

# Conformity®

September 2003

## ...Report Claiming Unfair EU Trade Barriers Now On-Line

As we previously reported (see **Conformity, August 2003**), the **National Foreign Trade Council (NFTC)**, a coalition of large U.S. exporting companies, has released a report claiming that the European Union's (EU's) regulatory system is increasingly becoming an unfair barrier to trade between the U.S. and the EU.

**The NFTC report**, which characterizes the EU's regulatory system as overly cautious, ultimately justifying measures that are trade distorting, is now available through the organization's web site at [www.nftc.org](http://www.nftc.org).

August 2003

## ...EU Regulations Bar Trade, Says Report

A coalition of large U.S. exporting companies has released a report saying that the European Union's regulatory system is increasingly becoming an unfair barrier to trade between the two economic superpowers.

According to a recent article in the *Financial Times*<sup>1</sup>, a report released in May by the **National Foreign Trade Council (NFTC)** characterizes the EU's regulatory system as overly cautious, ultimately justifying measures that are trade distorting.

"By doing so," says the report, "(the EU) has effectively banned U.S. and other non-EU exports of products deemed hazardous, (and) stifled scientific and industrial innovation and advancement."

According to William Reinsch, president of the **NFTC**, the effect of most of these cautionary regulations "is to sanction EU production processes and penalize non-EU processes." This, he argues, gives EU-based companies a competitive edge in marketing products there.

The solution, says the **NFTC**, is for the U.S. and the EU to adopt a more common regulatory approach and to find ways to harmonize conflicting aspects of their current regulatory systems.

## **...References**

1. Edward Alden, "Cautious EIU rules are 'bar to trade', say US companies," *Financial Times*, Tuesday, May 6, 2003.