

Committee on Sanitary and Phytosanitary Measures

SUMMARY OF THE MEETING HELD ON 29-30 OCTOBER 2003

Note by the Secretariat¹

I. ADOPTION OF THE AGENDA

1. The Committee on Sanitary and Phytosanitary Measures (the "Committee") held its twenty-eighth meeting on 29-30 October 2003. The Chairman of the Committee, Mr. Paul Martin (Canada), opened the meeting. The agenda proposed in WTO/AIR/2197 was adopted with amendments.

II. IMPLEMENTATION OF THE AGREEMENT

(a) Information from Members

(i) Activities of Members

Bovine spongiform encephalopathy (BSE) in Canada

2. The representative of Canada reported on developments related to its one case of BSE. Canadian authorities had identified the herd of origin and the date of birth of the case animal, which was prior to Canada's feed ban. The most likely source of infection was contaminated feed associated with a very small number of animals imported from the United Kingdom between 1982 and 1989, which introduced infectivity into the animal feed chain after they were slaughtered. Canada was implementing the recommendations made by an international team of BSE experts, including the removal of Specified Risk Material (SRM) in food for human consumption, and drew Members' attention to a recent paper by Canadian scientists (available at www.inspection.gc.ca) that concluded Canada was a minimal risk country as defined by the OIE's Terrestrial Animal Health Code.

3. Canada reminded countries of the OIE recommendations regarding certain products that should be exempt from any BSE-related measures, regardless of a country's BSE status: semen, embryos, milk and milk products, and protein-free tallow. Canada also requested Members to allow market access for non-risk meat and meat products, including lamb, goat, caribou and muskox, consistent with the OIE standards, as well as to agree on conditions that would allow for trade in certain categories of pet food and live animals. The OIE's Ad Hoc Group for Evaluation of Country Status for BSE had met in Paris on 22-26 September 2003, and the OIE would continue to review the BSE Chapter based on new scientific information and consider the means to simplify the categorization of a country. Further details on the Canadian situation are available in G/SPS/GEN/448, and from the Canadian Food Inspection Agency website www.inspection.gc.ca.

4. The representative of the OIE reported that proposed changes to the BSE chapter resulting from the meetings held in September would be circulated to the Codex Committee and to OIE members in May 2004. The Ad Hoc Group for Evaluation of Country Status was evaluating a "provisional freedom from BSE" status, also to be discussed in May 2004.

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.

FMD situation in Argentina

5. The representative of Argentina reported that there had been an outbreak of foot-and-mouth disease (FMD) on 29 August 2003. The suspected case had been in the north of the country, where 37 pigs were affected although FMD was not yet confirmed. Measures taken included the non-introduction of animals from infected areas; restrictions on exports from the area (although animals in the area were produced strictly for local consumption); all susceptible species within a 3 km zone vaccinated; and a 10 km surveillance zone declared late August.

Australian Handbook on Risk Assessment and the Quarantine and Market Access Conference

6. The representative of Australia informed the Committee of Australia's recently published a revised Import Risk Analysis Handbook, replacing the 1998 version. The Handbook, available on the Australian Government Department of Agriculture, Fisheries and Forestry website (www.daff.gov.au/biosecurityaustralia), as a CD Rom or in hardcopy, explained Australia's risk assessment procedures.

7. The representative of Australia also reported on the third Quarantine and Market Access Conference held in September 2003, in conjunction with the Australian Department of Agriculture, Fisheries and Forestry and the Quarantine Export Advisory Council. The Conference drew 250 delegates from around the world. Proceedings from the Conference are available on the website and in hardcopy (e-mail: bde@daff.gov.au). The representatives of Brazil and China noted that their experts had participated in the Conference and found it extremely helpful.

Venezuela's Agricultural Health Service (SASA)

8. The representative of Venezuela provided information regarding the structure and operation of it SASA, which executed SPS-related programmes in Venezuela (G/SPS/GEN/442).

US Public Health Security and Bioterrorism Regulation

9. The representative of the United States invited Committee participants to an information session to be held 29 October 2003, on the status and implementation of the two new US bioterrorism regulations. On 10 October 2003, the FDA published two regulations in the form of interim final regulations, which will take effect as of 12 December 2003. The United States would continue to accept comments on specific issues until 24 December 2003, and would reopen the comment period for an additional 30 days beginning in March 2004, after countries had some experience with the working of the regulations. In the initial months of implementation, the United States would exercise its discretion in the enforcement of the interim final rules, recognizing that a number of affected parties might require assistance in understanding the rule's requirements in order to comply. The United States was undertaking outreach and educational activities to assist countries understand the new regulations.

10. The representative of the European Communities expressed disappointment that the European Communities had not received direct replies to comments it made in August 2002 and April 2003 regarding the different information requirements of different US agencies which it hoped could be harmonized and less trade restrictive. He also questioned the requirement of an agent in the United States, who appeared to have no legal liabilities, to act as a contact point.

(b) Specific Trade Concerns

(i) New issues

Korea's guidelines for maximum residue level (MRL) testing

11. The representative of the United States expressed concern that Korea's changed import regulation was onerous and not supported by science. Under the new import inspection programme, imported grains, fruits and vegetables would be subjected to an annual MRL test for the presence of 196 agricultural chemicals. Importers would have to bear the US\$1,800 cost of such tests, whereas domestic producers were exempt from the mandatory testing requirements. Domestic producers were subject to random tests, for which the Korean Government bore the costs.

12. The representatives of Australia, the European Communities and New Zealand also requested Korea to amend the measure, which they described as contrary to Annex C of the SPS Agreement.

13. The representative of Korea responded that Korea had amended the regulations to meet its appropriate level of protection and noted that there were no comments on this issue when Korea circulated its SPS notification at the beginning of this year. He stated that Korea planned to considerably reduce the testing fee as a result of a decrease in the cost of testing due to technical developments.

14. The representative of the United States replied that on 10 March 2003, the United States submitted comments on Korea's notification (G/SPS/N/KOR/123), and there had been two meetings in September between US and Korean officials regarding this issue.

