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## **Committee on Sanitary and Phytosanitary Measures**

## **SUMMARY OF THE MEETING OF 27-28 JUNE 2013**

## NOTE BY THE SECRETARIAT1

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<sup>&</sup>lt;sup>1</sup> This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights or obligations under the WTO.

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#### 1 ADOPTION OF THE AGENDA

1.1. The Committee on Sanitary and Phytosanitary Measures (the "Committee") held its fifty-seventh regular meeting on 27-28 June 2013. The proposed agenda for the meeting was adopted with amendments (WTO/AIR/4148).

#### 2 ELECTION OF THE CHAIRPERSON

2.1. Ms Maria Araceli Albarece of the Philippines was re-elected as Chairperson of the SPS Committee.

#### **3 INFORMATION ON RELEVANT ACTIVITIES**

#### 3.1 Information from Members

# 3.1.1 Australia – Release of draft biosecurity regulations and inspector-general of biosecurity regulations for comment

3.1. Australia provided an update on its reforms to the Australian biosecurity system. The Biosecurity and Inspector-General of Biosecurity Bills were introduced to the Australian Parliament on 28 November 2012 and remained within the Parliamentary process. Draft regulations related to the Biosecurity Import Risk Analyses and the Inspector-General of Biosecurity were released for discussion in May 2013 and notified to the WTO on 28 May 2013 as G/SPS/N/AUS/319. Australia invited Members to review and comment upon the draft regulations. Once the primary legislation had passed through Parliament, the draft regulations would be open to comment and review for a proposed 60-day consultation period, during which Members could provide additional comments. Australia would notify trading partners via SPS notification of this period. The anticipated repeal of the Quarantine Act of 1908 would not affect the validity of existing Import Risk Analyses, nor would it require a Biosecurity Impact Risk Analysis to be completed where an Import Risk Analysis already exists. Import permits issued under the Quarantine Act would remain valid for the duration of the permit.

## 3.1.2 Australia – Update on retiring the Australian quarantine and inspection service (AQIS) brand

- 3.2. Australia provided an update on its retirement of the Australian Quarantine and Inspection Service ("AQIS") brand. In its place, trading partners would have started to see an Australian Government crest and the words "Department of Agriculture, Fisheries, and Forestry". As a part of this transition process, all AQIS e-mail addresses were retired on 15 May 2013, and replaced with the DAFF format [name.surname@daff.gov.au]. Trading partners had been notified of the changes made to the paper used for electronic certificates, which include the new use of an Australian Government watermark in place of the AQIS watermark. The Department of Agriculture, Fisheries and Forestry (DAFF) would continue to oversee all work related to biosecurity, agriculture, fisheries, forestry, food production, and food safety sectors. Staff and their individual roles and responsibilities held under the AQIS brand would remain the same under DAFF. The change would not alter the legal basis or competent authority under which audits, inspections and certifications are undertaken, nor would it prompt any changes related to imports. All import permits would continue to be issued by the Australian government and all currently issued AQIS permits would remain valid for the duration of the permit. Australia expected all changes to be finalised within 2013.
- 3.3. Chile questioned whether an agreement between its Servicio Agrícola y Ganadero (SAG) and AQIS would need to be updated due to this change, or if the agreement would remain enforceable as is. Australia responded, subject to confirmation, that it expected that the agreement would continue.

# 3.1.3 European Union – Update on the fraud case related to the labelling of horse meat in meat products

3.4. The European Union provided updates on the fraud case related to non-labelled horse meat in food products. The European Union established an expansive testing plan to detect both horse

DNA and phenylbutazone, an anti-inflammatory drug only permitted in the European Union for use in animals not intended for human consumption. About 5% of all tested products contained horse DNA and of those approximately 0.5% were contaminated with phenylbutazone. These results represented a very small portion of the total EU production. Furthermore, no meat was found unfit for human consumption, which confirms that this was a matter of food fraud and not food safety. The European Union would continue to work towards restoring the trust and confidence of both consumers and trading partners.

3.5. Benin stated that developing countries lacked adequate resources to test imports of horse meat and asked if the European Union would provide testing assistance to assure the quality and safety of the meat imported by Benin and other developing nations. The European Union responded that it would offer technical assistance to those countries in need upon request.

# 3.1.4 European Union – "Smarter rules for safer food" proposals on animal health, plant health, plant propagating materials and official controls (G/SPS/GEN/1252)

3.6. The European Union provided information on four legislative proposals, the so-called "Smarter rules for safer food" package which was issued on 6 May 2013. The proposed draft legislation consolidated close to 70 pieces of legislation into four clear, basic, science and risk-based rules. These changes were notified in G/SPS/EU/43, G/SPS/EU/44, G/SPS/EU/45 and G/SPS/EU/46. Proposals on plant reproductive material and official controls were also notified under the TBT Agreement, in G/TBT/N/EU/116 and G/TBT/N/EU/117. A more detailed communication was provided in G/SPS/GEN/1252. Due to the detailed nature of the proposals, the European Union had doubled the standard comment period to 120 days and invited Members to submit comments for review.

### 3.1.5 Passage of the Philippine Food Safety Act

3.7. The Philippines drew attention to the Food Safety Act, passed by the Philippine Congress on 5 June 2013. The Act set out the regulatory framework under which all food businesses in the country must operate. The Act further provided the basis for regulations that would be issued by competent authorities to ensure the safety of food consumed and/or produced in the Philippines.

#### 3.1.6 Korea – Update on government reorganization

3.8. Korea provided updates on its reshuffling of government agencies overseeing SPS-related issues, described in G/SPS/GEN/1242. The changes expanded the roles of the Ministry of Agriculture, Food, and Rural Affairs in the animal health and phytosanitary sectors; the Ministry of Food and Drug Safety in food safety; and the Ministry of Oceans and Fisheries in aquatic health. The acronyms of the above ministries had also been changed and these would be phased-in over time.

## 3.2 Information from relevant standard-setting bodies

## 3.2.1 IPPC (G/SPS/GEN/1247)

3.9. The IPPC highlighted its written report (G/SPS/GEN/1247) and encouraged Members to more actively participate in the standards-setting process. The information that Members shared within the SPS Committee was often relevant to their obligations under the IPPC, and should also be reported to the IPPC. The IPPC had developed a new communication strategy, and was also pursuing further interaction with the Codex and OIE. Lastly, the IPPC reported that Afghanistan had become its 179<sup>th</sup> Member on 5 June 2013.

#### 3.2.2 CODEX

3.10. The Codex was not represented at the meeting, but had provided a written report (G/SPS/GEN/1260).

#### 3.2.3 OIE

3.11. The OIE noted that its written report (G/SPS/GEN/1255) reported on the adoption of nine new chapters in the land and aquatic animal health codes, as well as an additional paper on BSE risks. The OIE had made several website updates and asked Members to review the OIE's online reporting procedures as they were different from those of the IPPC and Codex.

## 4 SPECIFIC TRADE CONCERNS (G/SPS/GEN/204/REV.13)

#### 4.1 New Trade Concerns

## 4.1.1 EU temperature treatment requirements for imports of processed meat products – Concerns of Russia

- 4.1. Russia raised concerns about the EU requirement that bovine and porcine meat products be heat-treated to 80 degrees Celsius and asked that the European Union bring its requirements in line with international standards, which only required heat-treatment to 70 degrees Celsius. Russia urged the European Union to finalize the legislative process under way that would bring the EU requirements into line with OIE recommendations.
- 4.2. The European Union noted that it was free from African Swine Fever (except for one island) and Foot and Mouth Disease, both of which occur in Russia. The heat-treatment requirement of 80 degrees Celsius was applied to prevent the introduction of both diseases via the import of animal products. The request of Russia to use heat treatment to 70 degrees Celsius for a minimum of thirty minutes for previously deboned and defatted meats was in line with OIE standards for the inactivation of Foot and Mouth Disease, but not for African Swine Fever. The European Union would thus amend its measures only in the case of species that are not susceptible to African Swine Fever. The process of amending the existing import rules, to thereby meet the request of Russia, had already begun, and a proposal was expected to be adopted soon.

