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**Committee on Sanitary and Phytosanitary Measures**

**SUMMARY OF THE MEETING OF 2-3 APRIL 2008**

Note by the Secretariat<sup>1</sup>

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<sup>1</sup> 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.

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## I. ADOPTION OF THE AGENDA

1. The Committee on Sanitary and Phytosanitary Measures (the "Committee") held its fortieth meeting on 2-3 April 2008. The proposed agenda for the meeting was adopted with amendments (WTO/AIR/3169). In particular, the specific trade concern of the European Communities with regard to India's import restrictions on live horses (STC 62) was withdrawn following progress in bilateral consultations.

## II. ACTIVITIES OF MEMBERS

### *Australia – Update on the outbreak of Equine Influenza*

2. The representative of Australia reported that the outbreak of equine influenza had now been eradicated. The containment and eradication programme, which was undertaken with the involvement of the horse industry and those who came into contact with horses, had been successful in stopping the spread of the disease. Standstill provisions, movement restrictions, good biosecurity practices, early reporting of suspected disease and targeted vaccination were critical elements in containing and eradicating the disease. As of March 2008, Australia was provisionally free of equine influenza. Information on the control and eradication was available at [www.outbreak.gov.au](http://www.outbreak.gov.au). Australia had kept the OIE and its trading partners informed of the outbreak of the disease and of the control measures. A number of Members had already removed emergency restrictions they had temporarily imposed on Australian horse exports, and Australia invited other Members to do the same.

### *Australia – Review of Quarantine and Biosecurity Arrangements*

3. The representative of Australia reported that a review of quarantine and biosecurity arrangements had begun in February 2008. The terms of reference of the review included current arrangements to achieve Australia's appropriate level of health protection; public communication, consultation and research and review processes; resource levels; and institutional arrangements to deliver biosecurity, quarantine and export certification services. A small panel of independent experts was undertaking the review. They had released an issues paper and were seeking submissions from domestic and international stakeholders by the end of April 2008. The review was to be completed by 30 September 2008. More information was available at [www.quarantinebiosecurityreview.gov.au](http://www.quarantinebiosecurityreview.gov.au)

4. The representative of the European Communities welcomed the consultation with international stakeholders and the opportunity to submit comments. The European Communities had experienced difficulties in the past with Australia's quarantine procedures, and in particular relating to the complexity and delays in the Import Risk Assessment (IRA) procedures. While the European Communities had hoped that the new handbook published in 2003 would improve the transparency and predictability of the process, it still remained slow and sometimes unpredictable. The new 2007 IRA process set timeframes for concluding decisions, but still permitted stopping the clock under certain circumstances. The European Communities urged Australia to ensure that its SPS measures were based on science, did not result in undue delays, and avoided arbitrary and unjustified impediments to trade.

### *Argentina – Information on the Foot-and-Mouth Disease (FMD) Situation*

5. The representative of Argentina reported that since 2003, the OIE had recognized two areas of Argentina as FMD-free, one with and one without vaccination. These areas were protected by buffer zones where the OIE risk mitigation measures were applied. The area that was FMD-free without vaccination included the area south of the 47<sup>th</sup> parallel. As of May 2007, the OIE recognized the expansion of this area to include most of the provinces of Rio Negro and Neuquén. Systematic annual

serological sampling was carried out throughout the country, following the recommendations of the OIE Terrestrial Animal Health Code, to detect any viral activity and to determine the immunity levels of cattle in the vaccinated region. More than 90% of Argentina's cattle herd was concentrated in the area which was recognized as FMD-free with vaccination. Cattle in this area, which covered slightly more than the northern half of the country, were systematically vaccinated twice each year. Argentina also had in place safeguard measures on the borders with Bolivia, Brazil and Paraguay.

6. The representative of Argentina noted his country's excellent, internationally recognized health status with respect to other animal diseases including BSE, avian influenza, Newcastle disease and classical swine fever. Argentina urged Members to take into consideration the OIE's recognition of this health status in the development and application of their SPS measures.

*United States – Food Protection Plan*

7. The representative of the United States provided information on the Food and Drug Administration's (FDA) Food Protection Plan. This revision to the fundamental approaches used by FDA was designed to address new food protection concerns regarding the increased consumption of convenience foods or those provided by food services, as well as the growing percentage of the US population that are immune-compromised. The Food Protection Plan, released in November 2007, provided a comprehensive strategy to further strengthen the US food safety system through providing integrated layers of protection. It focused on prevention of food contamination from the beginning, risk-based intervention to verify preventive measures, and rapid response when contaminated food was detected. The next steps would include the development of an implementation plan through consultations of all stakeholders, and the development of legislative proposals on export certificates, third party certification and mandatory recall. The FDA would enact any new legal requirements through the notice and comment rule-making process. Stakeholder input was encouraged and briefings had been provided to representatives of 48 embassies in Washington. The Food Protection plan covered all products for which FDA was responsible, including dairy products, whether produced domestically or imported.

*United States – Situation with respect to BSE*

8. The representative of the United States recalled that the United States had previously highlighted problems that it had encountered because some Members imposed unduly restrictive measures with respect to bovine spongiform encephalopathy (BSE). The United States appreciated that the Philippines, Indonesia and Barbados, as well as other Members, were now permitting imports of US beef in accordance with the OIE guidelines. The United States urged those Members which had not yet done so to align their import requirements with the OIE recommendations.

9. The representative of Canada joined the United States in urging Members to base their BSE measures on OIE standards. The OIE recognized Canada as a controlled risk country with respect to BSE, and the OIE Terrestrial Animal Health Code identified the conditions for safe trade in beef.

10. The representative of Uruguay also expressed appreciation for those Members who adhered to the OIE Code. The Code had many chapters, including one related to Foot and Mouth Disease (FMD) and he urged Members to apply the recommendations of all of the Code chapters.

*China – High Level International Forum on Food Safety*

11. The representative of China provided information on the High Level International Forum on Food Safety which had been jointly organized by China and the WHO. This important global meeting on enhancing food safety in a global community had been held in Beijing, China, in November 2007.

More information regarding the forum, including the Beijing Declaration on Food Safety, was provided in document G/SPS/GEN/838.

*Brazil – Information on Food and Mouth Disease (FMD) Situation*

12. The representative of Brazil provided information on recent actions for the eradication of FMD which his country had taken since the last meeting of the SPS Committee, Brazil had lifted all sanitary restrictions on municipalities where outbreaks had been eradicated, and had requested the OIE to recognize the re-establishment of an FMD-free area which included 16 Brazilian states. Brazil had also updated its legislation to fully reflect the most recent OIE scientific guidelines. It had vaccinated 200 million bovine and buffalo, which represented an investment of about US\$ 200 million, as well as further investments in improved surveillance in border areas. Through cooperation in regional bodies, OIE specialists had established high surveillance zones along some borders in the region. In addition, following the recent EC restrictions on Brazilian meat, Brazil had introduced improvements in its traceability procedures, which should result in the gradual resolution of this problem. Brazil had adopted an integrated approach in which traceability was just one element, and which achieved a level of protection recognized by the European Communities as equivalent to the protection it deemed appropriate. Brazil requested that all Members comply with their obligations under Article 2 to apply SPS measures only to the extent necessary to protect health, and not in a manner which constituted a disguised restriction to international trade.

13. The representative of the European Communities recalled that the European Communities had continued to allow access to Brazilian beef, and had been working constructively with Brazil to ensure that this continued. Some new measures had been introduced, but meetings were taking place to ensure improved compliance, and EC technical experts were in Brazil to provide assistance. The European Communities hoped to see the volume of beef trade from Brazil restored to its previous levels.

14. The representative of the OIE noted that that this was an example of how the application of OIE standards, together with the strengthening of national veterinary services and regional cooperation, could improve the health situation and trading prospects of WTO Members.

*Zambia – Information on various SPS activities*

15. The representative of Zambia provided information regarding its fruit fly situation, honey surveillance program, and the operation of its SPS Enquiry Point (G/SPS/GEN/836). With respect to the fruit fly situation, Zambia had introduced a new surveillance system based on trapping and lures, with the assistance of the US Department of Agriculture. The trapping program would be extended to other parts of the country and should determine the routes of entry and possible management options for fruit flies. With regard to honey, a survey had been initiated to determine whether areas of Zambia were free from *Paenibacillus larvae* subsp. *larvae* (American Foulbrood). This was particularly important to avoid restrictions in market access for Zambian organic honey. *Paenibacillus larvae* subsp. *larvae* was not isolated from any of the samples. The representative of Zambia also noted various assistance projects had permitted the establishment and equipping of the national SPS Enquiry Point, which was now fully operational.

16. The representative of the European Communities noted the uniqueness of this intervention from Zambia. It was a very positive development to receive such useful information from Zambia on various programmes and projects in the SPS field. Honey was a major export product, and probably one of the easiest animal products to export, hence the information by Zambia on its experiences could be useful for other Members. The representative of the European Communities encouraged other Members to follow the example of Zambia in providing feedback on experiences and on various SPS-related projects.

### III. SPECIFIC TRADE CONCERNS

(a) New issues

*Egypt's restrictions on heat-treated products in relation to avian influenza – concerns of the European Communities*

17. The representative of the European Communities noted that they had held bilateral negotiations for some time with regard to Egypt's import restrictions on heat-treated poultry products. Egypt permitted imports only from countries free of Avian Influenza, which was not in line with the OIE standards. This measure was disproportionate to the risk. The European Communities hoped that its good relationship with the Egyptian authorities, which had permitted the resolution of many concerns in the past, would enable a rapid resolution to this problem. The European Communities formally was requesting that Egypt review its import restrictions and bring them in line with the SPS Agreement.

18. The representative of Egypt recalled that the Working Procedures adopted by the SPS Committee (G/SPS/1, paragraph 3) indicated that relevant Members should be informed in advance of a meeting of the intention to raise an issue which concerned that Member. The representative further recalled that Egypt had previously experienced an outbreak of Avian Influenza, and was making all efforts to prevent a re-introduction of the disease. During recent bilateral technical consultations the European Communities had provided information, including on treatment methods, that was required in order for Egypt to undertake a risk assessment. The risk assessment was under way, and the comments of the European Communities would be taken into account.