The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei) import restrictions on potatoes

15. The representative of New Zealand reported that her country had been experiencing delays with its request for market access for potato exports to Chinese Taipei despite fulfilling all the requirements. New Zealand has also responded to requests by Chinese Taipei for additional information which concerned pests not found in New Zealand and pests not found on the potato commodity exported, but only on the potato plant. Chinese Taipei had now agreed to use ISPM 10, which provided guidance on the Requirements for the Establishment of Pest Free Places of Production and Pest Free Production Sites, to consider New Zealand's request.

16. The representative of Chinese Taipei recalled that New Zealand had first requested access on 20 September 1995, although New Zealand did not provide an assurance that its potatoes were free from nematodes until April 2001. In February 2002, New Zealand had withdrawn its initial request, asking that its proposal be considered under ISPM 10. In July 2002, a new pest risk assessment was completed. After a visit by officials from Chinese Taipei, New Zealand was asked to provide an updated pest list. This was received on 31 April 2003. Chinese Taipei had then requested further information on the status of pests on 23 September 2003, but had yet to receive New Zealand's response which it needed before it could prepare an import quarantine regulation.

Chinese Taipei requirements for heat treatment for meat and bone meal in poultry

17. The representative of the United States indicated that the heat treatment requirements of Chinese Taipei for dried pet food produced in areas affected by Exotic Newcastle Disease exceeded the relevant OIE guidelines and were not supported by scientific evidence. Chinese Taipei required that poultry ingredients containing bone meal or poultry meat from affected areas be processed at 133 degrees Celsius for 20 minutes at 3 bar pressure (maximum particle size 50 mm), compared to OIE guidelines for heat treatment so that the interior of the bone was heated to 60 degrees Celsius for

30 minutes. Chinese Taipei's heat treatment requirements also applied to poultry originating in disease-free areas.

18. The representative of Chinese Taipei stated that the regulation for pet food was under review and amendments had been proposed.

(ii) Issues previously raised

Japan's official restrictions

19. The representative of New Zealand recalled that New Zealand had raised its concern about Japan's plant fumigation policy consistently over the last year. Under its Plant Protection Enforcement Regulations, Japan fumigated for pests which were already present in Japan and were not quarantine pests. She argued that Japan's regime was not scientifically justified and was inconsistent with the relevant IPPC standard. Following bilateral contacts between New Zealand and Japan in April and June, New Zealand had received no response from Japan addressing its concerns. New Zealand requested Japan to substantially expand its non-quarantine pest list. The representatives of Australia and the United States supported New Zealand's intervention.

20. The representative of Japan noted that his authorities were seeking to resolve this issue through technical discussions between relevant national experts. A bilateral meeting would be held in November to discuss orchard controls and pre-clearance inspection systems. In June, Japan had established a consultative group consisting of representatives from academia, industry, producers and consumer groups to examine whether its measures were consistent with international standards. The group had already had three meetings and intended to consult with other interested parties, including trading partners.

Brazil's import requirements for seed potatoes

21. The representative of the European Communities explained that Brazil, which was the main market for EC seed potatoes, had notified its measure on 13 November 2001. Following discussions in the Committee and with Brazil in October 2002, the European Communities had presented a proposal for a possible solution which Brazil had agreed to study. However, the European Community had received no reaction or technical objections to the proposal. The representative of Canada explained his country had also raised the issue with Brazil in Committee and, most recently, bilaterally in February 2003, but there had been no resolution.

22. The representative of Brazil explained that his country was still considering the requirements and was in the process of discussing new regulations. However, he hoped this issue would be resolved shortly.

Venezuela's restrictions on imports of garlic and onions

23. The representative of Argentina noted that this was the seventh time that Argentina had raised this issue in the SPS Committee. He reported that Venezuelan officials had visited Argentina in December 2002 to confirm the absence of *Urocystis cepulae* (smut of onion). Argentina had received a report from Venezuela just the previous week which it hoped meant the issue had been resolved. The representative of the United States shared the concerns raised by Argentina.

24. The representative of Venezuela noted that the report had been sent to Argentina in March, and an import protocol could now be completed.

Japan's restrictions on mangoes

25. The representative of Brazil stated that Japan's restrictions on imports of mangoes were unjustified as mangoes were produced in an area 2000 km away from the area where the fruit fly was found. Brazil waiting for completion of the public consultation process in Japan and requested Japan to act swiftly to allow the importation of mangoes.

26. The representative of Japan stated his authorities had recently received data from Brazil on the trapping of fruit flies and were in the process of reviewing the information. Brazil had submitted technical information in October 2001, and the technical studies by Japan were progressing well.

EC animal by-products requirements

27. The representative of the United States stated that despite bilateral technical discussions on the EC animal by-products regulation, disruption of US exports of pet food was likely. He urged the European Communities not to implement certain measures contained in the regulation until scientific risk assessments had been performed.

28. The representative of Canada welcomed the decision to postpone implementation of the animal by-products regulation for third parties beyond 1 May 2003. The regulation necessitated major adjustments in processing procedures for countries who exported to the European Communities. EC member States benefited from 16 transitional measures to allow them to adjust to the new regulations, and Canada asked to also benefit from such transitional measures.

29. The representative of China requested a transitional review of the regulation and continued bilateral discussions.

30. The representative of the European Communities explained that transitional measures had been adopted for EC members States and additional time for compliance for all third parties allowed until 31 December 2003 (EC 1812/2003). Certification of imports had been reviewed and notified. The European Communities had decided to offer targeted transitional measures to third countries on a case-by-case basis. A technical agreement, based on comments received from Australia, Canada, China and the United States, would be notified shortly. The European Communities was awaiting the conclusions of a scientific review to produce the risk assessment, that would be available in February 2004.

Trinidad and Tobago's import restrictions on pork sausages and other pork products

31. The representative of Argentina reported that since the last meeting, his authorities had provided information to Trinidad and Tobago on the foot-and-mouth disease status of Argentina. However, a visit by three veterinarians from the CARICOM to dairy factories and sausage production plants had been cancelled because of a new outbreak of FMD.

32. The representative of Trinidad and Tobago clarified that Argentina had postponed the trip, scheduled for 8-12 September, due to the appearance of an isolated case of FMD. CARICOM has yet to be advised by Argentina of new dates for the visit. Trinidad and Tobago stated that its restriction would not be removed until it had completed a risk assessment.

