
Committee on Sanitary and Phytosanitary Measures

SUMMARY OF THE MEETING OF 28 FEBRUARY – 1 MARCH 2007

Note by the Secretariat¹

Table of Contents

	<u>Page</u>
I. ADOPTION OF THE AGENDA.....	3
II. ACTIVITIES OF MEMBERS.....	3
III. SPECIFIC TRADE CONCERNS	5
(a) New issues	5
(b) Issues previously raised	7
(c) Concerns with commercial and private standards.....	9
(d) Consideration of specific notifications received.....	13
(e) Information on resolution of issues.....	15
IV. OPERATION OF TRANSPARENCY PROVISIONS.....	16
(a) Chairman's report on informal meeting	16
V. IMPLEMENTATION OF SPECIAL AND DIFFERENTIAL TREATMENT	18
(a) Chairman's report on informal meeting	18
(b) Other matters relating to special and differential treatment.....	19
VI. EQUIVALENCE – ARTICLE 4.....	19
(a) Information from Members on their experiences	19
(b) Information from relevant observer organizations.....	19
VII. PEST- OR DISEASE-FREE AREAS - ARTICLE 6	20
(a) Chairman's report on the informal meeting on regionalization.....	20
(b) Information from Members on their experiences	21
(c) Information from relevant observer organizations.....	21
VIII. TECHNICAL ASSISTANCE AND COOPERATION	22
(a) Information from the Secretariat.....	22
(b) Information from Members.....	23
(c) Information from observers	24

¹ This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights or obligations under the WTO.

IX.	MATTERS OF INTEREST ARISING FROM THE WORK OF OBSERVER ORGANIZATIONS	24
X.	ISSUES ARISING FROM THE REVIEW OF THE OPERATION OF THE SPS AGREEMENT	25
(a)	Chairman's report.....	25
XI.	MONITORING OF THE USE OF INTERNATIONAL STANDARDS	27
XII.	OBSERVERS – REQUESTS FOR OBSERVER STATUS	27
XIII.	ELECTION OF CHAIRPERSON	27
XIV.	OTHER BUSINESS.....	27
XV.	DATE AND AGENDA FOR NEXT MEETING.....	29

I. ADOPTION OF THE AGENDA

1. The Committee on Sanitary and Phytosanitary Measures (the "Committee") held its thirty-eighth meeting on 28 February – 1 March 2007. The agenda proposed for this meeting, circulated on 16 February 2007 (WTO/AIR/2966), was adopted with amendments.

II. ACTIVITIES OF MEMBERS

China – Green Food Certification

2. The representative of China provided information and publications regarding the development of an accredited brand of organic or "green" food products. He noted that China had great potential to produce high quality, safe products, and hence had developed its own system of certification, including trade mark supervision. The certified products were monitored in accordance with relevant standards, and subject to strict processing controls and technical procedures. The certification of "green" products was linked with production processes that extended from the farm to the consumers' table. Products had to come from environmentally friendly production areas, and be free of both environmental contamination and possible contamination from production processes. China's standards for organic products were at an advanced level, comparable to those of the Codex and other Members. China's registered certification trade mark had been submitted to eight countries for registration.

Australia – IRA process

3. The representative of Australia drew attention to notification G/SPS/N/AUS/203, regarding changes to Australia's import risk analysis (IRA) procedures. The changes were designed to make the IRA process more transparent, efficient, predictable and timely, while strengthening its science-based approach. New regulations would impose maximum timeframes for IRAs, with standard IRAs to be completed within 24 months, and more complex IRAs within 30 months. These timeframes could be suspended only in clearly defined circumstances, such as if the authorities were waiting for information from an exporting country which was necessary to complete the IRA. Procedures for responding to and prioritizing requests for import access would also be clarified and focused consultation with stakeholders would take place from early in the IRA process. The details of the implementation of the new procedures would be reported to the SPS Committee, and much information was already available from the relevant website (www.daff.gov.au). The new procedures were expected to take effect in the first half of 2007.

Chinese Taipei – certificates

4. The representative of Chinese Taipei reported on changes in the formats of its veterinary and phytosanitary certificates (G/SPS/GEN/744 and Corr.1). These changes were made to ensure authenticity and to provide more information on the certificates; also the new certificates would be printed on anti-counterfeiting green paper with the bureau's logo. As of 31 May 2007, only new certificates would be issued.

United States – FDA ALERT initiative

5. The representative of the United States provided information and publications about a new public information initiative undertaken by the Food and Drug Administration (FDA), to raise awareness of the need to protect the food supply from contamination. This was an outreach initiative, not a regulation, and should have no effect on trade. There was an increased need to protect food from the threat of deliberate contamination. ALERT is an acronym for Assure, Look, Employees, Reports, and Threat – actions that industry could take to ensure food safety. The focus was on

everyday food safety behaviour and awareness, with suggestions on how to ensure the safety and security of facilities. Information packets were available in several languages, and there were also web-based training modules. The representative of the United States further clarified that this initiative did not differentiate between accidental and intentional food contamination.

6. The representative of the European Communities noted the similarities of this initiative with the EC rapid-alert system, however the EC system was a regulatory procedure to ensure that information was widely available regarding any incidents. The representative of the United States confirmed that her country would endeavour to alert trading partners immediately of any incidents.

United States – Risk assessment on cloned animals

7. The representative of the United States reported that in December 2006, the US Food and Drug Administration (FDA) had issued three documents on the risks associated with animal cloning. These included a draft risk assessment, a proposed risk management plan and draft guidance for industry. The release of these documents signalled the beginning of the FDA's interactions with the public and trading partners. Until final decisions were made, producers were requested to withhold products from markets. The draft risk assessment did not address genetically engineered animals, but rather the potential risks to animal health from the cloning process, as well as to human health from consuming animal products. The risk management plan addressed both risks to animal health and potential uncertainties associated with feed and food from cloned animals. The draft guidance to industry related to the use of clones and their offspring in food and feed and provides the FDA's current thinking on use of clones and their offspring in human food or animal feed. FDA considered that whereas some cloned animals could be introduced into the food supply, insufficient information was available with regard to sheep clones for any determination to be made at this time. The FDA was soliciting comments on these documents before 3 April 2007.

European Communities – Update of the Bluetongue situation

8. The representative of the European Communities stressed that Bluetongue was a non-contagious, insect-borne disease, that did not affect humans, and there was no risk of spreading the disease through milk or meat products. The outbreaks which had occurred in August 2006 in north-western Europe were highly unusual, as that strain of the virus had never before been reported in Europe. The European Communities had taken measures to minimize the impact of the outbreak, and control measures to eradicate the disease. These had proven effective, as the number of outbreaks had fallen sharply. A harmonized monitoring and surveillance system had been established to ensure full transparency regarding the outbreaks. The European Communities was disappointed that many countries had imposed import restrictions on live bovines, rather than applying the regionalization provisions of Article 6 of the SPS Agreement.

Brazil – FMD situation

9. The representative of Brazil reported on the control and eradication activities in Mato Grosso do Sul and Parana. Brazil had followed the international guidelines with respect to the destruction of animals, introduction of sentinel animals, and investigation of the epidemiological data. These all showed the efficacy of the control measures that had been taken, and in Parana, restrictions had been suspended. Brazil had also complied with its obligations in international organizations and with trading partners regarding transparency. In light of this, Brazil expected its trading partners to avoid imposing unnecessary restrictions on trade. Brazil was also actively seeking OIE recognition of the FMD-free status of other areas of the country.

Paraguay – Information on various activities

10. The representative of Paraguay reported on a number of SPS-related activities that had occurred in his country. In December 2006, a new regulation on the control of agricultural pesticides had been approved. This regulation would provide for a better evaluation of the properties of pesticides in order to guarantee their quality and efficacy and to better protect human health and the environment. Paraguay had also introduced a new regulation and a new standard on organic production processes. In October 2006, a Presidential decree established that *Stevia rebaudiana (bertoni) bertoni* – also known as sweet honey leaf – originated from Paraguay and was of agricultural interest. The Joint WHO/FAO Expert Committee on Food Additives (JECFA) had agreed to evaluate the use of this plant as a natural sweetener at its meeting of June 2007. The representative of Paraguay also reported that Australia had opened its market to soybeans for processing from Paraguay in January 2007. Furthermore, in November 2006, Argentina had given phytosanitary authorization for importation of fresh butternut squash (*Cucúrbita moschata*) from Paraguay.

11. The representative of Paraguay also reported that the FMD situation in his country remained stable, and Paraguay was free of FMD with vaccination. In 2006, vaccination had covered 99.5% of the cattle registered in the country. He also informed the Committee about the construction in Paraguay of a biosecurity laboratory at Level 3 for agriculture within the next 24 months. Finally, he reported that Paraguay was in the process of developing a system for the traceability of meat products, to meet the requirements of international markets.

Panama – Freedom from Mediterranean fruit flies

12. The representative of Panama reported on a project for the certification of fruit fly free areas in certain regions of his country (G/SPS/GEN/752). Panama had been working since 2005 to establish the pest-free area, and extensive trapping now showed the absence of Mediterranean fruit flies and had allowed the creation of a database, harmonized with that of the USDA Animal and Plant Health Inspection Service (APHIS).

III. SPECIFIC TRADE CONCERNS

(a) New issues

China's import restrictions on products of animal origin due to dioxin – Concerns of the European Communities

13. The representative of the European Communities raised concerns regarding China's import restrictions on products of animal origin from some EC member States due to alleged dioxin contamination. He recalled that there had been an isolated incident in January 2006, at which time all potentially contaminated products had quickly been recalled. Trade had been re-established and EC exports had returned to normal within weeks, except with China. China was the only WTO Member that continued to impose restrictions because of a problem which no longer existed. The European Communities had pursued bilateral contacts with China's General Administration of Quality, Supervision, Inspection and Quarantine (AQSIQ) and provided all of the information requested by China. The ban on products from some EC member States was disproportionate to the potential risk, as the contamination problem no longer existed. The representative of the European Communities requested China to remove its restrictions or to provide a scientific justification for their maintenance.

