

**TECHNICAL COOPERATION AND ASSISTANCE**

Submission by the United States

The following communication was received from the United States on 3 June 1998.

Benefits of timely implementation of the SPS Agreement

1. Developing countries have much to gain from timely and effective implementation of the SPS Agreement. Agricultural products account for a major share of many developing countries' total exports, and participation in a rules-based trading system which removes unjustified trade barriers will help to ensure that those countries can participate fully in the growth of the world economy. For current or potential food deficit countries, the expansion of trade in safe agricultural products will contribute to improved food security, both by enhancing agricultural productivity and by ensuring the availability of diversified and reliable supplies of critical food products. At the same time, the continued development of transparent, science-based regulatory systems will help to raise developing countries' human, animal and plant health standards, while enhancing the ability of their producers to adapt to SPS requirements established in their major export markets.

Progress during transition periods

2. In Article 14 of the SPS Agreement, Members agreed that developing countries could delay implementation of some provisions of the Agreement for up to two years, where technical limitations prevented immediate implementation. That two year period ended on 1 January 1997. Article 14 also allows the least developed countries (LLDCs) to delay implementation for up to five years after the entry into force of the Agreement. That period will end on 1 January 2000.

3. In reviewing the implementation of the Agreement to date, the Committee should note that most developing countries - and a number of least-developed countries (LLDCs) - have identified their notification authorities or national enquiry points, as required under Annex B of the Agreement, and have taken other concrete steps to implement the Agreement's other provisions. A growing number of developing country delegations are actively involved in the SPS Committee and in the activities of the international standard-setting organizations and other relevant regional and international bodies. The United States commends these efforts, which demonstrate developing country Members' interest in and commitment to the strengthening of the rules-based international trading system. We urge those non-LLDC Members which have not yet fully implemented their commitments under the Agreement to make every effort do so as quickly as possible, in order to realize the benefits described above and to avoid potential trade problems under this Agreement.

4. Because only eighteen months remain of the Article 14 transition period for LLDC Members, the Committee should also encourage and support these countries' efforts to advance implementation

of the Agreement's principal provisions. The United States believes it is particularly important to expand and deepen communication between least developed country Members and their trading partners on SPS issues during this transition period. The formal establishment of national notification authorities and enquiry points and greater participation in the activities of international standard-setting organizations can make a particularly important contribution to such improved communications. The firm establishment of these operational contacts will provide an important foundation for LLDC Members' efforts to fully adhere to their other commitments under this Agreement, and facilitate their producers' efforts to adapt to SPS requirements in their international export markets.

#### Expanding participation of developing and least developed countries in international standard-setting bodies

5. Article 3.4 of the SPS Agreement provides that Members "shall play a full part, within the limits of their resources, in the relevant international organizations and their subsidiary bodies". Developing countries' participation in the activities of the international standard-setting organizations, however, remains limited. Increasing their participation is in the interest of all Members and is important for the effective implementation of the Agreement. To this end, the United States works directly with individual developing country Members and with regional groups to facilitate their ability to contribute substantively to international standard-setting activities. The United States recommends that the Committee seek to identify specific steps that might be taken to improve developing countries' ability to participate in the activities of international sanitary and phytosanitary related organizations on a sustained basis.

6. For example, the Committee might recommend that the standard-setting organizations consider means of improving developing countries' awareness and understanding of issues affecting their interests, including through the use of computer and telecommunications equipment provided by WTO and other bilateral and international assistance programs. It may also be useful to examine options for conducting meetings in locations that are more accessible to developing countries, particularly when those meetings address issues of particular importance to them.

7. The Committee may wish to communicate any conclusions it reaches on these issues to other relevant international organizations, and request that those organizations also review any policies or practices that may contribute to greater participation by developing countries in their activities.

#### Ensuring the efficiency of technical cooperation and assistance

8. Article 9 of the SPS Agreement provides that Members will facilitate the provision of technical assistance which will assist developing countries' producers in adjusting to sanitary and phytosanitary requirements in their export markets. The United States is committed to cooperating with developing countries and, as appropriate, providing technical assistance that facilitates their ability to fully participate in the expansion of world trade in high quality agricultural and food products. In accordance with this commitment, the US Government has incorporated SPS objectives into a wide variety of bilateral cooperation and assistance programs. Illustrative examples may be found in the Annex.