US policy on regionalization with regard to classical swine fever

33. The representative of the European Communities stated that it had raised this issue at the March 2002 Committee meeting, regarding the delay in the recognition of EC member States as free of classical swine fever. The European Communities had provided the necessary information, and

renewed its request to the United States to adhere to commitments made in the bilateral agreement between the United States and the European Communities in 1998 relating to animal health.

34. The representative of the United States explained that his authorities had been working closely with the European Communities and interested EC member States on this regionalization request. In April 2003, the United States published a final rule recognizing certain areas of the European Communities as disease free. On 16 October 2003, APHIS ruled that East Anglia, in the United Kingdom, was disease free and APHIS was continuing its evaluation of the status of other EC member States. Outbreaks of both classical swine fever and FMD in France, Spain and Luxembourg had complicated and delayed the response to the regionalization request.

Indonesia's restrictions on importation of agricultural products

35. The representative of Argentina stated that Indonesia applied restrictions on imports of products from Argentina that went beyond the OIE recommendations (G/SPS/GEN/240) and included products not affected by FMD, i.e. cereals. He requested Indonesia to provide scientific evidence to justify the measures, or else to lift the measures. Argentina had provided documentation in an informal bilateral meeting with Indonesia and proposed a visit of experts to resolve the issue.

36. The representative of Indonesia stated that FMD posed a serious risk because Indonesia was free of the disease. The ban was periodically evaluated and could be temporary, and a visit by Indonesia's experts was being considered. Progress on this issue was being made in consultations with Argentina, and Indonesia would keep the Committee informed.

Colombia's import restrictions on bovine meat due to foot-and-mouth disease

37. The representative of Argentina reported that this issue had been resolved at the end of September 2003, and that Colombia had eliminated its restrictions. The representative of Colombia confirmed that this issue had been resolved, and that exports of flowers from Colombia to Argentina had also been discussed during this meeting.

Update of G/SPS/GEN/204

38. The Secretariat reminded the Committee that the document G/SPS/GEN/204/Rev.3 on Specific Trade Concerns would be updated at the end of the year and requested Members to inform the Committee of issues that had been resolved.

(c) Consideration of Specific Notifications Received

G/SPS/NEEC/191 and Add.1 – EC notification on food and feed controls

39. The representative of the United States stated the notified measure would establish an extensive series of official controls on feed and food to be implemented by 1 January 2005. EC member States' control systems would be harmonized, integrating specific controls at all stages of production in all food and feed sectors. The European Communities would audit control systems and "control plans" from exporting countries would have to be submitted annually to the European Communities. The United States believed that the proposal would require that all exporting countries demonstrate compliance or equivalence to the EC food safety measures for all products to be exported to the European Communities as a precondition for market access. Control plans required information on all related legislation, organization of competent authorities, training of staff, resources available and assurance of equivalence of domestic safety measures. While the United States agreed this approach was appropriate for high risk products such as meat and poultry, it believed that this level of risk management was not appropriate for all types of food for which any identified risks were generally quite low.

40. The representative of Canada shared the concerns raised by the United States and noted that Canada had recently submitted comments to the European Communities. Canada sought more information regarding the requirements for non-EC countries and suggested that the European Communities provide third country information sessions.

41. The representative of the European Communities explained that the regulation should facilitate conformity of imported food with EC health standards and principles for checking food stuffs. He noted that written comments had been received by the 27 July 2003 deadline and these would be considered by the EC Enquiry Point and Council of Ministers. Regarding control plans, much of the requested information was already available on internet sites i.e., USDA and FDA, and US fears of increased bureaucracy were groundless. The regulation, which was based on Codex recommendations, would facilitate trade through more transparency and the exchange of information on controls or checks for third countries. The European Communities agreed to consider Canada's suggestion to hold an information session.

G/SPS/N/EEC/208 – EC's sanitary conditions for the importation of live material for apiculture

42. The representative of Argentina recognized the need to minimize the risks of introducing pests of apiculture and noted that Argentina had its own measures (G/SPS/N/ARG/71). However, he argued that the EC measure, which restricted importation of queen bees with accompanying worker bees from third countries, was unjustified. The EC measure required exporting countries prove that they were free of the small hive beetle (*Aethina tumida*) and of the *Tropilaelaps* mite. Argentina was free from the pests and considered the EC response to its comments unsatisfactory. Argentina hoped that its concerns had been addressed in the latest EC notification (G/SPS/N/EEC/208/Add.1). Argentina requested the European Communities to defer implementation of the measure.

43. The representative of the United States expected that the new regulations would take into account disease free areas, for example Hawaii was free from the two pests. The representative of Australia supported the US position and stated that the EC proposed requirement was unreasonable and needed to take into account disease free status. New Zealand supported the comments made by Argentina, the United States and Australia.

44. The representative of the European Communities stated that the first notification was of a draft decision to restrict the importation of queen bees and their escorts to stop the introduction of the two parasites. These two parasites, although not included on the OIE list, posed a serious risk as they damaged hives and caused economic losses. Comments from Members had been taken into account and amendments to the measure had been notified. Disease free zones and health certificates covering these two pests would enable the safe import of bees into the European Communities.

G/SPS/N/JPN/104 – Japan's revision of the standards and specifications for foods and additives

45. The representative of China expressed concerns about Japan's maximum residue levels (MRLs) for several pesticide residues, in particular MRLs for chlorpyrifos. The limits for chlorpyrifos in spinach and other products were not science based. China had provided comments to Japan on 16 September 2003 regarding this issue, but had yet to receive a response.

46. The representative of Japan noted that answers to the questions from China had been provided through the Japanese embassy in China. Regarding the MRL for spinach, this product was not included in this notification. The MRLs for the 15 pesticides were based on toxicological risk assessments including residue data and were no more stringent than Codex standards.

G/SPS/N/DEU/9 and Add.1 and G/SPS/GEN434 – Germany's maximum tolerance levels for ocratoxin A in coffee

47. The representative of Colombia stated that on 17 June 2003, Germany had notified a draft regulation for MRLs for ocratoxin in products including soluble and roasted coffee. In September 2003, the application of the measure had been postponed until December 2003. Colombia had already provided comments on the measure, and had submitted questions to Germany (G/SPS/GEN/434). It believed that the MRL was disproportionate and that the scientific evidence regarding risks to human health was not conclusive. The economic losses could be significant for Colombia as it exported 1.7 million bags of coffee to Germany, which was equivalent to 17 per cent of its total coffee exports. The testing could result in six per cent of all coffee entering Germany from Colombia being rejected. Colombia questioned the relationship between this measure and the EC regulations.