14. The representative of China confirmed that this issue had been the focus of technical consultations with the European Communities. In Belgium, Germany and the Netherlands, this was the second time there had been this type of problem. Given the fluidity of movement of goods within the European Communities, the spread of contaminated products was very likely. China was waiting

to receive the final EC investigation report on the incident so that it could complete its risk assessment and take the appropriate measure.

Korea's measures related to access for beef products – Concerns of Canada

15. The representative of Canada recalled that in response to finding a case of BSE in Canada in May 2003, Korea had implemented a ban on imports of beef from Canada. Canada had taken effective measures to control the risk of BSE, often exceeding OIE standards. Furthermore, the OIE Terrestrial Animal Health Code indicates that no restrictions should be applied on boneless beef from animals aged 30 months or less, regardless of the BSE status of the exporting country. More than 30 trading partners had resumed importing Canadian beef, but Korea continued to block imports. In January 2007, Canada had, under Article 5.8 of the SPS Agreement, formally requested Korea to provide a justification for this measure. Canada was disappointed in Korea's response, which was to request additional information. On the basis of the information already provided to Korea, other trading partners had assessed risks and concluded that Canadian beef was safe to import. The information has also been sufficient for the OIE Central Bureau to determine Canada's BSE status. Canada requested Korea to lift its restrictions and grant access to Canadian beef according to the OIE guidelines.

16. The representative of the European Communities indicated that they shared Canada's concerns and were facing similar problems with Korea. This was not a new issue. The European Communities strongly urged all Members to apply the OIE standards, especially with respect to BSE.

17. The representative of Korea stated that import restrictions had been imposed on certain products due to the BSE outbreak in Canada. His country had taken the necessary steps to permit the resumption of beef trade. It was clear that under the terms of the SPS Agreement Korea could assess the risk from each Member individually. The risk analysis on Canadian meat had been delayed when new BSE cases were reported in January 2006. Korea was concerned that there might be a problem related to the effectiveness of the feed ban measures, and the continued appearance of cases raised questions that had not been clearly answered by Canada. However, in accordance with Article 5, Korea would continue to discuss this matter with Canada.

18. The representative of Canada stressed that the OIE Code allowed for trade in boneless beef from animals below 30 months regardless of the BSE status of the exporting country. The few cases of BSE in cattle born after the feed ban had no epidemiological significance. Although Canada was willing to provide any relevant information required, it had been unaware that there were any outstanding requests for information.

Korea's failure to accept regionalization for bovine and pig meat products – Concerns of Brazil

19. The representative of Brazil raised concerns regarding the lack of recognition of provisions on regionalization by Korea. This raised serious doubts about the criteria used by Korea for its risk assessment and for establishing its appropriate level of protection (ALOP). Despite various requests, the Korean Government never informed Brazil about the sanitary import requirements for beef and pig meat, but claimed that specific import conditions could not be established because Brazil was not free of FMD. This requirement was not in compliance with the OIE guidelines, nor with Articles 3, 5 and 7 of the SPS Agreement. The OIE did not establish different import requirements for meat from areas free from FMD whether with or without vaccination. Brazil sought to export meat from a zone free of FMD without vaccination, but Korea refused to discuss this issue before FMD was eradicated from all of Brazil without vaccination. Korea should provide the risk assessment which supported this measure, which did not conform to Article 6. Brazil appreciated the information on import procedures recently provided by Korea, but this did not meet Brazil's request. Korea required completion of a questionnaire and an on-site visit just to establish import requirements, whereas this

was justified only in order to recognize disease-free status or evaluate veterinary services. Although a Member could determine its ALOP, the measure taken must have a scientific justification and be based on a risk assessment. It was also disappointing that Korea appeared to not even recognize the concept of regionalization.

20. The representative of Korea responded that his country accepted the concept of regionalization as contained in Article 6, based on factors such as geography, etc, and this was included in Korea's import policy. However, Korea had not yet applied this policy with respect to FMD. He recalled that Korea had experienced an FMD outbreak in 2002-2003, and had subsequently regained its status as FMD-free without vaccination at great cost. Because of this, Korea was very concerned about FMD and required suppliers to be free of FMD without vaccination. FMD outbreaks in several areas of Brazil in 2005 and again in 2006 led Korea to conclude that the FMD situation in Brazil was unstable, and that Brazil needed to establish FMD free zones through strict measures. His authorities were ready to continue discussing this matter with Brazil at the expert level.

(b) Issues previously raised

Australia's import restrictions on New Zealand apples – Concerns of New Zealand (no. 217–G/SPS/GEN/204/Rev.7)

21. The representative of New Zealand recalled that he had first raised this issue in June 2005, and it concerned restrictions that had been in place for over eight decades. New Zealand's experience had been one of frustration; since initiating a fourth request for access in 1999, they had waited for over eight years for Australia to complete its import risk analysis (IRA) process. While there had been some progress, the IRA had still not been completed before the end of 2006, as previously expected. Now the IRA process was nearing completion, and a final IRA had been issued. However, the conditions outlined in final IRA were extensive, and it was doubtful that commercially meaningful trade would be possible under these conditions. The IRA proposed tougher requirements relating to fire blight, in contradiction to the conclusions of the *Japan-Apples* case, and clearly in contradiction to Australia's WTO obligations. There was no scientific or legal justification for the imposition of these measures relating to fire blight. Other proposed measures relating to other pests were also of concern, such as the requirement that Australian inspectors be present in orchards. New Zealand had demonstrated its willingness to work with Australia on this matter, and remained committed to resolving this issue. However, if no progress was made in the near future, New Zealand could not rule out dispute settlement options.

22. The representative of the United States noted that her country also had an outstanding request for access to the Australian market for apples, and shared the concerns of New Zealand. She recalled that Chile and the European Communities had also raised similar difficulties with Australia. The major concern was fire blight, and the past dispute case found that stringent requirements, such as orchard inspections, were not justified. Mature apples do not pose a risk of spreading fire blight. Given the strength of the scientific and legal records, she urged Australia to remove its unjustified import restrictions without delay.

23. The representative of the European Communities observed that undue delays appeared to be a regular, most troublesome, feature of the Australian IRA process. He noted that the European Communities would address this concern in its comments on Australia's new IRA process.

24. The representative of Australia reported that there had been a number of actions taken since the last meeting, and the issue was close to finalization. At the end of November 2006, Biosecurity Australia had released the final IRA report on apples from New Zealand. Appeals from the final IRA report had been possible until 12 January 2007, on limited grounds. There had been three appeals, but

all had been dismissed. The next step was for the Director of Quarantine to make a policy determination which would include any import requirements.

Indonesia's lack of recognition of pest-free areas – Concerns of the United States (no. 243–G/SPS/GEN/204/Rev.7)

25. The representative of the United States provided an update on concerns her country had first raised in October 2006 regarding Indonesia's Decree 37. These concerns had been only partially resolved, but a complete resolution was within grasp. The measure affected US exports of 11 horticultural products. The United States considered that Indonesia imposed excessive phytosanitary requirements in relation to pests that posed no phytosanitary risks to Indonesia because they could not become established.

26. The representative of Indonesia indicated that he had taken note regarding the arguments and scientific evidence presented and would follow-up on this matter with the United States.

Israel's lack of phytosanitary import legislation – Concerns of the European Communities (no. 233 - G/SPS/GEN/204/Rev.7)

27. The representative of the European Communities noted that Israel's lack of phytosanitary legislation lead to uncertainty and unpredictability regarding the steps to be followed when exported products reached the market. He acknowledged that Israel had taken some actions to increase transparency by publishing some import requirements on the internet, and recognized that internal legislative procedure had to be followed. However, it appeared that the legislation was still at a draft stage, and the European Communities requested Israel to finalize its legislation in accordance with the IPPC standards.

28. The representative of Israel expressed regret that this issue had been raised again despite bilateral discussions with the European Communities. He noted that the title of this agenda item was not appropriate as Israel had legislation on SPS requirements for imports. The European Communities concern related to the level of specificity of that legislation. Israel understood the need for predictability and was making great efforts in this regard. The Ministries of Agriculture, Finance and Justice were involved in the work. The Ministry of Justice had completed work on a draft, which had been sent to the Ministry of Agriculture for final comments. The final draft would be sent to the Economic and Finance committees before its final approval. There was no timeframe established for the adoption of the legislation, however the representative of Israel insisted that this did not create a hindrance to the trade of the European Communities or any other trading partners as trade continued to take place normally.

BSE-related import restrictions by certain Members – Concerns of the United States (no. 193 – G/SPS/GEN/204/Rev.7)

29. The representative of the United States expressed concern that US ruminant and non-ruminant products continued to face BSE-related restrictions. Although there had been some progress and a number of Members had removed measures, US products continued to face overly restrictive measures which exceeded the OIE standards. The United States had undertaken extensive surveillance and put in place interlocking safeguards, nonetheless many restrictions remained in place. The representative of the United States asked Members to review the evidence now available and to revise their requirements accordingly.

Indonesia's legislation on importation of live animals and meat products – Concerns of Brazil (no. 244– G/SPS/GEN/204/Rev.7)

30. The representative of Brazil indicated his country's concerns with Indonesia's lack of recognition of regionalization. Indonesia had indicated that its legislation was under revision, and was being harmonized with the OIE standards and SPS requirements, as notified in G/SPS/N/ IDN/30. However, Brazil's analysis of the revision concluded that Indonesia still would not recognize regionalization for FMD and other animal diseases. Brazil had raised its complaint in October 2006, before the end of the comment period provided, but Indonesia's Enquiry Point had never provided answers to the issues raised. Brazil urged Indonesia to ensure the full application of Article 6 of the SPS Agreement and the OIE standards for zoning. The establishment of national protection levels and measures must be based on risk assessments, in accordance with the SPS Agreement.

