



UPDATE ON OECD ACTIVITIES OF INTEREST TO THE SPS COMMITTEE

COMMUNICATION FROM THE OECD

The following communication, received on 8 February 2023, is being circulated at the request of the OECD.

1 SANITARY AND PHYTOSANITARY APPROVAL PROCEDURES: KEY ISSUES, THEIR IMPACT ON TRADE, AND WAYS TO ADDRESS THEM

1.1. Approval procedures are critical to Sanitary and Phytosanitary (SPS) systems as they uphold countries' commitments to facilitate safe trade. However, they can create significant costs and act as non-tariff barriers if not properly administered. This report examines the costs and opportunities that are associated with seven of the most pressing issues related to the administration of approval procedures. The analysis reveals that countries have increasingly raised specific trade concerns (STCs) to the WTO about issues related to approval procedures. Furthermore, gravity analysis demonstrates that trading partners dealing with STCs related to approval procedures trade 26% less on average than those not dealing with any STC. An OECD survey specifically designed to evaluate how issues related to approval procedures can be addressed indicates that multiple solutions exist to enhance efficiencies in agro-food trade, such as digitalizing SPS systems, relying on international standards or simplifying SPS measures.

- This report will be published as an OECD Food, Agriculture and Fisheries Paper in February-March 2023;
- This report will be presented during a Side Event to the SPS Committee Meeting on 22 March 2023, from 14:00-15:00.

2 ELECTRONIC SANITARY CERTIFICATES FOR TRADE IN ANIMAL PRODUCTS: OPPORTUNITIES AND CHALLENGES

2.1. Electronic exchange of sanitary and phytosanitary certificates can facilitate trade in animal and plant products. The electronic exchange of certificates can benefit both exporting and importing countries through enhanced efficiency gains, improved transparency, and traceability, as well as improved risk management along the food chain. However, the policy levers associated with e-sanitary certification systems are complex and include trade policies, as well as regulatory policies, investment policies, and public health and animal health policies. Countries face substantial challenges in the adoption of electronic sanitary certification systems including the costs associated with building the infrastructure, providing training, and updating existing regulatory systems. This paper reviews the uptake of e-sanitary certification systems and discusses the potential benefits and costs of adoption of these systems. Effective co-operation and collaboration between the public and private sectors are critical to the adoption and maintenance of sustainable e-sanitary certification systems.

- Ryan, M., E. Avery and S. Kahn (2023), "Electronic sanitary certificates for trade in animal products: Opportunities and Challenges", OECD Food, Agriculture and Fisheries Papers, No. 190, OECD Publishing, Paris, <https://doi.org/10.1787/5417ff4f-en>.

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