

Committee on Sanitary and Phytosanitary Measures

SUMMARY OF THE MEETING HELD ON 25-26 JUNE 2002

Note by the Secretariat¹

I. ADOPTION OF THE AGENDA

1. The Committee on Sanitary and Phytosanitary Measures (the "Committee") held its twenty-fourth meeting on 25-26 June 2002. The Chairman of the Committee, Mr. William Ehlers (Uruguay), opened the meeting. The agenda proposed in WTO/AIR/1838 was adopted with amendments.

II. ELECTION OF CHAIRPERSON

2. The Committee elected Mrs. Maria Fe Alberto-Chau Huu as Chairperson for 2002/2003, and thanked the previous Chairman for his contributions and personal engagement in the work of the Committee.

III. IMPLEMENTATION OF THE AGREEMENT

(a) Information from Members

(i) Activities of Members

FMD situation – Information from Argentina.

3. The representative of Argentina outlined the national plan for the eradication of FMD introduced on 5 April 2001. He reported on the evolution of the disease in 2001 and noted that the epidemic had been eradicated in September 2001. In the following months, very few outbreaks were recorded and, as of 12 June 2002, 141 days had passed without an outbreak and 9 months had passed without an epidemic. Details of the situation in Argentina are contained in G/SPS/GEN/323.

FMD status of Paraguay according to OIE

4. The representative of Paraguay informed the Committee of ongoing efforts in his country to eradicate FMD. Bovine meat exports to Brazil and Chile were rising and the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei) had recently decided to reopen its market to beef imports from Paraguay. The European Communities were also expected to increase imports in the near future. On 28 May 2002, the OIE recognized Paraguay as a country free from FMD with vaccination.

Classical swine fever situation in EC member States

5. The representative of the European Communities indicated that a number of outbreaks of classical swine fever had occurred in some EC member States in 2002. Two different epidemiological situations had emerged. Several outbreaks had occurred in a small area of intensive

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

pig production in Cataluña in Spain. The high density of pig numbers rendered the control of the disease difficult, but the situation was now under control. Measures introduced to regionalize the disease could be lifted in the near future. The other situation was an outbreak of the disease in wild boar in Germany, contaminating Luxembourg and nearby areas of France. Although the disease had spread to some domestic pig farms, it had been quickly controlled in all three member States.

Membership in the WTO and international standard-setting bodies – Information from the European Communities

6. The representative of the European Communities reported dissatisfaction that the European Communities was not a member of the Codex Alimentarius Commission (CAC), OIE or the IPPC, despite its having considerable competence in all the areas covered by these three standard-setting bodies. The European Communities was a full member of FAO since 1991, a prerequisite to become a member of Codex. Codex was considering procedural amendments to allow Regional Economic Integration Organisations to become members of the Codex Alimentarius Commission, and would discuss this issue at its 2003 session. The European Communities expected WTO Members to fully support its request, which was further detailed in G/SPS/GEN/320.

7. The representative of the United States reported that at the last meeting of the Codex Committee on General Principles (CCGP), the European Communities had indicated that it would provide additional information regarding how the EC Commission would relate to its member States in issues addressed by Codex committees. The United States looked forward to reviewing and discussing this information at the next CCGP and Codex Commission meetings.

8. The representative of Canada indicated that his authorities supported the principle of the European Communities becoming a member of the CAC. Canada looked forward to a successful resolution of the outstanding procedural issues that needed to be resolved within Codex.

9. The representative of Codex noted that the CCGP had considered the EC request at its last session in 2002 and had agreed to seek the advice of the FAO Committee on Constitutional and Legal Matters on the proposed amendments of the procedures, especially in regard to the voting rights of EC member States. Based on the advice provided by the FAO Committee, the CCGP would consider the issue again at its next session in April 2003. She added that the Republic of Kurdistan and the Commonwealth of Bahamas had joined Codex, bringing total membership to 167.

(b) Specific Trade Concerns

(i) New Issues

US import restrictions on meat and meat products – Concerns of Switzerland

10. The representative of Switzerland said that following the outbreak of BSE in Switzerland, the United States had introduced an import ban on meat and meat products from his country. The ban applied also to meat products processed in Switzerland with meat imported from countries free of BSE, such as Argentina or Brazil. He stressed that Switzerland was considered a country with a low incidence of BSE in terms of the OIE *International Animal Health Code* and the US measure was in contradiction with international standards. Moreover, the US double inspection procedure was in violation of the SPS Agreement. Switzerland had conducted very useful consultations with the United States since the circulation of its submission (G/SPS/GEN/321) and some of the questions raised in that submission had been clarified. Bilateral consultations would continue and he expected that trade of meat and meat products would resume in the near future.

11. The representative of the European Communities requested to be informed of the outcome of the discussions between Switzerland and the United States.

12. The representative of the United States welcomed the productive discussions held with Switzerland, but noted that there was a further complication pertaining to the FMD status of certain countries providing meat to Switzerland for processing and subsequent export to the United States.

China's import requirements for cosmetics – Concerns of the European Communities

13. The representative of the European Communities noted that China had imposed import restrictions on cosmetics beginning in March 2002. The new regulations prohibited cosmetics containing certain ingredients of animal origin from 18 countries having officially declared the existence of BSE. Cosmetics from these 18 countries required certification that they do not contain specified products of bovine or ovine origin. According to China's notification, the justification of the measure was to prevent introducing BSE on Chinese territory. The European Communities considered that the measures were in contradiction to the SPS Agreement, China had notified its measures as emergency measures, whereas BSE had been present in those countries for many years and there was no new scientific evidence indicating a particular risk from cosmetics. In addition, the measures had no scientific basis and went far beyond the OIE standard on BSE. The measures also seemed disproportionate compared to the risks, and were more stringent than in the most demanding of Members. The measures were also discriminatory, because they did not apply in the same manner to all countries where identical sanitary conditions prevailed. The representative of the European Communities requested that China make available the scientific justification and the risk assessment underlying the measure.

14. The representative of China indicated that he would forward the EC concerns to his authorities. In accordance with the OIE and WHO's relevant recommendations, China only prohibited the importation of cosmetics derived from bovine or ovine brains, placenta, nerves, etc. from BSE-infected countries and regions. China had notified its measure and requested exporting countries to provide the names and signatures of the authorities responsible for issuing the certificates ensuring that the cosmetics met the Chinese requirements. Several EC member States had proceeded accordingly and China had recognized, or was in the process of recognizing, the competent certifying authorities of those member States. China was ready to enter in bilateral consultations with other interested WTO Members.

Cuba's import restrictions on spiced pork and salted meat products – Concerns of Argentina

15. The representative of Argentina indicated that exports of spiced pork and salted meat products to Cuba were prohibited, reflecting Cuba's zero risk approach with regard to FMD. Argentina had submitted evidence to the Cuban authorities showing that the foot-and-mouth disease virus would not be transmitted as a result of the processing of these products. Moreover, Argentina's proposed certification fully complied with OIE standards. Nonetheless, Cuba only permitted imports of bovine meat from countries free of foot-and-mouth disease without vaccination. Argentina detailed its view that the import ban was inconsistent with the SPS Agreement in document G/SPS/GEN/325. Argentina formally requested Cuba to lift its restrictions, or to provide sufficient scientific evidence to justify its measure.

16. The representative of Cuba indicated that the two delegations had initiated bilateral consultations just prior to the SPS Committee meeting, and Cuba expected to report a satisfactory solution to this issue at the next Committee meeting.