*Mexico's import restrictions on cooked and frozen meat – Concerns of Brazil*

19. The representative of Brazil noted that his country's concerns related to cooked frozen meat from areas free of Foot and Mouth Disease (FMD). According to the OIE Terrestrial Animal Health Code, heat-treatment of meat guaranteed its safety. Therefore, there was no scientific basis for Mexico's decision not to permit meat from Brazil. This decision was also not in line with NAFTA practices, since both the United States and Canada imported this product from Brazil. Brazil requested details from Mexico on the criteria used for the evaluation of processing facilities. This was not the first time that there had been undue delays in Mexico response to such problems; these had previously occurred in the sending of auditing teams to Brazil. Brazil was concerned with the unpredictable and protectionist practices of Mexico.

20. The representative of Mexico recalled that a bilateral exchange had taken place in August 2007, regarding a Memorandum of Understanding between sanitary services to cooperate in certain areas and address trade concerns. A monitoring group had met to discuss bilateral issues, and had agreed on the need for a technical subgroup to meet to discuss this issue, however the subgroup had not yet met. Mexico was now analyzing the detailed information on cooked frozen meat that it had received from Brazil, and would continue to work with Brazil on all bilateral SPS issues.

*EC Maximum Residue Levels for Ethephon in pineapple – Concerns of Ecuador*

21. The representative of Ecuador noted his country's concern about possible modification of the EC Maximum Residue Levels (MRLs) for Eethephon, particularly in pineapple. The European Communities was currently using the Codex standards, but a re-evaluation of these MRLs by the European Food Safety Authority (EFSA) had resulted in a lowering of the Acceptable Daily Intake (ADI) levels. EFSA was now reviewing MRLs in pineapple, and proposing that these be reduced from 2 mg to 0.05, which was the limit of detection. Ecuador considered that the risk assessment was

not based on adequate scientific evidence nor on the Codex standard, and was concerned that this change could have serious socio-economic consequences (see also G/SPS/GEN/841/Rev.1).

22. The representative of Costa Rica noted that his country was also analyzing the effect of this new limit on Costa Rica's exports, and asked to be informed of further discussions on this matter.

23. The representative of the European Communities noted that the EC's own producers and plant protection industry shared the concerns of Ecuador and Costa Rica. They had expressed concerns that the reduction in MRLs was excessive and not sufficiently science-based, which showed that there was no protectionist intent. However, in the interest of food safety it was sometimes necessary to set limits that created problems for producers, and Ethephon was an example of this.. EFSA had carried out an extremely thorough evaluation of the substance, in particular in light of its importance, which had led to the recommendation to set more rigorous limits. The EC authorities were in correspondence with both Ecuador and Costa Rica, and invited them to present their scientific evidence that the direction taken by the European Communities was wrong. Such evidence would be taken into account in other cases as well; in the past the European Communities had accepted such requests to review its risk assessments. The European Communities would explore every opportunity to be flexible in how this new MRL was applied to imports.

*US regulatory process economic analysis requirement – Concerns of Brazil*

24. The representative of Brazil indicated that before an import permit final rule was approved, the US regulatory process required not only a health risk assessment but also economic analysis of the imported product. This longstanding Brazilian concern had previously been discussed bilaterally but remained unresolved despite the establishment of a bilateral committee. The analysis was done to see if there would be damage to small US businesses, however it was unclear what happened when an economic impact was detected. This time-consuming step resulted in delays in the final assessment, which caused economic losses to the exporting Member. Brazil considered that this requirement was not in compliance with Article 5 of the SPS Agreement, according to which only certain economic factors were to be considered in risk assessments. These did not include the analysis of possible economic harm that could be caused by the imported goods. Brazil requested the United States to eliminate this economic analysis requirement.

25. The representative of the United States noted that Brazil's concerns appeared to be based on misperceptions. The US Administrative Procedures Act of 1946 established the regulatory process for all regulations. This included public participation in the rule-making process, but ensured the scientific basis of final decisions. Many stakeholders had requested that the process be expedited. The relevant US agencies made every effort to expedite the process, but were required to comply with the legislation. The economic analysis provided important information on the likely impact of a proposed regulatory change. But SPS measures were not determined on the basis of the economic analysis – this was simply a part of the internal transparency requirements.

*Malaysia's price list for inspections – Concerns of Brazil*

26. The representative of Brazil observed that recently approved Malaysian legislation established inspection fees of US\$ 30,000 per year for each Brazilian establishments, even if in the absence of any health violations. Although Malaysia had tried to justify the fees as necessary to cover its costs, it was apparent that these fees were not in compliance with the SPS Agreement. According to Annex C, any fees should be equitable compared to those charged to domestic industries, and no higher than the actual costs of the service. Malaysia was clearly overcharging exporting countries, and it was not clear whether any fees were imposed on national producers.

27. The representative of the European Communities shared the concerns raised by Brazil, as they had experienced similar problems. It was clear that the fees were not proportionate to costs, and that the requirement for annual payment of such fees would discourage exporters. Although they appreciated that Malaysia would cover the costs of its own inspectors when they went to other countries, they requested Malaysia to revise the fee schedule.

28. The representative of Australia also shared the concerns about the trade impact of Malaysia's requirement. It was not clear how this fee schedule had been developed, or why different rates were applied to different trading partners. This could have significant impacts on the trade in meats, and Malaysia was requested to explain its current requirements and to consider alternative approaches.

29. The representative of New Zealand also shared the concerns expressed, and furthermore noted that although Malaysia notified bilaterally informed New Zealand of these requirements after the fact, it had not submitted an official WTO notification. He requested Malaysia to delay implementation of this requirement, to notify it and allow time for comments and discussions, and to take these into account.

30. The representative of Uruguay supported the concerns raised by others, and also was concerned that this measure could create an unwelcome precedent if others followed the same example.

31. The representative of Malaysia noted that costs had increased and presented a strain on the national budget. The fees would allow Malaysia to continue inspections without disruption. The measure was not yet in place, and Malaysia was engaging in consultations with exporting countries. The proposed measure had been notified in March 2008, and a comment period was provided.

(b) Issues previously raised

32. The Secretariat drew attention to the latest revision of the compilation of specific trade concerns, revision 8 of document G/SPS/GEN/204. The basic document contained summary information regarding all specific trade concerns raised in the Committee since 1995, including a table which assigned a unique identifying number to each concern. Addendum 1 of the document provided information on concerns raised for the first time during 2007, or issues previously raised on which further discussion took place or for which a solution was reported during 2007. Addendum 2 contained information on concerns previously raised for which no discussion had occurred in 2007, and addendum 3 identified those issues for which solutions had been reported prior to 2007. This revision of the document was the first which had been generated through the new IMS database system, and Members were requested to check all of the issues of concern to them to ensure they were accurate.

*India's import restrictions on animal products on the basis of Avian Influenza (STC 185) – Concerns of the European Communities*

33. The representative of the European Communities indicated that India continued to ban certain EC animal products due to Avian Influenza (AI). Although India had earlier this year relaxed the ban for some products, it continued to ban many commodities. India imposed the ban in response to both high and low pathogenic strains of AI. The OIE, however, did not recommend trade bans if AI was present only in wild birds, or if low pathogenic strains were found. The obligation to notify cases of low pathogenic AI to the OIE should not be misused as a reason to impose trade restrictions, as the OIE had previously clarified in this Committee. Furthermore, heat-treated products could be safely traded regardless of the AI status of the exporting country. The European Communities considered also that India's ban on pigmeat and pork products based on AI concerns was disproportionate to the risk. Although the European Communities had requested information regarding what needed to be



done to regain free status, India had not provided any response. As indicated previously, the European Communities was of the view that India's measures were disproportionate to the risks and for some products were not based on scientific evidence. In addition, high pathogenic AI had been found in India, and the European Communities questioned whether Indian domestic products would be subject to the same treatment as imported goods.

34. The representative of the United States stated that her country shared the concern that India's measures were introduced and maintained without sufficient scientific basis or a risk assessment. The measures were unjustifiably restrictive and too broad in geographic and commodity application. Bilateral exchanges had allowed progress on some areas, but not regarding the AI measures. Despite requests, the United States had not yet received copies of India's risk assessment. Furthermore, these emergency import prohibitions had been extended again (G/SPS/N/IND/46/Add5), after having been in place for almost two years. The United States urged India to lift AI measures that were not based on science, and in particular to distinguish between high and low pathogenic strains, recognize disease-free zones, not apply measures to swine and pork products, and to recognize measures taken to inactivate the virus.

35. The representative of Australia noted that her country shared the concerns of the European Communities and the United States, and urged India to base its measures on sound science and the OIE standards.

36. The representative of Mali reported that since his country did not know how to do a risk assessment with regard to AI, it had closed its borders to poultry imports from countries which had the disease.

37. The representative of India noted that AI continued to spread, and that it had serious human health implications with hundreds of persons already affected. India had previously had an outbreak, and despite its efforts to eradicate the disease, new outbreaks had occurred. Therefore India was extremely cautious to safeguard animal and human health, especially as India had a widespread, small family poultry businesses. India was not permitting imports from affected countries. India viewed low and high pathogenic strains of AI with equal concern, regardless of whether in poultry or wild birds. Low pathogenic AI presented a high potential risk, as the science showed that the virus was constantly evolving and there was a possibility of low pathogenic AI mutating into a highly pathogenic strain. With respect to the OIE guidelines, India had voted against the resolution in the last annual session which proposed that low pathogenic AI was not a concern for international trade. India was not the only country taking such measures, and Egypt had apparently imposed similar requirements. Pigs were potential hosts of both the AI and human viruses, and could serve as vessels where the viruses could mix, therefore India was also prohibiting swine and pork products from AI-affected countries. India was visited by wild birds, therefore the risk of transmission of AI through this means could not be ignored. India had recently reviewed and modified its measures on pathogen free eggs, and pet food, and agreed to provide information to the European Communities shortly. The concerns raised by other Members would be communicated to technical experts in capital. India assured all Members that it would abide by its WTO obligations.