# 4.1.2 US proposed rule on good manufacturing process and hazard analysis and risk-based preventive controls for human food – Concerns of China

- 4.3. China raised concerns with the US proposed rule on "Current Good Manufacturing Practice and Hazard Analysis and Risk-based Preventive Controls for Human Food", notified in G/SPS/N/USA/2502 and G/SPS/N/USA/2503. Part 117, Subpart C, regarding the preventive control measures put in place and monitored by operators of food enterprises, exceeded international standards without scientific justification and was therefore in contravention of the SPS Agreement. The overbroad nature of this requirement would result in reduced effectiveness and increased labour costs, thus resulting in a barrier to trade. China suggested that instead the United States should require good manufacturing practices and sanitation standard operating procedures, and furthermore employ the equivalence principle. Additionally, China took issue with the inclusion of radioactivity hazard analysis in the draft Part 117.130(b)(4), as the internationally recognized HACCP system only required the identification of biological, chemical, and physical hazards. The probability of such a hazard was extremely low and did not justify the cost of running such monitoring programs within the food industry. The United States could raise the issue of inclusion of radioactivity into the HACCP system at the meeting of the Codex Alimentarius Commission to allow for a more thorough discussion. Lastly, the requirement in the draft Part 117.126 that all food enterprises establish a written safety plan, exceeded the requirements of HACCP and the Codex standards. As such, China requested that the United States provide a scientific basis for these requirements. China suggested that a more gradual approach to the establishment of hazard analysis within food enterprises was appropriate given the varying degrees of risk associated with different products and the disparity in resources among countries.
- 4.4. The United States thanked China for its comments and recalled that these measures had been notified to the SPS Committee on 30 April 2013, and would be available for comment through 16 September 2013. The United States urged China and other Members, as well as any other interested members of the international community, to provide comments on the proposed rule. Comments should be submitted via the Federal eRulemaking portal, available at: <a href="http://www.regulations.gov">http://www.regulations.gov</a>, in order to ensure that those comments became part of the public record. The docket numbers for the proposed rule in the eRulemaking portal were: FDA-2011-N-

0920 for preventive controls for human food, and FDA-2011-N-0921 for produce safety. Comments made outside of the public record could not be considered by the FDA in the process of finalizing the proposed rules.

#### 4.1.3 EU renewal of GMO approvals (EC Regulation 1829/2003) - Concerns of Argentina

- 4.5. Argentina raised its concerns over the EU renewal procedures and processes for GMO approvals. Argentina contended that risk assessment reviews should only be undertaken in cases of new scientific justification. Further, as the entire EU approval process took approximately four years, granting a licence for only ten years was impractical and without scientific justification. The EU process was already overly burdensome and the new requirements were unclear, adding to the heavy burden of seeking GMO approval. Argentina asked the European Union to clarify and rectify their GMO approval process.
- 4.6. The European Union responded that it was not intending to adopt legislation as was done for the food/feed new authorizations but rather to prepare a guidance document which would complement Articles 11 and 23 of Regulation 1829/2003 already providing general guidance on the renewal process. The European Food Safety Authority was currently working on this more detailed guidance which should be available in autumn 2013, before the first renewal request expected in March 2014.

# 4.1.4 Import restrictions in response to the nuclear power plant accident – Concerns of Japan

- 4.7. Japan raised concerns over restrictions on Japanese food exports in the wake of the Fukushima incident. Following the incident, Japan had been closely monitoring food products for the presence of radionuclides and, as of April 2012, had imposed a food intervention exemption level of 1mSv/year equivalent to the Codex standard. However, the dietary exposure estimates from total diet studies were far below 1 mSv/year across all studies—including those completed in Fukushima Prefecture. Based on this scientific data, Japan requested all Members to lift any import restrictions on Japanese exports. Japan thanked those Members that had already lifted most or all such measures, but noted that China, Hong Kong, China and Chinese Taipei continued to maintain import bans on many Japanese food exports. Japanese foods placed on the market were safe for human consumption without any extra control measures; nonetheless, Japan was willing to certify compliance with the radionuclide regulation for each consignment as a provisional measure. Hong Kong, China and Chinese Taipei had already begun to analyse the monitoring data provided by Japan, and Japan looked forward to the opportunity the meet with China regarding this trade concern.
- 4.8. Chinese Taipei explained that although Japanese food exports contained acceptable trace levels of radionuclides, those levels still raised concern for Chinese Taipei and its consumers, consumer protection groups, and legislators. In order to assuage these concerns, Chinese Taipei requested further information from Japan, including about its surveillance methodology and control measures. Chinese Taipei also requested that foods exported from the five restricted prefectures be accompanied by a certificate of origin and a pre-export laboratory report certifying that they had been tested for radioactivity. The relevant supplementary documents had been received from Japan on 13 June 2013 and were under review. Chinese Taipei expressed its desire to continue normal communications and co-operation with Japan in the future.
- 4.9. Hong Kong, China explained that its import restrictions were based on public health concerns over food imported from the five affected prefectures in Japan. It was waiting for further information from Japan in order to fully assess the threat level presented by Japanese imports. Hong Kong, China stated that it would continue to monitor information from Japan and other relevant international organizations and would adjust its import measures according to any new updates.
- 4.10. China responded that it only restricted the import of products produced in seriously nuclear-contaminated areas and those products seen as high-risk. The detection of nuclear contamination in food and agricultural products in Japan had been on-going. China requested that Japan urge its relevant departments and enterprises to take measures that would ensure all food and agricultural exports were uncontaminated by nuclear matter and could satisfy the Chinese national standards.

4.11. Japan explained that the detection of nuclear contamination in agricultural and food products noted by China only occurred in products that were not legally released to the market. Japan continued to monitor these products.

# 4.1.5 EU import requirements for orchid tissue culture plantlets in flasks – Concerns of Chinese Taipei

- 4.12. Chinese Taipei raised its concerns regarding the EU import requirements for orchid tissue culture plantlets in flasks, contained in 2000/29/EC Annex 4, Points 32.1, 32.3, 34, 36.1, 45.1 and 36. These required the inspection and pest-free conditions for up to six pests. However, the risk of pests for tissue culture plantlets in flasks produced under sterile conditions - like those produced in Chinese Taipei – was much lower than the risk associated with plantlets raised in greenhouses. The EU requirements were, therefore, not scientifically justified. Chinese Taipei had asked the European Union in October 2012 and January 2013 to amend its regulations based on scientific evidence. The European Union responded in February 2013 that the risk assessment of the pest Bemisia tabaci was on-going and that relevant rules would be amended upon completion of that assessment. When the final assessment was published in April 2013, however, it made no mention of tissue culture plantlets and no amendments had been made. In April 2013, Chinese Taipei had reiterated that tissue culture plantlets grown under sterile conditions posed a much lower risk than their counterparts grown in greenhouses, and that, specifically, there was no risk of Bemisia tabaci in those plantlets grown under sterile conditions. Chinese Taipei explained that the European Union had countered that this issue was not technical, but rather legislative in nature, and had asked Chinese Taipei for additional information on official controls and certification processes related to tissue culture plantlets in order to facilitate discussion among EU experts. Tissue culture plantlets from Chinese Taipei were exported worldwide and no other Member required additional inspections for insect pests on plants cultivated under sterile conditions. Furthermore, many EU member States produced tissue culture plants for export under similar conditions and the techniques and procedures for these plants were clearly understood. The EU additional requirements placed a heavy burden, both in terms of money and labour, on Chinese Taipei, and were not consistent with Articles 2.2 and 5.2 of the SPS Agreement, as well as Articles VII.2.(a) and (g) of the IPPC. Chinese Taipei urged the European Union to bring its import requirements in line with existing scientific evidence and risk assessments.
- 4.13. Senegal expressed its surprise at the suggestion of a pest-risk in plantlets produced under sterile conditions, and asked the European Union if pests had been found in such plantlets which could justify its measures.
- 4.14. The European Union explained that this issue had been the subject of intensive bilateral discussions, the most recent of which occurred one week prior to the 57<sup>th</sup> SPS Committee meeting. The EU policies and procedures had been in place since 2002 and no trade problems had been experienced during that time, excluding the present trade concern. The recently published assessment of the European Food Safety Authority regarding *Bemisia tabaci*, a known vector of certain plant disease, would be discussed with EU member States in the coming days. The European Union had requested that Chinese Taipei provide a technical dossier outlining the cultivation of orchids in sterile plantlets and additional information regarding official controls and the certification process, and understood that this dossier was forthcoming. Upon its receipt, the European Union would be able to fully consider the issue and work bilaterally with Chinese Taipei to develop a successful conclusion to this trade concern.