Indonesian import restrictions on dairy products – Concerns of Argentina

17. The representative of Argentina said that as a result of the outbreak of FMD in 2001, unjustified sanitary measures had been imposed on a number of Argentine products. Among these measures was a ban on imports of milk products by Indonesia, which was inconsistent with the SPS Agreement and OIE guidelines. In particular, the OIE Code stipulated that milk products be accepted

if the sanitary authority of the exporting country certified that the necessary requirements had been introduced. Indonesian authorities had prohibited the entry of milk products from Argentina, without giving the National Agriculture and Food Quality and Health Service (SENASA) the opportunity to certify the requirements set forth by the OIE. Argentina requested Indonesia to provide sufficient scientific evidence to support its departure from the OIE guidelines.

18. The representative of Indonesia said that import restrictions imposed on Argentina due to FMD only applied to fresh milk. Other dairy products including skimmed milk, cream, butter, cheese and yoghurt were not restricted. Restrictions on fresh milk were based on the fact that Argentina was not listed by the OIE as a country with zones free of FMD.

South Africa's restrictions on beef and pork – Concerns of Brazil

19. The representative of Brazil stated that on February 2002, South Africa had informed his authorities of its decision to suspend imports of beef and pork from Brazil, because FMD vaccination was practised there. South Africa's import ban raised serious concerns because it was not based on the OIE standards nor on scientific evidence or risk assessment nor had the measure been notified. The representative of Brazil argued that Articles 3.1, 3.3, 5.4, 5.6 and Annex B of the SPS Agreement had been violated and requested South Africa to lift the ban and accept the risk mitigation procedures established by the OIE.

20. The representative of South Africa took note of the Brazilian concerns and indicated that his authorities were committed to bilateral consultations with a view to find a quick solution to the problem. He hoped to inform the Committee of the successful outcome of these consultations by the next Committee meeting.

China's food safety regulations affecting agricultural products produced from modern biotechnology – Concerns of the United States

21. The representative of the United States reported that on 8 April 2002, the Ministry of Health in China had issued a decree on biotech safety and labelling. The decree would take effect on 8 July, but the Ministry of Health had not issued implementing regulations. Additionally, the decree had not been notified. His authorities believed that mandatory labelling for biotech products that were substantially equivalent to their conventional counterparts had no scientific justification. Under such circumstances, labelling wrongly implied a possible risk to the consumer. US companies exported to China a wide variety of biotechnology products, including soybeans and corn, and processed products derived from these commodities. This trade was valued at over US\$ 1 billion/year. The United States requested an interim period of implementation of the decree, that would allow sufficient time for compliance by US exporters.

22. The representative of Canada shared the US concerns and regretted the fact that China had not notified the proposed measure, thus impeding the incorporation of comments from interested Members into the final measure. His authorities and Canadian companies were having difficulties in understanding the complexities of the Chinese regulations and in getting clear information from the Chinese regulatory authorities. Canada would also welcome an interim period before the implementation of the Chinese regulations, so that their design, implementation and enforcement could be done in a transparent, predictable and systematic way. The representative of Argentina shared the US and Canadian concerns.

23. The representative of China responded that his authorities had unintentionally forgotten to notify the measure sufficiently in advance of its entry into force. However, China invited Members to send comments to its Enquiry Point or directly to the Ministry of Health. Late notification of measures was a reflection of Chinese difficulties to correctly understand and implement the SPS

Agreement, and China would welcome technical assistance in this regard. China would also welcome bilateral consultations with interested WTO Members.

Brazil's import requirements for seed potatoes – Concerns of the European Communities

24. The representative of the European Communities reported that Brazil had notified new measures on imports of seed potatoes. As one of the main suppliers to Brazil, the European Communities had commented on the measures, in particular on the lack of delay for their implementation, the need for technical justification and the need to respect transparency. In its initial response Brazil had not addressed the EC's concerns and, in particular, had not identified the pest risk assessment justifying its measure. This information had been provided during bilateral consultations held before the SPS Committee meeting. The European Communities would examine this information and was looking forward to continuing the bilateral process with Brazil.

25. The representative of Canada expressed concern with Brazil's required export certification for non quarantine regulated pests, in contradiction to internationally agreed principles and practices. Canada was also involved in bilateral discussion with the Brazilian authorities and had requested Brazil to withdraw its measure.

26. The representative of Brazil acknowledged the EC and Canada's statements and indicated that since the last Committee meeting the parties had been involved in a bilateral process of consultations. He expected that subsequent technical consultations would resolve the issue.

Japan's official control restrictions on citrus and other fresh fruits and vegetables – Concerns of the United States and New Zealand

27. The representative of the United States recalled that he had previously raised concerns regarding the basis and application of Japan's phytosanitary legislation in the SPS Committee. Despite many years of bilateral consultations, Japan continued to impose costly and unjustified quarantine actions when pests were detected on imported US fruits and vegetables, even though the same species were commonly found in Japan. In many instances these actions included treatment that damaged and destroyed the commodity in question. Japanese practices lacked a scientific basis and were inconsistent with IPPC standards on official control and risk assessment for quarantine pests. The result was an arbitrary and unpredictable system facing US horticultural exports to Japan. The United States supported Japan's efforts to bring its plant laws into line with international standards and hoped that bilateral technical discussions would result in the termination of unjustified requirements.

28. The representative of New Zealand noted that his authorities were concerned with Japan's continuing practice of fumigating consignments of New Zealand's fresh products, due to the interception of pests that did not meet the definition of quarantine pests under the IPPC. There had been discussions with Japan for several years, but Japan's policy did not change. A significant proportion of New Zealand's exports of vegetables, fruits, flowers and related products was subject to fumigation under Japan's requirements.

29. The representative of the European Communities stressed that the European Communities fully adhered to the international standards relevant to this particular problem, in particular the International Standard for Sanitary Measures No.5 (Glossary of Phytosanitary Terms), and its latest amendment. For this reason, the European Communities fully supported the US statement.

30. The representative of Japan recalled that during bilateral consultations with the United States in November 2001, the United States had requested Japan to consider abolishing fumigation for detection of California red scale and Fuller rose weevil infesting US produce as non-quarantine pest, because those pests were endemic in Japan. He noted that California red scale was under domestic

control in Japan as a target pest of forecasting programmes and was subject to fumigation for detection at import inspection. Fuller rose weevil had limited detection only with three points and was under government-oriented control aimed at eradication. It was not possible in these conditions to exclude those species from quarantine pests. Japan remained open to further consultations.

China's import ban on products of Dutch origin – Concerns of the European Communities

31. The representative of the European Communities stated that the Chinese authorities had suspended imports of all products of animal origin from the Netherlands after detection of one positive consignment in a single category of products. He considered the Chinese measure to be more trade restrictive than required to achieve the appropriate level of protection in violation of Article 5.6 of the SPS Agreement. In a similar situation with regard to Chinese products, the European Communities had given China sufficient time to solve problems of detection of the presence of chloramphenicol in their products.

32. The representative of China noted that the use of chloramphenicol in animal foodstuffs had been prohibited in EC member States since 1994. When the substance had been detected in Dutch products, China had imposed a provisional ban and immediately alerted the Dutch authorities. China had received part of the information requested, and was waiting for further information so as to review its measure. The representative of China reported that the problem apparently arose due to Dutch imports of feedstuffs from some eastern European countries, which gave rise to concerns regarding Dutch import control measures, residue monitoring systems and export control measures. He stressed that this measure was not related to the EC's ban on Chinese foodstuffs of animal origin.