31. The representative of Indonesia recalled that FMD was a very sensitive matter for Indonesia, due to its climate and the outbreak that had occurred five years ago. Article 3.3 of the SPS Agreement permitted Members to impose requirements that went beyond the international standards. Indonesia had to apply a maximum standard in this case, and this would be applied until exporting countries had been declared FMD free by the OIE. Indonesia was looking to continuing consultations with Brazil on this issue.

EC restrictions on US poultry exports – Concerns of the United States (no. 242 – G/SPS/GEN/204/Rev.7)

32. The representative of the United States recalled that the European Communities continued to restrict US poultry because of the use of anti-microbial treatments and washes, despite a positive risk assessment by the European Food Safety Agency (EFSA). The European Commission had drafted legislation to allow the use of these products on poultry, but they had not yet been authorized.

33. The representative of the European Communities responded that the EC market was open to imports of poultry meat, and substantial quantities were imported from Brazil and Thailand. The European Communities was also open for US exports, but had difficulties with the US insistence on the use of anti-microbial treatments (AMTs). The US poultry industry worked to high standards, but refused to export poultry that had not been treated with AMTs. One solution would be for the United States to change its system and export without AMTs, which it refused to do. The other solution was for the European Communities to adapt its system, which was very sensitive because these products were banned for use in Europe. The use of AMTs was very controversial with EC member States and consumers, who considered these products unnecessary if appropriate hygiene was used from farm to table. The European Communities had taken constructive steps and adopted framework legislation to allow for possible authorization of AMTs. EFSA had evaluated their safety, and discussions were underway with member States to develop implementing legislation to allow their use.

(c) Concerns with commercial and private standards

34. The Chairman recalled that in October 2006, the Secretariat had organized an informal information session at which EurepGAP and UNCTAD provided information regarding commercial and private standards. A number of Members had requested that the Committee specifically consider this issue as part of its agenda for this meeting. A number of documents on this issue had been distributed, including a background document by the Secretariat (G/SPS/GEN/746), documents by St. Vincent and the Grenadines (G/SPS/GEN/766) and the Bahamas (G/SPS/GEN/764), as well as by the International Organization for Standardization (ISO)(G/SPS/GEN/750), by UNCTAD (G/SPS/GEN/760 and 761) and by OECD (G/SPS/GEN/763). He also noted that the Chairman of EurepGAP had indicated his willingness to meet with any Member regarding the EurepGAP scheme.

35. In introducing the background document (G/SPS/GEN/746), the Secretariat stressed that this did not provide an exhaustive analysis. The first part of the document provided information regarding private standards and their nature. The document drew attention to the fact that there were over 400 such schemes, according to UNCTAD, and identified what could be some of the reasons for the proliferation of private standards. Among these reasons was the growing attention to corporate social responsibility, along with company concerns of safeguarding their reputations. The document also gave examples of private standards and highlighted the diversity of schemes, which included individual schemes, collective schemes, schemes that focussed at the farm gate level, others that were business-to-business. One difficulty for exporters was to know what schemes they needed to comply with. While there was a trend towards benchmarking, it was important to understand that benchmarking was not the same as the concept of equivalence referred to in the SPS Agreement. Another concern was that although private standards were not formally mandatory, due to the concentration in food retailing, the schemes could in practice take on a mandatory nature. There was also some blurring of the distinction between private voluntary standards and official requirements.

36. The Secretariat noted that the second part of the background document addressed some of the trade issues relating to private standards. Some concerns had been raised in the SPS Committee as specific trade concerns. Another area of concern related to the costs of compliance, in particular the costs of meeting multiple standards for different markets. The paper noted that private schemes could also have trade creation effects, but the available literature focused primarily on compliance difficulties. The document next considered the relationship of private standards with the SPS Agreement. It did not purport to provide any legal interpretation, but only to identify issues for consideration, such as the possible link to Article 13. There might also be links to the TBT Agreement, in particular the Code of Practice for the Preparation, Adoption and Application of Standards. The final section of the document identified some issues for possible consideration by the SPS Committee, such as the relationship between private standards and the Codex Alimentarius; the relationship with OIE in particular regarding animal welfare; what constituted a reasonable measure under Article 13; examination of the possible relationship of private standards with other agreements; and the issues of benchmarking and equivalence.

37. The representative of St. Vincent and the Grenadines welcomed the Secretariat's document which showed the complexity and challenges of the issue. St. Vincent was a traditional supplier of certain agricultural products to the European Communities, and recently its exporters had begun to suffer adverse effects from private standards requirements, including GAP, traceability and environmental concerns (G/SPS/GEN/766). Private standards were proliferating without any consultation with the recognized standard-setting bodies or with national authorities. This was of serious concern to small and vulnerable economies, and contrary to the spirit of the SPS Agreement. The proliferation of private standards also created confusion and a lack of transparency. A number of studies had shown that these standards marginalized small farmers and resulted in increased rural poverty. One problem was the lack of objectivity of auditing systems, as different auditors had different interpretations. For example, what some auditors considered to be a pesticide, others did not. In the case of St. Vincent and the Grenadines, the costs related to these different requirements accounted for over US\$3 million. Another constraint was that the conditions of production on sloping lands resulted in a marked increase in the cost of production and a lack of competitiveness for products from St. Vincent and the Grenadines. To address these concerns, the representative suggested that consideration be given to creating support facilities, specific to each countries' situation; ensure the involvement of producers in developing the standards; and ensure their compliance with the SPS Agreement.

38. The observer from the Bahamas noted that his country had experience primarily with hotels and companies using their own private standards. Those producers able to comply with these requirements benefited from a more privileged market access, despite the fact that the additional costs

were not compensated through higher prices. More details on the Bahamas' experience was provided in document G/SPS/GEN/764.

39. The representative of UNCTAD drew attention to the background paper summarizing experiences identified in UNCTAD's case studies (G/SPS/GEN/761). The results of the studies in Africa would be published shortly following a workshop on Good Agricultural Practices (GAP) organized jointly with FAO in cooperation with the Kenyan authorities. He noted that to date special attention had been given to EurepGAP, due to its coverage, and the possibilities for adjustments. The benchmarking provided under EurepGAP could contribute to harmonization. The UNCTAD studies had focussed on the development aspects of private standards. However, two issues that had been examined were linked to the SPS Agreement, these were transparency in standard-setting and equivalence. UNCTAD had not looked at the link to governmental requirements, although some argued that governmental and private requirements were mutually supportive, as the governmental requirements focussed on outcomes while the private sector standards focussed on production processes.

40. The representative of UNCTAD suggested that national GAP schemes in developing countries could play a key role in assisting producers to adjust to the requirements of export markets, particularly if they focussed on small producers. He further suggested that governments could take a proactive role in the development of GAP requirements, including in the areas of conceptual analysis; facilitation of investment in hard and soft infrastructure; supportive policies such as on financial services; ensuring policy coherence; and facilitating stakeholder dialogue.

41. The representative of UNCTAD further noted the changes in private standards over time, such as the EurepGAP standard-setting process becoming more transparent. In Prague 2006, for the first time, proposed changes were presented in a participatory approach. However, developing countries still faced difficulties in effectively participating in this process, and national EurepGAP working groups existed in only five countries. He noted that Chile had succeeded in having its national GAP scheme benchmarked against others. Benchmarking was not an easy process, especially for developing countries, and its interpretation of equivalence of measures was stricter than under the SPS Agreement. This latter considered the equivalence of outcomes whereas the EurepGAP benchmarking depended on the equivalence of processes. Benchmarking was easier between two private sector schemes than with government requirements or schemes. Finally, the representative of UNCTAD noted that the studies indicated that large producers managed to achieve certification when necessary, however small-scale producers faced serious difficulties. Reliance on donor funds, including from NGOs, could create unwanted dependence, yet it was difficult for smallholders to meet the costs of certification without financial assistance. This raised questions about their ability to participate in international trade in agricultural products.

42. The representative of ISO stated that he had also provided a document on private standards to the TBT Committee during its second triennial review (see G/TBT/7). The TBT Committee had noted that difficulties could arise and had identified six elements in this regard. However, the situation with respect to the SPS Agreement was different as it had a specific reference to standards developed by Codex, IPPC and OIE. The work of the ISO also supported the work of these organizations. ISO was elaborating a paper on the use of ISO standards in the regulatory work of other bodies.

43. The representative of the OECD indicated that her organization's work on private standards focussed on why these had arisen, and what effect they might have on the access of developing country exports to OECD-type countries. The move from producing for the local markets to international markets provided opportunities for changing product mix and moving to non-traditional products, as had happened in Kenya with green beans, and with asparagus in Peru. Supermarket chains were increasingly building on their reputations, and were often frustrated with the slow pace of

development of governmental regulations. Governments often focussed on what was the minimum needed, and recognized that the priority of consumers was food safety. However the private standards went beyond safety, and the trend was to include a wider scope of issues such as labour issues, child labour issues, etc. The result was that private standards were often a barrier for small-scale growers. The commercial reality of small-scale production, coupled with weak infrastructure, illiteracy, and other constraints meant that the costs of meeting private standards excluded small-scale producers from the global chain. As commercial demands were likely to become more important, perhaps there was a need to consider consolidation of production, to ensure greater employment and the ability to fulfil the required production processes. Although the commercial demands were costly, they also provided an opportunity for learning, perhaps first by focussing on regional markets. As the case studies of Chile and Peru demonstrated, there was a need for producers to adapt.

44. The representative of Bolivia, speaking also on behalf of Ecuador and Peru, noted concerns that private standards were becoming trade barriers. He questioned the scientific basis for the private standards, and recalled the requirement for SPS measures to be based on risk assessments. The private standards also failed to take account of the transparency requirements of Article 7, or of the needs of developing countries. He stressed the need for the Committee to follow and monitor these developments. The representative of the Dominican Republic agreed that private standards were a serious concern, as had been noted by St. Vincent and the Grenadines with respect to bananas. The representative of Costa Rica suggested that the Committee maintain this issue on its agenda, and invited Members to provide information regarding their experiences.