38. The representative of the European Communities clarified that in case of Egypt, the measures were applied to very different commodities. Although both countries had measures related to AI, these could not be easily compared.

*US import restrictions on cooked poultry products (STC 257) – Concerns of China*

39. The representative of China indicated that despite numerous bilateral meetings, including on the recognition of equivalence, China's cooked poultry products were still denied access to the US market. The United States had admitted that there were no technical problems with the importation of

cooked poultry from China, yet imports remained restricted due to legal problems. The Agriculture Appropriations bill, which contained a specific provision to not allow imports from China, had been signed into law. This prohibition was contrary to Articles 2.2 and 2.3 of the SPS Agreement, as the law was discriminatory and not science-based. This development set a bad precedent, showing that SPS measures could be easily overturned by legislation that paid no attention to scientific factors.

40. The representative of the United States explained that the Agriculture Appropriations bill prohibited the use of federal funds by USDA to continue work on this rule. China's concerns would be brought to the attention of the appropriate authorities in Washington, with the aim to resolve this problem as soon as possible.

*EC import restrictions on cooked poultry products (STC 256) – Concerns of China*

41. The representative of China noted that since July 2002, the European Communities had prohibited imports of cooked poultry due to hygienic concerns and AI. China had taken steps to address these concerns and to facilitate a risk evaluation. China had thought the issue was now resolved, and that the ban should have been lifted. This had not yet occurred, but China hoped that trade could soon take place.

42. The representative of the European Communities observed that trade could take place safely for both cooked and fresh poultry meat, and the European Communities imported large quantities of both from a range of countries, including countries where AI was endemic in the bird population. In the case of China, discussions had taken place regarding the conditions under which trade could take place. An agreement had been reached on these conditions, and the European Communities had also expected trade to resume. Unfortunately, there had been an obstacle. China had explicitly agreed to send virus isolates to EC reference labs; but these had not yet been received. Until these had been provided, the European Communities could not take the final administrative measures to allow trade to resume.

43. The representative of China noted that it was possible that the isolates had already been provided. However, she questioned the rationale for this request, as cooked poultry presented a very low risk for transmission of the AI virus.

44. The representative of the OIE clarified that there were two issues under consideration. One was the need to encourage transparency and disease reporting, including sharing of information on isolates in order to characterize strains of the virus. The second aspect, not to be confused with the first, was the identification of which measures should be applied to trade. There was now a lot of information on the risks of highly pathogenic AI and on the lack of risk associated with low pathogenic strains, as well as information on effective means for inactivation of the virus. The Terrestrial Animal Health Code was also clear on lack of risk from pigs, hence no trade measures were warranted. The OIE remained concerned that Members were not applying OIE recommendations. The OIE invited Members to bring forward new information that might warrant a revision of the recommendations. It was critical that trade measures be proportionate to the risks, and that Members not apply unjustified measures. This which would discourage reporting of disease outbreak and lead to increased risks to human and animal health. The representative of the OIE recalled that the OIE could help with the resolution of technical disputes among Members if so requested.

45. The representative of the European Communities responded to China that, as indicated by the OIE, it was in the interest of transparency to have virus isolates. The European Communities required the same data for outbreaks in EC member States, to improve scientific knowledge of the disease.

*El Salvador's measures affecting poultry, poultry meat and eggs (STC 252 and 254) – Concerns of the United States*

46. The representative of the United States reported that following an inspection visit in February, the authorities of both countries were now working on the language for export certificates for poultry meat and table eggs. The draft documents had been provided to El Salvador, and the United States hoped that this issue would soon be resolved in accordance with the SPS Agreement and international standards.

47. The representative of El Salvador confirmed that consultations had taken place, with a positive outcome.

*Application and modification of the EC Regulation on Novel Foods (STC 238) – Concerns of Colombia*

48. The representative of Colombia, speaking on behalf of Bolivia, Ecuador, Peru, Chile, Costa Rica, Mexico and Paraguay, recalled the concerns previously expressed regarding the proposed revision of the EC Regulation 258/97, as contained in COM(2007)872. The proposed regulation had been notified to the TBT Committee, however these Members considered that it was appropriate to continue to consider this issue in the SPS Committee. These Members welcomed the proposed recognition of traditional food products from third countries, resulting from their biodiversity and with a history of safe use for large proportions of the populations of these countries. This recognition could facilitate trade, which was particularly important as the production of these traditional products was often part of programs to diversify agricultural production and exports.

49. The representative of Colombia noted that a number of concerns remained. The proposed definition of a traditional foodstuff was that it had been part of the diet of a large part of the population for at least one generation. This definition could restrict those products that were part of the dietary traditions of certain subpopulations or regions of the country. It would also be useful to clarify how a "generation" was to be defined. Another concern was that requests for authorization would have to come from commercial operators, hence excluding such requests from the competent governmental authorities or producer associations. These Members also suggested that information regarding safe use of the traditional food in other countries should also be considered.

50. The concerned Members recognized that although the proposed process had been considerably simplified, a period of five months was still foreseen for consideration of a request, and they suggested that three months should be sufficient. These Members remained concerned that the definition of a novel food remained a product that had not been consumed in the EC market prior to 1997, which seemed to bear no relation to the scientific evidence regarding the safety of a product.

51. The representative of Brazil indicated that his country supported the concerns raised by Colombia on behalf of eight countries. Brazil was still analyzing the relevant documents, but considered the issues raised by Colombia to be very important.

52. The representative of the European Communities noted that issue had been raised several times previously. The European Communities was currently revising legislation, in particular the provisions on traditional products and products of biological diversity, in response to concerns raised by various developing countries. A much simplified procedure was now being developed. A range of legitimate and reasonable concerns had been expressed, and these should be communicated directly to the relevant EC services, since the legislation was currently under consideration. While the concern was that the EC legislation might be a barrier to trade in traditional products, this should be seen in the broader context: The European Communities was by far the world's largest importer of

fruits and vegetables, especially from developing countries, hence the import regime in general was extremely import friendly.

*US restrictions on wooden Christmas trees (STC 241) – Concerns of China*

53. The representative of China reiterated that no solution had been found to the trade restrictions affecting wooden Christmas trees and other wooden handicrafts despite three years of hard work. China had developed an inspection and supervision plan to ensure that the IPPC standard was implemented, i.e. the fumigation or heat treatment of these products. US experts had undertaken a field visit which resulted in a positive evaluation. The US pest risk assessment was reportedly in the final stage, and the delegate questioned whether this had now been finalized. China wished to know when trade would be resumed, and how China's working plan was being taken into account by the United States.

54. The representative of the United States recalled that the restrictions had been imposed following the interceptions of large numbers of live pests on Chinese wooden handicrafts over a 2-year period. Of particular concern were interceptions on products that had been fumigated or heat-treated. The United States had sought input from the Chinese authorities to develop a plan of action to address the problem, but had received no response. As a result of continued interceptions, in April 2005 the United States suspended importation of wood handicraft items from China that contained wooden logs, limbs, branches or twigs greater than one centimetre in diameter and intact bark. The United States had shared its risk assessment with Chinese authorities, and undertaken a number of bilateral technical meetings. The United States was now developing a proposed rule on import requirements, that would likely be published within nine months. The objective was to permit trade to take place with as few restrictions as possible while safeguarding against the introduction of dangerous forest pests.

*US restrictions on potted plants in growing media (STC 153) – Concerns of China*

55. The representative of China noted that this was a long standing concern, with almost six years of pest risk assessments and technical discussions. A bilateral protocol had been signed, but could not take effect before the US domestic administrative and legal procedures were finalized. However, when the United States had published the final rule, this established more stringent requirements than those in the signed protocol, and made exports impossible. China requested an explanation of the differences between the Final Rule and the protocol, and how the principle of taking the least trade restrictive measure possible had been taken into account.

56. The representative of the United States confirmed that although the import requirements for *penjing* had been the subject of extensive bilateral discussions in the past, this issue had not been raised by China at bilateral plant health talks in February 2008. The United States required dwarf plants to be produced under phytosanitary secure conditions for 2 years prior to import. Plants less than 2 years old were not subject to this requirement as they posed a lower risk. In 2003, the United States had provide a proposed work plan to China that would ensure production conditions met US requirements. Since that time, however, China had not engaged with US plant health officials on the work plan, which was necessary in order for trade to take place. The United States looked forward to working on the resolution of this issue with China.

(c) Consideration of specific notifications received

G/SPS/N/OMN/22

57. The representative of the European Communities expected appreciation to Oman for respecting the transparency provisions and providing this notification. However the requirement

being notified, that health certificates required ratification by national embassies, was not just a requirement imposed by Oman or by the Gulf Cooperation Council (GCC) countries. Other Members were imposing a similar requirement. Health certificates issued by competent authorities' should not need to be ratified by embassies, as this lead to additional steps, fees, and undue delays. Furthermore, sometimes embassies refused to provide such ratification, creating additional trade delays and problems. The European Communities wanted to raise this issue before the problem became more widespread, and suggested that administrative procedures should be simplified and respect WTO provisions.

58. The representative of Saudi Arabia noted that although his country was a member of the GCC, his comments were not being made on behalf of GCC members as a whole. He noted that all possible efforts were being made to draft a manual that complied with the relevant international standards, particularly those of Codex. Although the measure was to have entered into force in January 2008, this had not yet occurred. Some concerns that had been identified should be resolved when the standard was revised. The draft was in Arabic, and many of the concerns were due to misinterpretations. An official English translation was underway and would be available along with the revision of the text. GCC countries were dependent on other countries for their food supply, and would make every effort to ensure fair trade for both sides. Saudi Arabia would discuss these issues bilaterally, and would also bring the matter to the attention of the GCC secretariat.