Chinese Taipei's policies regarding quarantine and non-quarantine pests – Concerns of the United States

33. The representative of the United States expressed concern that Chinese Taipei's Plant Production and Quarantine Act did not distinguish between quarantine and non-quarantine pests which was detrimental to US exports. Chinese Taipei had agreed to amend this act, however this was expected to take some time.

34. The representative of Chinese Taipei indicated that problems arose due to inconsistency between the Chinese and English version of the Act. His authorities had agreed to amend the Act to bring it into conformity with the standards of the IPPC.

Romania's SPS measures on animal products – Concerns of Moldova

35. The representative of Moldova indicated that Romania had begun to impose EC requirements on imports of meat and animal products although Romania did not meet these requirements domestically. As a result, meat, milk and egg exports from Moldova were in effect banned from the Romanian market, which normally absorbed about 80 per cent of Moldova agricultural exports. Romania had not provided any scientific justification for its measure. Its failure to notify the measure meant that exporters had not had any time to adapt to the new requirements. The concerns of Moldova were detailed in G/SPS/GEN/334.

36. The representative of China recalled the obligations of Article 5.1 that SPS measures be based on a risk assessment and take into account the conditions of the supplying country. He urged Romania to review its measures in this area.

37. The representative of Romania argued that the measure in question was a result of its harmonization with the *acquis communautaire* of the European Union, and was necessary to ensure consumer protection. He stated that this was not a new SPS measure, so it had not been notified.

Nonetheless, the Romanian Ministry of Agriculture was considering ways to address the difficulties posed to Moldova from its implementation.

(ii) Issues Previously Raised

EC restrictions on Brazil nuts due to aflatoxin – Concerns of Bolivia

38. The representative of Bolivia noted that his country had voiced concerns regarding the EC aflatoxin requirements since September 1998. Although the larger Bolivian exporters were able to meet the EC requirements at considerable costs and difficulties, smaller exporters could not fulfill the EC's exaggerated requirements regarding aflatoxin levels. He requested information from the European Communities on the manner in which the requirements of the quality control system were being applied.

39. The representative of the European Communities indicated he was perplexed by Bolivia's continual raising of this issue since no consignments of Brazil nuts from Bolivia had been blocked due to aflatoxin. In fact, both the volume and value imported from Bolivia had increased in recent years. The representative of the European Communities stated that the EC Scientific Committee for Food had identified aflatoxins as among the most carcinogenic and mutagenic substances known, and so intake had to be reduced to the lowest levels possible. He recalled that following various bilateral meetings with Bolivian officials, the European Commission had agreed to accept certification from authorized Bolivian laboratories, to avoid inspection on arrival in Europe. However, Bolivia had not provided the necessary information regarding the authorized laboratories.

Poland's restrictions on imports of bovine semen and gelatin – Concerns of Switzerland

40. The representative of Switzerland stated that Poland's restrictions on imports of bovine semen and gelatin from Switzerland due to BSE concerns were unjustified and contravened the recommendations of the OIE. The OIE concluded that bovine semen and gelatine did not present a risk regardless of the BSE status of the exporting country. Switzerland's concerns were detailed in G/SPS/GEN/322. The representative of the European Communities indicated that EC member States had similar concerns regarding Poland's measure.

41. The representative of the OIE clarified that Chapter 4 of the International Animal Health Code recommended no restriction on bovine semen. No BSE risk had been identified from gelatin made exclusively from hides, however certain treatments were recommended with respect to gelatin made from bones if the exporting country were not free from BSE.

42. The representative of Poland indicated that its restrictions on imports of several animal products from Switzerland had been notified as G/SPS/N/POL/25. He clarified that bovine semen had never been covered by the Polish regulation in question. Furthermore, the regulation had just been amended, and restrictions on gelatine from bovine hides had been removed. Poland announced its intention to notify this new regulation.

Import restrictions on bovine semen – Concerns of the European Communities

43. The representative of the European Communities drew attention to the fact the OIE International Animal Health Code clearly stated that no restrictions should be applied on bovine semen as a result of the BSE status of the exporting country. The representative of Poland reiterated that bovine semen had never been covered by Poland's regulation on BSE.

Colombia's restrictions on bovine meat – Concerns of Argentina

44. The representative of Argentina recalled that at the last meeting of the Committee, the representative of Colombia had indicated that his country was examining the methods used by different Argentine plants to deactivate the FMD virus. However, imports from Argentina continued to be restricted.

45. The representative of Colombia reported that no plants in Argentina were currently certified to export to Colombia. However, her authorities had identified 10 plants in Argentina for which it needed to update information, and another 38 plants which it proposed to visit for the first time. To date, only 21 of these establishments had provided the information needed before the Colombian Agricultural Institute could proceed to arrange its visits for the purpose of certification.

Venezuela's import restrictions on bovine meat – Concerns of Argentina

46. The representative of Argentina noted that despite bilateral contacts following the last meeting of the Committee, Venezuela had not provided any further information nor its risk assessment to Argentina.

47. The representative of Venezuela indicated that his authorities recognized the region of Argentina south of the 42nd parallel as free from FMD without vaccination, and Venezuela was prepared to import meat from this region. With respect to the other regions of Argentina, Venezuela followed the OIE recommendations, however it was willing to consult with Argentina on the matter.

Import restrictions on meat and meat products – Concerns of the European Communities

48. The representative of the European Communities reported that most Members had lifted their restrictions related to the FMD outbreak in Europe. The OIE had just revised its list of countries recognized as FMD-free, which included all 15 EC member States. However, some Members continued to apply restrictions or requirements which served as administrative bans on EC products, in particular UK meat and meat products. The representative of Argentina noted that his country also continued to suffer long-term negative effects from measures kept in place without justification.

49. The representative of Japan reported that the Domestic Animal Infectious Disease Control Law had been amended on 14 June, permitting resumption of imports of pork meat and products from France and Ireland. The comment period regarding a proposed lifting of the import ban on Dutch products had just concluded, and if there were no problems, the ban could be lifted as of mid-July.

China's import restrictions for citrus and other fruits related to fruit fly – Concerns of Argentina

50. The representative of Argentina noted that her country had raised this issue at the previous meeting, and had held bilateral consultations with China. However, the issue was not resolved.

51. The representative of China indicated that his authorities were prepared to consider alternative treatments, but had not yet received any technical data demonstrating that establishing pest free production places and cold treatment could provide equivalent protection to the establishment of pest-free areas.

Japan's import measures on fireblight – Concerns of the United States

52. The representative of the United States reported that his country had requested the establishment of a dispute resolution panel with respect to Japan's measures related to fireblight. The representative of New Zealand indicated that Japan's measures lacked scientific justification and limited NZ exports of horticultural products. Both he and the representative of the European

Communities indicated that their countries shared the US concerns and would participate in the dispute resolution procedure as third parties.

53. The representative of Japan indicated that during the bilateral consultations held following the US request, Japan had indicated its willingness to consider relevant data submitted by the United States, however nothing had been provided. Fireblight was a serious plant quarantine disease which did not occur in Japan and which could severely damage the production of apples, pears and other fruits. He asserted that Japan's measures were indispensable in order to prevent the entry of fireblight, and were fully justified on the basis of scientific evidence.

Venezuela's restrictions on imports of potatoes, garlic and onions – Concerns of Argentina

54. The representative of Argentina stated that there had been no progress in resolving the problems arising from Venezuela's restrictions on potatoes, garlic and onions. Argentina was waiting for the onsite visit which Venezuela indicated was necessary before trade could resume.

55. The representative of Venezuela replied that his country had made some revisions to its requirements, and was now organizing a technical visit to examine the pest surveillance systems in Argentine producing areas, with the hope of finding a solution to the problem.

