

**IMPLEMENTATION OF THE REGIONALIZATION PRINCIPLE**

Communication by Argentina

A. INTRODUCTION

1. Communications G/SPS/GEN/129, G/SPS/W/381 and G/SPS/GEN/388 outline the difficulties facing an exporting Member that initiates a bilateral procedure for recognition of pest- or disease-free areas or areas of low pest or disease prevalence. At the SPS Committee meeting in June 2003, representatives of developing countries requested that the Committee continue to deal with this matter, so that agreement could be reached on the general criteria for effective implementation of the regionalization principle set out in Article 6 of the SPS Agreement. The Chairman accordingly invited Members to submit their experiences on regionalization to the Secretariat by the end of September, in order to permit a more focussed discussion at the next meeting.<sup>1</sup>

2. In response to that request, two experiences with recognition of plant pest-free areas (specifically, citrus canker - *Xanthomonas axonopodis*) are described below. The feature common to both experiences is that they concern a request for recognition of Argentina's Northwest region as free from citrus canker. It is interesting to note that the procedures for regionalization of an identical plant pest led, in the first case, to recognition of the region's pest-free status without causing any disruption of trade whereas, in the second, the region was never able to commence trade under the conditions applying to a pest-free area.

B. POSITIVE EXPERIENCE

3. In the first case, the distinctive feature is that although the importing Member (hereinafter referred to as "X") changed its citrus import requirements on several occasions, this did not call into question the recognition of pest-free status nor did it affect the normal course of trade.

4. In 1991, Argentina officially declared the provinces of Jujuy, Salta, Tucumán and Catamarca (Northwest Argentina) as free from citrus canker.

- (i) In 1992, the Secretariat of Agriculture, Livestock, Fisheries and Food (SAGyP) (acting through the Argentine Plant Health and Quality Institute - IASCAV), the provincial governments of Salta, Jujuy, Catamarca and Tucumán and the AFINOA (Northwest Argentina Plant Health Association, which includes the private sector) established the CORENOA (Northwest Argentina Regional Committee).
- (ii) One of the plant health programmes conducted under CORENOA leadership is known as the "Phytosanitary Procedure for the Export of Citrus Fruit from Northwest Argentina to the EU".

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<sup>1</sup> G/SPS/R/30, paragraph 137.

- (iii) In 1993, Member "X", which had been importing citrus fruit from Argentina for the past 20 years, decided, as a result of internal organizational changes, to adopt a standard reinforcing citrus import regulations, one of which is the requirement of *Xanthomonas axonopodis* pv. *citri*-free status.
- (iv) In 1993, the COSAVE (South Cone Plant Health Committee) recognized the Argentine provinces of Jujuy, Salta, Tucumán and Catamarca (Northwest Argentina) as citrus canker-free.
- (v) Argentina sent and exchanged a vast amount of information with Member "X" regarding both the situation in Northwest Argentina and the development of the certification system in Northeast Argentina.
- (vi) Negotiations started with a view to obtaining recognition of a different status for each of Argentina's two production areas – one of them free of the disease (Northwest Argentina) and the other affected by the disease (Northeast Argentina).
- (vii) Negotiations continued between the two Members while Argentina differentiated between the two regions and implemented plant health safety measures.
- (viii) In 1998, Member "X" published a standard recognizing Northwest Argentina as free from *Xanthomonas campestris* (all the strains pathogenic to *Citrus*).
- (ix) In September 2001, Member "X" inspected Argentina's two citrus producing regions (Northwest and Northeast) in order to evaluate the sanitary guarantees offered by Argentina for citrus exports to "X".
- (x) Member "X" drew up a draft inspection report, on which Argentina conveyed its comments and observations.
- (xi) In June 2002, Member "X" published the final report on the September 2001 mission to Argentina (including Argentina's comments) on the Internet. Although Member "X" made a few recommendations, the report clearly shows that the inspectors deemed the guarantees afforded by Argentina for exports from the Northwest and the Northeast to be sufficient.

5. Although Member "X" twice modified its import requirements, it never ceased to recognize the differences in status of the regions concerned, nor was there any disruption in the flow of goods from the two regions, while plant health safety measures were being reinforced.

C. NEGATIVE EXPERIENCE

6. In 1994, Argentina made its very first regionalization request to Member "Y" in order to begin exporting citrus fruit from the Northwest.

- (i) In 1995, Member "Y" conducted a pest risk analysis (PRA) of fresh citrus fruit from Northwest Argentina and determined the pests of quarantine concern.
- (ii) In 1996, Argentina conveyed its comments on the PRA and scheduled a visit to the Northwest in order to assess the region's citrus canker-free status.

- (iii) In 1998, Argentina issued a protocol and rules relating to the status of the Northwest as a citrus canker-free area. That same year a technical mission from Member "Y"'s Health Service went to Northwest Argentina in order to verify its pest-free status.
- (iv) In 1999, Member "Y" recognized Northwest Argentina as free from citrus canker on the basis of the information received and the above visit.
- (v) In 1999, as a result of recognition being granted, Argentina drew up a "Work Plan for the export of fresh lemons (*Citrus limon*) from Northwest Argentina" and a "Work Plan for the export of fresh oranges (*Citrus sinensis*) and grapefruit (*Citrus paradisi*) from Northwest Argentina".
- (vi) Member "Y" has been in possession of the Work Plans since 1999, and up until early 2002, during which time Argentina maintained the Northwest's canker-free status, exports remained prohibited, despite Argentina's repeated representations.

#### D. FINAL COMMENTS

7. Argentina views effective implementation of the regionalization principle as a vital tool in achieving flexibility in international trade and in preventing the discretionary adoption and implementation of sanitary and phytosanitary measures.

8. The positive experience is a case of historically exported goods which, despite the importing Member having modified its import requirements on several occasions, never once saw any disruption in the flow of trade in goods from the exporting country.

9. The negative experience raises the following two issues:

- (i) The procedure for recognition by the importing party of the sanitary status of the zone for which regionalization was sought by the exporting party was unduly slow (five years) without any technical justification for the delay, since the regional reference body (COSAVE-FAO) had already recognized the status of Northwest Argentina.
  - (ii) Despite the technical work that led to the validation of the sanitary status of Northwest Argentina, bureaucratic hurdles (failure to approve the Work Plan) created an obstacle to trade in practice, since the recognition granted was not put into effect.
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