

Speech by
H.E. Mr. Sharif Ali Zu'bi
The Minister of Industry and Trade

Your Excellency Mr. Robert Van Der Meulen, the Ambassador of the European Commission Delegation in Jordan,
Your Excellency Mr. Stefan Bantle, the Commercial Counselor of the Federal Republic of Germany,
Our distinguished experts and guests,
Ladies and gentlemen,

I would like to thank you for giving me this opportunity to address you in the opening of the kick-off meeting of the twinning project for strengthening the Jordan Institution for Standards and Metrology, for its compliance with the EU-Jordan Association Agreement.

The Association Agreement that entered into force in the first semester of 2002, will do much more than open exports markets between the European Union and Jordan. The main objective of this agreement is liberalization of trade in goods, services and capital to develop balanced economic and social relations between the two trading partners, thus improving the living and employment conditions, and enhancing productivity and financial stability through regional cooperation.

Last year, our reciprocal trade hit €1.3 billions. Jordan's imports from the EU rose by 35% over the last four years. The main sectors of imports consist of chemicals, instruments, machinery, transport equipment, and prepared foodstuff, while Jordan's exports are concentrated in various sectors, such as agricultural products, minerals, textiles, chemicals and pulp.

By eliminating the effect of size of trade between the two parties, data on our bilateral trade reveal the existence of privileged relationship between Jordan and European member states.

In this respect, industries cannot compete when forced to design and manufacture their products according to national standards and regulations that do not reflect the broader needs of the global market. Therefore, the legislative framework for trade liberalization has been profoundly modernized to improve Jordan's performance in external trade, incorporating a regulatory structure based on international practices.

As you know, trade barriers come in two forms: technical barriers and non-technical barriers. The non-technical barriers such as tariff are the most obvious, thus they are aggressively tackled, yet technical barriers, namely standards, technical regulations and conformity assessment procedures, can put trade at a tremendous disadvantage in terms of dictating terms and preventing access to global markets. Furthermore, they are the hardest to eliminate, as conflicting standards and technical regulations, lack in transparency and information dissemination, as well as unnecessary duplication of testing and certification hinder the global trade. All this adds to the cost of doing business so that our industries have a tougher time competing.

By knocking down technical barriers to trade, consumers will have better quality and safer goods as well as more choices. The industry would have to raise the quality of its products to be able to compete in more open economic environment. Accordingly, this would stimulate economic growth, which in turn would help boost the competitiveness of the entire Jordanian economy. This is a benefit that will be felt throughout Jordan, since economic growth multiplies the trade power of our two parties, and in return provides benefits to our businesses and consumers. Open markets will also create opportunities for investments in Jordan, because investors would profit from the benefits that Jordan has been granted in the context of the EU-Jordan Association Agreement. As a result, this will raise the Jordanian citizens' living standards and would offer them and their children a better life, if global trade and investment flows continue to expand.

Standardization, metrology, and conformity assessment are the key issues in order to implement the free trade agreement between the European Union and Jordan, as they are profound in the sense that they are fundamental to our national economy and vital to the global trade. This is emphasized in Article 68 of the EU-Jordan Association Agreement which entails the aims of cooperation in the fields of standardization, metrology, and conformity assessment; to increase the application of the EC rules in those fields, hence developing standardization bodies and upgrading the level of Jordanian conformity assessment bodies with a view to signing, in due time, mutual recognition agreements.

It is no coincidence that over the past years, Jordan and the European Union marked their profound cooperation through a long period of technical assistance provided to Jordan through European trade partners. Therefore, it should not be a surprise that the German GTZ project entitled "Promotion of a National System for Metrology, Standardization,

Testing and Quality Management" lasted for 10 years, from 1991 to 2001. During that period, Jordan was negotiating its accession to the WTO and the GTZ project played a key role in preparing JISM to understand and implement the principles of the TBT Agreement. The consolidation of the GTZ project was secured through the commitment of JISM's management and staff, paving the way for the new European Twinning Project to evolve, in order to further develop the national standardization, metrology, accreditation, and conformity assessment systems.

Let us all work together to guarantee the success of this project, by pursuing and achieving its anticipated objectives. In doing so, Jordan and the European Union will set an example for the rest of the Middle Eastern countries, sending them a clear message in favor of cooperation and open markets. Through this initiative we will set a course of prosperity and open new avenues for economic cooperation between Jordan and the European Union for decades to come.

Thank you.