EC agricultural biotechnology approval process – Concerns of the United States

56. The representative of the United States indicated that there had been no change in the EC situation since the last meeting of the Committee. His country was becoming frustrated with the situation and was considering what steps to pursue. The representative of Canada added that the EC moratorium essentially operated as a ban on imports of certain products for over four years, without any scientific basis. The moratorium resulted in trade disruptions and discrimination based on production methods without regard to the assessment of risks. Canada considered the EC moratorium to be inconsistent with the SPS Agreement and the GATT, and requested the European Communities to put in place a science-based approval process, as well as to consider alternative measures.

57. The representative of the European Communities replied that the matter was following political procedures as previously described. At this time, the European Parliament was considering the matter, and the Council of Ministers should examine the documents in the coming months. Internal procedures had to be followed to apply the proposed Directive.

US import conditions for clementines – Concerns of the European Communities

58. The representative of the European Communities reported that Spain and the United States continued bilateral efforts to find a resolution to this problem. Spanish clementine exports to the United States had occurred since 1987 on the basis of a bilateral protocol detailing the treatment to be applied. However, after three Mediterranean fruit fly larvae had been found in US stores, trade had been suspended. The concern now was to ensure that exports would be possible next season, on the basis of a new import protocol. However, the procedures being followed by the United States were slow and might not be concluded by October, in time for the new season. If this were to occur, the European Communities might invoke the dispute resolution procedures.

59. The representative of the United States expressed appreciation for the cooperation of the Spanish authorities in the matter. He noted that the comment period had been extended in order to permit all relevant parties the opportunity to comment on the US risk assessment.

(c) Consideration of specific notifications received

G/SPS/ARG/65 - BSE-related measures

60. The representative of Canada indicated that Argentina appeared to have copied the EC geographical BSE risk categorization scheme (GBR), and had not followed an international standard or conducted a risk assessment. Canada was surprised to have received a level two rating, since Argentina had not requested any data from Canada. This rating could unjustifiably damage Canada's reputation. The representative of Canada questioned why the scheme had been notified as an emergency measure, and why Argentina had followed the EC measures instead of carrying out its own analysis. He also questioned why Argentina had not asked Canada for information or data prior to putting the measure in place. The representative of the United States shared Canada's concern and encouraged Argentina to consider the BSE risk assessment and data from the Harvard Center for Risk Analysis.

61. The representative of the European Communities clarified that the GBR had started in 1998 and was currently under revision. The Scientific Steering Committee worked on the basis of information provided by exporters.

62. The representative of Argentina explained that its measures were based on the available information. If a Member felt the categorization was unjust, it should present the necessary technical information, in which case the review would be given priority. Argentina believed its system was in compliance with the OIE Code. Argentina had to take urgent action to update its BSE measures and any delay would have posed unacceptable risks to Argentina's own BSE status.

63. The representative of Brazil noted that automatic procedures in this area could be harmful to the reputation of countries. Members should consult with each other first.

(d) Any other matters related to the operation of the transparency provisions

64. The Chairperson noted that the notifications received since the last Committee meeting had been summarized, on a monthly basis, in G/SPS/GEN/312, G/SPS/GEN/317, G/SPS/GEN/319. The most recent lists of national notification authorities and of enquiry points were contained in G/SPS/NNA/3 and G/SPS/ENQ/13.

65. The Secretariat informed the Committee that it had sent a fax to all enquiry points and national notification authorities to inform them of the adoption of the new transparency procedures (G/SPS/7/Rev.2), and requested that they use the revised notification formats as of 1 May 2002. The Secretariat drew the Committee's attention to the new document de-restriction policy adopted by the General Council (WT/L/452). The Secretariat also informed Members that a new rubric was being created on the WTO website covering upcoming and past SPS Committee meetings. While the public website contained only unrestricted documents, the password-protected Members-only site provided access to both restricted and unrestricted documents related to Committee meetings.

66. The representative of Argentina expressed concern regarding the de-restriction of documents after only 60 days, since developing countries often would not have had a chance to read them.

Report of informal meeting on transparency

67. The Chairperson indicated that the Committee had continued its discussions on the proposed revisions to the recommended procedures for implementing the transparency provisions of the SPS Agreement and of the notification of equivalence agreements.

68. At the informal meeting, Egypt recalled that Ministers at Doha had mandated the WTO to put the needs and interests of developing countries at the heart of the work program, and to continue efforts to ensure that developing countries secure a share in the growth of world trade through enhanced market access, balanced rules and well targeted assistance. Special and differential treatment was important in this regard. The effectiveness of the SPS Agreement in facilitating trade between countries depended on countries' abilities to participate effectively in the Agreement. Many developing countries faced restricted market access because of lack of capacity, technical expertise, recent technologies, etc. Studies revealed that sanitary measures posed significant problems for developing country products, which could be reduced if developed countries took into account the impact on developing countries of any SPS requirements they were promulgating.

69. The objective of Egypt's proposal, the inclusion of a new box in the notification format, was to operationalize the special and differential (S&D) treatment provisions of the Agreement and assist developing countries to identify measures which could affect their exports and the types of technical assistance they could get in order to comply with such measures. One form of S&D could be the listing of the names of any developing country Members affected by the measure. Another form of S&D could be the application of international standards, or when these did not exist, the continued application of previous measures on imports from developing countries until such time as technical assistance permitted developing countries to meet the new requirements. Finally, developed countries should identify the effects of their measures on exports of developing countries and least developed countries. This information was already suggested, to some extent, in boxes 4 and 6 of the existing notification format. Egypt also proposed that this information be provided in the case of emergency notifications. Furthermore, developed countries should also provide technical assistance to help developing and least-developed countries comply with new or modified emergency measures through a period of 6 months.

70. Cuba supported the position put forward by Egypt. Other Members expressed concerns about the introduction of new boxes in the notification format that might rarely be filled. Other existing boxes already addressed the Egyptian concerns. Unlike other agreements to which S&D treatment could easily be applied, such as through lower tariffs, in the SPS area this was a concept of limited effectiveness because of the regulatory nature of SPS measures. Furthermore, SPS measures were already supposed to be the least restrictive to trade possible.

71. One approach suggested was that the usual notification of a proposed measure should first be made. However, during the comment period, interested developing countries should identify their difficulties. The notifying country and the developing country should then work out a solution taking into account Article 10.2, and the provision of technical assistance. Any S&D provisions should be identified in the addendum format used to notify the final measure. Additionally, if comments from a developing country were received after the comment period, the importing country should consider the need to revise its measure.

72. The discussions at the informal meeting had then moved on to the notification of equivalence agreements. Members first agreed that the definition used in the ongoing discussions of the Codex Proposed Draft Guidelines on the Judgment of Equivalence of Sanitary Measures Associated with Food Inspection and Certification Systems should serve as a reference for the Committee.

73. It had been stressed that in order to be considered equivalent, measures had to be different and that the trigger for the notification of an agreement on equivalence was the determination of

equivalence. However, some Members argued that *determination* of equivalence was different from *recognition* of equivalence. Determination was related to the process followed of examining the equivalence of a measure, whereas recognition reflected a positive decision in this regard.

74. The Chairperson indicated that in the light of discussions, the Secretariat had prepared a revised format for the notification of equivalence agreements.

75. The representative of Canada emphasized that there had been broad agreement about the concerns underlying the Egyptian proposal, but not on how to address these concerns. Canada reiterated its offer to submit an alternative approach for consideration at the November meeting, in consultation with Egypt.

