

REGIONALIZATION

Communication from Peru

The following communication, received on 1 December 2005, is being circulated at the request of the delegation of Peru.

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1. Peru would like to thank the Chairman of the Committee for his willingness to continue discussions on matters relating to Article 6 of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.
 2. Peru has prepared the following information on the basis of its own experience with a view to helping to clarify the difficulties on the application of Article 6 and identify the elements required to formulate a draft decision on the effective application of that article.

I. GENERAL EXPERIENCE

3. Peru participates in the work of the international reference organizations such as the World Organization for Animal Health (OIE) and the Secretariat of the International Plant Protection Convention (IPPC). It recognizes and fully applies the standards and guidelines laid down by these organizations in its internal standard-setting procedures relating to the establishment and recognition of pest- or disease-free areas or areas of low pest or disease prevalence.
4. On the basis of these international standards and guidelines, Peru has built up a sound and effective legal framework for the establishment and maintenance of pest- or disease-free areas or areas of low pest or disease prevalence. Similarly, it has strengthened both the institutional infrastructure and the specific infrastructure required for the establishment and maintenance of pest- or disease-free areas.
5. On the basis of these international standards and guidelines, Peru is committing substantial resources to the eradication of pests and diseases with a view to applying the concept of regionalization, establishing pest- or disease-free areas and thus gaining access to international markets.
6. It costs as much if not more to maintain pest- or disease-free areas as to obtain such a status, and maintenance mainly depends on the degree of commercial benefit that the producers can gain from that status and on the measures that the government and the private sector will take in order to extend the range of international markets.
7. Thus, access to international markets is the main objective of our sanitary policy and, therefore, of the investment to establish pest- or disease-free areas, although uncertainty in the

recognition of such areas by the importing countries, as a form of trade facilitation, puts at risk the sustainability of such pest- or disease-free areas.

8. Peru applies the same scientific rigor to both regionalization measures applied for domestic reasons and to those applied with a view to gaining access to export markets, both in the agricultural and the fisheries sectors.

9. The establishment of pest- or disease-free areas is a medium- and long-term process. In addition, the uncertain period of time for such status to be accepted and to become of real benefit in gaining access to international markets of interest is expensive and difficult, despite the fact that Peru applies the guidelines of the international organizations recognized by the WTO SPS Agreement.¹ However, the weakness in the actual application of Article 6 of the WTO SPS Agreement is reflected in the lack of definition, slowness and/or variation of the requirements, procedures and results required by the importing countries for recognition of a pest- or disease-free area once it has been officially declared to be so.

10. Owing to the reasons set out in the previous paragraph, Peru has sometimes taken several years to obtain recognition of the status of areas already declared pest- or disease-free by the national authority; in other cases, the process of recognition has been expeditious.

11. In addition to the factors mentioned above, the relevant international organizations approach the application of Article 6 differently: while the OIE provides recognition for some specific diseases, the IPPC has set international standards for phytosanitary measures that lay down the guidelines for the declaration of pest- or disease-free areas and for places or sites of production that are pest-free.

12. In this regard, Peru has disease-free areas that have been recognized by the OIE, but such recognition has not been validated by the importing countries automatically or expeditiously and consequently has not resulted in compliance with Article 6.

13. The IPPC provides no international recognition, although this subject was discussed at the last IPPC meeting. Peru supports the proposal that the IPPC should operate in a similar fashion to the OIE in this respect. The importing countries should automatically accept international recognition.

II. SPECIFIC EXPERIENCE

1. Experience on recognition procedures for the export of animals, animal products and by-products from an OIE-recognized pest- or disease free area without vaccination

14. Peru invested the sum of US\$12 million between 1998 and 2004 to eradicate foot-and-mouth disease from its territory. The cost of protection and maintenance of that status amounts to US\$1.5 million each year.

15. As a result of the investment made, 97.6 per cent of the territory is recognized by the National Agrarian Health Authority as an area free of foot-and-mouth disease without vaccination and 2.4 per cent is recognized as a disease-free area with vaccination.

16. Following the request submitted by Peru, the OIE recognized approximately half the national territory as a disease-free area where vaccination does not apply.

¹ Peru recognizes that the OIE and the IPPC have the capacity and are the accredited international organizations to establish guidelines for the recognition of pest- or disease-free areas.

16. Peru has submitted to an importing country a request for recognition of "an area free of foot-and-mouth disease without vaccination" already recognized as such by the OIE, with a view to being able to export animals, and animal products and by-products.

17. Despite such international recognition by the OIE of a disease-free area where vaccination is not practised, the importing country does not recognize the status obtained. On the contrary, the information requirements and the need to fulfil a large number of requirements established by the health authority of the importing country have led to delays in the preparation of the questionnaires. At least one of these additional requirements cannot be fulfilled by Peru; i.e. the establishment of an indemnification fund.

18. Furthermore, the sanitary authority of the importing country in question has established, in a document, a two-year period for the recognition of disease-free areas, during which sanitary information is requested from the country on such matters as the veterinary administration, economic resources, human resources, the quarantine system, traceability, etc.

2. Experience on the recognition of pest- and disease-free agricultural areas

19. Peru's experiences in the phytosanitary field include the following cases.

20. Firstly, there is the case relating to the recognition, by the National Plant Protection Organization (NPPO) of one of Peru's important trading partners, of five of Peru's central and southern coastal regions as an area free of the disease *Anastrepha grandis* (cucurbit fly). That recognition was rapid and there was no need for an official declaration as a previously disease-free area by the NPPO of Peru.

21. Secondly, there is the case of the recognition of Peru as "a country free of three quarantine pests of citrus fruits". That process took significantly longer and included the promulgation of a supreme decree by Peru, recognition by the General Secretariat of the Andean Community of Nations (CAN) and notification to the WTO.

22. In this case, the activities directed to obtaining the recognition of pest-free areas began in 1995 with the establishment of a protocol of work previously agreed with the NPPO of the importing country in order to prove that the three quarantine pests did not exist in Peru.

23. The implementation of the final part of the protocol, which included a technical visit by NPPO specialists of the trading partner (initially planned for the second year), took place eight years after the field monitoring work began (4 years after the declaration as a pest-free area by Peru).

24. Once the technical visit had been made and as a result of a monitoring programme of several years backed up by the respective reports, Peru was recognized by the trading partner, on the basis of the corresponding risk analysis, as a country free of the pests in question.

25. At the present time measures are being taken to maintain the status of a pest-free country, and access to the market of the importing country will soon be achieved.
