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Committee on Sanitary and Phytosanitary Measures

PANAMA'S UNDUE DELAYS IN THE RENEWAL OF AUTHORIZATIONS FOR PLANTS OF PERUVIAN FISHERY AND LIVESTOCK ENTERPRISES (STC NO. 509)

COMMUNICATION FROM PERU

The following communication, received on 8 November 2021, is being circulated at the request of the delegation of Peru.

- 1. Peru would like to express before WTO Members its trade concern regarding Panama's undue delays in renewing authorizations for plants of Peruvian fishery and livestock enterprises.
- 2. Article 8 and Annex C(1)(a) and C(1)(c) of the SPS Agreement establish that the procedures undertaken to check the fulfilment of a sanitary measure must be completed without undue delay and the information requirements limited to what is necessary for these procedures. Panama has failed to comply with this since Peruvian enterprises' authorizations have not been granted or renewed despite the repeated requests sent by Peru and without due technical justification.
- 3. Peru wishes to highlight that, despite the bilateral meetings and efforts undertaken, Panama has not communicated the anticipated processing period for renewing authorizations or including new authorized enterprises; there is also uncertainty as to the length of time that would be granted to Peruvian enterprises should renewal or a new authorization be secured, in violation of Article 8 and Annex C(1)(b) of the SPS Agreement, which indicates that upon request, Members must communicate the anticipated processing period for an approval procedure. Peru is also uncertain as to why some companies are granted a longer period for the renewal of their licences and others a shorter period.
- 4. At present, 24 Peruvian exporters of hydrobiological products are affected (their authorization is no longer valid). Two expired on 30 June 2021 and the other 22 expired on 31 October 2021, without technical justification. Furthermore, Panama has failed to attend to another 49 enterprises whose inclusion on the Panamanian health authority's official list has been requested, despite the fact that Peru has provided all the required health information since 2019. On this point, it is worth noting that Peru has a USD 1.4 million export potential for hydrobiological products.²

¹ Communications sent:

Official Note No. 676 - 2019-SANIPES/DHCPA, 17 December 2019;

Official Note No. 014 - 2020-SANIPES/DHCPA, 7 January 2020;

Official Note No. 063 - 2020-SANIPES/DHCPA, 17 January 2020;

Official Note No. 109 - 2020-SANIPES/DHCPA, 31 January 2020; Official Note No. 231 - 2020-SANIPES/DHCPA, 21 February 2020;

Official Note No. 346 - 2020-SANIPES/DHCPA, 30 April 2020;

Official Note No. 158 - 2020-SANIPES/PE, 15 May 2020; 7.

Official Note No. 763 - 2020-SANIPES/DHCPA, 8 October 2020;

Official Note No. 1009 - 2020-SANIPES/DHCPA, 28 December 2020;

^{10.} Official Note No. 0073 - 2021-SANIPES/DHCPA, 29 January 2021;

^{11.} Official Note No. 0194 - 2021-SANIPES/DHCPA, 5 March 2021;

^{12.} Official Note No. 0207 - 2021-SANIPES/DHCPA, 10 March 2021; 13. Official Note No. 0454 - 2021-SANIPES/DHCPA, 1 June 2021.

² According to the ITC's Export Potential Map.

- 5. Likewise, three Peruvian livestock enterprises³ are awaiting the renewal of their authorization and one enterprise⁴ has applied for a new authorization from Panama. In this connection, Peru has issued communications since October 2020, which have not been addressed in accordance with Annex C of the WTO SPS Agreement. These enterprises¹ exports to Panama reached USD 323,000 in 2020. Furthermore, Peru¹s export potential in Panama of frozen turkey meat and turkey, not cut in pieces, is approximately USD 138,900 and USD 338,000, respectively.⁵
- 6. Likewise, the renewal is still pending for one Peruvian enterprise⁶ exporting processed dairy products, for which the relevant communications and repeated requests have been issued.⁷ The enterprise's dairy exports to Panama amounted to USD 697,000 in 2020. It should be noted that Peru's export potential for dairy products (milk/concentrated cream) in Panama totals USD 1.5 million.⁸
- 7. In addition, Peru wishes to recall that, pursuant to Articles 2.2 and 5.1 of the WTO SPS Agreement, Members' sanitary measures are to be applied only when they are necessary to protect human, animal or plant life or health and these measures must be based on a risk assessment. Unfortunately, Panama has still failed to indicate any health reasons for not renewing the authorizations or granting new authorizations to Peruvian enterprises.
- 8. In the light of the foregoing, and in order to prevent a continued violation of Articles 2.2, 5.1, 8 and Annex C(1)(a), C(1)(b) and C(1)(c) of the WTO SPS Agreement, Peru asks Panama to renew the authorizations of Peruvian export plants, to provide new authorizations and to avoid further delays that have no technical justification and that in practice represent unnecessary barriers to trade.

³ The enterprises are:

SAN FERNANDO S.A., plant code CBSF2502 SENASA;

REDONDOS S.A., plant code EST. 01143-SENASA;

⁻ RINTI S.A. plant code ESTABLECIMIENTO 0000013963

Communications sent:

^{1.} CARTA-0485-2020-MINAGRI-SENASA-DSA, 1 October 2020:

^{2.} CARTA-0659-2020-MIDAGRI-SENASA-DSA, 7 December 2020;

^{3.} Official Note No. 069 - 2021-MINCETUR/VMCE/DGPDCE/DRTCE, 14 June 2021.

⁴ Official Note No. 065 - 2021-MINCETUR/VMCE/DGPDCE/DRTCE, 8 June 2021.

 $^{^{\}rm 5}$ According to the ITC's Export Potential Map.

⁶ GLORIA S.A., plant code SNP1.

⁷ Communications sent:

^{1.} Official Note No. 001 - 2021-MINCETUR/VMCE/DGPDCE/DRTCE, 7 January 2021:

^{2.} Official Note No. 069 - 2021-MINCETUR/VMCE/DGPDCE/DRTCE, 14 June 2021.

⁸ According to the ITC's Export Potential Map.