76. The Committee adopted the format for the notification of determination of the recognition of equivalence of sanitary and phytosanitary measures (G/SPS/7/Rev.2/Add.1), and requested that the Secretariat bring this directly to the attention of national notification authorities and enquiry points.

IV. THE SPS AGREEMENT AND DEVELOPING COUNTRIES

(a) Implementation of the provisions for special and differential treatment

77. The representative of Canada, supported by Brazil, the European Communities and the United States, noted that this issue was under discussion in the Committee for Trade and Development (CTD), which had instructions to examine specific ways to make S&D provisions more effective and to help developing countries make more use of existing S&D provisions. Canada suggested that the SPS Committee examine this issue at its November meeting. The Chairperson could report on these discussions to the CTD. The representative of Egypt could not agree to such a decision at the time. The representative of India pointed out that the CTD had to report on its discussions by 31 July 2002.

78. The representative of Brazil recalled that Brazil had a proposal on transparency related to S&D treatment. Brazil was currently re-examining this proposal in light of the new transparency procedures.

79. The Chairperson took note of the comments and indicated that since S&D treatment was a standing item on the agenda of the SPS Committee, the subject could be discussed at the November 2002 Committee meeting, without prejudging the outcome of these discussions.

V. EQUIVALENCE - ARTICLE 4

(a) Report of informal meeting on equivalence

80. The Chairperson reported that the Committee's informal discussions on equivalence had focussed on the adopted programme for further work on equivalence (G/SPS/20), in particular the actions to be undertaken at the regular meeting of the Committee. The informal discussions on the clarification of paragraphs 5 and 6 and 7 of the Decision on equivalence (G/SPS/19) had been based on papers submitted by Australia and New Zealand, and on Argentina's clarifications of it earlier submissions (G/SPS/W/116 and W/117).

81. With regard to determining how information based on historic trade could be used to accelerate the determination of equivalence in the light of paragraph 5 of the Decision, Australia had noted that there was still some confusion between the concepts of equivalence and conformity with the requirements of the importing country (conformity determinations). Other Members had agreed that the Australian paper clarified these concepts. New Zealand had stressed that the Committee should retain its focus on principles and concepts, and avoid duplication with the work of the three standard-setting organizations. New Zealand was also of the view that the Committee did not need to

expand much further with regard to paragraph 5 of the Decision. Some Members had disagreed with New Zealand's approach regarding the risks of duplication and noted that, in accordance with the Doha Declaration, the Committee should undertake further work, irrespective of the work of the standard-setting bodies. Issues were not exclusively technical and they considered it the responsibility of the Committee to guide the actions of Codex, OIE and IPPC. Other Members had disagreed and noted that such an approach was contrary to the spirit of the Agreement. Moreover, further work did not necessarily require the development of guidelines.

82. One Member had noted that the technological gap between developing and developed Members caused serious difficulties. The Director-General's efforts to coordinate with the three standard-setting organizations were welcome, but more concrete actions were necessary, including financial support to expand developing countries participation in the work of the these organizations.

83. The Secretariat had been requested to prepare a paper on possible approaches to deal with issues related to paragraph 5, based on Members' comments and submissions.

84. With regard to the clarification of paragraph 6, Australia had noted that it was necessary to avoid the perception of a causative linkage between the submission of a request for recognition of equivalence and taking action to address compliance problems in existing trade. Restrictions on trade had to be justified in accordance with the SPS Agreement. There had been no disagreement with this approach and participants in the informal meeting agreed that there was no need for further discussion of this paragraph.

85. In the discussions regarding paragraph 7, one Member had observed that the importing country did not always identify the ALOP; that the ALOP was an abstract and often imprecise notion; and finally that the importing country's own measure did not always achieve the desired ALOP. Therefore, it was suggested that an exporting country's measures should only need to meet the same level of protection provided by the importing country's measures. A number of Members had agreed that a complicated situation could arise when there was a disparity between the level of protection required by the importing Member and that achieved by its own measures. In particular, a situation in which the importing country's measure exceeded its own level of protection raised the question of what should be requested from an exporting country.

86. However, some Members had recalled that the "Consistency Guidelines" (G/SPS/15) recognized that the ALOP was normally reflected in the importing country's measure. Moreover, the problem of non-statement of the ALOP was being dealt with by CCFICS, for example by indication of food safety objectives. The concern had been raised that the determination of the ALOP should not be left to dispute settlement panels as such a solution had serious economic implications for developing country Members.

87. The representative of the OIE had informed Members of the status of the OIE draft paper on equivalence. One Member had expressed concern with the notion of equivalent level of protection used in the OIE draft paper. The OIE representative indicated that such notion was used in response to a situation in which the entirety of the importing country's level of protection was not met because equivalence dealt with only one part of a measure or one process. However, OIE intended to study the CCFICS guidelines and, if necessary, revise its paper accordingly.

(b) Information from Members on their experiences

88. The representative of New Zealand noted that one of the main points of its paper (G/SPS/GEN/326) was the importance of clarifying the meaning of the concept of equivalence. According to New Zealand, equivalence as applied in the SPS area was about whether the alternative sanitary or phytosanitary measures proposed by the exporting Member delivered the importing Member's appropriate level of protection - not an "equivalent level". The issue was the equivalence of

measures to achieve a certain outcome and not the equivalence of *outcomes*. Second, New Zealand referred to the appropriate roles of the relevant international organizations working on equivalence and the need to avoid duplication. Third, New Zealand opined that the Committee need not provide much further clarification of paragraph 5 regarding accelerated procedures for determining equivalence based on historical trade. New Zealand recognized the difficulty in determining equivalence in practice, and the challenge of moving to standards based on more rigorous science. New Zealand supported both ways of overcoming this challenge mentioned in the Decision: the development of international standards and technical assistance. New Zealand urged Members to share their experiences with equivalence to enable the Committee to identify issues for the standard-setting bodies to consider in their technical texts. This would also help to identify gaps where supporting systems, such as transparency and technical assistance, could be targeted to facilitate equivalence agreements.

(c) Information from relevant observer organizations

89. The representative from the IPPC indicated that the IPPC was not yet carrying out specific work on equivalence, because the ICPM had decided it should first address the issue of measuring the efficacy of measures. The representative of Codex indicated that there had been no change in the situation since the late February meeting of the CCFICs. The next CCFICs meeting had been advanced to December 2002 instead of March 2003.

90. The representative of the OIE indicated that the OIE draft paper on equivalence would be modified and circulated again for comments before being proposed for possible adoption in May 2003. He clarified that the reference to the equivalent level of protection was meant to address situations where the importing country's measure comprised more than one step or sub-measure, for example (1) disease surveys on farms of origin, (2) use of a commercial processing plant, (3) heat treatment of the meat, and (4) use of clean packing boxes. If an exporting country proposed equivalence of the entire measure, then the consideration would be whether the importing country's ALOP was met by the equivalence proposal. The exporting country might, however, propose an alternative for only one step (or sub-measure), for example, cold marinade instead of heat treatment. In that case, considerations would be whether cold marinade provided an *equivalent level of protection* to heat treatment, or whether cold marinade met the importing country's sanitary objective *for that step*.

(d) Consideration of specific provisions of the Decision

91. The Secretariat agreed to prepare a document summarizing submissions related to paragraph 5 of the Decision, as requested during the informal meeting. The Committee could then determine whether there were sufficient elements, or whether further work needed to be undertaken. The representative of Singapore requested the opportunity to further discuss paragraph 6 at the next Committee meeting. The Chairperson indicated that discussions of paragraph 7 would continue during an informal meeting, to be held prior to the next formal meeting of the Committee.