48. The representatives of Bolivia, Brazil, Chile, El Salvador, Guatemala, Mexico and Peru shared the concerns expressed by Colombia. Brazil noted that the higher MRL for the soluble product than for the roasted coffee was unusual, as normally products for direct consumption had lower levels of MRLs.

49. The representative of the European Communities explained that each EC member State retained the right to adopt national legislation for the protection of human health when no EC standard existed. Since there was no MRL for coffee in the European Communities, Germany could establish its own MRLs. The measure was based on new scientific evidence. The EC Commission had organized a meeting between Colombian and German toxicologist experts, and replies to Colombia's questions would be circulated to all Members shortly.

G/SPS/N/USA/705 - US implementation of the international standard for phytosanitary measures on wood packaging (ISPM 15)

50. The representative of Argentina agreed that wood packaging could spread pests. However, the US measures could have a negative impact on Argentina's exports. The US notification did not provide sufficient time for implementing the measures need for compliance. For instance, Argentina needed sufficient resources and time to establish the required treatment centres for wood packaging materials. Chile supported the statement made by Argentina.

51. The representative of the United States stated that it had received 54 comments from seven other Members on its proposed measure and that APHIS was in the process of evaluating these comments to determine how to take them into account. The 1st January 2004 implementation date would be postponed and the measure would be phased in over time. The United States encouraged other Members to adopt ISPM 15 as a means of controlling the spread of raw wood pests.

G/SPS/N/EEC/209 and G/SPS/N/EEC210 – EC maximum levels of aflatoxins in corn and sampling contaminants in food

52. The representative of Argentina noted that the EC's MRL for aflatoxin levels depended on the intended use of products and the levels were not consistent with international recommendations nor based on scientific evidence. However, the new regulation modified the MRL for corn and was less restrictive. Argentina's comments on G/SPS/N/EEC/210 on the sampling of food were being prepared. Argentina requested a review of the sampling levels along with the scientific justification to support the measure.

53. The representative of the European Communities stated it would continue its dialogue with Argentina. The European Communities had conducted scientific research to support the MRLs

adopted for corn and it considered that the levels were not too strict and could be met through good agriculture practice. The MRL for corn was established to protect consumer health.

(d) Any Other Matters Related to the Operation of the Transparency Provisions

54. The representative of the European Communities indicated that the purpose of document G/SPS/GEN/426 and Corr.1 was to inform Members that the ten candidate members joining the European Communities would be including in their legislation all EC SPS related legalisation or Acquis Communautaire. They would not be notifying these changes in regulations individually.

55. The representative of Canada noted that in certain sectors such as fishery products, accession country measures have become clearer and less trade restrictive. Canada, however, was concerned with the impact in other sectors, particularly meat, as the new EC member States would be adopting the EC hormone ban which had been found to be inconsistent with the WTO SPS Agreement. Canada noted that the transition periods of three to four years meant that the new EC member States would be prohibited from exporting meat to other EC member States until their meat establishments met EC standards. However, meat establishments in the new EC member States could still sell their meat domestically. Canada considered it discriminatory that imports of meat to these new EC member States could only come from facilities that had been EC approved. In Canada's view, the new EC member States should be permitted to import from any third countries that met their existing national requirements until their own facilities were EC approved.

56. The representative of the United States shared the concerns raised by Canada, stating that new EC member States should be permitted to import meat from both Canada and the United States. The United States and Mexico argued that accession to the European Communities did not mean that Members should not fulfil their existing transparency obligations under the SPS Agreement and notify changes to current SPS measures to allow time for other Members to comment. The harmonization of legalisation of the ten new EC member States should be notified to allow for comments by Members, as these measures would have trade impacts.

57. The representative of the European Communities replied that the legislation being adopted by the ten new EC member States already existed and had already been notified to the SPS Committee, so there was no reason to discuss it again. Regarding the EC hormones ban, he noted that this issue was being dealt with in other bodies of the WTO. In response to a query from Chile, the representative of the European Communities noted that the internal borders would disappear and the external borders would encompass the new members. The new members would apply the EC's sanitary levels and standards.

58. The representative of Mexico presented a paper on transparency describing its concerns regarding compliance with the transparency requirements of paragraph 5 of Annex B (G/SPS/W/136). Mexico proposed publishing a pre-notification describing new SPS measures being developed. The pre-notification would describe the objective of the measure, the products to be covered, and allow reasonable time for Members to make comments.

59. The representative of Argentina commented that transparency was an important right of Members and that incorrect or incomplete notifications impacted on a Member's ability to comment. He suggested the Committee begin discussions on how to better implement the transparency requirements. Most Members were not notifying early enough, although some, such as Mexico notified in advance, often before the draft regulations existed. China's analysis of notifications made during 2002 identified four main problems: absence of a deadline for submitting comments; no date of adoption and entry into force; non-compliance with the minimum 60-day deadline for submitting comments; and adoption prior to circulation of the notification (G/SPS/GEN/378).

60. The representative of Hong Kong, China pointed out that enhanced transparency was an option under paragraph 5 of Annex B, and not a legal requirement. The representative of Canada pointed out that only 87 members had ever notified. Of these, 47 members had made less than ten notifications and 40 members had made more than ten notifications.

61. The representative of Egypt stated that it was important to improve the transparency obligations and quality of notifications as well as the number of countries notifying. For Egypt this was also important in terms of special and differential treatment requirements (G/SPS/GEN/358).

62. The Committee agreed to hold an informal meeting on transparency prior to the next regular meeting to discuss ideas raised, *inter alia*, in the submissions by China, Egypt and Mexico.

63. The Secretariat drew attention to the updated contact lists for National Notification Authorities and Enquiry Points (G/SPS/NNA/5 and G/SPS/ENQ/15) and to its concern that many of the contact details were incorrect, i.e. incorrect fax numbers, phone numbers and e-mail addresses. The Secretariat emphasized the importance of being informed of changes to contact details. The Secretariat also reminded Members that notifications are to be submitted directly to the Central Register of Notifications (CRN), preferably in electronic version, and that there was no need to send duplicates of notifications. All SPS notifications were summarized in the monthly lists circulated to Members and notifications were distributed twice a week to addressees of the self subscribing e-mail list. All documents for the Committee meetings were accessible through the SPS web page and could be downloaded at the unrestricted and restricted Members' sites.