45. The representative of Argentina indicated that there was a need both to assess the impact of private standards on developing countries as well as their relation to the SPS Agreement. Although these standards were not adopted by governments and were not obligatory, their effects were similar to those of governmental measures.

46. The representative of Egypt noted that there was both a trade aspect and a legal aspect to the issue. The legal issue was the relationship of private standards to the SPS Agreement. Of practical concern was how to ensure the participation of developing country exporters in the development of private standards. In practice, these standards were virtually mandatory and had the effect of making it impossible for small farmers to compete for market shares. The common framework presented in the OECD paper was particularly useful in deciding how to address the issue. He supported Costa Rica's suggestion that developing country Members share their experiences with private standards in the Committee.

47. The representative of Chile observed that there were commercial, legal and also technical aspects of private standards. Article 1 of the SPS Agreement did not differentiate between private standards and other SPS measures. Article 13 gave governments responsibility over private standards. Equivalence under the SPS Agreement permitted also the recognition of systems. In reality, private standards could provide opportunities, but there was a need for cooperation. Codex was working on the issue in cooperation with ISO and OECD, so as to avoid duplication.

48. The representative of the European Communities expressed the concern that as attention focussed on private standards, Members might lose sight of official standards. Private standards presented an obstacle only in cases where the exporter already met official standards and had access on that basis. The primary concern was to meet national standards. Private standards were significant trade barriers also in intra-EC trade. There were, however, some trade creating aspects to these standards, as European consumers were willing to pay high prices for products they wanted. One example was asparagus from Peru. Without some legal clarity regarding the interpretation of Article 13, it would be difficult for the Committee to make progress on this issue.

49. The representative of Cuba acknowledged that private standards had a trade creation potential, but could also be trade barriers. She noted that the negotiators of the SPS Agreement had probably not foreseen the development of such standards, which made interpretation of Article 13 difficult. The TBT Code of Good Practice provided a clearer link with private standards. She welcomed continued consideration of this issue by the Committee.

50. The representative of Brazil suggested that although the SPS Committee should primarily focus on official standards, if private standards created trade problems Members should be able to raise their concerns in the Committee. Private standards affected market competition and quality requirements, whereas government standards should prevail with respect to health issues. With reference to the UNCTAD paper, he clarified that the Brazilian GAP scheme for fruits was designed for national producers, not to meet international private standards.

51. The representative of Peru stressed that private standards went beyond national requirements. Despite the positive experience with asparagus and EurepGAP, it was difficult for developing country exporters to keep up-to-speed with private standards. There was a need for harmonization also among private standards.

52. The Chairman noted the critical importance of defining whether private standards were SPS measures, or whether they fell within the scope of the TBT Agreement. The TBT Agreement covered private standards, but this was not clear in the SPS Agreement. He proposed that the Committee keep the issue on its agenda for the next meeting, and suggested that the Secretariat consider organizing another informal information session in the margins of the next Committee meeting, to which the Secretary of the TBT Committee and private standards bodies might be invited.

(d) Consideration of specific notifications received

G/SPS/N/AUS/203 –Reform of Australia's IRA process – Concerns of the European Communities

53. The representative of the European Communities welcomed Australia's proposed reform of its import risk analysis (IRA) process, and in particular the establishment of maximum timeframes for completion of IRAs. He noted, however, that it was unclear what circumstances, if any, could permit the extension or suspension of the timeframes. How could trading partners be assured that the clock would not be stopped for unjustifiable reasons? The European Communities welcomed the establishment of the eminent scientists group, and expressed the hope that this would ensure that all scientific opinions were fully taken into account.

54. The representative of the Philippines shared the concerns of the European Communities, as the new process provided flexibility and allowed for the suspension of the timeframes. He sought clarifications on what regulations under the Quarantine Act might be modified, and the effect of the new process on pending requests for IRAs. In particular, he questioned whether pending IRAs would be subject to review by the eminent scientists group, and what would be the composition of this group.

55. The representative of Australia clarified that pending IRAs that were well-advanced would be finalized under the current rules. Australia would announce the transitional arrangements, other existing market access requests, and their prioritization. Australia would also clearly define the criteria for suspending the prescribed timeframes ("stopping the clock") - this would not be for unjustifiable reasons. However, the possibility of stopping the clock was necessary in light of experience and reflected the practical circumstances in completing risk assessments – for example, the need to wait for information to be provided by an applicant country. The details of the procedures would be publicized, and Australia would inform the Committee once the new procedures were in place.

G/SPS/N/AUS/204 – Australia's revised generic IRA for prawns and prawn products – Concerns of Thailand

56. The representative of Thailand expressed serious concerns about the revised draft generic import analysis report on prawns and prawn products as notified by Australia. The proposed changes would have serious implications for the export of these products. Thailand had submitted its comments in response to the Australian notification and was in particular concerned that there was no scientific justification for the proposed quarantine measures. The analytical methods employed suffered from a lack of empirical data, and the conclusions were not based on scientific data but tailored to fit the views of policymakers. Thailand considered that these measures were unnecessary and would create trade obstacles for its exports.

57. The representative of Thailand recalled that this was not a new issue, as a first draft IRA had been notified by Australia in November 2000 (G/SPS/N/AUS/124). Shortly after, however, Australia imposed interim measures in response to an outbreak of exotic White Spot Syndrome Virus and Yellow head Virus. The interims measure were notified in February 2001 (G/SPS/N/AUS/126). The disease outbreak was apparently related to far more imported prawns being used as fishing bait than foreseen, in violation of Australia's domestic legislation. But it was foreign exporters who had to pay the price of this domestic problem. Since that time, Thailand had regularly raised its concerns at meetings of the SPS Committee and in other fora. Thailand was concerned that the most recent draft report would result in another prolongation of unnecessarily stringent interim measures, without sufficient scientific evidence. This more than 6-year delay in completing the IRA was an undue delay. If the measure were indeed a provisional measure, it should have been reviewed within a reasonable time, and the nature of the emergency requiring the imposition of urgent measures should have been described. Thailand requested that the interim measure be revoked, and that a new draft IRA be concluded within a reasonable period of time, fully taking into account Thailand's comments and suggested alternative measures to mitigate the risks.

58. The representative of China shared the concerns expressed by Thailand. China considered that the proposed measures were more strict than necessary. For example, the measure permitted imports only from regions free from certain diseases, but those same prawn disease existed also in Australia. Australia had imported prawns from Asia for ten years with no evidence that the disease had been spread through trade. This could not be justified as an emergency situation. Furthermore, there was no justification for requiring the removal of shells, as there was no scientific evidence that they carried diseases. This was an extra burden on exporters and not consistent with the practice of selling the product domestically with shells. The proposed measure would require the testing of all imports for three diseases, although they posed no risk to human health and there was little risk of the prawns being thrown into Australian waters. Finally, China considered the requirement that imported prawns must be heated to 85 degrees would reduce marketability and that alternatives should be provided. The proposed measures did not have a scientific justification and would cause unnecessary obstacles to trade.

59. The representatives of Indonesia, Malaysia, the Philippines and Sri Lanka indicated that they shared the concerns of Thailand and China.

60. The representative of Australia responded that the revised draft IRA had been issued in November 2006, with a 90-day comment period (closing in February 2007) which had allowed all stakeholders an extended opportunity to provide their views. The IRA team was now considering the comments received. The draft IRA reflected a comprehensive review of the current science, and had concluded that there was a need to strengthen import measures through stricter controls, but a final decision about the necessary measures had not yet been made. Australia firmly rejected any suggestion that the revised draft IRA had relied on subjective assessments or that its findings had been pre-determined. After the IRA team had considered all stakeholders comments, the revised draft IRA

would be considered by an eminent scientists group, and the IRA team would issue the final IRA report.

(e) Information on resolution of issues

Panama - Import licences for agricultural products (no. 118, G/SPS/GEN/204/Rev.7)

61. The representative of Canada indicated that they considered specific trade concern number 118, resolved. Canada had previously been concerned that the issuance of SPS-related import licenses was being hindered for non-SPS reasons, however that concern had been resolved through a bilateral discussion. Panama confirmed that the issue had been resolved and stressed their objective of smoother trade relations.

United States - Import restrictions on potted plants from the European Communities (no. 102, G/SPS/GEN/204/Rev.7)

62. The representative of the European Communities recalled that they had previously reported that their concerns regarding US measures on plants and growing media had been resolved as the United States had indicated that it would publish a final rule which addressed these concerns. Unfortunately, one EC member State continued to face difficulties in exporting to the United States. The European Communities therefore considered that, for the time being, this issue was again unresolved.

Panama - Inspection regime for agricultural products (no. 226, G/SPS/GEN/204/Rev.7)

63. The representative of Panama recalled that Costa Rica had raised specific concerns regarding Panama's inspection regime, in particular with regard to dulce de leche and tomatoes, as detailed in document G/SPS/GEN/582. Following a number of bilateral meetings, in October 2006 Costa Rican officials had issued a communication indicating the resolution of these issues. The representative of Costa Rica indicated that he was not at this time able to confirm the resolution of this specific trade concern.

European Communities – Application and modification of EC Regulation on novel foods (no. 238, G/SPS/GEN/204/Rev.7)

64. The representative of Peru noted that although his country had not requested that this issue be on the agenda for this meeting, he would welcome an update from the European Communities on current developments. The representative of the European Communities indicated that the Novel Foods Regulation was being revised. It had initially been designed to cover a full range of novel foods, from GMO foods to products of biological diversity. Following public consultations and the consideration of the views and comments received, revised legislation was being prepared. He anticipated that the result would be a two-tiered process, with products that had a long history of safe use subjected to less rigorous procedures than other novel foods. The European Communities was looking to address the concerns identified by trading partners, while ensuring consumer safety.

