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Remarks: U.S. – India Standards Cooperation
CII-BIS-ANSI Cooperation on Standards, Conformity Assessment, and
Technical Regulation (SCATR): Facilitating Indo-U.S. Trade

New Delhi, India – December 20, 2007

1,519 words, approximately 12 minutes

Good morning, everyone... and thank you, Satish, for the warm welcome.

It's great to be here again. In January, I stood before you to stress the importance of cooperation between the U.S. and India in the standardization arena. When we talk about standardization, we mean standards and demonstration of compliance to those standards.

Today, we have gathered to sign a Memorandum of Understanding between the American National Standards Institute, the Confederation of Indian Industry, and the Bureau of Indian Standards.

Today, we are making a commitment to cooperation, and establishing a path forward for growth and the advancement of trade between the U.S. and India.

America's trade relationship with India is healthy and growing. Just listen to the numbers... Bilateral trade in merchandise goods has increased almost 400% in the last 15 years. In 2007 alone, Indian exports to the U.S. totaled nearly 20 billion dollars and U.S. exports to India totaled 14 billion dollars.

(pause)

In our fast-paced global economy, there's no question that standardization and trade are linked. Dozens of studies from the U.S. Department of Commerce, the Indian Ministry of Commerce and Industry, and the World Trade Organization back up the statement with data.

Those who understand how to effectively influence and address standardization and compliance issues have the greatest success in the international marketplace.

In total, 80% of global commodity trade is impacted by standards and conformity assessment programs. If we aren't all on the same page, the international community experiences a lot of duplicative effort and incurs a lot of unnecessary cost.

The *United States Standards Strategy* strongly supports the concept of “one standard – one test – accepted everywhere.” That is what industry in every part of the world seeks. This means that companies, nations, and regions must work together to expand awareness of international standardization. We must make every effort to minimize conflict and duplication in our standards development activities. And, we must jointly recognize those groups who perform conformity assessment and testing activities, so that their evaluations of competence can cross borders. One could argue that the principles of the *United States Standards Strategy* are equally applicable for the international community... ANSI will continue to serve as a staunch advocate for globally-relevant standards and tests.

Building upon existing working relationships among ANSI, BIS and CII, this tripartite agreement recognizes the critical importance of a public/private partnership in the development of effective standards and conformity assessment-based solutions.

By signing this document:

- We pledge to facilitate trade between the U.S. and India by encouraging greater efficiencies in conformity assessment practices.
- We pledge to support increased Indian participation in international standardization activities, working cooperatively with BIS as the Indian Member body to the International Organization for Standardization and the International Electrotechnical Commission.
- And we pledge to encourage and support industry activities and initiatives in India and the U.S.

Already, alliances between Indian and American firms are creating investment openings across industries. Several ANSI members—including IBM, Intel, Microsoft, GE and Boeing—have found their footing in the IT, services and manufacturing sectors. They are recognizing the economic promise in the Indian business environment. Likewise, an increasing number of Indian companies are finding tremendous potential for trade and investment in the U.S. market. India has launched on an aggressive path of international acquisitions itself—a commendable achievement.

(pause)

But standards are not limited to just technical specifications for manufactured products or building and safety codes. Internationally, the services sector is one of the fastest growing areas for standards development.

Why? Because services represent the largest and most dynamic segment of the world economy — they account for more than 60% of world GDP.

And India's trade in services has been growing even faster than merchandise trade. You are wisely capitalizing on your well-educated, highly skilled English-speaking workforce to become a major exporter of services.

(pause)

As coordinator of the U.S. private-sector led and public sector-supported voluntary consensus standards and conformity assessment system, ANSI's activities cross all industry sectors from technology to services, and from consumer safety to protection of the environment.

ANSI speaks as the U.S. voice in standardization forums around the globe. Through our network of members, we represent the interests of more than 125,000 companies and 3.5 million professionals worldwide.

(pause)

Our alliances help to open vital lines of communication and trade networks with private sector organizations such as CII and government agencies such as BIS.

One of the greatest strengths that ANSI brings to our new relationship is the richness of a public sector - private sector partnership in the U.S. Under the ANSI umbrella, government representatives work side-by-side with private-sector stakeholders, bringing resources from both worlds to achieve shared objectives.

Because ANSI facilitates this partnership, we are able to acquire and share vital information that is not centrally available from other resources.

One great example is the ANSI Standards Portal, a unique information resource on standards, technical regulations and conformity assessment activities that was developed and launched last year.

The People's Republic of China was the initial sphere of reference for the Standards Portal. The portal provides 24-hour access to bilingual information from the U.S. and China. Voluntary standards, mandatory requirements, and compliance programs... the site provides all the information that business leaders and policy makers need to influence their global commerce activities.

The site is a living resource. It was designed with the functionality and flexibility to accommodate the needs of new stakeholders from other countries and regions.

We are eagerly looking forward to taking the next step and working with you to add rich content about India to the Standards Portal.

Through increased transparency and mutual understanding, our approaches to standards, conformity assessment and technical regulations will move closer together, incorporating the best practices of each country. Together, we will move one step closer to the concept of "one standard – one test – accepted everywhere" that I mentioned a moment ago.

(pause)

There are many opportunities for cooperation where our areas of interest intersect.

India has become a world leader in the manufacturing of renewable energy devices and systems. You've also seen expansion in the cultivation of biofuel crops, hydroelectric projects, solar energy, and wind energy. Renewable energy is an area of special interest to many of ANSI's company members, and earlier this year ANSI launched a new Standards coordination initiative to address biofuels and alternative energy resources.

Another of our programs has pooled U.S. experts and stakeholders that are active in developing the first international standards in the field of nanotechnology..... India possesses a wealth of technology talent and is investing significant capital in nanotech R&D projects. Both India and the U.S. are participating members of the ISO Committee on nanotechnologies and will play important roles in the development of international standards.

Yet another issue of shared interest is identity theft. ANSI's Identity Theft and Identity Management Standards Panel is gearing up to present its final report next month, recommending ways for businesses and retailers to arm themselves against one of the fastest-growing marketplace problems in the world. ... According to *Business Standard*, as many as one out of 100 Indian people are victims of identity theft. As U.S. firms outsource critical services that entail the transfer of personal and financial data, the identity theft problem crosses national borders. We must do what we can to stop identity theft on an international scale, not just within our respective countries.

But our cooperation goes beyond trade and economic development. Indians and Americans alike are focused on the safety of consumer products and the integrity of the global supply chain. In light of this year's extensive toy recalls, ANSI is currently working in partnership with the Toy Industry Association to reinforce the consumer product safety system and make sure that only safe toys can be found on our shelves. While the recall situation has not been as pronounced in India as it has been in the U.S., I know that consumer safety is a key priority for you as well.

These are just a few examples of where our interests and priorities overlap. Ultimately, everyone here today is focused on the same goal... we all want to be responsible with regard to consumer safety, and enhance efficiency and potential business opportunities for the industries that we support, both in our home countries and abroad.

(pause)

India has changed a lot in recent years. There is no denying that this country is an economic power—not just in Asia but worldwide.

Ever since I emigrated to the U.S. in 1964, I've routinely traveled back to India to visit family and friends as well as for business purposes. I've witnessed India's growth firsthand, and I'm proud to join you as we

make this pledge of cooperation in support of increased economic growth and trade between our two countries.

I look forward to working with you to make this vision a reality.

Thank you.