9. A number of regional and international organizations provide a range of informational resources and technical assistance designed to improve developing country producers' ability to adjust to international sanitary and phytosanitary requirements. World Bank agricultural extension projects and a range of Food and Agricultural Organization (FAO) programs, for example, facilitate the adoption of production techniques that reduce food safety risks and help to improve access to international markets. In some cases, projects, seminars or informational materials, such as the SPS-related materials prepared by the WTO/UNCTAD International Trade Centre (ITC), are

specifically designed to ensure that products meet relevant regulatory requirements in developing countries' key export markets. Increasingly, extensive resource libraries on a wide variety of sanitary and phytosanitary issues are also available on the Internet. It may be useful for the Committee to consider how Members can make the most efficient use of all these resources, including through improved communication and coordination among different bilateral and multilateral technical cooperation programs.

10. Although the SPS Agreement does not refer to technical cooperation and assistance in relation to Members' efforts to implement the Agreement itself, a range of informational resources and assistance programs are also relevant to this issue. For example, Members may find reference to OECD "Recommendations on Improving the Quality of Government Regulations" to be useful, to the extent that they can help in designing regulatory regimes which ensure that SPS measures are transparent, science-based, provide for high level of health protection, and are otherwise consistent with the requirements of the SPS Agreement. The FAO has developed a range of programs specifically designed to strengthen institutions responsible for developing SPS measures and to improve the quality and effectiveness of their regulatory actions.<sup>1</sup> Similar projects have been developed or are being considered in some regional organizations.

11. In the Committee, Members have raised concerns about technical constraints affecting developing countries' ability to comply with certain provisions of the Agreement. In particular, some delegations have noted the substantial technical and resource demands associated with quantitative or other advanced risk assessment techniques, and have requested assistance in improving developing countries' capabilities to conduct such assessments. The United States strongly supports increased technical cooperation and assistance in advancing Members' risk assessment capabilities, including, for example, a proposal by Australia and New Zealand in the Asia Pacific Economic Cooperation (APEC) forum for a training project in the application of risk assessment to conformity assessment procedures for food products.

12. It is important to note, in this context, that technical limitations on Members' risk assessment capabilities need not affect adherence to the requirements of the SPS Agreement. The Agreement provides broad scope for Members' health authorities to determine how best to evaluate, in different circumstances, the risks to be addressed by proposed SPS measures. All Members, including the United States, use a wide range of risk assessment techniques to address different sanitary and phytosanitary risks. Further, on some issues, scientific theory, the technical capabilities for measuring risk, or the available body of scientific evidence may not be sufficiently developed to support quantitative or other advanced risk assessment techniques. Thus, it is important for all Members to continue to develop their risk assessment capabilities on the basis of new scientific and technical advances, recognizing that the Agreement requires that measures be based on risk assessments which are "appropriate to the circumstances."

13. In view of Members' interest in expanded technical cooperation and assistance and the contribution that such cooperation may make to enhancing the quality and effectiveness of all Members' sanitary and phytosanitary measures and improving developing country producers' abilities to adjust to those measures, it would be useful for the Committee to invite Members to provide information to the Committee on current technical cooperation and assistance efforts and available informational resources (including those available on the Internet) relevant to these objectives. The Committee may wish to consider whether there are any significant gaps in these resources and whether there are any areas where programs or resources are redundant or could be better focused.

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<sup>1</sup> See, for example, Chapter 5 of the recent FAO report on "FAO Technical Assistance and the Uruguay Round Agreements."

## ANNEX

### US Government Technical Assistance Programs

Following is an illustrative list of technical assistance programs funded by the US Government which have components addressing SPS issues.

#### Department of Agriculture, Foreign Agricultural Service

##### *Cochran Fellowship Program*

The Cochran Fellowship Program provides short-term agricultural training in the United States for agriculturalists from selected middle-income countries and emerging democracies. Public and private sector specialists and administrators are assisted in developing and implementing effective agriculture management and marketing strategies, development of policy tools, and providing for technology transfer. The objectives of the program are: (1) to help countries develop agricultural systems necessary to meet the food needs of their domestic populations; and (2) to strengthen and enhance trade linkages between the countries and US agricultural interests. Over the past two years, some participants have received information and training relating directly and indirectly to sanitary and phytosanitary issues.