Revision 7 of G/SPS/GEN/204

65. The Secretariat drew attention to the most recent revision of the catalogue of specific trade concerns (G/SPS/GEN/204/Rev.7 and addenda). The first part of the document provided an overview and listed all specific trade concerns since 1995. Ten new issues had been raised in 2006. Addendum 1 of the document summarized all issues that had been discussed in 2006, including those where a resolution had been reported during 2006. Addendum 2 included all issues where there had been no discussion during 2006, and for which no resolution had been reported. Addendum 3

included all issues on which a resolution had been reported prior to 2006. The Secretariat encouraged Members to make reference to the unique identifying number for specific trade concerns when they requested that these be included on the agenda of meetings of the SPS Committee, to avoid confusion if the same concerns was referred to in a different manner.

Horizontal mechanism to resolve concerns relating to non-tariff barriers

66. The Secretariat recalled that it had previously brought to the attention of the Committee discussions taking place in the context of the Non-Agricultural Market Access (NAMA) negotiations on proposals to establish a mechanism to resolve trade concerns related to non-tariff barriers. Proposals had been tabled by the European Communities as well as by a group of eleven other Members. The proposals would create a 60-day procedure whereby a facilitator would assist in finding a technical resolution to the trade problem, without consideration of the WTO consistency of the measure at issue. At a meeting at the end of January, the proponents had provided responses to questions that had been raised earlier regarding the operation of this so-called horizontal mechanism. Discussions were expected to continue in the context of the NAMA negotiations.

IV. OPERATION OF TRANSPARENCY PROVISIONS

67. The Chairman drew attention to the most recent list of national notification authorities contained in G/SPS/NNA/11; the most recent list of national enquiry points contained in G/SPS/ENQ/21; and updated information on which Members had notified an Enquiry Point and/or a Notification Authority in G/SPS/GEN/27/Rev.16. The notifications received since the last meeting of the SPS Committee were summarized, on a monthly basis, in G/SPS/GEN/741, G/SPS/GEN/743, G/SPS/GEN/745 and G/SPS/GEN/749. All SPS documents submitted by Members, Observers and the Secretariat in 2006 were listed in document G/SPS/GEN/755.

(a) Chairman's report on informal meeting

68. The Chairman reported that at the informal meeting held on 27 February, he had recalled that the SPS Committee would hold its third special meeting on transparency provisions in October 2007. During its meeting in October 2006, the Committee had asked the Secretariat to circulate a questionnaire on the operation of Enquiry Points and National Notification Authorities, in order to help prepare for the special meeting. Subsequently, the Secretariat had distributed a questionnaire (G/SPS/W/103/Rev.2) and prepared an analysis of the replies received for discussion at the informal meeting (G/SPS/GEN/751).

69. Following a brief presentation by the Secretariat of the issues that stood out in the replies to the questionnaire, the Committee had agreed that the more than 50 individual replies, which had not been circulated as separate documents, be made accessible on the Internet, through the SPS page of the Members' website. The Secretariat had clarified that the geographical groupings and their ordering in the Secretariat Note were based on those in the WTO's Annual Report. In addition, due to a formatting error, the Asian regions had not been listed in the legend of Figure 2 although the chart itself showed that replies had been received from all regions of the world.

70. Some Members had reiterated the usefulness of notifying all new or changed measures whether or not they were substantially the same as an international standard. All new or changed measures could have an impact on trade. In addition, it was not always possible to determine to what extent a new measure followed or deviated from an international standard. Moreover, such a practice would assist in the Committee's task of monitoring the process of international harmonization as stipulated in Article 12.4 of the SPS Agreement. However, a number of other Members had raised concerns, on the one hand, about the already unmanageable volume of notifications and on the other hand, about the need for a large number of Members to first comply with existing notification

obligations in the Agreement. The Secretariat had indicated that very few Members actually completed the section of the notification format which referred to international standards and described of how the notified measures deviated from the relevant standard.

71. One Member had welcomed the increasing number of notifications from developing countries and referred to its technical assistance activities with Enquiry Points and National Notification Authorities of developing countries. Another Member had indicated that those Members which traded more also had more measures in place which affected international trade. If a Member failed to notify a measure affecting trade, it would be noticed and the Member would be vulnerable in any litigation. Therefore, they were not necessarily concerned with the lack of notifications from certain Members.

72. A number of Members had touched upon three main questions which could be addressed during the special meeting on transparency: what to notify, how to notify, and what to do with notifications received. This letter included screening notifications, forwarding them to the relevant stakeholders and preparing comments on them.

73. Other questions highlighted included:

- how to train and maintain qualified staff;
- how to secure consistent funding for effective operation of an Enquiry Point;
- how to ensure effective coordination and communication, domestically and at the international level;
- how to improve communication among WTO Enquiry Points and the contact points of the three relevant standard-setting organizations;
- how to improve the quality of notifications submitted,
- how to ensure the commitment of relevant actors in the transparency process, which could be more vital than extensive resources;
- how to learn from experiences of other Members;
- how to benefit from regional coordination; and
- how to devise relevant technical assistance programs to improve implementation of the transparency provisions.

74. The Secretariat had reported that the SPS Information Management System would be presented to the SPS Committee during the special meeting on transparency in October 2007. The System would offer advanced search and reporting possibilities for Members, for example according to HS codes or keywords, such as ISPM 15 or GMOs. Still, its usefulness would depend on the quality and extent of information provided in the notifications themselves.

75. The Committee had agreed to hold another informal meeting in June to consider a draft programme for the October transparency meeting, to be prepared by the Secretariat, as well as any specific proposals or national experiences that Members wished to communicate to the Committee. Members were invited to ensure that the contact information for their Enquiry Points and National Notification Authorities available to the Secretariat were correct, as these would be used for the invitation to the special meeting.

76. Following the Chairman's report on the informal meeting, the Secretariat invited Members who had not yet responded to the questionnaire regarding the implementation of the transparency provisions of the Agreement to do so before the end of March, to enable the Secretariat to revise the

summary document in advance of the next informal meeting. The Secretariat also agreed to circulate the proposed draft programme for the special meeting in October in advance of the June meeting, for consideration by Members.

V. IMPLEMENTATION OF SPECIAL AND DIFFERENTIAL TREATMENT

(a) Chairman's report on informal meeting

77. The Chairman reported on the informal meeting on Special and Differential Treatment held on 27 February and 1 March. At that meeting, he had recalled the main developments in the Committee's discussion of the five proposals on special and differential treatment referred to it in August 2004.

78. In particular, the Chairman had highlighted the following:

- the G/SPS/33 procedure and its extension until 2008;
- the G/SPS/35 report;
- the Committee's discussion of the Africa Group's revisions to its proposal on Article 9.2;
- the adoption by the General Council of the proposal from a number of small and vulnerable economies; and
- Members' submissions on technical assistance and the paper from the United States on Special and Differential Treatment (G/SPS/W/198).

79. Egypt had reported on work it had undertaken since the last Committee meeting. This work comprised an analysis of different legal texts dealing with Special and Differential Treatment and an examination of relevant WTO jurisprudence. This analysis examined the mandatory language contained in Article 10.1 of the SPS Agreement with similar language in different Agreements which had been interpreted in the context of WTO dispute resolution cases. The paper submitted by Egypt was contained in JOB(07)/25.

80. The key conclusion that had been drawn by Egypt was that even where mandatory language was used in special and differential treatment provisions, it was not sufficient to make these provisions effective and enforceable. Such provisions needed to specify the action to be taken in response to developing country needs. The same was also true of the technical assistance provisions in the SPS Agreement, which contained best endeavour language and lacked workable or practical parameters to get these provisions implemented, compared to similar provisions in other agreements. In conclusion, Egypt had informed Members that it was working on an analysis of the G/SPS/33 document and it would present a proposal on this decision in due course.

81. Colombia and Cuba had welcomed the Egyptian intervention and had requested that this be distributed as a document at the formal Committee meeting.

82. In continuing informal discussions on 1 March, a number of Members welcomed Egypt's proposal and analysis. Several Members recalled the need to also make progress with respect to the Category II proposals already on the table. Egypt suggested that informal consultations be held among interested Members to advance work on this matter by June.

83. A number of Members had noted with interest the proposal of Egypt. Some of them had stressed, however, that in contrast to the case of antidumping, SPS measures were necessary to ensure health protection. Furthermore, they had considered that there was little evidence that developing countries were make use of the existing provisions on S&D or requesting special treatment.

Nonetheless, such special treatment was regularly provided by developed country Members to developing country Members, but not by developing countries to each other. Several Members had stressed that they would not support proposals that changed the balance of rights and obligations under the SPS Agreement.

84. Other Members had noted that the Committee had a mandate to review and make operational the S&D provisions of the SPS Agreement, which did not exclude the possibility of revising the text of the Agreement. These Members had stressed, however, that this did not imply creating loopholes or exceptions that could result in health risks for Members.

85. A number of Members had suggested that the Committee should focus on identifying a workable manner to ensure that special treatment was provided to developing countries without prejudicing the right of Members to ensure health protection.

86. The Chairman had urged Members to make available further proposals, comments or analysis they might be preparing as quickly as possible, for consideration by all Members. He also urged interested Members to continue to discuss this issue among themselves in advance of the June meeting.

87. Following his report on the informal meeting, the Chairman proposed that the Committee keep this issue on its agenda and hold an informal meeting prior to the next regular meeting of the Committee. He invited Members to table new or revised proposals, and to make known their comments or views on proposals.

(b) Other matters relating to special and differential treatment

88. There was no discussion of other matters relating to special and differential treatment.

VI. EQUIVALENCE – ARTICLE 4

(a) Information from Members on their experiences

89. No Member provided information on experiences related to equivalence. The Secretariat noted that during travel to various Members, it was not uncommon that officials made reference to various equivalence agreements that had been reached with other trading partners, and questioned why Members were not notifying these to the SPS Committee. The lack of notifications gave the impression that the provisions on equivalence and the Committee's guidance were not working, while apparently this was not the case.