VI. TECHNICAL ASSISTANCE AND COOPERATION

(a) Presentation of the Phytosanitary Capacity Evaluation by the Chairman of the Interim Commission on Phytosanitary Measures

92. The representative from the IPPC regretted that the chairman of the ICPM could not be available for this meeting. However, he could give this presentation at the next SPS Committee meeting if desired.

(b) Information from Members on the technical assistance questionnaire

93. The Secretariat introduced its document on Technical Assistance and Capacity Building in the Context of the SPS Committee (G/SPS/GEN/332), which summarizes the relevant discussions and documents circulated in the SPS Committee to date.

94. The representative of Indonesia indicated that exporters were still facing many problems in meeting SPS requirements in their markets. Indonesia required capacity building and training related to pest risk analysis and pest diagnostic and detection techniques (G/SPS/GEN/295/Add.6 refers). The representative of Morocco drew attention to its response to the questionnaire, circulated as G/SPS/GEN/17, and requested clarification regarding the follow up from the Secretariat. The representative of Costa Rica indicated that its reply to the questionnaire was only partial and preliminary (G/SPS/GEN/295/Add.18).

95. The representative of China announced that China would soon submit its reply to the questionnaire. After the March meeting of the SPS Committee, China had received delegations from Canada and from the European Communities to help identify technical assistance needs.

96. The representative of Egypt informed the Committee that during a recent meeting of the TBT Committee, a representative of the Technical Cooperation Division had presented information on planned activities including the development of a database on technical assistance. The representative of Egypt enquired whether a representative from the Technical Cooperation Division could provide similar information at the next SPS Committee meeting.

97. The Secretariat replied that the Agriculture and Commodities Division was participating the development of the database on technical assistance, and would request the Technical Cooperation Division to provide information on SPS-related activities. The Secretariat drew Members' attention to document WT/COMTD/W/95/Rev.3, which contained the Coordinated WTO Secretariat Annual Technical Assistance Plan for 2002. The Secretariat indicated that it would do its best to include in its programme for 2003 the requests for technical assistance made in the responses to the questionnaire. The programme for 2003 would be finalized at the end of July 2002. However, because of limited resources and expertise available, much of the technical assistance requested on the questionnaires could not be provided by the WTO Secretariat and would have to be addressed bilaterally or by other international organizations.

(c) Technical assistance activities

98. The Secretariat reported that since the Committee meeting in March 2002, it had been involved in ten technical assistance activities. For the second half of 2002, the Secretariat was planning activities involving 50 countries, including seminars or workshops in Zambia, Russia, Trinidad and Tobago, Tunisia, Argentina, Paraguay, Uruguay, Thailand, Yemen and Angola. The Secretariat highlighted the importance of regional organizations in providing technical assistance in Latin America and Asia, while in Africa no regional organization was playing such a role in providing a joint response to problems. The greatest weaknesses were still found in the legal and institutional frameworks of many countries and technical assistance in this area required more attention. There were often complaints that developing countries were encountering unjustified trade barriers in developed countries; these developing countries could provide evidence and raise their concerns in the SPS Committee meetings. Participation in the Committee and in standard-setting bodies continued to be a concern.

99. The Secretariat announced that it was exploring the possibility of holding a workshop or symposium on SPS-related capacity-building immediately preceding the SPS Committee meeting in November. The objective would be to bring together those operating technical assistance programmes with those identifying needs.

100. The representative of Argentina expressed concern that although some developing countries had become more active participants in standard-setting activities, the current economic situation faced by some countries made such participation more difficult, especially given the large number of meetings to attend, overlap in meeting dates and the distance to some of the meeting places.

101. The representative of the Philippines, on behalf of ASEAN, stressed the need for a more targeted approach to technical assistance, focussing on market access, and combining capacity building with special and differential treatment. Developing country needs did not always match the priorities of donors, and technical assistance should focus on products of interest to developing countries.

102. The representative of the United States provided an update of its technical assistance activities (G/SPS/GEN/181/Add.2).

103. The European Communities provided information on a project implemented in Madagascar in 1997-2002 designed to help Madagascar export animal products to the European Communities. Assistance had been required with respect to legislation, the veterinary service, reference laboratories, HACCP procedures, financial aid for small enterprises, regional laboratories for small exporting businesses, and improvement of hygiene in facilities. Most assistance had been provided by the French aid agency. Before the project, Madagascar was not allowed to export to the European Communities because of the insufficiency of the sanitary services. However, exports had been possible after the project.

104. The representative of the Codex reported that both FAO and WHO were pursuing capacity-building and technical assistance programmes covering a farm (or sea) to table systems-management approach to food quality and safety, founded on the work of the Codex Alimentarius Commission. This was part of an integrated framework based on the concept of the Global Facility on Food and Agricultural Safety and Quality for LDCs. FAO sought the involvement of other interested partners including UN Agencies, WTO and the World Bank in the Facility. The Codex Executive Committee was considering a proposed trust fund for developing country participation in Codex, and there was a good chance that this fund would be activated in 2003.

105. The representative from ITC reported on a joint project of the ITC and the Commonwealth Secretariat to determine technical assistance needs in the SPS and TBT areas (G/SPS/GEN/335). The project included case studies in Kenya, Mauritius, Uganda, Namibia, Jamaica and Malaysia, which identified difficulties in the implementation of rights and obligations of the SPS Agreement. The case studies had also identified examples of appropriate technical assistance, including development of an export market access strategy for specific products, identification of SPS barriers and technical assistance required to overcome them. Capacity building was required, for example, to develop an SPS capacity database and a framework to assist in setting technical assistance priorities; related to tertiary education; to establish and/or strengthen SPS enquiry points; to encourage the provision of tangible technical assistance under Article 9 of the SPS Agreement; to review the modus operandi of international standards organisations; to strengthen regional capacity for non routine (i.e. reference) testing; for record keeping; and to challenge specific measures applied over and above international standards by some importing countries.

106. The representative from IICA highlighted some of the activities described in more detail in G/SPS/GEN/333. An International Seminar on Animal Health Equivalence and Risk Analysis had been organized in Bolivia. IICA, the Colombian Institute of Agriculture, the US Animal and Plant Health Inspection Service (APHIS) and United States Agency for International Development (USAID) had signed an agreement for the implementation of the Andean Center for Risk Analysis Studies, in Bogota, Colombia. The third module of the Executive Series on Leadership in Food Safety had been held in April 2002 in Chile. A seminar on SPS in Central America had been held in Panama in June, and several activities were planned in the Caribbean for the near future.

VII. MONITORING THE USE OF INTERNATIONAL STANDARDS

(a) Fourth Annual Report on the Procedure to Monitor the Use of International Standards

107. The Committee adopted the fourth annual report on the procedure to monitor the use of international standards (G/SPS/21).

(b) New issues

108. No Member raised a new issue under this procedure. The Secretariat noted concerns that this procedure was not being used. In the past, when issues had been identified, the response from the relevant standard-setting organizations had been irreproachable and the procedure had worked extremely well. It was possible that the non-use of the procedure was related to the requirement to raise new issues 30 days in advance of the Committee meeting.

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

109. The representative of the OIE indicated that the organization now had 162 members, and several applications in course. Detailed information on recent and scheduled activities was contained in G/SPS/GEN/327 and 328. The representative highlighted that work had commenced on food safety related to animal production, and on animal welfare. Permanent working groups were to be established for both subjects. Changes had been made to both the International Animal Health Code and to the International Aquatic Animal Health Code, including revisions to the FMD chapter. The work programme for the next year included surveillance and monitoring guidelines for BSE, avian influenza, infectious bursal disease, bee diseases, and compartmentalization (using Newcastle disease as an example). Regarding infectious bursal disease, the OIE had been waiting for research results in order to progress in this area, but so far had not received information. The representative of the OIE encouraged Members to provide information on this disease.