(d) Information on resolution of issues

*Canada's restrictions on Enoki mushrooms (STC 229) – Concerns of Chinese Taipei*

59. The representative of Chinese Taipei reported that the issue of Canada's restrictions on the importation of Enoki mushrooms had been resolved. This issue had first raised been in 2006, and since then there had been constructive technical dialogue on several occasions. Scientific evidence and information on pest risk assessment had been provided, and Canada had undertaken on-site inspections. Consequently Canada had lifted its ban with effect from January 2007.

60. The representative of Canada confirmed that this issue had been resolved due to a close collaborative working relationship between technical officials. Following the visit of Canadian officials to Chinese Taipei, import permits had been issued during 2007 and Enoki mushrooms were now being imported into Canada.

*Japan's import suspension of heat-processed straw and forage for feed (STC 222) – Concerns of China*

61. The representative of China reported that following the provision of information requested by Japan, Japan had subsequently lifted the ban on imports of heat-processed straw and forage for feed from China. The representative of Japan confirmed that a solution had been reached on this matter.

#### **IV. OPERATION OF TRANSPARENCY PROVISIONS**

62. The Chairman drew attention to the most recent list of national notification authorities contained in G/SPS/NNA/13 and the most recent list of national enquiry points contained in G/SPS/ENQ/23. The notifications received since the last meeting of the SPS Committee were summarized, on a monthly basis, in G/SPS/GEN/ GEN/811, G/SPS/GEN/813, G/SPS/GEN/814, G/SPS/GEN/820 and G/SPS/GEN/827. Document G/SPS/GEN/817 identified all SPS documents submitted by Members, Observers and the Secretariat during 2007.

(a) Chairman's report on informal meeting

63. The Chairman reported that at its informal meeting on transparency on 1 April, the Committee had structured its discussions around the specific recommendations that had come out of the workshop on transparency held in October 2007. These recommendations involved the following six issues:

- (i) revision of the Recommended Transparency Procedures contained in G/SPS/7/Rev.2;
- (ii) training and dissemination on the SPS Information Management System as well as other sources of SPS-related information;
- (iii) regular updates on the level of implementation of transparency provisions;
- (iv) explanatory documents on timeframes related to transparency obligations and on benefits of the SPS Agreement;
- (v) establishment of a mentoring mechanism between officials responsible for implementing the transparency provisions in different Members; and
- (vi) development of a practical procedural manual.

64. With respect to the revision of the recommended transparency procedures, Members had held a very fruitful discussion based on a Compilation of Proposals from Members circulated by the Secretariat in G/SPS/W/215/Rev.1. Also, Argentina and Chile had provided written comments on these proposals in documents G/SPS/W/220 and G/SPS/W/221, respectively. Members had agreed on many of the suggested modifications, however there were a few issues requiring further reflection by the Committee.

65. In light of the discussions, the Secretariat had prepared a Room Document highlighting the modifications suggested during the informal meeting, which was available for consideration at the regular meeting of the Committee.

66. With respect to the second recommendation on training and dissemination on the SPS Information Management System, the Secretariat had provided a brief update on the recent enhancements to the SPS IMS, including the possibility to rapidly generate monthly, weekly or daily summaries of notifications. This had been followed by an update from the FAO on the International Portal on Food Safety, Animal and Plant Health, underlying the co-operation between the WTO and the FAO on establishing linkages between the SPS IMS and the Portal. Also, the representative of the IPPC had presented the International Phytosanitary Portal, highlighting the central role of the Portal in all information exchange and dissemination in areas covered by the IPPC.

67. With respect to the third recommendation on regular updates on the level of implementation of transparency provisions, the Secretariat had committed to circulating annual updates. The next update would be prepared for the October 2008 meeting of the Committee. At the same time, the Secretariat indicated that Members themselves could undertake such analyses using the SPS Information Management System, which was accessible on the Internet.

68. Due to time constraints, the fourth recommendation related to "timeframes" had been considered during the informal meeting on special and differential treatment and discussions on the mentoring mechanism and the procedural manual were deferred to the transparency agenda item of the formal meeting of the Committee.

69. Following the Chairman's oral report of the informal meeting, the Committee considered the room document highlighting further proposed modifications to the recommended transparency procedures. Many Members indicated that the draft now provided a good basis for a decision by the

Committee, although some further modifications were suggested on several points. While some Members suggested that more time should be provided to consider the proposed revision, others pointed out that the Committee had first begun discussing the revision of the transparency provisions in June 2007, and that this had been the focus of a special meeting in October 2007. The proposed revisions thus reflected extensive previous deliberations and could now be finalized.

70. Several Members insisted that the revised recommended procedures should include provisions relating to the notification of requests for recognition of pest- or disease-free areas, and the notification of the responses to such requests. Other Members noted that transparency regarding the recognition of pest- or disease-free areas was included in the proposed guidelines on regionalization, which were also before the Committee for adoption. The Committee agreed that should the proposed decision on regionalization not be adopted, then the provisions regarding transparency contained in that proposed decision would be included in the proposed revision of the transparency procedures.

71. The Committee adopted the revision to the recommended procedures on transparency (G/SPS/W/215/Rev.2) on an ad referendum basis, with any objections to be submitted to the Secretariat at the latest by 30 May 2008. No objections were raised and the adopted decision was subsequently circulated as G/SPS/7/Rev.3.

(b) Other matters relating to transparency

72. The Secretariat reported that the updated version of the new SPS document management system, the SPS IMS, was now operational and being used by the Secretariat for the preparation of a number of documents. Members would probably find useful the new features which facilitated the quick preparation of customized reports, for example on notifications affecting specific products or regions, as well as providing up-to-date information on contact information for SPS notification authorities and enquiry points.

73. The Chairman recalled that the Secretariat had been requested to develop a procedure and formats for the implementation of an informal mentoring mechanism to facilitate contacts and assistance between Member's SPS Notification Authorities and Enquiry Points. The Secretariat noted that a procedure and formats had been proposed in document G/SPS/W/217, and any comments or endorsement of the proposed procedure were invited. One developing country Member had already provided a response, offering to provide mentoring to other interested Members.

74. The representative of New Zealand stated that the Secretariat's proposal was straight-forward and useful. Mentoring could be a very cost-effective way to provide assistance. The details of the assistance to be provided should be worked out bilaterally. Mentoring was essentially about sharing experiences, without any commitment to providing other assistance.

75. The Secretariat drew attention to the availability on the WTO web site of the draft of the detailed procedural manual which was being developed by New Zealand, Australia and Oman. Given the size of the draft document, the draft had not been circulated on paper, as noted in document G/SPS/GEN/824. The final version of this procedural manual would not be an official WTO document, but it would be printed and distributed by the WTO Secretariat in the same manner as the current transparency handbook.

76. The representative of New Zealand noted that the draft manual was presented in sections which corresponded to different systems, for example, one section addressed how to manage a paper-based system, as opposed to a system based on electronic communications and files. New Zealand and the co-authors invited Members to consider the draft manual and to provide comments.

## V. IMPLEMENTATION OF SPECIAL AND DIFFERENTIAL TREATMENT

### (a) Chairman's report on informal meeting

77. The Chairman reported that at an informal meeting held on 1 April, he had first reminded delegates that when the Committee had agreed on the extension of the procedure to enhance the transparency of special and differential treatment in February 2006, it agreed to review the procedure again at the Committee's first meeting in 2008. Unfortunately, since the 2006 review, there was still a paucity of experiences on the use of this procedure.

78. In addition, a number of the modifications to the G/SPS/33 procedure proposed by Egypt were being considered in the context of the revision of the "Recommended Procedures for Implementing the Transparency Obligations of the SPS Agreement" (G/SPS/W/215/Rev.1). Changes in the transparency procedures would have some consequential changes to the corresponding steps described in G/SPS/33.

79. Therefore, at the informal meeting, the Committee had considered that it would be useful to postpone the review of G/SPS/33 until a decision was made on the revision of regular transparency provisions. It was thus suggested to revert to the review of G/SPS/33 at the next Committee meeting in June 2008.

80. With regard to other S&D issues, Egypt had observed that some proposals made at the Special Session of the Committee on Trade and Development (CTD SS) relating to Article 10.3 of the SPS Agreement might impact procedures of the SPS Committee. Egypt was concerned that the CTD SS might agree on procedures to grant waivers to developing countries that the SPS Committee would find difficult to implement. It was suggested, therefore, that the SPS Committee should seek to establish linkages with the CTD SS.

81. Egypt had suggested that it would be useful for the Committee to be briefed at each meeting on the relevant on-going discussions taking place in the CTD SS. One possibility was to invite the chairperson of the CTD SS to report on this work at the next meeting of the SPS Committee.

82. With respect to the implementation of Article 10.4 of the SPS Agreement which provided for Members to encourage and facilitate the active participation of developing countries in the work of the relevant standard setting bodies, Egypt sought information from the three sister organizations on the participation of developing countries in their work. Egypt suggested that it would be useful if Codex, IPPC and OIE included information about the level of participation of developing countries in their activities as part of their regular reports to the SPS Committee meetings.

83. Codex had reminded delegates of the existence of the Codex Trust Fund, which was established in 2004 to enhance participation of developing countries in Codex meetings. An annual report on the number of delegates from developing countries sponsored by the Codex Trust Fund to attend the meetings of the Codex Alimentarius Commission or its subsidiary bodies was available and could be provided to delegates.

84. IPPC had explained that IPPC's Trust Fund was supporting the participation of 80 developing countries to the next annual meeting of the CPM. It also had allowed the organization of workshops in 140 countries on draft ISPMs and ensured a good regional representation in all strategic meetings. Capacity building activities were also conducted.

85. OIE had called attention to a report on capacity building activities it had undertaken to enhance the understanding of OIE's procedures and participation of developing countries in its work.



Two-thirds of OIE's members were developing countries and efforts were made also at the regional level to enhance the participation of developing countries.