III. THE SPS AGREEMENT AND DEVELOPING COUNTRIES

(a) Implementation of the Provisions for Special and Differential Treatment

Chairman's report on the informal meeting

64. The Chairman recalled that the special and differential treatment proposals referred by the General Council, the elaboration of the Canadian proposal and other special and differential treatment proposals had been discussed at an informal meeting of the Committee held on Monday, 27 October 2004. There had been little substantive discussion of the proposals referred to the Committee by the General Council. However, several delegations had stressed that the problems that Members sought to address through these proposals merited continued scrutiny. Japan drew attention to the comments they had made in advance of the Committee meeting and the European Communities recalled the comments they had made within the context of the consideration of these proposals by the Committee on Trade and Development.² Although the informal and formal meetings during the week completed the work programme envisaged in document G/SPS/26, the issue of special and differential treatment remained a standing agenda item for the Committee. As provided in the agreed work plan, the Chairman would submit a report to the General Council regarding the work of the SPS Committee on these issues and on other special and differential and implementation issues.

65. With regard to the Canadian proposal, as elaborated by the Secretariat in document G/SPS/W/132/Rev.1, the United States had explained the modifications it had proposed to the text (G/SPS/W/141). These changes were to take account of US administrative procedures and regulations. Document G/SPS/W/141 was the outcome of considered deliberations at national level between all relevant US agencies responsible for SPS issues.

66. A number of delegations noted that this document had only been issued on the day of the meeting and they would need more time to give the proposal due consideration. However, several delegations had expressed concern with the suggestion that Members requesting an extension to a

² Job (03)/194 and TN/CTD/W/26, respectively.

comment period should be required to provide a justification for said request. One Member had questioned the US proposal that written comments received on a particular notification be made public at Step 4, when that was already provided for at Step 7. Another Member had suggested that the exporting Member making comments should decide if its comments should be made public, so as to avoid potential intellectual property concerns. Concern had also been raised that the US proposal overlooked the obligation under the SPS Agreement to take the results of discussions between Members into account, in addition to the comments submitted by Members on a specific notification.

67. The Committee agreed to further consider the US proposal at an informal meeting immediately preceding the first regular meeting of the Committee in 2004. To assist the Committee in its deliberations, the Chairman requested the Secretariat to prepare a comparison of the US proposal with document G/SPS/W/132/Rev.1. This comparison was translated and made available to all Members during the meeting.

68. With regard to other proposals on special and differential treatment, it was recalled that the proposal made by Egypt (G/SPS/GEN/358) was still on the table for consideration and that other specific proposals would be welcome. In reply, one Member stated that in accordance with paragraph 5(a) of Annex B to the SPS Agreement, Members might consider submitting "pre-notification" to the SPS Committee of proposed measures. Such pre-notification would have several advantages, not least that concerned Members would have further advance warning and be able to make best use of any subsequent notice period for comments. Mexico indicated that this proposal reflected the approach that it had suggested be considered by the Committee in document G/SPS/W/136.

Further consideration of the proposed elaboration of Canada's proposal

69. The representative of Canada said that the aim of its proposal was to provide advice on how the Committee might proceed. Canada's paper, presented in March 2003 and then elaborated by the Secretariat in June, had gained broad support at that time. Only a few countries had problems with a few words contained within the paper. Canada noted that the US delegation's attempt to address their concerns had led to numerous changes to the Secretariat's elaboration. Canada observed that this elaboration would be discussed in March 2004, one year after the Committee agreed to adopt, in principle, the recommendations included in Canada's proposal. Canada did not want to change the procedures already agreed by the Committee in G/SPS/7/Rev.2, and believed that its paper already captured the concerns raised by the United States.

Further consideration of the proposals referred by the General Council

70. Canada, the European Communities and the United States supported the comments made by Japan (Job(03)/100). A suggestion that the Committee consider each of the proposals individually at informal meetings was not supported by other delegates. The Chairman noted, however, that if any comments on Job(03)/100 were submitted in advance of the next Committee, an informal special meeting would be scheduled to consider these.

71. The Chairman indicated he would submit a brief report to the General Council regarding the activities of the Committee on the elaboration of Canada's proposal and the status of work referred to the Committee by the General Council (subsequently circulated as G/SPS/30).

IV. EQUIVALENCE

(a) Report on Informal Meeting on Equivalence

72. The Chairman noted that the Committee had concentrated its informal discussions on further clarification of the provisions of paragraph 5 of the Decision, as proposed by Argentina, and on the review of the Decision on Equivalence.

73. Following the June meeting, Argentina had revised its proposal for further clarification of the provisions of paragraph 5, to take into account comments made by Members. At the informal meeting, the Committee had discussed Argentina's revised proposal, circulated as G/SPS/W/123/Add.2. This proposal contained guidelines for accelerated procedures for products historically traded.

74. A number of Members had indicated that they could accept clarification proposed by Argentina. Others had highlighted practical problems that might be associated with the proposal. Some Members had noted that it would be difficult to establish a specific time schedule for the process of determining equivalence, given that the schedule of such a procedure depended upon the quality and timeliness of information provided by the exporting country. However, several Members had maintained that it would be useful to agree on a sequence of steps and estimated time schedule for the procedures to be followed.

75. One Member had suggested adding experience as a variable for the simplification of the equivalence procedure, and to be consistent with the Decision itself, using the word "should" throughout the document rather than "shall". Some Members had expressed concern regarding the way in which past experiences, in particular negative ones, might affect the determination of equivalence in practical terms.

76. One Member had questioned the usefulness of agreeing on three different procedures to be followed for the recognition of equivalence based on the amount of information provided, as described in the document, especially since these different procedures were not detailed. This Member had suggested instead that the Committee state that the procedure for recognition of equivalence should be faster to the extent that relevant information was available to the importing Member.

