify the measure.

The EU rules would ban aircraft equipped with noise-muffling hushkits from landing at European airports effective April 1, 2000, unless the aircraft were registered in the EU prior to April 1, 1999. The EU has justified the rules on environmental grounds, saying that aircraft fitted with hushkits are noisier and more polluting than those equipped with more modern engines.

The United States first voiced its concerns about the EU measure at a November 20 meeting of the WTO's TBT committee, arguing that aircraft fitted with hushkits comply with ICAO noise standards and that the proposal appeared to be directed at products—in particular American-made engines and hushkits—rather than noise reduction. On the latter, the United States said the EU failed to present a study or analysis showing that its proposed ban would lower noise levels at European airports.

EU Labeling Rules for Bioengineered Crops. And the United States and Canada reiterated their complaints at the March 31 TBT committee meeting regarding European Union labeling requirements for genetically modified corn and soybeans, with both nations charging that the EU rules were now having a negative impact on agricultural trade.

At issue is European Council Regulation 1139/98 on the compulsory labeling of certain foodstuffs produced from GMOs, which entered into force on September 1, 1998. The regulation requires products containing modified corn and soybeans to carry information on the food label or ingredient list stating that the product contains genetically modified material.

U.S. officials told the committee that the labeling rules were obliging producers to separate modified corn and soybeans from farm to port and that this was creating practical problems that made it difficult to comply with the requirements. Canadian officials added that its producers were also being affected by the decision of some European importers to reject processed food exports because the products contained GMOs.

According to the United States, the EU has failed to establish both the need for a labeling regime as well as the procedures for ensuring compliance on a nondiscriminatory basis. U.S. officials also charged that no basis exists for treating genetically modified foods differently from conventional foods in regards to the potential risk to human health.

The EU has defended the regulation, arguing that it is intended to promote consumer choice and information. EU officials also told the TBT committee that the Union is consulting with food scientists on the creation of a "negative list" exempting foods or food ingredients from the labeling requirements where there is full certainty regarding the absence of GMO traces.

—By DANIEL PRUZIN

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