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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 26 April 2023, is being circulated at the request of the delegation of <u>Peru</u>.

- 1. Peru would like once again to present to WTO Members its specific trade concern regarding Panama's undue delays in renewing authorizations for plants of Peruvian fishery and livestock enterprises.
- 2. It should be noted that the aspects relating to Peruvian plants exporting poultry meat have been partially withdrawn from the STC.
- 3. With regard to the case of Peruvian plants exporting hydrobiological and dairy products, Peru wishes to point out that 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 made both bilaterally and multilaterally before this Committee.
- 4. In addition, despite the bilateral efforts undertaken, Panama has failed to communicate the anticipated processing period for renewing authorizations in a manner that is timely and based on its regulations. There is also no information or certainty about 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.
- 5. Peru is uncertain as to why some companies are granted a longer period for the renewal of their authorizations and others a shorter period. A total of 27 Peruvian plants exporting hydrobiological products are currently affected and renewal is still pending for one¹ Peruvian enterprise exporting processed dairy products, for which the relevant communications and repeated requests have been issued.²
- 6. It should be noted that Panama has yet to respond to repeated requests made by Peru by email or in the letter dated 8 September 2022³, addressed to the Minister for Trade and Industry of Panama, requesting a meeting of the Peru-Panama Free Trade Agreement Administrative Commission.

¹ GLORIA S.A., plant code SNP1.

² 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.

³ Official Note No. 540-2022-MINCETUR/DM.

- 7. Peru regrets the clear failure of the Government of Panama to show any commitment to or interest in providing responses to Peru's communications, or to the consultations regarding the non-renewal of the authorizations of Peruvian fishery and livestock enterprises.
- 8. Accordingly, Peru wishes to recall once again 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. Instead, it is imposing more and more conditions without a clear and transparent legal basis.
- 9. 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.