## 4.1.6 European Union – Phytosanitary measures on citrus black spot – Concerns of South Africa

4.15. South Africa raised concerns regarding the EU restrictive import measures on South African citrus exports infested with citrus black spot. This issue had been on-going since 1992. During the July 1997 SPS Committee meeting, South Africa had circulated a statement, G/SPS/GEN/26, in regard to the EU notifications of modifications of phytosanitary measures on citrus black spot (G/SPS/N/EEC/46 and G/SPS/N/EEC/47). At that time, South Africa contended that the EU measures were not scientifically justified and lacked a technical basis, as infested fruit did not pose a significant pest risk. Unfortunately the issue remained unresolved. The EU measures not only lacked scientific basis, but had also had an excessively negative effect on trade and, as such, were in contravention of the SPS Agreement. As previously noted in the SPS Committee, this issue had been raised in the context of the IPPC dispute settlement procedure, and bilateral talks were

set to continue on this matter. South Africa was still waiting for the results of an EU pest-risk analysis regarding *Guignardia citicarpa* that was supposed to have been completed in 2011. South Africa urged the European Union to finish its pest risk analysis and to implement measures that had a scientific basis.

- 4.16. Argentina supported South Africa's position, as it was also a large exporter of citrus to the European Union. Argentina urged the European Union to complete its risk analysis swiftly and to put in place measures that were scientifically-based and not unduly restrictive of trade.
- 4.17. The European Union confirmed that this matter was the subject of the IPPC's first dispute settlement procedure and noted that its territory was free from citrus black spot, hence the restrictions in place reflected the EU desire to maintain this freedom. Detections of citrus black spot on South African fruit sent to the European Union had been on the rise therefore the European Union decided that after a certain number of interceptions action may be taken. The European Union ensured South Africa of close cooperation before any such decision were made. The European Union underlined that the European Food Safety Authority was assessing whether citrus fruit itself could transmit citrus black spot disease. The draft pest-risk analysis should be available in July 2013, and would be open to public consultation. The European Union hoped that the discussions, both bilaterally and at the IPPC, and the expected forthcoming scientific information, would result in a solution that was agreeable to all involved.

## 4.2 Issues previously raised

# 4.2.1 Viet Nam's ban on offals – Concerns of the European Union and the United States (No. 314)

- 4.18. The European Union reiterated that Viet Nam's ban on white offal was not proportionate, as Viet Nam had confirmed that there were no problems with imports of any offals from the European Union. During previously held bilateral discussions, as well as within the SPS Committee, Viet Nam had expressed its intention to lift the ban. Three years on, however, the ban remained. The European Union was willing to continue to work towards a resolution to this issue, and urged Viet Nam to rapidly lift this unjustified ban.
- 4.19. The United States expressed its solidarity with the European Union in regard to Viet Nam's ban on selected offal products. This ban raised serious questions about Viet Nam's compliance with its WTO obligations. The United States urged Viet Nam to lift this ban immediately and to ensure that any new regulations were transparent, science-based and not unduly restrictive of trade.
- 4.20. Australia expressed support for the EU and US positions and raised its concern that, without a risk-assessment, the ban was unwarranted. Australia appreciated Viet Nam's repeal of the ban on red offal, but urged it to move forward in regard to white offal products.
- 4.21. Viet Nam noted that the bans were put in place out of concern for public safety. New import measures were being considered by the Ministry of Agriculture, Development and Customs and Viet Nam would look to interested trading partners assist in this process.

## 4.2.2 China's quarantine and testing procedures for salmon – Concerns of Norway (No. 319)

4.22. Norway reiterated its concern regarding China's testing and quarantine measures on salmon exported from Norway. In addition to these measures, China enforced a licensing system in a manner that de facto established quantitative restrictions on the import of salmon from Norway. While this system was probably outside the purview of the SPS Committee, it helped to illustrate the overall pattern of restriction. Although Norway generally had quite fruitful co-operation with the Chinese authorities regarding food safety and imports, it had yet to receive a response from China despite multiple requests for technical consultations on this issue. Norway recalled that at the SPS Committee meeting in October 2012, China stated that it had requested information from Norway regarding the issue of amoebic gill parasite. However, Norway had been unable to verify that such a request was ever received by Norwegian authorities. As such, Norway asked China to provide the necessary information in writing so that it could comply with China's request. Norway expressed its desire to move this issue towards positive resolution.

- 4.23. China responded that its entry and exit inspection and quarantine agencies had detected carcinogenic microbes and veterinary drug residues in salmon imported from Norway. These products, especially chilled, ready-to-eat salmon, posed a substantial threat to the health of consumers. As such, since 2011, the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) had enhanced inspection and quarantine measures on imported salmon from all countries and areas. In light of the detection of parasitic infections in salmon in recent years, China would consider adjusting its import measures based on quality and risk analyses of salmon to ensure the safety of its consumers.
- 4.24. Norway stated that there was a discrepancy in Chinese and Norwegian testing results and this pointed to the need for co-operation at a technical level. Norway requested that such a meeting take place in order to work with China towards a solution.

## 4.2.3 EU maximum residue levels of pesticides - Concerns of India (No. 306)

- 4.25. India raised its concern over the EU maximum residue levels (MRLs) of pesticides. The EU MRLs for imported foods and agricultural products did not follow any international standards and had no scientific basis, and were therefore in contravention of the SPS Agreement. India requested that the European Union provide scientific justification for its MRLs and that it change those levels that were not scientifically justified. India also requested an update within regard to tricyclazole.
- 4.26. The European Union noted India's concern, and regretted that there was little new to say with regard to this issue. When there was no use of a particular substance within the European Union and no third country had requested the European Union to set an import tolerance, it was the EU practice to set MRLs at the lowest analytical level—the level of determination. This practice was widespread and followed elsewhere in the world. With regard to tricyclazole, in 2011 there had been a proposed reduction of the MRL from its current level of 1 mg/kg to 0.01 mg/kg. A request for an import tolerance for rice was filed by one of the manufacturers of tricyclazole upon which the European Food Safety Authority had issued an opinion on 18 April 2013 that the request was not properly justified and therefore the European Union was considering lowering the existing MRL to the limit of determination (0.01 mg/kg) for rice. The European Union invited India to work with the EU authorities to resolve any concerns regarding tricyclazole and MRLs generally.

# 4.2.4 Turkey's requirements for importation of sheep meat - Concerns of Australia (No. 340)

- 4.27. Australia reiterated its concerns regarding Turkey's requirements for the import of sheep meat. Australia had been seeking information from Turkey regarding its import measures since April 2011, but despite raising this concern at both the 55<sup>th</sup> and 56<sup>th</sup> SPS Committee meetings, it had yet to receive a response. Australia was a safe and reliable supplier of sheep meat to some 100 countries and had consistently met all relevant international SPS measures for such trade. Turkey's measures appeared to contravene its obligations under the SPS Agreement, including Articles 2 and 7 and Annex B. Australia looked forward to the resolution of this issue.
- 4.28. Turkey responded that it was in the process of aligning its food safety legislation with that of the European Union. It had enacted many implementation measurements, but still needed to propose guidelines for sheep and goat meat. Turkey stated that it would send its model health certificate for sheep and goat meat to Australia and other interested Members once it was prepared.

## 4.2.5 China's import conditions related to phthalates – Concerns of the European Union (No. 345)

4.29. The European Union reiterated its concern regarding China's import measures on phthalates in spirits and wine. In bilateral discussions China had indicated that the two territories shared the same legal framework regarding phthalates. Despite this, there had been a disruption in trade and an unnecessary delay of EU consignments into China based on recent measures. China had said it was undertaking a risk assessment on phthalates in food and would base its risk management measures on the results. The European Union was willing to share any scientific information that

could aid China in this process. Further, the European Union urged China to remain transparent in this process and consistent with its own legal framework.