90. The representatives of Chile and of Argentina agreed that equivalence agreements did exist, and that the guidance developed by the Committee was being used. They suggested that one reason Members did not notify these agreements was to avoid other exporters benefiting from the arrangements. Furthermore, in many cases the notion of equivalence was applied without any formal recognition of equivalence *per se*, or without calling the bilateral arrangements "equivalence". They agreed, however, that it would be useful for Members to provide information regarding their experiences in this area.

(b) Information from relevant observer organizations

91. The representative of the OIE stressed the importance of importing Members making clear the health objectives of their measures, and also explaining their reasons for rejecting claims of equivalence of measures (G/SPS/GEN/767). The OIE was willing to assist Members to reach agreements on veterinary equivalence.

92. The representative of Codex recalled that the Codex had adopted Guidelines for the Development of Equivalence of Food Import and Export Systems in 1999, and Guidelines on the Judgement of Equivalence in 2003. Currently, work was underway on appendices to this latter document to provide further guidance to Members.

93. The representative of the IPPC reported that the Commission on Phytosanitary Measures (CPM) had adopted a standard on equivalence in 2005 (ISPM 24), and had revised the Phytosanitary principles for the protection of plants and the application of phytosanitary measures in international trade include the principle of equivalence (ISPM 1). The IPPC had not received any indications from its members that they were experiencing difficulties in the recognition of the equivalence of phytosanitary measures.

VII. PEST- OR DISEASE-FREE AREAS - ARTICLE 6

(a) Chairman's report on the informal meeting on regionalization

94. The Chairman reported that at the informal meeting on regionalization held on 27 February, he had recalled that in October the Committee's discussions had focused on the revised background paper prepared by the Secretariat (G/SPS/GEN/640/Rev.1). Several Members had commented on the text, but no Member had provided further comments in writing subsequent to that meeting.

95. At the October meeting, several Members had also commented on the way forward. Some Members had thought that the Committee was ready to move towards a decision on the subject while other Members disagreed. The Chairman had encouraged Members to consult informally in small groups to try to find a solution. Some initial consultations on the margins of the October meeting had not succeeded in resolving the differences.

96. At the informal meeting on 27 February, a number of Members had reported that informal small group meetings had continued. Members were engaging on the subject in good faith, and hoped to be able to soon reach an agreement acceptable to all.

97. One Member had noted that considerable progress had already been made on this subject, and that the Secretariat background paper had served as a good basis for discussions. Another Member had emphasized that regionalization was of high priority and had expressed the hope that the Committee would reach a decision soon.

98. One Member had stressed that regionalization was a standing item on the Committee's agenda, although frequently issues related to disease- or pest-free areas were raised under other agenda items. This delegation had encouraged Members to make use of the agenda item dedicated to regionalization.

99. The representative of the IPPC had reminded the Committee that the Commission on Phytosanitary Measures (CPM) was due to have its second meeting in March. At that meeting, a number of standards would be up for adoption, including the draft standard on recognition of pest-free areas and areas of low pest prevalence. Over 100 countries had commented on this draft standard. The representative of the IPPC had furthermore recalled that he had informed the Committee of a survey on pest-free areas that had been undertaken. The results of this survey showed that pest-free areas were a tool that was being widely used for different pests and crops. At the upcoming meeting, the CPM would also decide whether a working group should go ahead with a feasibility study on international recognition of pest-free areas.

100. At the end of the informal meeting, the Committee had indicated that an informal meeting in June would be useful to try to advance the discussions of this issue.

101. Following the Chairman's oral report, the representative of New Zealand reported on the progress that had been made in informal consultations among a group of 14 Members. Their efforts had focussed on seeking more certainty and clarity regarding process, information requirements, and how long it took to begin and to complete requests for regionalization. The working group agreed that the overall objective was to improve predictability and trust in trade through managing expectations by use of transparency and good regulatory practices. Members wished to find a process that they could consistently and realistically meet as both importers and exporters. Considerable progress had been made regarding process and information requirements, and the informal group planned to meet again immediately prior to the June meeting of the Committee.

102. The representatives of Argentina, Brazil, Chile, Colombia and Egypt stressed the need for the Committee to move ahead as rapidly as possible on this issue. They expressed the hope that the informal consultations would result in a draft text for consideration by the Committee at its next regular meeting.

103. The representative of Japan noted that the Committee should wait for the OIE and IPPC to complete their work in this area, in order to avoid duplication. He suggested that Members should have a coherent view on the issue in the WTO, OIE and IPPC.

104. The Chairman welcomed indications of progress and suggested that interested Members continue to work together to reach consensus on a proposal that could be considered by the SPS Committee at an informal meeting immediately prior to the June meeting of the Committee.

(b) Information from Members on their experiences

105. The representative of Chile noted that many Members provided information relating to pest- or disease-free situations under other agenda items, rather than under this item. He noted that almost half of the issues raised under Agenda Item 2 "Activities of Members" and as "Specific Trade Concerns" under Agenda Item 3 dealt with pest- or disease-free areas. It would facilitate the compilation of information if Members reported on these issues under this agenda item instead.

(c) Information from relevant observer organizations

106. The representative of the OIE stressed the importance of this issue for the OIE, who considered it as the identification of pest- or disease-free populations. The SPS Committee should not wait for OIE to complete its work on regionalization, as this work was constantly being revised, the rewriting of the chapters for several diseases was underway and such work would continue indefinitely. The chapter of the Terrestrial Animal Health Code on regionalization also dealt with compartmentalization, that is, the concept of defining a population as pest- or disease-free on the basis of management practices, not geographical features. Surveillance was important for both regionalization and compartmentalization. Both of these approaches were particularly important for diseases such as FMD, classical swine fever, avian influenza, and Newcastle disease. The OIE hoped to present some practical guidelines for use by governments during the course of 2007.

107. The representative of the IPPC noted that to date the IPPC had developed several relevant generic standards, but was now developing standards for specific pests. In 2006, the CPM had approved ISPM 26 on fruit flies. This year, the CPM would be considering adoption of a standard on the recognition of pest-free areas. The IPPC was undertaking a feasibility study regarding formal international recognition of pest-free status.

108. The representative of Chile stressed that the work of the SPS Committee should not be delayed by the work of the OIE and IPPC. The issue of compartmentalization was also of relevance to the work of Codex. The representative of Japan clarified that his comments had referred to the OIE

planned discussion of biosecurity plans in zoning and compartmentalization at its meeting in May 2007. The representative of Colombia stressed the need for better coordination at the national level between delegates involved in the SPS Committee and those involved in the work of the OIE and IPPC. The representative of Peru noted that the SPS Committee should advance with its work on administrative guidance, for which it was not necessary to wait for further advancements in the technical work by the OIE and IPPC.

VIII. TECHNICAL ASSISTANCE AND COOPERATION

(a) Information from the Secretariat

109. The Secretariat noted that document G/SPS/GEN/521/Rev.2 provided information regarding the SPS-related technical assistance activities of the WTO Secretariat since 1994. In 2006, the Secretariat had delivered three (sub)regional workshops and four national seminars, and had also participated in training activities organized by Sweden, Japan and by UNEP. Two of the national seminars, as well as a regional seminar held in Colombia, had taken place since the last meeting of the SPS Committee. In addition, the second specialized trade policy course on the SPS Agreement had been held, in English, in October-November 2006.

110. For 2007, the Secretariat planned to undertake three (sub)regional workshops. One had already been held in Mali, for francophone African countries and had included the participation of the UEMOA and ECOWAS secretariats. A regional seminar for the SAARC countries would be held in India in April, and one for Anglophone African countries was scheduled for later in the year in Zambia. Requests for national seminars had been submitted by five Members (Benin, El Salvador, Indonesia, Nicaragua and Sri Lanka), and a national seminar in Mexico that had been postponed from 2006 had been held in February 2007. In addition, the Secretariat had been requested by the Inter-American Development Bank to organize regional seminars in the Caribbean and in South America. A third specialized trade policy course on the SPS Agreement would be held, in French, in Geneva immediately following the October 2007 meeting of the SPS Committee.

111. In addition, the Secretariat had further collaborated with the OECD to improve and complete the information on SPS-related capacity building that was reported in the OECD Trade Capacity Building Database. The preliminary information and evaluation of technical assistance provided in document G/SPS/GEN/726 would be updated and revised. The Secretariat also drew attention to the Aid for Trade initiative of the WTO, and how the work relating to SPS capacity building complemented this initiative. In addition, initiatives to foster the participation of developing countries in the work of the SPS Committee, such as the SPS for the Americas programme of IICA, had shown significant benefits, and the United Kingdom was considering a similar programme for the SADC countries.

112. Finally, the Secretariat drew attention to the updated report on the STDF, contained in document G/SPS/GEN/748. The Medium Term Strategy for the STDF had been adopted by its Policy Committee in December 2006. This would result in a greater focus on effectiveness of technical assistance and improved coordination among donors. Although the STDF would continue to fund a limited number of capacity-building projects, the focus would be more on the funding of project preparation grants. Regional consultations would be organized to identify best practices in SPS-related capacity building, with the first consultations to be held in Central America and East Africa before the end of 2007. The STDF Working Group would meet on 2 March to consider requests for funding of projects and project preparation grants. Recent contributions had been received from the European Communities, Denmark, Sweden and the United States, however total contributions were still short of the targeted US \$5 million per year.

113. The Secretariat also noted that invitations for the next specialized SPS trade policy course, to be held from 16 October through 2 November 2007, would be issued before the next meeting of the SPS Committee. This course would be given in French, and participants were expected to already be familiar with the SPS Agreement and be working in areas related to its implementation. The course was designed to be very interactive, and participants would be expected to develop an action plan to implement after the course. The Secretariat was also planning to hold a follow-up session to the specialized course held in 2006 prior to the June meeting. At this follow-up session, participants would have the opportunity to report on the implementation of their action plans.