86. The Secretariat had presented the document G/SPS/GEN/819 on time-frames relating to the introduction of new SPS measures. The paper had been prepared in response to Members' request for clarification of the relationship between the various steps involved in the drafting and notification of a new or modified SPS measure and its application, and in particular the obligation and recommendations regarding time-frames for each step. The Secretariat had stressed that the document presented its own understanding of this relationship and the applicable time-frames.

87. Cuba had indicated that the document explained clearly the procedures and enhanced understanding of delegates. Cuba suggested that the document be examined by the Committee with a view to its eventual adoption as a decision by the Committee.

88. In commenting on the Chairman's oral report, the representative of Cuba noted that her country supported the suggestion by Egypt regarding the need for coherence between the work of the SPS Committee and that of the CTD SS on Article 10. The representative of the European Communities agreed that it was important to ensure that each body knew what was going on in the other, and consult at the national level with colleagues. At the same time, one should avoid reopening issues which were under discussion in other bodies. The CTD was addressing many areas of WTO activities, not just matter relating to SPS measures, and reopening of discussions would make work unmanageable.

## **VI. EQUIVALENCE**

(a) Information from Members on their experiences

89. No Member provided any information under this agenda item.

(b) Information from relevant observer organizations

90. The representative of the Codex recalled that the Codex Committee on Food Import and Export Certification and Inspection Systems (CCFICS) had been working since 2004 on providing additional guidance to assist both importing and exporting countries undertake an equivalence determination. In November 2007, Codex members agreed to advance to Step 5/8 the appendix to guidelines on recognition of equivalence. If adopted by the Codex Alimentarius Commission in July 2008, this appendix would be included in the Codex guidelines and complete the work in this area.

91. The representative of the OIE indicated that guidance regarding recognition of equivalence were included in the Terrestrial Animal Health Code. However, there was no new work on equivalence, as no OIE members had requested a review of this text.

92. The representative of the IPPC recalled that the Committee on Phytosanitary Measures had approved the International Standard for Phytosanitary Measures 24, guidelines for the determination and recognition of equivalence. Also ISPM 1 included provisions with regard to the recognition of equivalence.

## **VII. ARTICLE 6 - PEST OR DISEASE FREE AREA**

(a) Chairman's report on informal meeting

93. At the informal meeting on 1 April, the Chairman had recalled that the Committee had been kept informed about the work of a small group of Members to advance the development of procedures

to provide more certainty and clarity regarding the process, information requirements, and time necessary to start and to complete decisions on the recognition of pest- or disease-free areas.

94. In February, New Zealand, who had chaired this ad hoc group, had submitted a draft text on behalf of the group for consideration by this Committee. This draft text had been circulated as document G/SPS/W/218. Unfortunately, Mr Keawe Woodmore, who had chaired this group, was unable to come to Geneva to present the draft text.

95. The Chairman had read out a message to the Committee from Mr. Woodmore. In this message, Mr Woodmore had explained that the text reflected the significant contribution made by each member of the small group as well as his own judgement on where consensus was likely to lie. The small group had represented a wide cross-section of the Committee and the positions on this issue. He had emphasized that in his view, the text reflected the middle ground, and he had warned against losing what had been achieved in order to obtain some small improvements to the text.

96. The Chairman had emphasized that the draft text represented a compromise, and that this implied, by definition, that no one was fully satisfied, that no Member had gotten everything they hoped to get in this text, nor had any Member been able to avoid everything that they had hoped to avoid. The Chairman had cited an expression that said that sometimes the best was the enemy of the good. That is, sometimes in the attempt to make something just a little bit better, the delicate balance of what made it good was lost. He had asked the Committee to reflect on whether it had now reached that point on this issue.

97. The Chairman had recalled that this Committee had in the past taken some very pragmatic approaches, for example when adopting guidelines regarding the implementation of Article 4 – the recognition of equivalence -- in October 2001. The Committee had adopted those guidelines in full knowledge that several Members wanted to see specific elements in the guidelines further elaborated. The initial Decision on Equivalence hence included reference to further work, and subsequently the Committee had revised the Decision to include the more elaborated provisions. Perhaps a similar approach would be useful in this situation.

98. Chile had introduced document G/SPS/W/222, emphasizing that the Committee had been working on the issue of regionalization for a long time. In Chile's view, the Committee should adopt the text developed by the small group as a basis for its work in the coming years. Many Members had supported this view, highlighting the fact that the draft text contained a proposal to periodically review the guidelines in light of implementation experiences.

99. Other Members, while appreciating the progress made by the small group of Members, had proposed changes to the draft guidelines. A few Members had recalled that the issue of undue delays in the process of recognition of pest- or disease-free areas had been one of their main concerns, and that therefore they wished to have indicative timeframes to enhance predictability and avoid unnecessary delays in the recognition process. They had proposed removing the words "if possible" in paragraph 14 (iv) of the draft guidelines. They had emphasized that the IPPC's recently adopted ISPM 29 on recognition of pest-free areas and areas of low pest prevalence contained the same wording as that contained in this paragraph; in their view, an SPS Committee decision should go a little further. They had also drawn attention to Annex C on Inspection, Control and Approval Procedures, which contained some relevant provisions on undue delays and publication of standard processing periods. Other Members had proposed changes to paragraphs 8, 16, 21, 22 and 32 of the text.

100. A few Members had recognized that some Members who had not been part of the small group process might need more time to consider the text. One Member had indicated that the issue of undue

delays went beyond regionalization and could continue to be addressed once the guidelines on regionalization had been adopted.

101. Many Members had emphasized that the current version of the text represented a compromise achieved after five years of discussions. They were of the view that the Committee should capture the progress on this issue embodied in the draft guidelines and not risk going backwards by seeking small improvements. They had urged Members to adopt the current version of the text and improve it through revisions in the future, recalling that the draft text represented a consensus among Members with very divergent views.

102. The Committee had expressed its appreciation of the work done by the small group, and especially by Keawe Woodmore, the Chairman of the group.

103. Summing up, the Chairman had noted that consensus seemed close. He had urged Members to ask themselves whether they could now lock in the progress made so far, or whether to continue discussing the text in an open fashion with the risk of unravelling what the small group had achieved.

104. Following these discussions, the IPPC had drawn attention to the information in documents G/SPS/GEN/832 and 833. The newest phytosanitary standard, ISPM 29 on recognition of pest-free areas and areas of low prevalence, had been adopted very quickly in response to the urgency Members attached to the issue. A working group would examine the feasibility of international recognition of pest-free areas in the IPPC context.

105. The OIE had reported that at the General Session in May 2008 some new work related to regionalization might be adopted. The OIE was revising the text on containment zones to facilitate the re-establishment of disease-free zones after a disease incursion. Compartmentalization was another important area of work, and an STDF project was going to look at its practical implementation.

106. Many Members had expressed appreciation for the work done by the OIE and the IPPC.

107. In commenting on the Chairman's oral report, some Members agreed that the Committee was close to reaching agreement on this matter, but noted that in particular those Members who had not participated in the working group might need time to consult with capital-based experts on the proposed decision.

108. The Committee adopted the decision on the recognition of pest- or disease-free areas or areas of low pest or disease prevalence as contained in document G/SPS/W/218 on an ad referendum basis, with any objections to be submitted to the Secretariat at the latest by 15 May 2008. No objections were raised and the adopted decision was subsequently circulated as G/SPS/48.

(b) Information from Members on their experiences

109. The representative of Peru drew attention to its report regarding the determination that the avocado-producing areas of the Peruvian coast were free of *Stenoma catenifer* (Lepidoptera: Oecophoridae). Document G/SPS/GEN/815 provides information on the actions which had been taken by Peru since 2000 to ensure appropriate surveillance and controls, with the objective of expanding exports of avocados.

(c) Information from relevant observer organizations

110. The representative of the OIE reported that the OIE was reviewing dossiers with regard to the recognition of certain countries as free of BSE, Foot and Mouth Disease, contagious bovine

pleuropneumonia, and/or rinderpest. Many of these dossiers would be proposed for approval by the OIE International Committee meeting in May, and a number of the dossiers regarded BSE. The annual meeting would also consider the revision of relevant texts, identification of containment zones, and collaborative programmes to facilitate the recognition of freedom from rinderpest consistent with the international rinderpest eradication programme. The OIE encouraged Members to apply the OIE Code recommendations so as to facilitate trade.

## **VIII. TECHNICAL ASSISTANCE AND CO-OPERATION**

### **(a) Report on special Workshop**

111. The Chairman reported that on Monday, 31 March many delegates had participated in an STDF workshop on approaches to the evaluation of SPS capacity in developing countries. The workshop had been by approximately 200 participants from the Committee and some 15 officials from developing countries whose participation was funded by the STDF.

112. During the course of the day, 10 presentations had been made on SPS-related capacity evaluation tools developed by international organizations. The presentations were structured in three sessions, with opportunities for comments and questions from the floor at the end of each session.

113. The first session had addressed specific capacity evaluation tools for plant protection, veterinary services and food safety with presentations by representatives of the International Plant Protection Convention (IPPC) Secretariat, the World Organisation for Animal Health (OIE), and the Food and Agriculture Organization (FAO). The second session had focused on general capacity evaluation tools with presentations from the World Bank, the Bhutan Agriculture and Food Regulatory Authority, the International Institute for Cooperation on Agriculture (IICA) and PROMPERU<sup>2</sup>. In the third session, the scope of the discussion had been widened to related approaches to capacity evaluation, with presentations from the International Food Policy Research Institute (IFPRI), the United Nations Industrial Development Organization (UNIDO) and the Convention on Biological Diversity (CBD).

114. The presentations had illustrated the different approaches to the evaluation of SPS-related capacity needs from self-assessment tools (like the IPPC's tool) to externally-led evaluations (such as that used by the OIE) with variations in-between. Some approaches were focused on capacity to comply with international standards, such as those of IPPC, OIE, while others took a broader view including the development of a vision of the desired future capacity, such as IICA, FAO. In some cases, the findings generated by the capacity evaluation tools remained confidential while in others they were publicly available.