4.30. China observed that it had discovered a risk of phthalates in both domestic and imported distilled spirits, and AQSIQ had been monitoring phthalates in imported spirits since January 2013. In some of those spirits, China had discovered phthalate levels which exceeded the temporary maximum put in place during the investigatory period. Spirits with levels that exceeded the temporary maximum were not permitted onto the Chinese market. China had established expert panels to conduct risk assessments on phthalates in food, and an EU-China workshop on risk assessments for phthalates in food was held on 17 April 2013. China would continue working with the European Union and related Members to find an effective solution to this issue.

# 4.2.6 Japan's restrictions on shrimp due to anti-oxidant residues – Concerns of India (No. 342)

- 4.31. India raised its concern over Japan's maximum residue levels (MRLs) of ethoxyquin in shrimp. India understood that there had been evidence raising concerns over the genotoxicity of ethoxyquin, but did not understand why the MRLs for fish (1 ppm) were higher than those for shrimp (0.01 ppm). India had experienced a substantial economic loss due to Japan's MRLs, which were without scientific justification.
- 4.32. Japan reiterated that it set individual MRLs in food based on scientific data. The MRL in fish was based on residue trial data for fish, but there was no such data for shrimp. Furthermore, as there was no Codex standard for ethoxyquin in shrimp, nor had any foreign country requested that Japan set a specific maximum level in shrimp, the uniform limit of 0.01 ppm had been applied. Japan was reviewing the uniform limit pursuant to a request for a specific limit from India, received September 2012. Multiple reports from Japanese authorities, as well as the European Food Safety Authority, had raised concern about the potential genotoxicity of ethoxyquin. Japan that it would continue to review the status of this limit and consider new data and reports as they became available. Japan expressed its desire to continue working with India on this issue through bilateral channels.

## 4.2.7 Import restrictions due to BSE – Concerns of the European Union (No. 193)

- 4.33. The European Union reported that the General Session of the OIE had positively evaluated and recognised the EU risk status related to BSE. The European Union appreciated Brazil's relaxation of its BSE-related import measures and encouraged Brazil to bring these conditions further in line with the OIE standard and to notify these changes to allow partners to provide comments. Unjustifiable trade restrictions were still in place in a number of other countries and the European Union urged China to base its measure on the OIE standard and lift the ban on EU beef. The European Union welcomed the on-going work carried out by Korea and urged Korea to deal swiftly with all EU applications. The US and Australia's on-going process to align their BSE import conditions with OIE standards was appreciated and closely followed by the European Union and further progress towards real trade market access was now expected without undue delays.
- 4.34. Korea noted that it had been conducting a risk analysis on imported EU beef and had been in close dialogue with the European Union on the matter. Korea looked forward to continued cooperation with the European Union to move the process forward in a timely manner.
- 4.35. China recalled that BSE continued to be a very sensitive and highly technical issue for which scientific knowledge was still insufficient. A risk analysis was carried out with the co-operation of relevant EU member States, but experts of both parties had failed to reach consensus. Further research, communication and discussion were necessary. China expressed its willingness to continue cooperating and communicating with EU technical experts.

## 4.2.8 EU Court of Justice ruling regarding pollen derived from GMOs – Concerns of Argentina (No. 327)

4.36. Argentina reiterated its concern regarding the EU Court of Justice (ECJ) ruling of September 2011 that defined pollen as an ingredient of honey, while Codex and the EU Directive 2001/110/EC considered pollen as a natural component of honey. In light of this new definition, honey that

contained GMO-derived pollen was subject to a pre-authorisation process and should be labelled in order to be marketed throughout the European Union. The European Commission's proposal to modify Directive 2001/110/EC on honey was being discussed in the EU Parliament and the Council. Argentina stressed that the implementation of the ECJ ruling should be based on scientific evidence, be the least trade restrictive as possible and be consistent with the WTO SPS Agreement.

- 4.37. The United States shared Argentina's concern and noted that the ECJ ruling posed a potential barrier to trade. The United States therefore encouraged the European Commission to act expeditiously on its intention to amend Council Directive 1002/110/EC to clarify that pollen was a natural constituent of honey, as stated by Codex, and not an ingredient. The United States also encouraged the Standing Committee on the Food Chain and Animal Health (SCFCAH) to vote, at the earliest opportunity, to authorise the application to include pollen.
- 4.38. The European Union reported that the proposal to amend the Honey Directive was working its way through the legislative process. According to this proposal, pollen would be considered as a natural constituent of honey and, as such, would not need to be mentioned in the list of ingredients. Nevertheless, the EU GMO legislation would continue to apply and the presence of authorised GMO pollen in honey should continue to be labelled if it exceeded the threshold of 0.9% of the total amount of honey.

# 4.2.9 Indonesia's port closure (G/SPS/N/IDN/53, G/SPS/N/IDN/54 and G/SPS/N/IDN/54/Corr.1) – Concerns of China (No. 330)

- 4.39. China expressed concern with Indonesia's plant inspection and quarantine measures for fresh fruit and vegetables that required inspection before export, access into the country only through minor ports and quota restrictions. China had established an inspection and quarantine supervision system for its exported fruit and vegetables and had never received any indication from Indonesia with regard to pest problems in Chinese fruit. Jakarta's port closure increased transport costs, affected the preservation of the products and reduced market competitiveness. China asked Indonesia to cancel the requirement of third party inspection after mutual recognition of the newly established supervision system carried out by competent authorities of China and Indonesia. China also encouraged Indonesia to implement the agreement signed by both parties in Jakarta in May 2013 and to conduct field investigations to grant certification for eight kinds of fruit and vegetable products. Finally, China requested that Indonesia eliminate the quotas for fruit and vegetable products from China, to promote smooth development of trade between the two countries.
- 4.40. The European Union shared the concerns raised by China, highlighting that Jakarta's port closure significantly increased the costs of exports to Indonesia. Indonesia had claimed that its measure was justified by interceptions that posed a serious threat to its plant and consumer protection, however, Indonesia had never reported interceptions on any EU products. Despite several bilateral discussions, the European Union had not received any clarification that would justify Indonesia's trade restrictive measures or explain the discriminatory preferential access to the port of Jakarta. The European Union therefore urged Indonesia to lift these unjustified and discriminatory restrictions on EU products.
- 4.41. South Africa also shared China's concerns that Jakarta's port closure and the mandatory use of SGS certification hampered trade flows into Indonesia and increased transport and certification costs. Despite submitting all required information with regard to the safety of its exports, South Africa had not received a favourable response from Indonesia. South Africa therefore requested that Indonesia lift these unjustified and discriminating measures.
- 4.42. Chile, Korea and Chinese Taipei also shared China's concerns and hoped that the problem would soon be resolved. Chile reported that it had obtained a bilateral meeting with Indonesia after providing all information required on its fruit exports.
- 4.43. Indonesia noted that this issue was in the process of being resolved bilaterally with China. A meeting with the Ministry of Agriculture of Indonesia had taken place on 22 May 2013 and the two countries had agreed to complete an extendable protocol of import and export inspection and quarantine requirements for agricultural and food products. Indonesia explained that its measures

had been adopted to ensure consumer safety, as in the past, exotic quarantine pests were intercepted in potatoes imported from one of the Members who had now raised a concern against Indonesia. Indonesia also noted that the port of Jakarta would be re-opened as soon as the port infrastructure and the inspection facilities for quarantine and customs agencies were ready.

# 4.2.10 EU quarantine measures on certain pine trees and other products – Concerns of Russia (No. 348)

- 4.44. Russia reiterated its concern that EU Council Directive 2000/29 prohibited imports into the European Union of Pinus plants, among others, and seed potatoes from Russia. Russia claimed that the restriction was not based on scientific evidence and Russia was not aware of any justification for the measure. The EU requirement to provide a technical dossier to obtain a derogation to the restriction was not provided for in any international standard or agreement and was therefore considered discriminatory. Given the strong trade impact of the measure, Russia urged the European Union to remove its restriction.
- 4.45. The European Union noted that the request of Russia for a derogation to be able to export potatoes and coniferous plants to the European Union had been intensively discussed in a bilateral setting, and technical discussions with EU member States had started. Nevertheless, to obtain the derogation, a technical dossier was needed. The EU request for information in order to carry out a specific risk assessment on this trade request from Russia was fully legitimate. The European Union repeated its engagement to find a satisfactory solution and looked forward to receiving the necessary technical information from Russia that would allow it to proceed.