114. A number of Members thanked the Secretariat for its regional and national seminars, and noted that participants in these activities found them to be very informative. Some Members also expressed their appreciation for the specialized course, which had notably improved the participation by Members in terms of their interventions and the documents they submitted.

115. In response to a question, the Secretariat noted the difficulty of evaluating the effectiveness of the training activities which it provided on improving the implementation by Members of the SPS Agreement. One measurement could be consideration of the number and quality of notifications submitted by Members, where there was a noticeable increase in particular following activities which focussed on transparency. Participation by Members in the work of the SPS Committee was another possible measure, although participation was also dependent on national budgetary resources and priorities. With respect to the specialized courses, participants were required to implement some national activity, and to report on this. In terms of the continuation of the specialized courses, the Secretariat indicated that it would seek to continue this training, as it was very rewarding and participants considered it very useful. However, these courses were extremely resource intensive, not only financially but also in terms of WTO staff time. Their continuation was dependent on Members, who approved the budget and annual technical assistance plan for the WTO. Members who were interested in seeing the specialized courses continue should make their views known to the Institute for Training and Technical Cooperation.

(b) Information from Members

116. The representative of the European Communities reported on several new initiatives for SPS capacity building. One programme was providing 2 million Euro to assist countries on avian influenza measures and preparedness plans. In addition, a 30 million Euro fund had been created to assist developing countries meet the requirements of the new EC food and feed control regulations. Although there appeared to be widespread fears that these new requirements would negatively affect trade, the requirements had been in effect since early 2006 without creating serious difficulties. The new fund had been developed in cooperation with ACP countries and was specifically targeted to their needs. Another 3.5 million Euro fund had been established for the African Union to help assist the effective participation of African officials in the work of the relevant international standard-setting bodies and of the SPS Committee. The African Union would decide what activities would be funded. In addition, 30 million Euros of residual money from the previous development fund remained available for direct aid in the SPS area, depending on the priorities of applicant countries. Finally, the representative of the European Communities drew attention to an information sheet available to delegates which summarized various SPS-related training programmes that would be conducted in developing countries by EC experts.

117. The representative of Canada drew attention to document G/SPS/GEN/765, which contained information on Canada's SPS-related technical assistance activities in 2006. Canada had undertaken 25 projects, as well as provided contributions to the STDF.

(c) Information from observers

118. The representative of the IPPC noted that document G/SPS/GEN/756 provided information regarding the technical assistance activities of the IPPC secretariat and the FAO. Since the last meeting of the SPS Committee, the IPPC had primarily been involved with assisting members prepare for the meeting of the Commission on Phytosanitary Measures in March 2007. The document also contained information on FAO general capacity building programmes.

119. The representative of IICA indicated that document G/SPS/GEN/753 reported on recent actions undertaken by IICA to assist its members implement SPS measures.

120. The representative of the OIE drew attention to the report on OIE activities (G/SPS/GEN/758) and in particular the work on the development of the Veterinary Performance, Vision and Strategy evaluation tool (PVS). This was designed, in collaboration with IICA, to facilitate the improvement of national veterinary services.

121. A number of Members expressed their gratitude to IICA for its assistance in the strengthening of national SPS committees, assisting Members implement the transparency provisions of the SPS Agreement, and improve national coordination. The Initiative for the Americas, and the contributions of the USDA, OIRSA and others had made significant differences for many Members.

IX. MATTERS OF INTEREST ARISING FROM THE WORK OF OBSERVER ORGANIZATIONS

122. The representative of the Codex drew attention to the finalization of various texts to be submitted to the Codex Alimentarius Commission session in Rome, on 2-7 July 2007, immediately following the next meeting of the SPS Committee (G/SPS/GEN/747). These included: the revised standard for infant formula and formula for special medical purposes for infants; finalized guidelines for generic food safety certificates; principles for the conduct of microbiological risk management; standards on eggs and egg products; and general principles of food hygiene for the control of *Listeria monocytogenes* in foods.

123. The representative of IPPC provided an update on the IPPC standard setting work programme, and indicated that document G/SPS/GEN/754 listed all standards adopted to date, as well as the technical panels that had been established,. Document G/SPS/GEN/757 identified the international phytosanitary standards proposed for adoption at the next CPM meeting at the end of March 2007, as well as other issues to be considered at that meeting. The IPPC had just undergone an external evaluation, which involved a questionnaire completed by 90 countries. A large section of this questionnaire focussed on the development of standards which might be of use to the SPS Committee. An important task this year was the establishment of a working group to look at compliance, to identify areas where members might have difficulties applying IPPC standards and to determine what mechanisms could rectify these problems. A good example of this was ISPM 15, where international workshops had been held after countries indicated they were having difficulties in complying with the standard.

124. The representative of the OIE highlighted the important initiative taken on governance of veterinary services. The need for further development of competent authorities capacities with regard to aquatic animal diseases had been identified. In terms of the OIE's normative work, they had reviewed the procedures for official recognition of freedom from four diseases, and changes would be submitted for approval by the International Committee in May. In addition, the BSE standard was being revised in light of scientific documentation. The proposal was to permit trade in gelatine without taking into account the BSE status of the supplying country, if it were produced from animals that had passed ante and post mortem inspections. This was in essence a recognition of equivalence.

The representative indicated that she would be pleased to provide a presentation on the OIE's risk management approach for BSE, as requested by United States. Avian influenza had caused considerable trade disruptions, and there were many complaints about bans that had been imposed in response to cases of avian influenza in zoos and in wild birds. These restrictions were not in line with the OIE standards. The imposition of unjustified trade bans discouraged countries from being transparent and notifying disease outbreaks. (See also G/SPS/GEN/758.)

125. The representative of IICA recalled that he had already reported on the relevant activities of IICA during the discussions on technical assistance (G/SPS/GEN/753).

126. The representative of OIRSA noted how the work of his organization supported the work of the OIE (G/SPS/GEN/762). OIRSA was working on the eradication of classical swine fever, which was almost totally under control in Central America. Other activities related to avian influenza, in cooperation with an IICA project on avian safety. OIRSA activities had also included work on food safety, good manufacturing practices and HACCP, and work with the WHO on the development of food laws. OIRSA was preparing simulation exercises in several countries with respect to highly pathogenic avian influenza.

X. ISSUES ARISING FROM THE REVIEW OF THE OPERATION OF THE SPS AGREEMENT

(a) Chairman's report

127. The Chairman reported that at the informal meeting on issues arising from the Second Review of the operation and implementation of the SPS Agreement on 27 February he had recalled that at the October meeting of the Committee, the Secretariat had been requested to produce a revised paper regarding possible "next steps" the Committee could take to move ahead on these issues. This paper had been provided to Members in an attachment to the fax convening the informal meeting, as Job(07)/14.

128. In presenting the paper, the Secretariat had noted that to respond to Members' concerns that no issue be overlooked, the revision looked at each of the recommendations made by the Committee in the report of the Review (G/SPS/36). For each of the issues identified in the Review, the revised paper had noted where the Committee was already addressing the issue – for example as part of its regular agenda, or through dedicated informal meetings. This was the case for about half of the issues arising from the Review, including transparency, S&D, technical assistance and regionalization. The remaining issues, however, had not as yet been systematically addressed by the Committee, and the Secretariat paper had suggested some possible actions on these.

129. Several Members had noted that although some issues were otherwise addressed by the Committee, this did not mean that there had been sufficient consideration of these. For example, although the Committee had developed guidelines regarding implementation of Articles 4 and 5.5, there was little information regarding the extent to which Members' followed these guidelines. Other Members had stressed that priority should be given to completing the Committee's work on regionalization. A number of Members had indicated that, given the number of issues arising from the Review, the Committee needed to agree on a methodology for addressing these, including determining some priorities for its future work.

130. Many Members had suggested that the Committee should first address the issue of cooperation with the standard-setting bodies and clarification of the respective roles of these and the SPS Committee, as well as the issue of enhancing the use of ad hoc consultations for resolving trade difficulties. They had noted that the relationship with the three sister organizations was relevant for the consideration of a number of other issues, including regionalization and monitoring of the use of

international standards. It was important to know whether the resources dedicated to developing international standards were warranted in terms of use of these standards.

131. In terms of ad hoc consultations, several Members had said it would be useful to have information from the OIE and IPPC regarding their respective procedures for assisting in the resolution of differences, as well as more information regarding the use of the SPS Committee Chairman's "good offices" and the discussions in the context of the non-agricultural market access negotiations (NAMA) on horizontal mechanisms to facilitate resolution of non-tariff barrier disputes. One delegation had noted that ad hoc consultations also included the procedures for considering specific trade concerns.

132. Other Members had noted the importance of the Committee continuing to focus on improvements to the implementation of the transparency provisions, as well as on the issue of undue delays. With respect to the latter, several delegates had suggested that it would be most useful for Members to provide information on their experiences.

133. Another Member had stressed the importance of further work by the Committee on special and differential treatment and technical assistance. Of particular concern was the non-use of the procedure for Members to identify their need for special and differential treatment or technical assistance, developed by the Committee in G/SPS/33. With respect to technical assistance, although there was a lot of information regarding the large volumes of SPS-related projects, the Committee had barely begun consideration of how to make SPS-related technical assistance effective. The STDF was recognized as a good initiative in this regard, but more work was needed.

134. On a number of the issues arising from the Review - including the relationship between certain articles of the SPS Agreement, good regulatory practices and Annex C - delegates had no specific comments. With regard to the proposed clarification of certain terms in the Agreement, it was suggested that this was not a priority matter at this time.

135. In concluding the informal meeting, the Chairman had noted that there were four common views: (1) it was too difficult for the Committee to address all issues at the same time and with the same depth; (2) there was therefore a need to prioritize the consideration of issues; (3) for those issues not identified for immediate further work, it would be useful for Members to exchange information on their experiences and for the Secretariat to provide some background information; and (4) Members who wished to see further consideration of issues they had raised needed to submit specific proposals or documents on these, and provide information regarding their experiences.