77. Several Members had noted that the three standard-setting organizations were the appropriate fora to develop detailed procedures for equivalence, not the SPS Committee, and that the work of these organizations should not be compromised nor obstructed by the adoption of detailed procedures by the SPS Committee. Furthermore, the Committee and two of the standard-setting organizations had only recently completed guidance on a general procedure to be followed, and it would be confusing to now suggest that some steps of the agreed procedure could be skipped. This sentiment was shared by the OIE, which had adopted a standard on equivalence only in May 2003. This standard described a series of steps to be followed and it would be difficult for the OIE to now consider accelerated procedures which skipped some of the steps that had just been adopted. Other Members had suggested that it was not a matter of dropping some of the steps that had been agreed for the recognition of equivalence but of going through them in an accelerated manner, as was already occurring in some cases.

78. In conclusion, the Chairman noted that some Members had questioned whether further clarification of paragraph 5 was helpful at this stage and whether further guidance by the standard setting organizations was needed on this issue. On the other hand, a number of Members were prepared to adopt the revised version of Argentina's document with some modifications. The Chairman had requested the Secretariat to compile the amendments proposed to facilitate a decision by the Committee.

79. Regarding the review of the Decision on Equivalence, several Members had indicated that they believed the Committee had now completed its agreed work programme, and that no further review of the Decision was necessary at this time.

80. One Member had suggested that the Committee should first complete the clarification of paragraph 5 before commencing the review of the Decision on equivalence. This Member had suggested that the Committee include this item as a regular agenda item and agree to review the Decision after a certain period of time in light of the experience of Members, any notifications regarding agreements recognizing equivalence, as well as information from the Codex, OIE and IPPC regarding their work on equivalence.

81. In this regard, the Chairman had noted that the Committee had already agreed upon clarification of paragraph 5, and that it was now considering whether further clarification was needed, as foreseen in the work programme.

(b) Further Consideration of Paragraph 5

82. At the regular meeting, many Members indicated that they were prepared to agree on further clarification of paragraph 5 of the Decision on Equivalence. Most Members could accept a statement that the greater the amount of information already available between Members due to historical trade, the more recognition of equivalence should be facilitated. They could not, however, agree to an artificially detailed categorization of simplified procedures.

83. The representative of Malaysia stated that historically traded products were already dealt with in G/SPS/19, and that the description of equivalence was very clear, i.e. equivalence was about accepting a measure as equivalent based on information provided by the exporting Member, inspection and testing. Malaysia was not ready to agree on further clarification of historic trade.

84. The Chairman observed that although a large number of Members were in agreement, the Committee was not in a position to reach agreement on the further clarification of paragraph 5. He asked the Secretariat to produce a text reflecting the changes suggested during the course of the discussion, and proposed that the Committee seek to approve this text at its next meeting (G/SPS/W/142).

(c) Information from Members on their Experience

85. No Member provided specific information regarding its experience with the recognition of equivalence.

(d) Information from Relevant Observer Organizations

86. The representative of the OIE reported that the OIE General Session had adopted "Guidelines for Reaching a Judgement on Equivalence of Sanitary Measures" in May 2003. The Guidelines were being circulated for comments by experts and would be discussed in May 2004 at the General Session with the objective of agreeing on processes and facilitating the resolution of claims.

87. The representative of the IPPC reported that in September 2003, an Expert Working Group was convened to draft a standard on equivalence (G/SPS/GEN/439). The report from this meeting would be presented to the Standards Committee for review in May 2004. The representative of the IPPC noted that as the last of the three reference organizations to develop a standard on equivalence, it had benefited greatly from the work done in the other organizations.

88. The representative of Codex stated that at the 26th Session of the Codex Alimentarius Commission, 59 new Codex Standards had been adopted, including Guidelines for the Judgement of

Equivalence of Sanitary Measures Associated with Food Inspection and Certification Systems (G/SPS/GEN/447).

(e) Report to the General Council

89. The Chairman stated that he would submit a report to the General Council factually describing the work of the Committee on equivalence, indicating that further clarification of paragraph 5 was still outstanding and that equivalence was a subject of ongoing review by the Committee. The report was subsequently circulated as G/SPS/30.

V. DISEASE-FREE AREAS (ARTICLE 6)

90. The Chairman welcomed the submissions by Mexico (G/SPS/GEN/388, G/SPS/GEN/440), Peru (G/SPS/GEN/417, G/SPS/GEN/418, G/SPS/GEN/445) Argentina (G/SPS/GEN/433) and Chile (G/SPS/W/129, G/SPS/W/140, G/SPS/GEN/381) but noted that these had arrived too late to permit the Secretariat to organize an informal meeting on Article 6.

91. The representative of Mexico stated that the concept of regionalization was of great importance to his country. He reported on Mexico's successful experience regarding the recognition of fruit fly-free areas at the national level and by the United States, as described in G/SPS/GEN/440. He also presented his country's proposal on recommended procedures and guidelines for the recognition of pest- or disease-free areas and areas of low pest or disease prevalence, detailed in G/SPS/GEN/388.

92. The representative of Peru described two plans that his country had been implementing to control and eradicate fruit fly and foot-and-mouth disease (FMD), with a view to improving plant, animal and agrarian health. The experiences were described in G/SPS/GEN/417 and G/SPS/GEN/418, respectively. In the first case, Peru's objective had been to eradicate pests from these areas and maintain its pest-free status and, in the second case, to gain and maintain its status as a country free from FMD. Peru acknowledged that in many cases the recognition of pest- or disease-free areas took a long time and involved substantial financial efforts. He noted that great efforts had been made by the public and private sector in his country in this regard. Furthermore, Peru recognized that the sustainability of pest- or disease-free areas depended on the benefits that the private sector could derive. In this regard, Peru considered that clear and predictable procedures were key to ensure the commitment and interest from both the public and private sector.

93. The representative of Argentina presented her country's experiences, both positive and negative, regarding the recognition of areas free of citrus canker (*Xanthomonas axonopodis*) as described in G/SPS/GEN/433. The procedures for regionalization of an identical plant pest had led, in the first case, to recognition of the region's pest-free status without causing any disruption of trade. With another trading partner, however, the region had not been able to commence trade under the conditions applying to a pest-free area. Argentina considered that the effective implementation of the regionalization principle was a vital tool in achieving flexibility in international trade and in preventing the discretionary adoption and implementation of sanitary and phytosanitary measures.