## 4.3 Consideration of specific notifications received

## 4.3.1 Costa Rica's MRLs for veterinary medicines in live animals (G/SPS/N/CRI/136) - Concerns of Panama

- 4.46. Panama indicated that Costa Rica had provided replies to its questions just prior to the meeting, and that it would review these and provide comments.
- 4.47. Costa Rica encouraged Panama to arrange coordination between the competent authorities to work on this issue and to seek an outcome that would be satisfactory to both parties.

### 4.4 Information on resolution of issues in G/SPS/GEN/204/Rev.13

## 4.4.1 Croatia's restrictions on imports of pork - Concerns of Slovenia (No. 158)

- 4.48. The European Union reported the resolution of STC No. 158 that had been raised by Slovenia in 2003, after Croatia had imposed restrictions on its import of pork. Since the relevant EU legislation had already been transposed into Croatia's national law, the European Union was pleased to inform that this STC was no longer of concern for either party.
- 4.49. Croatia reported that STC No. 158 had only lasted for several months in 2003 and ended as Croatia harmonised its law with the EU legislation at the end of 2003. Croatia also took the opportunity to recall that from 1 July 2013, Croatia would become an EU Member state. Any further communication on SPS-related matters would therefore be delivered through the European Union.

## **5 OPERATION OF TRANSPARENCY PROVISIONS**

5.1. In the context of the Secretariat's continued updating of the SPS-IMS, the Secretariat indicated that it would send to each Member a list of Specific Trade Concerns (STCs), which they had raised since 1995 and for which no resolution had been notified. Members would be asked to inform the Secretariat of any STCs that had been resolved by Friday, 13 September 2013. At the October meeting, the Secretariat would inform the Committee of the status of these STCs and would update the SPS-IMS accordingly. STCs raised by several Members, for which resolution was not reported by all Members who had raised the issue, would be marked as "partially resolved". Likewise, where an STC concerned more than one product or more than one measure and some, but not all of the concerns had been resolved, it would be identified as "partially resolved".

- 5.2. With a view to improving the quality of SPS notifications, the Secretariat strongly encouraged Members to identify the HS code of the product concerned in the notification and to specify the names of affected products moving in international trade when notifying pesticides, chemicals and veterinary drug residue limits that were being regulated.
- 5.3. A business case for improvements to the IMS and NNS was under development and any suggestions from delegates in this regard would be welcomed until 9 July 2013.
- 5.4. The Secretariat recalled that it no longer produced paper copies of the contact lists of National Notification Authorities and National Enquiry Points, but electronic lists were constantly updated and available through the SPS Information Management System (IMS) (<a href="http://spsims.wto.org">http://spsims.wto.org</a>). The Secretariat no longer generated a monthly summary list of notifications, as Members could generate such lists through the SPS IMS. The summary identifying all documents and notifications issued in 2012 by Members, Observers and the Secretariat had been circulated as G/SPS/GEN/1241 and G/SPS/GEN/1241/Corr.1.
- 5.5. Interested delegates could subscribe to any one of three e-mail lists to receive information and documentation from the Secretariat. One public list would transmit all unrestricted SPS documents, whereas the second list would transmit all unrestricted documents other than notifications. The third list was for SPS delegates only, for the transmission of restricted documents, communications from the Chair, faxes, room documents and other non-public documentation. Documents were provided through the various e-mail lists in the original language in which they were submitted by Members, and translations of these documents were accessible through the SPS IMS or WTO's Docs-on-line. The Secretariat highlighted the importance of Members submitting correct e-mail addresses for the appropriate contact lists in order to receive documentation from the Secretariat.
- 5.6. The Secretariat reported that 51 Members had to date requested access to the online notification system and that almost 50% of notifications were now submitted online. More detailed information as to which countries were using the online system would be provided in the annual report on transparency.
- 5.7. Senegal flagged the lack of understanding in certain countries as to how the online notification procedure worked and specifically referred to the lack of communication between the two entities in charge of notifying: the National Notifying Authority and the National Focal Point. The Secretariat recalled its engagement to provide information and instructions to any Member requesting access to the online notification system or seeking further clarification and offered to further discuss the issue directly with Senegal.

### 6 IMPLEMENTATION OF SPECIAL AND DIFFERENTIAL TREATMENT

- 6.1. No Member provided information under this agenda item.
- 6.2. The Secretariat drew Member's attention to the document that had been circulated by the Committee on Trade and Development on 14 June 2013 (WT/COMTD/W/196). The document provided a useful compilation of all the special and differential treatment (S&D) provisions across the various WTO Agreements along with their state of implementation. Under request of the Committee on Trade and Development, the Secretariat had provided an update of the discussion of S&D provisions in the SPS Agreement, which was included in this document. The document covered the six provisions of S&D, including technical assistance, and the related activities carried out by the SPS Committee.

#### 7 EQUIVALENCE - ARTICLE 4

## 7.1 Information from members on their experiences

7.1. No Member provided any information under this agenda item.

### 7.2 Information from relevant observer organizations

7.2. No Observer provided any information under this agenda item.

#### 8 PEST- AND DISEASE-FREE AREAS - ARTICLE 6

## 8.1 Annual report on implementation of Article 6 (G/SPS/GEN/1245)

8.1. The Secretariat recalled that in April 2008, the Committee had adopted guidelines to further the practical implementation of Article 6 (SPS/48). The guidelines required the Secretariat to prepare an annual report to the Committee on the implementation of Article 6 based on the information provided by Members concerning: a) requests for recognition of pest- or disease-free areas or areas of low pest or disease prevalence; b) determinations on whether to recognize a pest- or disease-free area or area of low pest or disease prevalence; and/or c) Members' experiences in the implementation of Article 6 and the provision of relevant background information by Members on their decisions to other interested Members. This year's report (G/SPS/GEN/1245) covered 2012 and the first quarter of 2013, and was based on information provided by Members through notifications or during SPS Committee meetings. This information was frequently provided under the agenda item "Pest- and or Disease-Free Areas - Article 6". Relevant information provided under other agenda items was also included in the report. The Secretariat welcomed any comments or suggestions regarding the report.

#### 8.2 Information from Members on their pest or disease status

## 8.2.1 Australia – Freedom from Highly Pathogenic Avian Influenza (HPAI)

8.2. Australia reported that the H7N7 Highly Pathogenic Avian Influenza Virus had been found in November 2012 in one free-range poultry enterprise producing eggs. The OIE had been notified of the occurrence of the virus and Australia had provided regular updates on the development of the incident. By 20 December 2012, stamping-out operations (including humane destruction, disposal, cleansing and disinfection) had been completed and reported to the OIE. No further occurrences of the virus had been reported and Australia had on 20 March 2013 again met the requirements of the OIE to be recognised as a country free from HPAI. Australia thanked those trading partners that did not apply additional measures or that adopted measures that produced minimal trade disruption. Australia requested those Members that were still applying restrictive trade measures in response to this incident to remove these measures and recognise Australia as a country free from HPAI.

## 8.2.2 Argentina – OIE recognition of FMD freedom

8.3. Argentina indicated that in May 2013, the OIE had recognised the province of San Juan as free from FMD without vaccination (Resolution No.17 of the 81<sup>st</sup> OIE General Session). The other three FMD-free areas of Argentina were: a) Centro Norte, FMD-free with vaccination; b) Cordon Fronterizo, FMD-free with vaccination; c) Patagonia Argentina, FMD-free without vaccination. Argentina would soon provide detailed information on all four FMD-free areas.

## 8.2.3 Argentina – OIE recognition of freedom from African Horse Sickness

8.4. Argentina reported that in May 2013, the OIE had recognised Argentina as a country free from African Horse Sickness (Resolution No. 21 of the 81<sup>st</sup> OIE General Session).

## 8.2.4 Reporting pest and disease status to the WTO, IPPC and OIE

8.5. The Secretariat noted that some Members had submitted documents providing information on the pest and disease status in their territories. These documents had been circulated and Members could access them online. In this regard, the Secretariat recalled that the IPPC and the OIE had recently reminded Members to ensure that this information was also reported to the IPPC or the OIE directly, as there was no mechanism in place to automatically transmit the submitted documents from the WTO Secretariat to the IPPC and the OIE, or vice-versa.