136. Based on the discussions, the Chairman had suggested that the Committee agree on the following next steps, without prejudice to the consideration of other issues arising from the Review:

- (a) The Committee continue its discussions on transparency, noting that an informal meeting was to be held on this issue in June;
- (b) The Committee continue its discussions on regionalization, also noting that an informal meeting was to be held on this issue in June;
- (c) The Committee also continue its discussions on S&D, including at an informal meeting to be held on this issue in June, with a focus on the non-use of G/SPS/33 and on other points that might arise from the informal discussions on S&D;
- (d) The Committee consider technical assistance as part of its regular agenda in June, with a focus on evaluating the effectiveness of technical assistance, based on information provided by Members;

- (e) The Committee address the issue of ad hoc consultations, inviting the OIE, IPPC and Codex to provide information regarding their respective mechanisms for resolving trade problems among Members at the June meeting; and
- (f) The Committee address the relationship between the SPS Committee and the three sister organizations in June, inviting Members to present proposals or papers with respect to different aspects of this relationship, including the use of international standards.

137. In commenting on the Chairman's oral report, the representative of the United States indicated that her delegation was encouraged by the Committee's deliberations and the identification of several areas for further work. The United States reiterated its interest in providing assistance in the preparation of the special meeting on transparency, an issue which they considered to be of high priority. The Committee should consider what further work on transparency would be useful following the special meeting. The United States would also welcome information from the Codex, IPPC and OIE relating to the issue of ad hoc consultations and the resolution of trade problems, as well as a closer examination of the relationship between the SPS Committee and these organizations. For example, it would be useful to have a step-by-step explanation of the process of obtaining recognition of BSE freedom from the OIE.

XI. MONITORING OF THE USE OF INTERNATIONAL STANDARDS

138. There was no discussion under this agenda item.

XII. OBSERVERS – REQUESTS FOR OBSERVER STATUS

139. The Committee agreed to invite those organizations which had been granted observer status on an ad hoc, meeting-by-meeting basis to participate in its next meeting. The Committee also decided to invite all observer organizations to participate in its next informal meetings.

140. The Committee was unable to reach any decision with regard to the requests for observer status from the Office International de la Vigne et du Vin (OIV), from the Asian and Pacific Coconut Community (APCC), and from the Convention on Biodiversity (CBD), and agreed to revert to this matter at its next meeting.

XIII. ELECTION OF CHAIRPERSON

141. The Chairman reported that the Chairman of the Council for Trade in Goods had been not yet concluded his consultations on a slate of names for appointment as chairpersons to the subsidiary bodies of the Council for Trade in Goods in accordance with the established Guidelines for Appointment of Officers to WTO bodies (contained in document WT/L/31). As such, he suggested that the election of the Chairperson of the Committee be postponed until the next Committee meeting in June, and that the election take place at the time of the first informal Committee meeting, with the Committee briefly switching to formal mode to acclaim its new Chairperson.

XIV. OTHER BUSINESS

Guatemala's restrictions on imports of poultry meat – Concerns of Mexico (no. 210, G/SPS/GEN/204/Rev.7)

142. The representative of Mexico recalled that he had previously raised concerns regarding Guatemala's restrictions on imports of poultry products and eggs from Mexico. Despite several bilateral meetings seeking an end to Guatemala's restrictions imposed due to low pathogenic avian influenza, there had still been no response from the Guatemalan Ministry of Agriculture. These

restrictions were not in line with the OIE Code. Mexico had requested that Guatemala undertake verification visits, but had not received a satisfactory reply.

143. The representative of Guatemala confirmed that following technical meetings and discussions of the sanitary status of both countries, his country had agreed to undertake visits to check controls in Mexico. Unfortunately, due to budgetary constraints, these visits had not yet been possible, and further delays had occurred due to changes in the head of the relevant department. However, Guatemala remained committed to resolving this issue.

Bolivia's slaughter of imported cattle – Concerns of Mexico (no. 205, G/SPS/GEN/204/Rev.7)

144. The representative of Mexico recalled that this problem had originated when Mexican breeding cattle had been imported into Bolivia for participation in a trade fair. Although Bolivia had issued permits for the entry of these animals, upon their arrival Bolivia had refused entry and ordered that the cattle to be sent back to Mexico. This was not possible because FMD existed in Bolivia but not in Mexico. Bolivia had falsely claimed that Mexico was a high risk source of BSE, and had slaughtered the cattle. Although the Supreme Court of Santa Cruz in Bolivia had ordered payment of reparations to Mexico, this not yet occurred.

145. The representative of Bolivia indicated that when the 25 head of cattle had arrived in Bolivia, his authorities realized that the procedures for this type of importation had not been properly applied (G/SPS/GEN/768). Before such importation could be permitted, Bolivia needed to complete a risk assessment for BSE, but this was not possible as not enough information had been provided by Mexico, nor was there sufficient time to complete the analysis. Bolivia had proposed returning the cattle to Mexico, as they had in fact arrived in an FMD-free area, but when Mexico refused to accept them, the cattle were slaughtered. Recognition of Mexico as BSE free needed to be referred to the OIE. Bolivia noted that the company involved had not followed up on the judgement of the court.

Information from the Philippines on avian influenza and foot and mouth disease

146. The representative of the Philippines reported that his country was free of avian influenza. All tests of blood from samples of native birds were negative. Because of this status, the Philippines continued to export chicken products. To maintain its freedom from avian influenza, different measures had been imposed. These included temporary bans; enforcement of the wildlife act, with no imports of birds permitted from areas with avian influenza; preventive measures in humans, including vaccination of poultry workers; upgrading national and regional laboratories; creation of national, provincial and municipal taskforces; the development of emergency response plans; awareness campaigns; the establishment of biosecurity control points; surveillance and prevention at air and sea ports; and the establishment of a compartmentalized poultry zone. With respect to FMD, a number of regions had been recognized as free. Measures to maintain this status included: surveillance and monitoring of movement of animals; quarantine checkpoints; and twice-yearly sero-surveillance.

Turkey - outbreak of avian influenza

147. The representative of Turkey reported that recent outbreaks of avian influenza in some regions were limited in both size of infected areas and the number of reported cases compared to last year. A first outbreak had been reported on 8 February 2007 in south-eastern Anatolia. Poultry in the area had been slaughtered, and measures taken to prevent the further spread of the virus, including disinfection, quarantine, training and testing. There had been no human cases.

Panama – Notification system for food product imports

148. The representative of Panama indicated that his country had introduced a notification system for food product imports. The necessary forms could be accessed via internet from anywhere in the world, with free and expeditious processing available 24 hours per day, seven days a week. This automated system would reduce human error while generating historic records. It also facilitated consultation of notifications in the database, and recognition of products by inspectors. This initiative by the Panamanian Food Safety Authority should improve trade relations.

Bolivia – outbreak of FMD

149. The representative of Bolivia reported that an FMD outbreak had occurred following confirmation of a suspected case on 24 January 2007. The national emergency system had immediately been activated. The OIE and PANAFTOSA had been notified. The center of the outbreak was in Santa Cruz, where there had been no outbreaks in the past three years. The source of the outbreak was being investigated. The measures taken had included: strategic vaccinations in buffer zones; quarantine and restrictions on movements of susceptible animals; reinforcement of control stations; training and communication. Bolivia's priority was to regain its FMD-free status with vaccination.

150. The representative of Paraguay indicated that his country had immediately temporarily prohibited FMD-susceptible animal product imports from Bolivia to safeguard Paraguay's free status with vaccination.

XV. DATE AND AGENDA FOR NEXT MEETING

151. The next meeting of the Committee is tentatively scheduled for 27-28 June 2007, with informal meetings scheduled for 25 –26 June 2007. The relevant deadlines for submitting items for the agenda are as follows:

- (i) For identifying new issues for consideration under the monitoring procedure, AND for requesting that items be put on the agenda: **14 June 2007**
- (ii) For the distribution of the airgram: **15 June 2007**

152. The Committee agreed on the attached provisional agenda for its next meeting.

153. The Chairman stated that it had been a rewarding experience to chair the SPS Committee and thanked Members for the support which they had given to him. A number of Members took the floor to express their appreciation to the Chairman, on behalf of the Committee, for his dedication and hard work in the past year.

PROPOSED AGENDA FOR MEETING OF 27-28 JUNE 2007

1. Adoption of the agenda
2. Election of the Chairperson
3. Activities of Members
4. Specific trade concerns
 - (a) New issues
 - (b) Issues previously raised
 - (c) Consideration of specific notifications received
 - (d) Information on resolution of issues in G/SPS/GEN/204/Rev.7
5. Operation of transparency provisions
 - (a) Report on the informal meeting
6. Implementation of special and differential treatment
 - (a) Report on informal meeting
 - (b) Use of G/SPS/33
 - (c) Other matters relating to S&D
7. Equivalence – Article 4
 - (a) Information from Members on their experiences
 - (b) Information from relevant observer organizations
8. Pest- and Disease-free areas – Article 6
 - (a) Report on informal meeting
 - (b) Information from Members on their experiences
 - (c) Information from relevant observer organizations
9. Technical assistance and cooperation
 - (a) Information from the Secretariat
 - (b) Information from Members
 - (c) Information from observers
 - (d) Best practices for SPS technical assistance
10. Issues arising from the Review
 - (a) Use of ad hoc consultations
 - (i) information from standard-setting bodies
 - (ii) practice under the SPS Agreement
 - (b) Relationship between the SPS Committee and Codex, OIE, IPPC
11. Concerns with private and commercial standards

12. Monitoring of the use of international standards
 - (a) New issues
 - (b) Issues previously raised
 - (c) Adoption of annual report
 13. Matters of interest arising from the work of observer organizations
 14. Calendar of meetings in 2008
 15. Observers – Request for observer status
 16. Other business
 17. Date and agenda of next meeting.
-