

**STATEMENT BY PERU ON REGULATION No. 258/97 OF THE
EUROPEAN COMMUNITIES**

Statement by Peru at the Meeting Held on 11 and 12 October 2006

The following communication, received on 12 October 2006, is being circulated at the request of the delegation of Peru.

1. Peru is grateful to the European Communities for its goodwill with regard to the consultation initiated by document G/SPS/GEN/700 with a view to receiving comments from those with an interest in the matter and introducing changes to European Parliament and Council Regulation 258/97. Peruvian institutions such as the Peruvian Institute for Natural Products (IPPN), the Commission for the Promotion of Exports (PROMPEX), the National Agrarian Health Service (SENASA) and Hersil Laboratories have sent comments in response to this consultation.

2. Peru wishes to present to the WTO Members arguments additional to those contained in its first communication (G/SPS/GEN/681) and in its second communication (G/SPS/GEN/713). In those communications, Peru expressed concern regarding the application of the Regulation, which restricts entry into the European Market of certain foods (in their natural state and processed) described as "novel foods", that were not marketed in Europe prior to 15 May 1997.

3. As was indicated in its previous communications, Peru considers the Regulation to be somewhat inflexible, in that it makes no distinction between foods that are new in the strict sense and those that are new only to the European Union. In this regard, Peru proposes that the international context should be considered, from which it can be seen that many of these traditional products are being marketed in various countries with very strict sanitary standards, and that in the case of traditional products, the requirements permitting them to be imported into their markets should include, *inter alia*, the fact that they have been marketed safely outside the country establishing the regulation, methodological guides for obtaining authorization, support to developing countries, etc.

4. In addition, we must stress that initiating the procedure established in the Regulation for the entry of such products entails a very high cost for exporters. Furthermore, a licence is granted only for the importer that requested the product. Another importer of the same product would have to make a new application.

5. In this context, it is important to take account of the poverty that prevails in Peru, particularly in rural areas, which are precisely the areas where the majority of the traditional products derived from our biodiversity are found. The economic impact, projected on the basis of exports to date of various traditional products such as lúcuma, sachá inchi, yacón and camu-camu, is very encouraging and would help reduce poverty in many regions of Peru. In addition, Peru has shown that it can

supply safe agro-industrial products, as in the case of asparagus and artichokes, both of which are widely recognized in the European Market.

6. It must therefore be stressed that these traditional products are a manifestation of the sustainable use of our biodiversity through free and safe trade, an approach to which Peru subscribes, in the belief that trade, sanitary and phytosanitary protection and biodiversity must be mutually supportive components of the country's development.

7. It is also important to bear in mind some of the adverse social effects of the implementation of this Regulation, such as disincentives to the development of promising economic activities, promotion of increased cultivation of illicit crops for economic ends, the failure to contribute to improving the health of the world as a whole through consumption of traditional products or foods with a high nutritional value, and a decline in the income of the poorest sectors of the population, hampering their access to fundamental rights.

8. In conclusion, Peru reiterates its request to the European Communities for an early revision of Regulation 258/97, excluding from its scope of application traditional exotic products (derived from biodiversity) or, failing that, for a more flexible implementation of the Regulation easing the entry of traditional exotic products into the European market, in the light of various factors, including the fact that they are constantly used in other countries without any risk to life or health.