## 8.3 Information from Members on their experiences in recognition of pest- or disease-free areas

8.6. No Member provided any information under this agenda item.

#### 8.4 Information from relevant observer organizations

8.7. OIE tabled a document describing the OIE BSE risk assessment process that had been in place since 2004 (G/SPS/GEN/1256). OIE also indicated that the latest results of the official disease status recognition of OIE members were available for FMD, BSE, contagious bovine pleuropneumonia and, for the first time, also for African Horse sickness. This information could be found in G/SPS/GEN/1255.

#### 9 TECHNICAL ASSISTANCE AND CO-OPERATION

#### 9.1 Information from the Secretariat

### 9.1.1 WTO SPS activities (G/SPS/GEN/997/Rev.3)

- 9.1. The Secretariat indicated that since the last Committee meeting, general training on the SPS Agreement had been provided in the following activities: a) an Advanced Trade Policy Course (in English), held in Geneva; b) a WTO seminar for English-speaking journalists from African and Asian countries, held in Geneva; c) a Regional Trade Policy Course for Central and Eastern Europe, Central Asia and the Caucasus, held in Turkey; and d) a Regional Trade Policy Course for French-speaking Africa, held in Tunisia.
- 9.2. Upcoming Geneva-based SPS training activities by the WTO Secretariat included: the Advanced SPS Course, which would be held in English, on 7-25 October 2013; and the Workshop on SPS-related Market Access Challenges and Opportunities, on 14 October 2013. Regional activities were scheduled in Libreville, Gabon, for French-speaking African countries (17-20 September 2013); and in Abu Dhabi, United Arab Emirates, for Arab countries (4-7 November 2013).
- 9.3. Over 700 applications had been received for the planned technical assistance activities for 2013. There had been 254 applications for the Advanced SPS Course; 272 applications for the Workshop on SPS-related Market Access Challenges and Opportunities; 155 applications for the Regional SPS Workshop for French-speaking Africa; and 70 applications for the Regional SPS Workshop for Arab countries.
- 9.4. National seminars were scheduled to be held in: the Philippines (week of 29 July); Haiti (5-6 November); Honduras (week of 11 November); and China (week of 25 November). Other national seminars were being planned for Laos, Tunisia and Zimbabwe.
- 9.5. The Secretariat highlighted the Follow-up Session to the 2012 Advanced SPS Course, which was held 20-28 June and was attended by 21 participants from LDCs and developing countries who had participated in the Advanced SPS Course in 2012.
- 9.6. The Secretariat recalled that the e-learning course on the SPS Agreement was available year-round in the three WTO official languages. Further information on SPS-related technical assistance could be obtained on the WTO website (under trade-related technical assistance), or by contacting the Secretariat for additional clarification and assistance.

### 9.1.2 STDF (G/SPS/GEN/1251)

9.7. The STDF Secretariat indicated that the study on International Trade and Invasive Alien Species (IAS) had been completed. The study compared key provisions of two relevant instruments, the SPS Agreement and the Convention on Biological Diversity (CBD) and was not intended to be a legal interpretation. Three key recommendations that emerged from the study were highlighted: a) the SPS Committee should consider developing guidance regarding the relationship between IAS and the SPS Agreement; b) countries should assess, monitor and manage IAS, where possible, in accordance with the relevant IPPC and OIE standards and guidelines; c) increased collaboration among environmental and animal and plant health authorities was needed. The study could be consulted at the STDF web page: <a href="https://www.standardsfacility.org/Files/IAS/STDF">https://www.standardsfacility.org/Files/IAS/STDF</a> IAS EN.pdf.

- 9.8. The STDF Secretariat reported on the workshop on the application of the Multi-Criteria Decision Analysis (MCDA) tool to inform SPS decision-making, which was recently held in Geneva. The framework aimed at helping countries in prioritising among a range of SPS investment options to solve identified SPS problems related to specific commodities. Information on MCDA was available in a briefing note on the STDF website. Since 2011, the framework had been applied in ten countries four of which were with direct STDF involvement. The other MCDA applications were driven by COMESA and USAID.
- 9.9. More information on other STDF activities, including on-going STDF work on SPS and Trade Facilitation could be found in G/SPS/GEN/1251. The STDF Secretariat would undergo an external mid-term review later this year for which results should be available in December. The STDF Secretariat would keep the Committee informed about the outcome of the review process.
- 9.10. Belize, Burkina Faso, Senegal, Viet Nam and COMESA thanked the STDF for its assistance and support in various activities. Viet Nam recommended that developing countries contact the STDF Secretariat for more guidance and assistance as to how to apply the MCDA in their territories. Senegal asked whether it was possible to deliver any of the STDF training sessions in French to provide non-English speaking countries with access to relevant information. Belize looked forward to specific recommendations on how to further enhance the MCDA framework, which had proved to be a very effective mechanism for attracting investments in SPS programmes. Burkina Faso asked whether the STDF study considered any proposal for destroying IAS in environmentally friendly ways that would avoid destroying other species.
- 9.11. The STDF Secretariat explained that the official working language of the STDF was English; nonetheless, all the working documents were translated into Spanish and French. The Secretariat also noted that the scope of the STDF was not to provide training sessions, as the STDF was a partnership of five organizations (WB, FAO, WHO, OIE, WTO) together with a number of bilateral donors and a number of developing countries experts. Occasionally, the STDF participated in WTO training events providing sessions on specific topics, while partners and donors were encouraged to use and disseminate STDF material. With regard to the study on IAS, the Secretariat explained that it did not entail specific recommendations on environmentally friendly measures, as it mainly focused on existing frameworks and tools set up by the OIE and the IPPC, and on how they should be used.

## 9.2 Information from Members

### 9.2.1 Technical assistance provided by Japan (G/SPS/GEN/1160/Add.1)

9.12. Japan reported on the SPS-related technical assistance it had delivered from 1 April 2012 to 31 March 2013 (G/SPS/GEN/1160/Add.1). Since 2009, 37 programmes on technical assistance had been provided, targeting more than 30 countries and amounting to a total of 2.4 billion Japanese yen. The overseas aid programme was managed by the Japan International Co-operation Agency (JICA).

#### 9.3 Information from observers

- 9.13. The IPPC reported that the second meeting of its Capacity Development Committee took place on 27-31 May 2013, while the third meeting was planned for mid-November. The phytosanitary technical resources web page (<a href="http://phytosanitary.info">http://phytosanitary.info</a>) had migrated to a new IT platform. An e-learning course on pest risk analysis was available in English and Spanish and would soon be translated into Arabic and Russian. The IPPC was seeking resources to translate the course into French. A roster of consultants and self-nominated experts had been launched and was available through the phytosanitary.info page. IPPC looked forward to working closely with the STDF in making the best use of MCDA in the SPS context. More information on IPPC activities could be found in G/SPS/GEN/1246.
- 9.14. The OIE tabled a document on its recently carried out activities (G/SPS/GEN/1255) and highlighted the forthcoming conference on veterinary education and the role of Veterinary Statutory Bodies (VSB) that would take place in Brazil, on 4-6 December 2013.

- 9.15. IICA thanked the United States and Canada for their contributions that had enabled IICA to continue supporting the programme for participation in Codex Alimentarius meetings. Further information on the IICA's activities could be found in G/SPS/GEN/1249.
- 9.16. The African Union reported on the training-of-trainers for French-speaking countries that took place in November 2012 in collaboration with the three sisters and the STDF. The African Union also indicated that it was planning to organize a workshop for national authorities and inquiry points in November 2013.
- 9.17. The Secretariat noted that training on the SPS Agreement was among the most requested of training activities from all WTO Members, but the reduction in contributions to the WTO Global Trust Fund could hamper the ability of the Secretariat to respond to requests for such training. The Secretariat therefore urged donor Members keep this in mind when considering contributions to the Global Trust Fund, and encouraged Members who would like training on the SPS Agreement to make their requests as early as possible.