94. The representative of Chile presented his country's proposal to develop guidelines and procedures to make operational the provisions of Article 6 on the recognition of pest- or disease-free areas and areas of low pest or disease prevalence (G/SPS/W/140). Chile suggested that the Committee consider developing a specific programme to further the implementation of Article 6, with particular attention to the problems encountered by developing country Members.

95. The representative of the European Communities noted the European Communities' willingness to recognize and apply the principle of regionalization as illustrated by the access allowed despite Newcastle Disease in the United States, blue tongue in Canada, and FMD in Botswana,

Paraguay and Argentina, among others. The European Communities would submit a communication on regionalization for discussion at the next Committee meeting (subsequently circulated as G/SPS/GEN/461).

96. The representative of Brazil stated that there were two aspects that had to be considered by the Committee regarding the principle of regionalization. The first one concerned the application of this principle according to the guidelines and recommendations established by the OIE and the IPPC for the definition of pest- or disease-free areas. The second one referred to the recognition of pest- and disease-free areas by trading partners. Brazil recognized that regionalization had proven to be an important tool for obtaining market access, as well as the control and eradication of pests and diseases and therefore, ensured the safety of the agricultural products exported by Brazil to its trading partners. Brazil noted that Brazil had regionalized the country for diseases that had a significant effect on trade of agricultural products. For example, nine states had been recently declared free from Newcastle Disease and Avian Influenza, and fifteen states had been recognized as being free from FMD and allowed to export beef based on international standards.

97. The representative of Japan stated that his country would examine the proposals and communications submitted by Members on Article 6 and provide comments at the next meeting. The representative of India noted the importance of the concepts presented and welcomed further discussions.

98. The representative of Mauritius recognized the importance of the concept of pest- or disease-free areas for his country and noted the efforts that had been undertaken by the Southern African Region in this regard. He acknowledged his country's adherence to international standards over regional standards. Mauritius noted that the OIE had developed a mechanism for recognition, verification and declaration of pest- or disease-free areas and suggested that the Committee recommend that the ICPM develop a similar mechanism.

99. The representative of the OIE stated that the OIE considered zoning and regionalization as being vital for the conduct of safe international trade. The OIE recognized that there were clear distinctions between the technical aspects of zoning and regionalization and recalled that zoning and regionalization had been part of OIE's work since its inception. These concepts had continued to be addressed and had been reflected in various OIE standards, both generic standards and specific disease standards. The most recent work undertaken with regard to this concept had dealt with non-geographic zones referred to as *compartments*. This new concept of *compartmentalization* had been defined as the non-geographic equivalent of a zone, such as an entity with a distinct animal health status defined on the basis of management-based delineation at the enterprise level. This concept was of particular importance for the poultry and intensive pig industries.

100. The OIE was working on the two concepts for zoning the one based on geography and the other one based on management, in parallel. The OIE considered that these concepts could be applied whenever the epidemiology of the pest or diseases allowed it. For example, the possibility would exist of having in some chapters a zone called disease-free without vaccination, disease-free with vaccination, a minimal risk zone or an infected zone, as well as surveillance zones, buffer zones, free zones etc. Similar definitions would be developed for compartments. This would allow the OIE to recommend some measures which could be applied by the importing countries to allow safe trade.

101. The OIE currently did not distinguish between zones and countries but considered zones as being important because it would allow for countries, in particular developing countries, to focus their resources on a particular area or population and address the disease issue on a smaller scale. This could be more cost effective and could result in a quicker return to a better animal health status and participation in international trade.

102. The OIE had been applying zoning to FMD, Classical Swine Fever, Newcastle Disease, Avian Influenza, etc. The representative of the OIE noted that the application of this principle had been very important to OIE members. The OIE's new work on compartments had begun with Avian Influenza, although this chapter had not been adopted at the General Session in 2003 because member countries had felt it was premature. However, the concept as a generic issue had been accepted by OIE member countries, as well as the mandate to continue working on more specific chapters in coming years.

103. The representative of IPPC indicated that the IPPC recognized regional plant protection organizations (RPPOs) and convened a technical consultation meeting among RPPOs on an annual basis. Most regions in the world had a RPPO or were in the process of developing them. He indicated that the IPPC left the regionalization issues up to the RPPOs to deal with. In addition, the IPPC had several international standards, such as guidelines for defining a pest-free area, guidelines on surveillance and guidelines on determining pest status that were available for Members to assist them with these issues.

VI. TECHNICAL ASSISTANCE AND COOPERATION

(a) Information from the Secretariat

104. The Secretariat reported that a total of eight scheduled technical assistance missions had been undertaken since the last meeting of the Committee. National seminars had taken place in Georgia and the Kyrgyz Republic in July, Lebanon and the Gambia in September, and Bahrain and Nigeria in October. A national seminar had been planned for the Maldives in early December. No national activities had been planned for 2004. However, requests for national technical assistance and training activities could be made to the Secretariat directly or through the respective WTO Bodies.

105. Two regional activities had also been held, the first one in Uruguay for five Latin American countries in July and the second in St Kitts and Nevis for English speaking Caribbean countries in August. Due to logistical problems, a planned regional activity in Nigeria for English-speaking West African countries had been cancelled and a national seminar was held instead. In this regard, the Secretariat urged Members to ensure that participants were nominated with sufficient anticipation so as to allow the necessary travel arrangements to be undertaken. A regional activity was planned in Uganda for selected English speaking African countries in November and in Sri Lanka for selected South Asian countries in December. Nine regional workshops were scheduled to take place in 2004 in the SPS area.

106. SPS technical assistance had also been provided through a US funded regional SPS workshop for Balkan countries in Albania, a Swedish International Development Agency training course in Stockholm and some training activities organized by a number of developed country members for their regulatory officials. The Secretariat expressed gratitude to the bilateral donors and organizations that had cooperated in the provision of SPS related technical assistance.

107. Regarding the status of the Standards and Trade Development Facility (STDF), the Secretariat recalled that a document had been issued in late August which outlined the progress that had been made since the meeting of the STDF Working Group in May 2003 (G/SPS/GEN/423). A number of project preparation grants and project proposals had been approved for funding, two of them having been submitted by the WTO. The objective of the first project proposal had been to develop a "best practice model" for transparency of SPS measures at a national level, not just with respect to Article 7 of the SPS Agreement, but also with respect to Codex, OIE, IPPC and in liaison with the private sector. The second proposal which had been developed was for a planning framework for SPS capacity building at the national level, making use of various needs assessment tools, and integrating the perspectives of the public and private sectors. These proposals would be discussed by the STDF working group at its next meeting on 12 and 13 November 2003.