110. The representative of Argentina expressed concern about the effects that OIE recommendations on animal welfare might have on international trade in animal products. While a technical approach to animal welfare in the OIE was appropriate, Argentina was concerned about the binding nature of international standards under the SPS Agreement. The representative of Chile asked what priorities the working group on animal welfare would address. The representative of New Zealand indicated that the OIE was well-placed to provide leadership on the issue of animal welfare, and that the issue should not be addressed at the WTO.

111. The representative of Egypt requested more information on the OIE's new regional approach, about the agreements between the OIE and other organizations, about the work on food safety, the work undertaken with CGIAR and on reference laboratories (mentioned in paragraphs 5, 6, 11, 28 and 29 of G/SPS/GEN/327, respectively). He also enquired whether the OIE was considering a fund to increase developing-country participation in standard setting.

112. The representative of the OIE replied that no such fund was under discussion, but that the OIE covered the cost of participation of delegates and experts in meetings. Regarding the CGIAR activity, information was available on the OIE website. The other questions posed by Egypt and Chile were answered in document G/SPS/GEN/327, including its annexes.

113. The representative from the IPPC informed the Committee that the new standard on wood packaging, which included a mark in lieu of certification, had encountered some difficulties because a private firm had applied for a trademark. Rather than pursue legal action, the IPPC would use a different mark, which had to be developed internally by FAO and registered. The IPPC recommended the Members to suspend implementation of the standard until further notice. The first meeting of the

new Standards Committee had taken place in May 2002. Draft standards had been sent to governments for consultation, including changes to the glossary, a supplement addressing environmental risks in quarantine pest risk assessment, and irradiation as a phytosanitary treatment. Comments would be reviewed in November and the standards proposed for adoption in April 2003.

114. The representative from the Codex reported that the Kyrgyz Republic and the Bahamas had become members of the Codex Alimentarius Commission (CAC). Regarding the World Food Summit held in Rome in June 2002, she reported that governments had reaffirmed the role of Codex, IPPC and OIE to provide effective, science-based, internationally-accepted standards; pledged to continue to support efforts to strengthen developing countries' capacity with respect to the management of food safety; pledged to strengthen FAO activities that enable developing and transition countries to meet food safety issues; and called upon member countries, intergovernmental and non-governmental organizations and the private sector to consider voluntary contributions to the FAO Trust Fund for Food Security and Food Safety.

115. With respect to matters of interest arising from the work of the CAC, the representative from Codex indicated that the Codex Committee on General Principles (CCGP) had decided to advance the Proposed Draft Working Principles for Risk Analysis in the framework of the Codex to the 50th Session of the Executive Committee for preliminary adoption. These Principles were to be included in the Procedural Manual of the CAC when finalized. In addition, the Committee had decided to undertake the elaboration of such principles for application by governments. The CCGP had decided to seek legal advice on the proposed amendments to the Rules of Procedure regarding membership of regional economic integration organizations, especially concerning voting rights. The CCGP also agreed to discuss the application of traceability at its next session on the basis of a document to be prepared by the Codex secretariat. The Codex Committee on Pesticide Residues had recommended a number of maximum residue limits (MRLs) for final adoption by the next session of the CAC. This Committee also agreed to prepare a document outlining the risk analysis policies used in establishing Codex MRLs for pesticides with a view to developing specific guidelines on risk analysis for incorporation in the Procedural Manual. The Codex Committee on Fish and Fishery Products had advanced a number of draft sections of the Code of Practice for Fish and Fishery Products to the CAC for final adoption, while returning the remaining sections for circulation, additional comments and further consideration at its next session. The Code incorporated the HACCP approach and contained guidance on the use of HACCP as well as a pre-requisite programme covering technological guidelines and essential hygiene requirements. In addition, the Committee forwarded a Proposed Draft Model Certificate for Fish and Fishery Products in relation to sanitary measures for preliminary adoption by the CAC.

116. The representative of Canada indicated that his country supported the evaluation of Codex being conducted by FAO and WHO, in particular its focus on management issues and mechanisms to enhance its efficiency in the development of food standards. Canada looked forward to results from this timely evaluation which would advance significantly issues raised at the Doha Ministerial Conference, such as increasing the participation of countries at different levels of development and improving the design and delivery of technical assistance related to food standards. Nonetheless, Canada had serious concerns with some elements of the terms of reference for the evaluation which identified issues either not directly relevant to Codex, or issues which the CAC had already addressed and reached consensus on after extensive and sometimes contentious discussion spanning several years, such as the role of "other legitimate factors". In particular, Canada noted the references to ethical and cultural issues. The representative of Canada indicated that any erosion of the scientific basis for Codex standards referenced in Annex A of the SPS Agreement would call into question the privileged status of the CAC under the SPS Agreement. Canada strongly supported the current relationship between Codex and the SPS Agreement, and therefore had concerns regarding the scope of the evaluation being conducted by FAO and WHO and its potential adverse impact on the implementation of the SPS Agreement. Canada called on Members who shared these concerns to express them when providing input to the FAO/WHO review.

117. The representatives of Uruguay, Argentina, Brazil, the United States, Peru, Costa Rica and Australia shared Canada's concern and emphasized the importance of basing international standards on scientific principles.

118. The representative of the European Communities agreed with many of the points raised by these delegations, but recalled that Codex had two missions. The first was setting food safety standards, which must remain science based, but the second mission was related to trade requirements including labelling covered by the TBT Agreement which were not based on science but on commercial criteria.

119. The representative from the Codex explained that the evaluation of the Codex was being carried out by an independent evaluation team which would make recommendations for consideration by the governing bodies of FAO and WHO, the Executive Committee and the CAC. The Codex secretariat was not involved in this review. The Codex representative encouraged countries and observer organizations to contribute their views in writing to the review process.

IX. OBSERVERS - REQUESTS FOR OBSERVER STATUS

120. The ad hoc observers of the ACP Group, EFTA, IICA, OECD, OIRSA and SELA were invited to attend the next Committee meeting.

(a) Information from the OIV

121. The representative of the European Communities, referring to new information provided by the OIV in G/SPS/GEN/329, highlighted the changes made in the organization of the OIV. Decisions were normally to be made by consensus. Thirty-five members had already signed the new agreement. He noted that the purpose of the OIV was directly related to standards and the safety of wine products. The United States indicated it continued to have reservations about accepting the OIV as an observer.

(b) Request from the Convention for Biological Diversity (G/SPS/GEN/121/Add.2)

122. The representatives of the European Communities, Canada, New Zealand and Brazil favoured accepting the CBD as an observer. The representative of Egypt indicated that although in principle his country supported granting observer status to the CBD, the question of whether to grant observer status to the OIV or the CBD should be decided by the General Council and not by the SPS Committee.

X. PREPARATIONS IN CONNECTION WITH PARAGRAPH 18 OF THE PROTOCOL ON THE ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA

123. The representative of the United States requested that, for the next meeting, China describe the actions it had taken regarding implementation of Annex B of the SPS Agreement, including steps taken to publish measures, establish an enquiry point and notification procedures.