#### 10 REVIEW OF THE OPERATION AND IMPLEMENTATION OF THE SPS AGREEMENT

## 10.1 Issues arising from the Second Review

# 10.1.1 Use of ad hoc consultations (G/SPS/W/259/Rev.6) - Report on informal meeting

- 10.1. The Chairperson reported on the informal meeting on ad hoc consultations held on 26 June 2013. In this meeting, the Chairperson had first recalled that the Committee had been discussing for several years the development of a procedure that would provide more clarity and predictability when requesting the Chairperson's good offices to help Members resolve SPS-related differences. Use of the Chair's good offices was already available to Members under the Committee's Rules of Procedure, but had only been used a few times and long time ago.
- 10.2. The Chairperson had reminded Members that after many rounds of Committee discussions and many subsequent revisions of G/SPS/W/259, in October 2012 the Committee had decided to move the process forward by forming an electronic working group (e-WG) to continue work in between Committee meetings. The e-WG had been open to all Members who had indicated their interest before a certain date 28 Members had responded. To assist the e-WG process, the Chairperson had invited volunteer "stewards" on each of the five identified outstanding elements. Each steward had worked in an individual capacity, and not as a representative of his or her government. The stewards had used various formats to obtain input from the e-Working Group, and the responses from the e-Working Group had provided the basis for stewards to develop their compromise texts for each of the five areas.
- 10.3. Despite some initial scepticism, thanks to the hard work and dedication of the stewards and the positive engagement and involvement of the e-Working Group participants, the process had resulted in G/SPS/W/259/Rev.5. This document presented a compromise that reflected an evolution of many Members' positions. There had been agreement to consider G/SPS/W/259/Rev.5 as the basis for future discussions. This text had been discussed in detail at the informal meeting in March, and Members had been invited to submit any comments in writing by 19 April 2013. These comments, and those already submitted by members of the e-Working Group, were posted on the Members' website to ensure transparency.
- 10.4. The stewards had further revised their proposed compromises in light of all these comments. This process had resulted in a draft document that was circulated to the e-Working Group for comments on 29 May 2013. Comments were received from 11 Members and were posted on the Members' Website.
- 10.5. The comments from the e-WG had been very diverse and while some new suggestions had been made, in many cases Members had reiterated their previous positions. In light of this, the Chairperson had decided, with the assistance of the Secretariat, to put forward language that she thought would be the best solution for bridging the different positions expressed by Members. Not every comment from every Member could be taken on board, although at least one suggestion had

been accepted from each Member who had submitted comments. This process had resulted in G/SPS/W/259/Rev.6.

- 10.6. At the informal meeting on 26 June 2013, the Chairperson had reminded the Committee that Members were not negotiating a legal text, nor were they not creating any new legal obligations or a new process. The purpose of their work was simply to spell out a step-by-step procedure by which the already existing "good offices" process could be more optimally used. A concrete procedure would provide a level of comfort on the transparency and predictability of the process and this was the result they were trying to achieve. The Chairperson had therefore asked Members to consider whether the draft text added value compared to the status quo, and to be flexible.
- 10.7. A detailed discussion had taken place on G/SPS/W/259/Rev.6 category-by-category. Members had a few edits to suggest to the text, but very few substantive concerns had been raised.
- 10.8. In terms of the next steps, the Chairperson had proposed to carefully consider all of the comments that had been made on G/SPS/W/259/Rev.6 at this meeting. Suggestions that improved the process would be incorporated into a revised document if received by 2 August 2013. The Chairperson might also consult with some of the Members in order to find the best possible solution for the remaining unresolved elements.
- 10.9. A revised document (G/SPS/W/259/Rev.7) would be circulated at the beginning of September and tabled for adoption at the October meeting. The Chairperson had clarified that she would not be seeking further comments on the revised text. Rather, the Chairperson emphasized that it was time to decide whether the proposed procedure added value compared to the status quo, keeping in mind that this procedure would be reviewed within a short period of time. Members should have adequate time until the October meeting to carefully consider the proposed text and to come prepared to take a decision in October.
- 10.10. If the Committee were unable to adopt the document in October, then the Chairperson would propose to take this issue off the table until there would be a clear indication from Members with divergent views that they were ready to move forward on this issue.
- 10.11. In commenting on the Chairperson's oral report, Hong Kong, China indicated that it had been unable to attend the 24 June informal meeting and in regard to the draft text suggested: a) clarification of the second part of paragraph 2.2; and b) to properly define the term 'consulting Member' in paragraph 2.6 to avoid confusion on whether this included third party participating Members.
- 10.12. The Chairperson reiterated that comments which improved the process, if submitted before 2 August 2013, would be taken into consideration.

#### 10.2 Preparation for Fourth Review

- 10.13. The Secretariat reminded Members that, in accordance with the decision taken by Ministers at the Doha Ministerial meeting, the SPS Committee should review the operation and implementation of the SPS Agreement during 2014. The Secretariat offered to prepare a proposal on how to proceed in undertaking the next review and subsequently would prepare a background document regarding the implementation of the Agreement and what had changed since the last review. It was up to Members to identify what specific issues or proposals they would like to discuss during the review.
- 10.14. The Secretariat also drew attention to the thematic meeting on good regulatory practice that the TBT Committee had held during the previous week and encouraged Members to read the report prepared by the TBT Committee on the issue.

#### 11 MONITORING OF THE USE OF INTERNATIONAL STANDARDS

#### 11.1 New Issues

- 11.1. Brazil highlighted the 50<sup>th</sup> anniversary of the Codex Alimentarius Commission, the importance of Codex standards and the need to ensure that these remained based on scientific evidence (G/SPS/GEN/1253). Argentina, Australia, Belize, Burkina Faso, Canada, Chile, China, Cuba, the Dominican Republic, the European Union, New Zealand, Norway, Pakistan, Russia, Senegal, South Africa, Switzerland, and the United States also stressed the importance of Codex and other international standards. Some Members called for Codex to harmonize private standards, which are not always based on science. Several Members also noted the particular relevance of standards for developing countries, and the contribution of the Codex Trust Fund in promoting the participation of developing countries in the body's work.
- 11.2. Argentina and Chile reiterated their proposal that the SPS Committee's monitoring procedure adequately reflect how Codex and other standards are used by Members. Argentina drew the Committee's attention to its proposal on the monitoring procedure (G/SPS/W/268) and noted that the topic of monitoring the use of international standards could be addressed in the context of the Fourth Review of the Operation and Implementation of the SPS Agreement.
- 11.3. The observer from the Lebanese Republic noted the lack of a standard on maximum residue levels of antibiotics and pesticides in honey, and encouraged Codex to develop such a standard.

#### 11.2 Issues previously raised

11.4. The IPPC reported on its Implementation Review and Support System (IRSS) (G/SPS/GEN/1259). Seventy-three contracting parties had replied to a survey sent on the implementation of the IPPC and ISPMs, and a draft report would be made available at a later stage. The IPPC thanked the European Union for its support during the first cycle of the IRRS. It was preparing a concept note outlining the future direction and focus of IRSS work during the next cycle, and hoped to make present the recommendations on this to the October 2013 SPS Committee meeting.

## 11.3 Adoption of the Annual Report (G/SPS/W/269)

11.5. The Committee adopted the Fifteenth Annual Report on the procedure to monitor the process of international harmonization, with modifications. The adopted report was subsequently circulated as G/SPS/60.

#### 12 CONCERNS WITH PRIVATE AND COMMERCIAL STANDARDS

#### 12.1 Report on the informal meeting

- 12.1. The Chairperson reported on an informal meeting of SPS-related private standards held on Wednesday, 26 June 2013.
- 12.2. At the informal meeting, the Chairperson had recalled that the Committee had agreed to develop a working definition of SPS-related private standards in order to set the framework within which it would discuss the issue. Agreed Action 1 (G/SPS/55) did not propose a legal definition, but merely sought a framework to limit the scope of issues considered by the Committee.
- 12.3. The Chairperson had also reminded the Committee that, as stated in paragraph 4 of G/SPS/55, endorsement of the adopted actions was without prejudice to the views of Members regarding the scope of the SPS Agreement.
- 12.4. The Chairperson had recalled that in March, the six new proposed definitions tabled by Members, as well as her suggested compromise definition, had prompted some constructive discussions. In addition, China had suggested some new wording for a definition which had gathered support from several Members. However, as no consensus had emerged, the Chairperson had invited Members to submit revised or new written proposals for a working definition of SPS-related private standards by 19 April 2013.

