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Committee on Sanitary and Phytosanitary Measures

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**PANAMA'S RESTRICTIONS REGARDING THE PROCEDURE TO REGAIN
MARKET ACCESS FOR PERUVIAN POTATOES AND ONIONS
(STC NO. 512)**

COMMUNICATION FROM PERU

The following communication, received on 26 April 2023, is being circulated at the request of the delegation of Peru.

1. Peru would like to raise before WTO Members its trade concern regarding the suspension by Panama of imports of onions for consumption from Peru and the related undue delays in the phytosanitary efforts to restore trade in this product. It should be noted that the concern relating to potatoes will be partially upheld, separate to this concern.
2. With regard to onions, pursuant to Articles 2.2 and 5 of the WTO SPS Agreement, Members shall establish sanitary and phytosanitary measures only where they are applied, *inter alia*, to protect plants, and such measures must be based on a risk assessment. Moreover, Article 5.4 of the Agreement specifies that Members should take into account the objective of minimizing negative trade effects.
3. However, it is regrettable that Panama has not taken into account the above-mentioned provisions and has instead applied restrictive and unjustified measures to trade in onions from Peru.
4. In the case of trade in Peruvian onions, Panama suspended imports of this product in 2016 despite not having detected any quarantine pest in the shipments that would justify the suspension of imports as an emergency measure (section 5.1.6.4, ISPM No. 20, Guidelines for a phytosanitary import regulatory system).
5. It should be noted that this suspension was based solely on an updated pest risk analysis (PRA), without there being any technical reason - as required under Article 5 of the SPS Agreement - to interrupt trade between the two parties.
6. This step is also contrary to the principle of "technical justification" under the International Plant Protection Convention, which states that the parties should technically justify phytosanitary measures on the basis of conclusions reached by using an appropriate pest risk analysis or, where applicable, another comparable examination and evaluation of available scientific information.
7. In view of this situation, Peru has continued to provide a steady stream of technical information relating to the PRA in order to secure the reopening of the Panamanian market for onions; however, Panama's health authority has failed to provide a response regarding the results of its risk analysis and has repeatedly asked for the same information that had already been sent in good time by the Peruvian health authority, causing the process to be unnecessarily and unjustifiably prolonged.
8. In the light of the foregoing, and in order to prevent a violation of Articles 2, 5 and 8 of, and Annex C to, the SPS Agreement, Peru requests Panama to reopen the market to Peruvian onion exports and to avoid any other action that may unnecessarily prolong this process, thereby creating unnecessary and unjustified barriers to trade.