115. In the fourth and final session, there had been an open discussion about practical aspects related to the use of the different tools, including the merits of specific versus generic tools, the beneficiary's role in the selection of tool, its application and end use, the prioritization of needs, and the scope for collaboration in the future development and use of these tools including the sharing of results.

116. From the discussion, it had become clear that there was a proliferation in approaches to SPS capacity evaluation, which reflected growing interest in the relationship between SPS and market access. While the standards of three organizations (i.e. Codex, IPPC and OIE) were recognized by the SPS Agreement, many more organizations were involved in SPS capacity building and had developed accompanying capacity evaluation tools. However, this raised risks for duplication in evaluations as well as in the design and implementation of resultant projects.

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<sup>2</sup> Peru Export and Tourism Promotion Board

117. Several participants had noted the importance of monitoring the impact of capacity evaluations in generating results, such as additional domestic resources or donor funding for SPS capacity building, improved trade performance, improved pest or disease or human health situation. There was recognition that limited attention had been paid to monitoring the impact of these activities of to date.

118. One of the clear messages emerging from the workshop was the need to harmonize approaches to capacity evaluation, while still respecting the requirement to respond to the needs of the beneficiary. Another conclusion related to the need to make the results of completed capacity evaluations more widely available, both domestically and internationally.

119. The Chairman indicated that all of the presentations made at the workshop would be posted on the STDF website and the SPS gateway of the WTO website. The meeting would also be available as a .podcast from the STDF website.

120. In closing the workshop, the Chairman noted that the information session had achieved its objective of sharing information on the purpose and scope of the different tools that existed for capacity evaluation in the SPS area, and experiences and results of their practical application. The SPS Committee would have an opportunity to discuss the issue during the regular meeting.

121. Commenting on the Chairman's report, the representative of the European Communities indicated that they fully supported the STDF taking the role of coordinating SPS-related capacity building.

122. The representative of the United States stressed that it would be useful if donors could learn what capacity assessments had been made and have access to these. This would create efficiencies and help better target technical assistance efforts. She suggested that perhaps the Secretariat could assist in this regard.

(b) Information from the Secretariat

*STDF Update*

123. The Secretariat provided a report on the Standards and Trade Facility (STDF) and referred to G/SPS/GEN/829, which gives an overview of STDF activities. The Secretariat expressed appreciation for the continued support of a growing number of donors and noted that 14 donors now participated in the work of the STDF. Particular thanks were given to the European Communities, Denmark, Ireland, Italy, Sweden, United Kingdom, Norway, Switzerland, Canada and the United States - which had all renewed or provided new contributions since the last SPS Committee meeting. Discussions with other donors are ongoing. The Secretariat noted that donor participation was important, especially as the STDF moves towards a greater focus on coordination activities as outlined in detail in the STDF Operating Plan for 2008-09 and the Medium Term Strategy.

124. Coordination activities started in 2007 in the framework of the Aid for Trade Initiative. The STDF had continued this work through pilot activities, in East Africa, Central America and the Greater Mekong Delta Sub-Region, to compile and analyse the findings of completed capacity evaluations in the SPS area and compare them with technical assistance provided. Based on this analysis, gaps were identified and prioritized, and action plans developed to mobilize resources to address the outstanding priority needs. Workshops were planned in each region in May and June 2008 to present the outcomes of this work. G/SPS/GEN/812 provides further information on these activities.

125. The Secretariat noted that the STDF workshop on capacity evaluation tools on 31 March 2008 was the first in a series of thematic events and a workshop on "good practice" in SPS-related technical assistance was planned for October 2008. The Secretariat thanked Members who had already replied to the request for information on "good practice" in SPS-related technical cooperation (G/SPS/GEN/816) and encouraged other Members to respond as the quality of the workshop would depend on the information received. It was noted that the deadline for responses to this request had been extended until the end of April 2008.

126. The Secretariat reported that the STDF was continuing its efforts to track flows of SPS-related technical assistance but noted that some methodological difficulties had been encountered, especially with respect to tracking flows through existing databases. The Secretariat expressed its hope to have an update of G/SPS/GEN/726 before the end of 2008.

127. The Secretariat reminded Members of the STDF's role as a funding mechanism for SPS-related projects and project development activities. The primary focus of these activities was to turn good ideas into projects that could be financed outside of the STDF. Information on funding available under the STDF was available in G/SPS/GEN/829.

*Other WTO SPS technical assistance activities*

128. The Secretariat informed the Committee of the Technical Assistance Activities provided since the last SPS Committee meeting in October 2007:

- (a) E-Training Course on Introduction to the SPS Agreement, in English, 5 November to 14 December 2007;
- (b) Regional Trade Policy Course for Latin American countries in Chile, 9 November 2007;
- (c) National SPS/TBT Seminar in Nicaragua, 13-15 November 2007;
- (d) National SPS Seminar in Yemen, 20-21 November 2007;
- (e) WTO Regional Workshop on the SPS Agreement for English-speaking African countries, in Zambia, 10-12 December 2007;
- (f) National SPS Seminar in Costa Rica, 30 January to 1 February 2008;
- (g) Regional Trade Policy Course for the Caribbean countries in Jamaica, 20-21 February 2008;
- (h) E-Training Course on Introduction to the SPS Agreement, in English, 25 February to 4 April 2008;
- (i) 43<sup>rd</sup> Trade Policy Courses in Geneva, in English, 3-4 March 2008;
- (j) Training course on SPS notifications to Ukrainian officials, 10 March 2008;
- (k) 4<sup>th</sup> Trade Policy Courses in Geneva, in English, 10-11 March 2008;
- (l) National SPS/TBT Seminar in Belize, 11-13 March 2008;
- (m) Regional Trade Policy Course for Asian countries in Singapore, 20 March 2008.

129. The Secretariat also reported on the upcoming technical assistance activities for 2008:

- (a) Regional SPS Workshop for some Latin American countries in Paraguay, 22-24 April 2008;

- (b) Regional SPS Workshop for English-speaking African countries, dates to be confirmed;
- (c) Regional SPS Workshop for Arab and Middle East countries, dates to be confirmed;
- (d) Regional SPS Workshop for Pacific countries, dates to be confirmed;
- (e) National Seminars on SPS in Rwanda, Cape Verde, Zimbabwe, Chile, India, Lao, and China, dates to be confirmed;
- (f) E-Training Course on Introduction to the SPS Agreement in Spanish and French, dates to be confirmed;
- (g) In addition, general training on the SPS Agreement would be provided during:
  - (h) 45<sup>th</sup> Trade Policy Course in Geneva, in Spanish;
  - (i) 46<sup>th</sup> Trade Policy Course in Geneva, in French;
  - (j) 13<sup>th</sup> Introduction Course for LDCs countries in Geneva, in English;
  - (k) 14<sup>th</sup> Introduction Course for LDCs countries in Geneva, in French;
- (l) Regional Trade Policy Courses for English-speaking and French-speaking African countries.

130. The Secretariat also informed the Committee about the 4<sup>th</sup> Specialized Course on SPS, which will be held in Geneva from 29 September to 17 October. Twenty-five participants from developing countries will be selected to attend the specialized course. The specialized course will last for three weeks, starting one week before and continuing one week after the October meeting of the SPS Committee. The specialized course comprised an in-depth and "hands-on" training on SPS, with the participation of representative from the OIE, IPPC, and Codex. Also, the follow-up to the previous SPS specialized course, which had been in French, would take place just prior to the next meeting of the SPS Committee. Further information about the Specialized Course on SPS could be obtained at the WTO website.

(c) Information from Members

131. The representative of Canada provided information on a Canadian technical assistance initiative to help countries in South America prevent and eradicate FMD. Canada's contribution of Cdn \$660,000 over two years would include laboratory equipment and training in diagnostic technologies, and commuter simulation modelling and simulation to assess, predict and mitigate FMD outbreaks. This initiative was delivered in cooperation with IICA and the Pan-American Health Organization's FMD Center for South America. The contribution was addressed to two main projects. One was to enhance diagnostic capabilities in countries of the Andean region to facilitate rapid responses to a disease occurrence. The second project focussed on computer simulation modelling to predict and mitigate FMD outbreaks, with workshops in Brazil and later in Canada.

132. The representative of the European Communities indicated that information regarding its 2008 technical assistance activities was available in the room for interested delegations.

133. The representative of Mali reported that there had been a phytosanitary evaluation undertaken of eight members of the West African Economic and Monetary Union (UEMOA). On the basis of this evaluation action plans had been developed and were now being undertaken. In addition, the STDF had undertaken a review of Mali's SPS-related needs, and a project had been developed with respect to mango exports. This had had very positive effects, as mango exports from Mali to the European Communities had increased from 2 million tons in 2005, to over 8million tons in 2008.

134. The representative of Malawi expressed appreciation to ComMark Trust for funding the participation in the SPS Committee meetings since October 2008. This was part of capacity-building activities.

(d) Information from observers

135. The representative of the Codex recalled that the Codex trust fund had been established in 2003 and operational since 2004. As it would soon reach the mid-point of its planned existence, an impact study would be undertaken. The next meeting of the Codex Alimentarius Commission would be held in Geneva during the first week of July, immediately following the next meeting of the SPS Committee. The FAO/WHO would hold a side event regarding the operation of the Codex Trust Fund on 3 July, which was open to all Codex members and observers. At the CAC and other Codex meetings, several hosting countries had offered to organize briefing sessions for first-time participants to explain how to intervene and more effectively contribute to the Codex standard-setting process.

136. The representative of Chile observed that the Codex Trust Fund had effectively increased participation of developing countries. One of the reasons for the fund related to increased Codex activities, including the now annual meetings of the Codex Commission. This made it difficult for Latin American countries to participate since most of the meetings were held in other hemispheres. These additional constraints should be taken into account in the evaluation of the Codex Trust Fund.

