

Welcome / Opening Remarks

1,433 words, approximately 11.5 minutes

Good afternoon, everyone. My name is Joe Bhatia, and it is my honor to serve as president and CEO of the American National Standards Institute.

On behalf of ANSI, our co-organizers from Europe, and our hosts and sponsors, we invite you to continue to enjoy your desserts and coffee as we re-convene today's discussions.

This morning you heard quite a bit about the importance of standards and conformance to transatlantic trade.

We discussed how industry is leveraging standards and compliance programs as tools for business.

We discussed how our governments are facilitating private-sector led standardization efforts to fuel innovation.

And we discussed how standards organizations in the United States and Europe are helping to bring the private and public sectors together in partnership that will create win-win situations for all stakeholders.

(pause)

It has been clear through our dialogue that the Transatlantic Trade Partnership is more important today than ever.

The U.S. and the countries of the EU lead the global marketplace. We represent one of the largest bilateral trading partnerships in the world . . . and we depend on one another to remain competitive in the international landscape.

In 2007 alone, the value of U.S. exports to the EU was 250 billion dollars – that's 160 billion Euros.

The EU reciprocated with 350 billion dollars . . . or 225 billion euros . . . in goods exported to the U.S.

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Today, the transatlantic economy employs 14 million people within its boundaries through mutually “insourced” jobs on both sides of the Atlantic.

These statistics drive home the clear and important need for standards – and the related conformance programs – that can be accepted at the regional and global levels.

Effective utilization of standards and conformity assessment promotes the global competitiveness of all businesses. Transatlantic cooperation will improve the bottom line of our businesses – which is clearly a top priority in today’s tenuous economic landscape. When individual businesses do well there is a corresponding improvement in the national economies of our member nations.

But businesses are not the only stakeholders that will benefit from an enhanced investment in the Transatlantic Trade Partnership. Policy makers and regulators in our respective governments also recognize the significant benefit of standards and conformance procedures that can be accepted everywhere.

The single standard – single test – global acceptance concept is being driven by industry and supported by government.

(pause)

As many of you know, President Bush, Angela Merkel - former president of the European Council, and Commission President José Barroso created the Transatlantic Economic Council in April 2007 to facilitate the reduction of unnecessary differences in regulations between our trading regions.

In its first year, the TEC has already attempted to tackle many headline issues: chemicals such as those used in cosmetics . . . e-accessibility and e-health . . . alternative energy sources such as biofuels . . . and a host of other regulatory subjects.

The TEC is also exploring the features and benefits of various modes of compliance verification, ranging from suppliers declaration of conformity to independent third-party certification.

In all cases we see that those who are affected by regulations must be active and involved. We must assume responsibility for our businesses or be prepared to respond to requirements that are dictated by others.

We must commit to the engagement of our technical experts. And we must commit to work together to bridge current and future regulatory gaps between the U.S. and the EU.

We must do everything we can to avoid reinventing wheels that are already in motion.

(pause)

Sean Heather explained earlier today how our hosts, the U.S. Chamber of Commerce and BUSINESSEUROPE, have been active in their efforts to advance the TEC objectives.

On behalf of the Chamber and BUSINESSEUROPE, ANSI is working with our members to coordinate U.S. input to the TEC's standards and conformity assessment activities.

I invite our participants from the U.S. to join in our efforts.

And I encourage our colleagues from Europe to work within your respective structures so that . . . together . . . we can advance our mutual goals.

(pause)

We must keep our attention focused on the reduction of unnecessary differences in regulations.

In its 2008 report *Strategic Business Risk – the Top Ten Risks for Business*, Ernst & Young identified the diversity of regulatory and compliance requirements around the globe as the primary threat to business.

The report emphasizes that the threat is even more profound for today's small and medium domestic enterprises. SMEs are every bit as affected by the global character of today's marketplace and its universal supply chain.

But most businesses – especially SMEs – think that regulations are the work of governments alone.

This mindset means that industry is missing out on the opportunity to write the rules.

Voluntary standards and related conformity assessment activities that are developed with a private-sector lead often serve as the foundation upon which regulations are based.

Increasingly, standards – whether in whole or in part – are referenced in new regulations or revised regulations.

Taking a seat at the table where standards are set can be the most effective way for companies to influence future regulation.

Deferring to government means industry loses its voice, and its opportunity to influence.

(pause)

Many organizations are seeing first-hand how regulations can impact their bottom line. The European Union's Regulation on chemicals and their safe use – REACH – is a perfect example.

Industry was not active at the table when REACH was being set. There was little opportunity to influence – or lessen – its impact.

We want to stem the tide of future chemical controls by promoting a standards-based approach that focuses on risks rather than on lists.

Industry is not shirking its responsibility to mitigate risks to health, safety and the environment.

But any organization that wants to do business in the EU must adapt to a regulation they had little opportunity to influence. There is no question that this will have an affect on global competitiveness and interoperability.

ANSI and the National Association of Manufacturers (NAM) have established a stakeholder Network on Chemicals Regulations in response to business concerns about the impact of REACH and other global chemical controls. The network brings together representatives of the private and public sectors to share information and best practices in responding to global regulatory measures.

We do not want to be caught unprepared when future measures are proposed.

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(pause)

Let me share another example . . . ANSI and the Toy Industry Association partnered to develop a response to the import safety concerns that sent our nation into a shock last summer.

The issue was not the absence of a recognized standard for toy safety. That standard had existed for years.

The problem was a lack of conformance to the standard. To be even more explicit, the problem was the absence of a set of mandatory verification procedures that would ensure traceability and verification of compliance at every point in the toy industry's global supply chain.

Manufacturers . . . suppliers . . . retailers . . . consumer advocates . . . and importers . . . government agencies . . . U.S. Congress . . . in essence, everyone became engaged in the development of solutions.

Companies on both sides of the Atlantic and around the world cooperated with U.S. stakeholders to come up with an acceptable solution that could be broadly accepted and implemented.

(pause)

These are just two examples of recent ANSI activities.

We heard this morning – and I expect that we will hear more this afternoon – how organizations like ANSI, CEN, CENELEC and ETSI . . . our respective members . . . and others are primed to assist businesses in addressing national, regional and global priorities.

By working in tandem with policy makers, we can leverage our solutions to pre-empt duplicative or otherwise costly regulatory requirements.

Cross-border requirements are most easily aligned through the use of globally relevant standards.

We provided in your welcome kits a copy of the *United States Standards Strategy*. You will see in that document that the U.S. standards community has embraced standards development criteria set out by the World Trade Organization's Technical Barriers to Trade Committee.

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The criteria are aligned with ANSI's long-standing cardinal principles: transparency, openness, balance, due process, and consensus . . . among others.

These principles are adopted for use by the more than 215 organizations that have been accredited by ANSI to develop standards in the United States. Several of these organizations, including the American Petroleum Institute, ASTM International, and others, are present today. I'm sure the representatives of these organizations will be pleased to share more information with you if you have questions.

I also encourage you to review the *Strategy* and its companion document, the *National Conformity Assessment Principles for the United States*.

Many of the concepts introduced in these documents are equally applicable within the European Standards Organizations. I'm confident that we'll have an opportunity to compare and contrast the U.S. and EU philosophies – and their respective benefits for business and government – during the panel discussion this afternoon.

I thank you for your attention and extend my best wishes for an interesting and engaging afternoon.

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