- 12.5. Only China and New Zealand had submitted new proposals for a definition, and the Chairperson had taken the initiative of asking them to try to develop a joint proposal. She had commended China and New Zealand for their leadership and constructive approach, and proposed to give them time to pursue their efforts so that they could hopefully propose a compromise definition by October 2013.
- 12.6. China and New Zealand had presented their proposed joint definition and shared details on their discussions. They had explained the differences reflected in brackets, and the reasoning behind their own positions. This prompted a useful discussion. Several Members had taken the floor to support the joint effort by China and New Zealand, to flag particular concerns, and to support specific elements from the bracketed portions of the proposed joint working definition.
- 12.7. Members had agreed to give China and New Zealand time to continue their work on a joint proposed definition, taking into account the comments made during the informal meeting and any other comments submitted to the Secretariat by 2 August 2013.
- 12.8. Under Action 4, China had noted that it would be useful and relevant when communicating with non-governmental entities, that Members make reference to the Code of Good Practice of the TBT Agreement and to the TBT Committee's Decision on the "Six Principles" for the preparation of international standards. The Code of Good Practice was particularly useful with regard to private standards developed at the national and regional levels, while the Decision was relevant for private standards with international ramifications. China had noted that some Members were already communicating with private entities in their territories involved in the development, application and certification of private standards, including the running of some pilot-projects on private schemes. China encouraged other Members to follow suit and to share their experiences.
- 12.9. Regarding China's reference to the Code of Good Practice, Belize had noted the linkages between the different recommendations of the ad hoc working group on private standards. Belize flagged the need to consider some actions jointly, noting the link between the implementation of Action 4 and proposed Actions 10 and 11, and suggested specific textual changes to Action 4. Some Members had welcomed Belize's suggestion as a good way forward which could facilitate the process of implementing Action 4. It had also been suggested that the Committee could explore possibilities to move forward on Actions 6-12 with the help of facilitators.
- 12.10. However, some other Members had noted that there was no consensus on Actions 6 to 12 and that the Committee should focus on standards that harmonized with the standards set by Codex, the IPPC and OIE.
- 12.11. On Action 5, Chile had noted the importance of increased awareness about the operations of private standard-setting organizations, and flagged that OIE had some experience in that regard. The collaboration of both OIE and Codex with private standard-setting organizations could be important in improving the implementation of food safety and other standards, whether official or private. The OIE had stated that its 2010 General Session had addressed the issue of private standards, resulting in the development of a Resolution guiding OIE's relations with private standard-setting bodies. The OIE provided the text of the Resolution to the Committee.
- 12.12. The Chairperson had encouraged Members to share information regarding the implementation of Actions 2 to 5, and invited Belize to provide its proposal for further elaboration of Action 4 for consideration by the Committee.
- 12.13. UNCTAD had reported on the launch of its UN Forum on Sustainability Standards (UNFSS) platform in March 2013 and made a presentation addressing the role of the UNFSS, its added-value, structure, priority issues and activities, as well as the envisaged pro-active role of developing country governments. The presentation had prompted a lot of interest and questions from the Committee. The representative of UNCTAD had noted that more information and contact details were available on the UNFSS website (<a href="http://www.unfss.org">http://www.unfss.org</a>).
- 12.14. Commenting on the Chairperson's oral report, China and New Zealand thanked the Chairperson for her initiatives towards a working definition of SPS-related private standards. Both China and New Zealand appreciated the comments Members had made at the informal meeting, and looked forward to further collaboration.

#### 13 OBSERVERS

## 13.1 Information from Observer Organizations

- 13.1. The International Organization for Standardization (ISO) gave an overview of its activities (G/SPS/GEN/1248). The ISO also congratulated Codex on its 50<sup>th</sup> anniversary, and highlighted cooperation with both Codex and the OIE on work related to test methods, other technical subjects, and in the organization of joint training sessions.
- 13.2. The African Union (AU) gave an update of its activities (G/SPS/GEN/1250). It outlined several SPS-related meetings it had attended and/or hosted. The AU also noted that the Uganda Organic Certification Organization (UgoCert) had made an application, on behalf of organic stakeholders in East Africa, for EU recognition of the East African Organic Products Standards (EAOPS). The African Union Interafrican Phytosanitary Council (AU-IAPSC) was consulting its members on certain draft specifications detailed in the report.
- 13.3. The International Regional Organization for Plant and Animal Health (OIRSA), which had indicated its inability to attend this meeting, had submitted a written report on its recent activities (G/SPS/GEN/1257).

#### 13.2 Requests for Observer Status

13.4. The Chairperson recalled the outstanding requests for ad hoc observer status in the SPS Committee, from the Convention on Biological Diversity (CBD), CABI International, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the Organisation Internationale de la Vigne et du Vin (OIV), the Asian and Pacific Coconut Community (APCC), and the International Cocoa Organization (ICCO). The Chairperson observed that there was no change in Members' positions and no consensus at this time to grant ad hoc observer status to any of these organizations.

#### 14 CHAIRPERSON'S ANNUAL REPORT TO THE COUNCIL FOR TRADE IN GOODS

14.1. The Chairperson noted that she would make a factual annual report, under her own responsibility, on the activities of the Committee for consideration by the Council for Trade in Goods (CTG) in October. Members could request a draft report from the Secretariat, and provide comments by 2 August 2013.

## 15 OTHER BUSINESS

15.1. No Member provided information under this agenda item.

## 16 DATE AND AGENDA FOR NEXT MEETINGS

- 16.1. The proposed dates for the 2014 meetings of the Committee are: 24-26 March, 8-10 July, and 14-16 October (G/SPS/GEN/1262). The dates proposed for the March and July meetings would be back-to-back with tentative meetings of the Commission on Phytosanitary Measures and the Codex Alimentarius Commission, respectively, in order to facilitate delegates' travel. Argentina requested that the secretary of the TBT Committee be informed of the proposed dates for SPS Committee meetings, as back-to-back meetings with the TBT Committee created difficulties for its participation.
- 16.2. The Chairperson recalled that the next meeting of the Committee was tentatively scheduled for 16-18 October 2013. The meeting would be preceded by a workshop on SPS-related market access challenges and opportunities (G/SPS/GEN/1254) on 14 October, as well as informal consultations on private standards on 15 October 2013.
- 16.3. The Committee agreed to the following tentative agenda for its October meeting:
- 1. Adoption of the agenda
- 2. Information on relevant activities

- a) Information from Members
- b) Information from the relevant SPS standard-setting bodies
- 3. Specific trade concerns
  - a) New issues
  - b) Issues previously raised
  - [(c) Consideration of specific notifications received]
  - d) Information on resolution of issues in G/SPS/GEN/204/Rev.13
- Operation of transparency provisions
- 5. Implementation of special and differential treatment
- 6. Equivalence Article 4
  - a) Information from Members on their experiences
  - b) Information from relevant Observer organizations
- 7. Pest- and Disease-free areas Article 6
  - a) Information from Members on their pest or disease status
  - b) Information from Members on their experiences in recognition of pest- or disease-free areas
  - c) Information from relevant observer organizations
- 8. Technical assistance and co-operation
  - a) Information from the Secretariat
    - i. WTO SPS activities
    - ii. Report on Workshop on Market Access
    - iii. STDF
  - b) Information from Members
  - c) Information from Observers
- 9. Review of the Operation and Implementation of the SPS Agreement
  - a) Issues arising from the Second Review
    - i. Use of ad hoc consultations
  - b) Issues arising from the Third Review
  - c) Fourth Review Preparatory work
- 10. Monitoring of the use of international standards
  - a) New issues
  - b) Issues previously raised
- 11. Concerns with private and commercial standards
  - a) Report on informal meeting
- 12. Observers
  - a) Information from Observer organizations
  - b) Request for observer status
- 13. Other business

## 14. Date and agenda of next meeting

- 16.4. Members were asked to take note of the following deadlines:
- For comments on the draft working proposal on SPS-related private standards (to China and New Zealand); for comments on the draft annual report to the CTG; and on the procedure for ad hoc consultations (G/SPS/W/259/Rev.6): <u>Friday, 2 August</u>;
- For including an item arising from the Third Review in the agenda for the October Committee meeting: <u>Friday</u>, <u>2 August</u>;
- For identifying issues under the monitoring procedure and requesting that items be put on the agenda: **Thursday**, **3 October**;
- For distribution of the Airgram and circulation of documents: Friday, 4 October 2013.