124. The representative of China indicated that his country was willing to fulfill its obligations and had been making great efforts in preparation for the transitional review. China's obligations in this respect were contained in paragraph 18 of the Protocol of Accession; these obligations could not be extended. The review was to take place at the last regular meeting of the Committee in 2002. The representative of China invited Members to raise relevant questions well in advance of the review at the November meeting of the Committee. China might also address questions to other Members regarding measures applied against China that were inconsistent with the WTO. China hoped that such an exchange of views would contribute to an improved implementation by all Members and facilitate growth of trade between China and other Members.

125. The Chairperson confirmed that the review would take place at the November meeting of the SPS Committee and indicated that interested Members were invited to provide questions in advance to China.

XI. OTHER BUSINESS

Argentina: Chile's modification to the draft standard on frozen bovine meat

126. The representative of Argentina reported that at a bilateral meeting Chile had shown its willingness to make progress regarding Argentina's concerns over Chile's standard on frozen bovine meat. The representative of Chile confirmed that bilateral relations had been very positive.

Indonesia: EC restrictions on shellfish

127. The representative of Indonesia raised concerns regarding an EC prohibition on shellfish from Indonesia due to biotoxic residues that had been applied for two years. According to Indonesian studies, only three gulfs were not free of biotoxins, and these had been closed to shellfish fishing. The European Communities had agreed to send an inspection team as soon as all required information had been provided by Indonesia. Indonesia had sent information to the European Communities in response to a questionnaire and requested that the European Communities send an inspection team as soon as possible.

128. The representative of the European Communities explained that for any country to export these products, an approved sanitary programme was required, including control procedures. Information provided by Indonesia had given the impression that controls were not mandatory, and in March 2001 the European Communities had sent a further questionnaire to which no response had been received. The representative of the European Communities indicated that as soon as the reply to the questionnaire was received, an EC evaluation team would visit Indonesia. The representative of Indonesia agreed to re-submit the response to the questionnaire to the appropriate address.

Hungary: Developments regarding Turkey's restrictions on pet food

129. The representative of Hungary recalled that in March, her country had submitted several questions to Turkey. However, Turkey had not provided an official response. Hungary had requested consultations under the DSU on 5 May 2002. Although some progress had been made at the consultations, the problem was still pending. Hungary hoped to find an amicable solution by the 5 July 2002 DSU deadline.

130. The representative of Turkey indicated that since the issue was now a formal dispute, confidentiality requirements had to be respected. Turkey would inform the Committee of further developments at a later stage.

Thailand: Lifting of Mexican import prohibition on Thai milled rice

131. The representative of Thailand recalled that Mexico had first imposed a ban on Thai milled rice in 1993, listing Thailand as a country affected by the khapra beetle. The issue had become a regular agenda item in the SPS Committee since 1997. Following exchanges of information and consultations, Mexico had recognized in 1999 that Thai rice was free from this pest and announced that the relevant regulation would be revised to lift the ban. The representative of Thailand informed the Committee that on 15 April 2002, Mexico had published the revised regulation. Thailand appreciated Mexico's cooperation on this matter and thanked the Committee for its patience and support.

Thailand: Request for update from European Communities on 3-MCPD

132. The representative of Thailand indicated that the European Communities had reported that 3-MCPD was being evaluated and requested an update. The representative of the European Communities confirmed that 3-MCPD had been re-evaluated and found to be carcinogenic but not genotoxic, so the ALARA principle no longer needed to be applied. However, a scientific study on exposure of consumers to 3-MCPD and other chloropropanols was required. The European Communities hoped to have all necessary information by the end of 2002, at which point the Scientific Committee would undertake a risk assessment.

Thailand: Request for an update from Australia on durian

133. The representative of Thailand reiterated concern that Australia required cutting of the product for inspection purposes, and applied an excessive sample size. Australia had indicated that it was considering an alternative method, and Thailand requested an update. The representatives of Malaysia and the Philippines expressed interest in this issue.

134. The representative of Australia indicated that Australia was willing to consider alternatives to destructive sampling if their efficacy was shown. On the basis of joint trials, X-ray technology appeared promising. The representative of Australia offered to keep the Committee informed.

Thailand: Request for an update from Australia on cooked chicken meat (IBD virus)

135. The representative of Thailand informed the Committee that in May 2002, Thailand had submitted a risk assessment on IBD virus in Thai cooked chicken meat to Australia which showed that the risk of introducing IBDV to backyard flocks through cooked chicken meat was negligible. Thailand hoped that within its new food safety mandate, the OIE would undertake work on IBD.

136. The representative of Australia indicated that conditions for importation of cooked chicken had come into effect in August of 1998, setting certain time and temperature cooking parameters. Thailand had applied for access for product from a certain facility, and had recently provided information. Australia would provide a response once the Thai document had been considered by an expert review group.

137. The representative of the OIE reiterated his request that Members submit information on IBD. Although IBD was on the OIE's work programme, the OIE needed information to be able to make progress with the work.

Thailand: Request for an update from Australia on prawns and prawn products

138. The representative of Thailand sought information on Australia's interim measure related to white spot syndrome. In particular, Thailand requested information on the period of application of the interim measure and its scientific basis. The representatives of Malaysia and the Philippines expressed interest in this issue.

139. The representative of Australia replied that a report had been published on progress made, including a summary of a meeting with stakeholders. The next meeting of the risk analysis panel considering the issue was scheduled for late July 2002, after which a draft risk analysis report would be issued. The scientific concerns on white spot syndrome which had led to the interim measure remained. Australia had completed an equivalence assessment, and on 25 June 2002 implemented changes in the requirements for highly processed prawn products.

XII. CALENDAR OF MEETINGS FOR 2003

140. The Secretariat announced that the regular meetings of the Committee in 2003 were tentatively been scheduled for:

- 4-6 March 2003,
- 23-25 June 2003, and
- 28-30 October 2003

These dates allowed for one day of informal meetings followed by two days of formal meeting, as necessary. The dates of the June meeting had been chosen to precede the meeting of the Codex Executive Committee and Commission. The Secretariat indicated that since negotiations were in course, scheduling meetings had become very difficult, in particular since no more than two regular meetings could be scheduled simultaneously.

141. The representatives of Canada, the European Communities and the United States expressed a preference for formal meetings to be scheduled on Tuesdays to Thursdays to allow time for informal consultations.

XIII. DATE AND AGENDA OF NEXT MEETING

142. The Committee agreed on the following tentative agenda for the formal Committee meeting:

1. Proposed agenda
2. Implementation of the Agreement
 - (a) Information from Members
Activities of Members
 - (b) Specific trade concerns
 - (i) New issues
 - (ii) Issues previously raised
 - (c) Consideration of specific notifications received
 - (d) Any other matters related to the operation of transparency provisions
3. SPS Agreement and developing countries
 - (a) Implementation of the provisions for special and differential treatment
 - (b) Report to Trade Negotiations Committee
4. Equivalence – Article 4
 - (a) Information from Members on their experiences
 - (b) Information from relevant observer organizations
 - (c) Consideration of specific provisions of the Decision (paragraphs 5, 6 and 7)
5. Technical assistance and cooperation
6. Monitoring the use of international standards
7. China Transitional Review
8. Matters of interest arising from the work of observer organizations
9. Observers - Requests for observer status
10. Chairman's Annual Report to the CTG
11. Other business
12. Date and agenda of next meeting

143. The next SPS Committee meeting is scheduled for 7-8 November 2002. The following deadlines are relevant:

- for identifying new issues for consideration under the monitoring procedure: **7 October 2002**
 - for requesting that items be put on the agenda: **25 October 2002**
 - for the distribution of the airgram: **28 October 2002.**
-