137. The representative of the FAO reported that a new biosecurity toolkit was now available in three languages (English, French and Spanish). As had been outlined during the workshop on capacity evaluation tools, this toolkit had already been used in a number of activities, including a training of trainers course. More information was available from the FAO website.

138. The representative of the IPPC drew attention to document G/SPS/GEN/834, which listed recent phytosanitary capacity building projects. These included projects in the Gambia, Mozambique, Tanzania, Cambodia and Indonesia. Furthermore, the IPPC was assisting with a Japanese project in the South Pacific, a project in West Africa on training in pest risk assessment, and another project in the Kyrgyz Republic.

139. The representative of the OIE indicated that technical assistance was a significant area of activity, as detailed in document G/SPS/GEN/830. The OIE was actively pursuing a number of specific initiatives, including the Program for the Evaluation of Performance of Veterinary Services (OIE PVS) and the laboratory twinning initiative. Although the ultimate aim was for candidate laboratories to reach OIE Reference Laboratory status, it was recognized acknowledged that this would be beyond the scope of some national laboratories. In such cases, twinning could bring the national labs closer to OIE Reference status by improving standards in specific selected areas.

140. The representative of IICA noted that information regarding the Initiative of the Americas programme, the STDF-funded programme for further capacity development, and the programme to enhance understanding and use of the relevant international standards was detailed in document G/SPS/GEN/835. The document also provided information on specific regional or national activities undertaken by IICA.

## **IX. OTHER ISSUES ARISING FROM THE REVIEW OF THE OPERATION OF THE SPS AGREEMENT**

(a) Use of ad hoc consultations

141. The representative of Argentina noted that the SPS Agreement foresaw the use of ad hoc consultations as a means for resolving trade difficulties. It was clear that the mechanism of



considering specific trade concerns in the Committee did not lead to the resolution of all problems. While the Good Offices of the SPS Chair provided another mechanism, it appeared that many Members did not know how to make use of this possibility. That might explain why the mechanism had only been used three times since 1995. Therefore, Argentina was proposing the development of a more specific mechanism in document G/SPS/W/219, without prejudice to the discussions on the so-called horizontal mechanism which were taking place in the Non-Agricultural Market Access (NAMA) negotiations. The objective was to make use of the mechanism foreseen in Article 12.2 through the development of a very concrete procedure to resolve trade problems when dialogue had not been fruitful. Argentina was suggesting a flexible mechanism that was not complicated and which would permit the establishment of a constructive dialogue. The proposed mechanism foresaw possible intervention by the Secretariat, as well as by the three standard-setting bodies because often trade problems were linked to international standards.

142. Several Members supported the suggestion by Argentina of a flexible mechanism that might be more frequently utilized than the Chairman's Good Offices. A number of Members indicated that they had not had sufficient time to consider the proposal by Argentina, and suggested that it be further discussed at the next meeting of the Committee, perhaps in an informal meeting.

143. The representative of India agreed that there had been little use of the Chairman's Good Offices and that a more structured procedure might be helpful. He noted, however, that there was a procedure for the notification of non-tariff barriers in the context of the NAMA negotiations. In the NAMA negotiations Members were considering a proposal similar to what Argentina had proposed, This was to be a flexible mechanism, in which the Chairman had a role, but it also allowed for voluntary problem solving through use of experts. The advice of a non-technical person might not be acceptable, especially for SPS matters, so the NAMA mechanism built-in the use of experts. Some 100 Members now supported the proposal in NAMA to develop a structure that not only looked at technical bodies, but could be used more widely, including in WTO Committees that did not have provisions for the use of Good Offices. While the scope of this mechanism was still under discussion, considerable progress was being made regarding the procedure. The objective was to make the procedure flexible, useful, the best possible for the money. India encouraged delegates to discuss this matter with their colleagues participating in the NAMA negotiations, so as to develop a structure that would be of use to everyone.

144. The representative of Argentina clarified that following discussions with colleagues participating in the NAMA negotiations, Argentina believed that both approaches could coexist. This proposal was without prejudice to Argentina's position in NAMA. The proposal was not to create a new procedure, but rather to facilitate and enhance the use of a mechanism that already existed. This was one of the issues that had been identified for further work in the Second Review of the SPS Agreement, and no Member had opposed that suggestion. Argentina did not think that progress on this issue should be subordinated to other areas, especially since it related to the implementation of a specific provision of the SPS Agreement.

145. While the representative of Brazil agreed in principle that the two mechanisms could coexist, and both were going in the same, right direction. However, he agreed with India that the Committee should wait to see how the matter progressed in the NAMA negotiations.

146. The representative of the United States indicated that her country had serious concerns with the issues that could arise if SPS measures were subject to the proposed NAMA procedure. The United States thought that the SPS Committee could more effectively address these issues. Procedures already existed for consideration of specific trade concerns, as well as for ad hoc consultations. Members should consider the potential negative implications if SPS issues were addressed outside the SPS Committee.

147. The representative of Chile agreed that the SPS Committee could better address issues of a scientific nature, and benefited from the participation of technical experts from the standard-setting bodies. Chile was also concerned with how issues that fell under the scope of both NAMA and the SPS Agreement, such as fisheries and forestry products, might be addressed. Several other Members also supported the suggestion of the United States for an enhanced mechanism to address specific trade concerns within the SPS Committee, noting that rather than creating a new mechanism which potentially duplicated existing procedures, it would be preferable to improve the already existing mechanisms of the SPS Committee.

148. The representative of India clarified that the mechanism under discussion in NAMA would simply identify some expedited working procedures for each Committee to adopt to resolve trade problems related to NTBs. This mechanism was fully voluntary, and Members could walk away from the process at any time. The objective was that similar procedures should exist in all Committees responsible for trade in goods, but these would need to be adopted by each Committee. Many of the NTBs notified to NAMA, including by India, related to standards. Although these were mainly TBT issues, some concerns also SPS measures. While the SPS Committee already had certain procedures, the gaps in the existing structure could be filled in through the NAMA mechanism. This was still a work in progress, so India again encouraged delegates to get in touch with their colleagues participating in the NAMA negotiations.

149. The Chairman proposed that the Committee revert to this matter at its next meeting.

(b) Relationship between the SPS Committee and Codex, IPPC and OIE

150. The Chairman noted that although the Committee had identified this as an issue for further consideration, following the discussion last June of the Secretariat's background note on the relationship with the 3 sisters (G/SPS/GEN/775) there had been no further proposals regarding how to proceed on this matter.

151. The representative of Chile noted that none of the three sister organizations had effective mechanisms to monitor the application of international standards by Members. With the adoption of the new recommended procedures on transparency, the SPS Committee would have more information regarding the use of international standards through SPS notifications. The Committee needed to find a way to make use with this information. Chile had previously submitted a document on this matter, as had New Zealand.

152. The representative of Argentina agreed that given the importance of international standards for developing countries, an effective means of monitoring the use of the standards was needed.

153. The Chairman suggested that this item should be kept on the agenda of the next Committee meeting only if new submissions or proposals were provided.

## **X. MONITORING THE USE OF INTERNATIONAL STANDARDS**

(a) New issues

154. No Member raised any new issue under this agenda item.

(b) Issues previously raised

155. There was no further discussion on issues previously raised.

## **XI. CONCERNS WITH COMMERCIAL AND PRIVATE STANDARDS**

156. The Director-General of the OIE addressed the Committee in the context of the document of the OIE regarding the issue of commercial and private standards (G/SPS/GEN/822). He observed that there had been many requests from developing countries for the OIE to address this issue. Their fears were that this situation, linked to the concentration of retailers and distributors, which had not existed at the time the SPS Agreement was negotiated, now put at risk the basic of the SPS Agreement. The OIE Board had requested Dr Vallat to launch discussions on this matter in the context of animal health standards. They did not want the work of the three standard-setting bodies to be destroyed by the emergence of standards that were non-democratically established and not science-based. Although buyers had freedom of decision in their purchases, Dr Vallat proposed to address the aspects related to sanitary risk. The OIE dealt with animal health and zoonoses, on the basis of risk assessments. OIE standards were discussed by members, science-based, and democratically adopted. The OIE standards could provide the necessary health guarantees to buyers. Dr Vallat was not proposing to address issues of animal welfare at this time, although he suggested that there could be a future discussion on the link between animal welfare and the TBT Agreement.

157. Dr Vallat noted that official standards had both a horizontal and vertical aspect. The OIE considered that the preconditions for certification in international trade must always be based on the official Competent Authority. The Competent Authority could ensure fulfilment of the international quality standards for veterinary services, which could be trusted and audited by importing countries. OIE could provide independent evaluations of veterinary services upon request. These evaluations were confidential, but could be made transparent in the country agreed. This was the horizontal aspect of official standards.

158. The vertical aspect of official standards was based on risk assessments of the 100 animal diseases considered to pose health risks. The OIE had developed specific standards for each disease. The OIE Code contained thousands of pages, based on millions of working hours. Compliance with these standards was mandatory for OIE members. If there was a need for further requirements, these should be based on risk assessments, to ensure the scientific validity of the measure. There was furthermore a link between animal health and food safety. A cooperation mechanism had been established between the OIE and Codex to avoid duplication and contradictions, to ensure that there were no gaps between animal health and food safety standards. The OIE and Codex were cooperating on issues such as antibiotic resistance, traceability, salmonella in poultry, etc., through both formal and informal mechanisms.

159. The OIE considered that private standards could lead to unjustified trade barriers, particularly as they were often stricter than the official regulations. Furthermore, private standards were not transparent, because they were the result of private interactions. Private standards on animal health presented a risk for both health and trade, especially for developing countries. Dr Vallat stressed that Members had an obligation to ensure the SPS Agreement was respected.