##### *Emerging Markets Program*

Under the Emerging Markets Program, US expertise is provided through technical assistance to promote international trade in agricultural products with emerging markets. The legislative mandate of the Emerging Markets Program includes the following priorities: (1) probability of success in developing, maintaining or increasing US exports; (2) potential long-term impact on US exports; (3) the extent to which projects or activities directly support the transformation of host country economies to free market systems; and (4) compatibility with US foreign policy interests. Since 1996, the Emerging Markets Program has funded a number of activities to provide technical assistance, consultation, and training on SPS-related topics to emerging market countries.

##### *Scientific Cooperation Program*

Through the Scientific Cooperation Program, USDA funds collaborative research projects and scientific exchanges on a broad range of subjects in agriculture and forestry. Priorities include development of value-added agricultural products, collection and characterization of plant and animal germplasm, conservation of environment and natural resources, food, nutrition, and health, and facilitation of international commerce. The last priority has been added to ensure that resolution of technical barriers has a foundation of sound science. Short term visits allow scientists to acquire data, develop special research techniques, identify unique resources such as germplasm or biological control organisms and conduct field research. Long term projects allow US researchers and their international counterparts to collaborate on high priority problems and to study plant and animal disease or pest problems that have their origins in foreign countries. Through the Scientific Cooperation Program, US and foreign country scientists gain access to resources and expertise that may not be available in their respective countries.

## Agency for International Development

### *Agricultural Policy Analysis Project*

The Agricultural Policy Analysis Project assists with the creation and maintenance of an economic environment in host countries that is characterized by efficient agricultural market systems, sustained economic growth of the agricultural sector, and increased employment opportunities. As governments continue to implement policy reforms which reduce biases against the agricultural sector and liberalize markets, there is an increasing need to understand how policies impact different target groups. The project has four components: (1) technical assistance for policy analysis; (2) comparative policy analysis and synthesis research; (3) training, guidelines, and methodology development; and (4) information and dissemination support. A focused follow-on to the current project is under design with such activities as post-Uruguay Round agriculture, including implementing the SPS Agreement, IPR, and food policy compliance.

### *Asia Regional Agribusiness Project*

The Asia Regional Agribusiness Project has provided industry and trade associations in Bangladesh, Nepal, Sri Lanka, Indonesia, Thailand and the Philippines training to develop tropical products markets, gain international market share and engage fully in web and Internet-based technology. In the final phase of this program, which ends in 1998, training courses will be developed and provided to Nepalese and Bangladeshi government and business leaders on food safety and other trade regulations.

### *East and Southern African Agricultural Trade Program*

The East and Southern African Agricultural Trade Program is under development and will focus on regional and sub-regional trade in Eastern and Southern Africa. The major issues are harmonization of grade, standards and biosafety among a number of African countries with significant agricultural trade. Design and program development is planned over the next nine months with the goal of implementation of this major new program next year.

### *Latin America and the Caribbean/Regional Sustainable Development*

USAID is working with the US Department of Agriculture to provide a three-part program addressing sanitary and phytosanitary measures: (1) to assist Caribbean Basin countries in understanding and implementing the rights and obligations of the WTO SPS Agreement. The program includes developing training and technical assistance for officials, including policy makers, and the private sector to understand the mutual obligations under the SPS Agreement and assistance in the development of animal and plant health infrastructure in the region; (2) provide technical assistance to the Caribbean Community and Common Market (CARICOM) on WTO SPS obligations.

## Department of Commerce

### *Agricultural Trade Policy Workshop*

This program introduces agricultural trade law and policy issues to public officials and private sector attorneys. Coordinated with the US Department of Agriculture, the program includes a comprehensive overview of agricultural trade issues including phytosanitary measures, subsidies, customs duties, etc. seeking to build technical skills needed to shape or adapt to freer trade policies in order to accede to the WTO or meet WTO obligations as a Member.

*International Trade Law and Policy Seminar Series*

This ten-unit program introduces trade law and policy issues to public officials and private sector attorneys and business persons. Progressing from basic international trade theory to detailed discussions of specific trade issues addressed by the WTO, the seminar provides a comprehensive overview of both information and technical skills needed by those who set, implement or are affected by trade policies. Each one-week unit includes both training and individualized technical assistance components.

*Product Standards Workshop*

The program addresses issues relevant to developing and implementing a product standard consistent with the WTO, and the impact of product standards on international trade generally and with specific trading partners. The workshop is developed in cooperation with Commerce's National Institute of Standards and Technology.

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