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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 July 2022, 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 of, and Annex C(1)(a) and C(1)(c) to, 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 renewed, with no technical justification, and despite the repeated requests sent by Peru both bilaterally and multilaterally.
- 3. Peru wishes to highlight that, despite the bilateral meetings and efforts undertaken, Panama has not communicated the anticipated processing period for renewing authorizations; there is also uncertainty as to the length of time that would be granted to Peruvian enterprises should renewal of their authorization be secured, in violation of Article 8 of, and Annex C(1)(b) to, the SPS Agreement, which indicates that, upon request, Members must communicate the anticipated processing period for an approval procedure. In this regard, Peru is uncertain as to why some companies are granted a longer period for the renewal of their licences and others a shorter period.
- 4. A total of 31 Peruvian exporters of hydrobiological and livestock products are currently affected (their authorization is no longer valid), without technical justification. Of these 31 companies, 29 export hydrobiological products. There is currently only one Peruvian plant with a valid authorization, which expires on 29 December 2023 (VITAPRO S.A.). On this point, it is worth noting that Peru has a USD 1.4 million export potential for hydrobiological products.
- 5. Meanwhile, there are currently two¹ Peruvian livestock enterprises waiting for their authorization to be renewed. In this connection, Peru has issued communications since October 2020, which have not been addressed in accordance with Annex C to the WTO SPS Agreement.
- 6. It should be noted that, despite the requests made in the bilateral meetings and the fact that, in one of these meetings, Panama stated that it had the necessary information to renew the authorization of these companies (San Fernando S.A. and Redondos S.A.), on 8 April 2022, by Note APA-DD-209-2022, the Panamanian health authority informed Peru that it was required to

Communications sent:

¹ The enterprises are:

SAN FERNANDO S.A., plant code CBSF2502 SENASA; REDONDOS S.A., plant code EST. 01143-SENASA.

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

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

^{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.

initiate the "zoosanitary eligibility process", which had not been notified beforehand either bilaterally or in this forum. Peru responded² on 20 April 2022, requesting information on the process and the steps to be taken; however, to date, no response has been received.

- 7. These enterprises' exports to Panama reached USD 323,000 in 2020. Furthermore, Peru's export potential in Panama of frozen turkey meat and turkey, not cut in pieces, is approximately USD 138,900 and USD 338,000, respectively.³
- 8. Likewise, the renewal is still pending for one⁴ Peruvian enterprise exporting processed dairy products, for which the relevant communications and repeated requests have been issued.⁵ 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.⁶
- 9. 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.
- 10. In the light of the foregoing, and in order to prevent a continued violation of Articles 2.2, 5.1 and 8 of, and Annex C(1)(a), C(1)(b) and C(1)(c) to, the WTO SPS Agreement, Peru asks Panama to renew the authorizations of Peruvian export plants and to avoid further delays that have no technical justification and that in practice represent unnecessary barriers to trade.

² CARTA-0152-2022-MIDAGRI-SENASA-DSA.

³ According to the ITC's Export Potential Map.

⁴ GLORIA S.A., plant code SNP1.

⁵ 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.

⁶ According to the ITC's Export Potential Map.