160. With regard to animal welfare, OIE members had requested OIE to develop international reference standards in this area. OIE was adopting standards based on the best available science, which were democratically adopted by vote. Standards had been adopted on humane methods of slaughter and on conditions of transport of live animals by plane, ship or land. Work was underway on the issue of production conditions, which was a difficult dossier. Multinational companies supported this work on animal welfare because they, particularly the large restaurant chains, were confronted by public demands. While the public demands might not be rational, the companies were concerned to ensure that they could rely on science-based, non-anthropomorphic standards. OIE was participating in the Safe Supply of Affordable Food Everywhere (SSAFE) initiative so as to be aware of the views of large companies not only on animal welfare but also on animal health. Although the Industry did not have a single, common view, most wished to see all members apply OIE standards

since they operated as an anti-crisis insurance. Because of this, some private funds were provided to help national application of OIE standards.

161. Dr Vallat proposed that the SPS Committee continue to provide a forum for issues related to private standards in the SPS area, and that it encourage the full respect of the standards recognized by SPS Agreement.

162. The representative of Uruguay supported the views expressed by Dr Vallat and proposed that the SPS Committee continue to address the issue of private standards as a matter of priority. Agricultural exports were of critical importance to the Uruguayan economy, which had been able to achieve access to many markets around the world through the concerted efforts of the government and private sector. However, in addition to meeting the ever-changing SPS requirements of importing countries, in recent years private standards had begun to create even more restrictive additional market requirements. This resulted in increased costs of production, processing and certification. 80% of Uruguay's agricultural production came from family production units. As private standards favoured economies of scale in production, this put most family farms at a disadvantage. Uruguay fully supported the continued discussion of the issue of private standards in the SPS Committee in a broad and pragmatic manner, to ensure that private standards not impose unjustified barriers to international trade.

163. Many Members supported the view that private standards were not part of the SPS standard-setting system and posed an additional burden on producers, particularly small producers in developing countries. The private standards were not in line with the principle of enhancing trade; unlike the relevant international standards, they were not science-based nor transparent. These Members considered that this issue should be maintained on the agenda of the SPS Committee, with further discussion of the applicability of the SPS Agreement to private standards and consideration of the specific experiences of Members.

164. Several Members noted that in the context of Article 13 of the SPS Agreement, Members had a responsibility for what took place in their territories. If private companies were creating problems for developing countries through SPS requirements, this matter should be addressed by the Committee.

165. A number of Members indicated that a primary concern was the potential of private standards to effectively undermine the work of the Codex, OIE and IPPC. In this regard, they suggested that it would be helpful if these organizations also addressed the issue of private standards. As the bulk of private SPS standards currently focussed on food safety, it was fortunate that Codex procedures provided for input from the relevant industry representatives.

166. Some Members noted that private standards impacted heavily also on producers in developed countries. Governments could not dictate market conditions, and private standards were a reality of the market. However, there was a need to get the right balance between private standards and official requirements, and a number of legitimate concerns had been raised during the discussions. Members needed to support the development and use of the internationally developed standards, as the lack of strong international standards created a policy vacuum which private standards attempted to fill.

167. Argentina proposed that the Committee adopt a two-track approach to address this issue. On the one hand, it would be useful to seek pragmatic, short-term solutions for specific problems identified by Members. In parallel, Argentina suggested that an informal, small working group could address the issue of the relationship between the SPS Agreement and private standards, particular with regard to Article 13. Many Members supported the suggestion for the creation of a small working group on the issue, and suggested that it would be useful if representatives of the three sister

organizations also participated. A number of Members also agreed that it was important to seek solutions for specific problems identified.

168. The representative of UNCTAD drew attention to a new series of publications on the market access and development effects of private standards on fruits and vegetables in different regions. The publications were also available from the UNCTAD website. These studies did not address the justifiability of private standards nor the applicability of WTO agreements, but considered the market access implications, especially of GlobalGAP, as well as the developmental implications and particular effects on small-scale farmers. Recent initiatives to involve small scale farmers in the private standard setting processes were being examined. UNCTAD was also examining the effects of standards related to fair trade practices, environmental concerns, ethical issues, and organic standards, in the context of the up-coming UNCTAD conference in May. A side event would focus on sustainability standards and how to make these work for small farmers. All WTO Members were welcome to attend these events.

169. The representative of the World Bank noted that the Bank had undertaken research on impact of private standards, with a particular focus on the issue of the potential crowding out of small producers. Most private standards dealt not only with health aspects, but also with environmental protection, value-added and other objectives. The research did not show that in every instance there was clearly a crowding-out effect on small farmers. For example, Kenyan and Ugandan farmers had benefited through compliance with private standards for coffee. The issue was much broader than the narrow mandate of the SPS Agreement. The World Bank looked forward to working collaboratively with whatever group may be established to deal with this issue.

170. The representative of ISO observed that there were differences between different private standards. In its work the ISO applied principles such as transparency, openness, consensus, etc., in line with the SPS Agreement. A number of ISO standards were formally recognized by Codex and ISO and incorporated in the official standards.

171. Dr Vallat indicated that there was no clear definition of standards, and considerable confusion between international standards, private standards on SPS and other private standards. The representative of the European Communities, as well as other Members, noted the complexity of this issue and the need for the SPS Committee to focus only on those areas which were within its competence. The representative of Egypt stressed that as long as private standards were affecting international trade, they should be discussed in a multilateral forum

172. The Chairman concluded that the complexity of the issue was clear from the discussions, as was the fact that many Members shared serious concerns regarding the effects of private standards. He concurred that the Committee should focus only on SPS-related issues. He welcomed the suggestion of Argentina for a two-tiered approach. One phase would be to focus on specific examples and to use these to identify how the Committee could deal with the problem as a whole. As noted by Argentina, there was a need for a dialogue, not only between Members in the Committee, but also with other stakeholders. In that respected there was relevant work also underway in other international organizations, including the World Bank and UNCTAD. It could also be useful to talk with private standard-setters about concerns of their going beyond science-based standards. The second step could be the establishment of a small, informal working group, which might want to focus on the legal relationship issues, particularly in the context of Article 13. The Chairman suggested that it might be useful to schedule an informal consultation with those Members who were interested on this in the margins of the next SPS Committee meeting, to determine how to proceed.

173. The Secretariat noted that the STDF Working Group had identified the issue of private standards as the theme for their discussions in June. In this context, a workshop might be organized

to look at the growing body of research in this area, as well as at initiatives to facilitate compliance with private standards.

## **XII. MATTERS OF INTEREST ARISING FROM THE WORK OF OBSERVER ORGANIZATIONS**

174. The representative of the OIE noted that the presentation of the Terrestrial Animal Health Code was being changed. The Code would be split into two volumes. Volume I would contain the vertical or disease-specific standards, while Volume II would contain the horizontal standards (ethics, quality of veterinary services, certification, risk analysis etc.). The change in presentation would not affect the content of the Code, although a lot of work was underway to update and modernize the text.

175. The representative of the IPPC drew attention to documents G/SPS/GEN/832 and G/SPS/GEN/833, which provided summaries of existing IPPC summaries and of the IPPC work programme. Several proposals would be considered for approval by the Commission on Phytosanitary Measures at its meeting the following week, including four international standards presented for adoption. As noted previously, one important issue was the development of a technical assistance strategy. In addition, the 2007 independent review of the IPPC would be discussed.

176. The representative of the Codex indicated that documents G/SPS/GEN/825 and G/SPS/GEN/828 provided information on relevant Codex activities and standards. Twenty meetings were held each year, of Codex committee and task forces. Although the outcome of the task forces was equivalent to that of traditional Codex committees, the task forces had a time-bound existence. Codex continued to work together with the OIE on the issue of antimicrobial resistance. Efforts were underway to reduce the cost implications of participation in the work of Codex, for example, through the scheduling of back-to-back meetings. There was also concern about geographic concentration of Codex meetings, with initiatives underway to hold more meetings in developing countries. The next meeting of the Codex Alimentarius Commission would be held in Geneva during the first week of July, right after SPS Committee to facilitate participation. The Maldives had become the 176<sup>th</sup> member country of Codex, plus 1 member organization. G/SPS/GEN/828 provided a complete list of all Codex standards. As all standards had a unique serial number, these could be used to identify relevant standards on the new SPS notification format. Some serial numbers contained an R, which meant that these were regional, not worldwide standards. If the applicability of such standards were extended, then the R was removed.

## **XIII. OBSERVERS – REQUEST FOR OBSERVER STATUS**

177. 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.

178. 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), from the Convention on Biodiversity (CBD), or from the Gulf Cooperation Council Standardisation Organization (GSO). The Committee agreed to revert to this matter at its next meeting.

## **XIV. ELECTION OF CHAIRPERSON**

179. The Chairman reported that the Chairperson of the Council for Trade in Goods had 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). He suggested, therefore,

that the election of the Chairperson of the Committee be postponed until the next Committee meeting in June. The election could take place at the time of the first informal Committee meeting, scheduled for 23 June 2008, with the Committee briefly switching to formal mode to acclaim its new Chairperson.

#### **XV. OTHER BUSINESS**

180. The representative of Bolivia reported that a new sanitary certification system was now in place. Details of the new requirements were available from the SENASAG website.

181. The representative of Zambia expressed appreciation to the UK DFID for sponsoring his participation in the meeting. He recalled the comments of the representative of the European Communities regarding the useful information that had been provided by participants from least developed countries. In this regard, he encouraged other Members to consider sponsoring the participation of delegates from developing countries, as their participation became more effective through continued participation.

#### **XVI. DATE AND AGENDA FOR NEXT MEETING**

182. The next meeting of the Committee is tentatively scheduled for **24-25 June 2008**, with informal meetings scheduled for **23 June**.

183. The relevant deadlines for submitting items for the agenda are as follows:

- (i) For providing specific comments or suggestions on the Recommended Procedures on Transparency (G/SPS/W/215 ): **Thursday, 12 June 2008;**
  - (ii) For identifying new issues for consideration under the monitoring procedure, and for requesting that items be put on the agenda: **Thursday, 12 June 2008;**
  - (iii) For the distribution of the airgramme: **Friday, 13 June 2008.**
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