108. A further project preparation grant had been submitted by the OIE on developing a sanitary chapter to the ALIVE programme under development by the World Bank for African countries. Finally, with respect to ongoing projects, the STDF working group had also decided to fund an OIE project to develop a tool for assessing and evaluating national veterinary services' capacity to benefit from the SPS Agreement. The evaluation tool would be applicable to veterinary services worldwide. In terms of the response from Members, to date the STDF had received two proposals from Uganda and one from Lithuania. These proposals would be discussed at the November meeting of the STDF. With regard to the funding situation of the STDF, the Secretariat noted the need to attract more funds and indicated that Members would be kept informed of any developments in this regard. Members were encouraged to consult the website: www.standardsfacility.org where they would find not only information on the Fund and its application but also training materials developed by the five partner organizations in the STDF.

109. The representative of Bahrain thanked the Secretariat for the national SPS seminar held in Bahrain and enquired about the possibility of benefiting from technical assistance activities in the SPS area in 2004. The representative of Georgia requested technical assistance to assist the national notification authority in his country. The representative of St. Kitts and Nevis expressed his country's gratitude to the Secretariat, the USDA, IICA and the European Communities for the technical assistance activities undertaken in his country and the support that had been provided in the SPS area.

(b) Information from Members

110. The representative of Australia provided information on the Master Class in Agricultural Biosecurity that had been held in Australia in September 2003. The objective of the master class had been to develop increased understanding of SPS issues and to share experiences among senior officials. A total of 23 senior officials from 12 countries had participated in this two-week course that had been organized jointly by the Australian Government Department of Agriculture, Fisheries and Forestry and the ATSE Crawford Fund.

(c) Information from Observers

111. The representative of IICA presented IICA's experience in the development of capabilities in IICA member countries in support of active participation in the SPS Committee, detailed in G/SPS/GEN/427. The programme had been jointly undertaken by the USDA and IICA and its objective had been to strengthen the capabilities of the countries to enhance their effective participation in the SPS Committee based on the exchange of experiences.

VII. MONITORING THE USE OF INTERNATIONAL STANDARDS

(a) New Issues

112. No new issues were reported.

(b) Issues Previously Raised

113. The representative of the OIE presented a communication that addressed apparent misunderstandings about the nature and purpose of the OIE international standards, their implementation and interpretation (G/SPS/GEN/437). The representative of the OIE also discussed how OIE standards should be referred to in Member's SPS notifications.

VIII. TRANSITIONAL REVIEW UNDER PARAGRAPH 18 OF THE PROTOCOL OF ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA

114. The Chairman recalled that at the June 2003 meeting of the Committee, Members had been invited to submit any questions to China well in advance of the October Committee meeting. The European Communities, Chinese Taipei and the United States had submitted questions (G/SPS/W/137, 138 and 139, respectively).

115. The representative of China made a statement on China's SPS-related activities addressing questions that Members had posed in relation to the following issues: transparency, harmonization with international standards, the scientific basis of SPS measures, consistency of measures with the principle of non-discrimination, inspection and approval procedures, regionalization, BSE and measures contained in its notification G/SPS/N/CHN/5. China assured Members of its compliance with the SPS Agreement and explained how it was fulfilling its requirements. China's statement is contained in document G/SPS/GEN/452.

116. The representative of the European Communities encouraged China to notify all measures in advance to allow for other Members' comments. The representative of Chinese Taipei commended China on its efforts to meet its accession commitments.

117. The Chairman stated that he would make a short factual report on the transitional review to the Council for Trade in Goods (subsequently circulated as G/SPS/29).

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

118. The representative of IICA informed the SPS Committee of its actions aimed at the implementation of the SPS Agreement, as described in document G/SPS/GEN/431. He noted that IICA's contact details were included in the document for delegates interested in more details.

119. The representative of the OIE noted that information was contained in its report on implementing OIE standards (G/SPS/GEN/437), and that he would be pleased to provide further details on request.

120. The representative of Codex highlighted four points described in greater detail in document G/SPS/GEN/447. The Codex recently adopted amendments to the rules of procedure and now permitted the membership of regional economic integration organizations as full members of the Codex. The accession process for these organizations was rapid. The Codex had adopted principles for food safety risk analysis to be used in the Codex framework, as well as 59 new or revised Codex standards. Decisions to implement the recommendations of the Joint FAO/WHO evaluation of Codex had been taken to improve the working of the Codex. The FAO/WHO Trust Fund to enable the participation of developing countries in Codex standard setting procedures would soon be operational, and participants would be funded to attend the next meeting of the Codex Commission.

121. The representative of the IPPC stated that the Strategic Planning and Technical Assistance group had met in October and made recommendations on the future direction of IPPC activities, to be considered by the ICPM. Four regional technical workshops on draft standards had been held for Asian-Pacific, Franco-African, Latin American and Caribbean, and Near East countries. These workshops helped build national capacity and provided an opportunity for countries to submit their comments on the draft standards. Expert working groups had met to discuss draft standards on equivalence and on the use of integrated measures in pest management of citrus fruit for citrus canker. ISPMs 11, 15, 18, 19 had been published. A workshop on Invasive Alien Species was held in September in Germany, in which phytosanitary experts, environmentalists and regulators met and exchanged ideas. Fifty participants from least developed countries participated in this workshop. A

Memorandum of Cooperation between the Secretariats of the Convention on Biological Diversity (CBD) and the IPPC would be signed shortly (G/SPS/GEN/449).

122. The Chairman of the ICPM stated that in 2002/03, ICPM members had identified 143 standards which they wanted to be developed. Next year, due to resource constraints, the IPPC planned to develop only three standards. The Chairman of the ICPM implored Members to ask for more resources for the IPPC at the FAO Conference, to be held 27 November to 12 December, which would discuss the budget for the IPPC for 2004-2005.

123. The representatives of Kenya, Mauritius, Canada, the United States and the European Communities supported the appeal of the Chairman of the ICPM.

124. The representative of the WHO recalled that in 2001, the Codex had requested the WHO and FAO to review the procedure for providing scientific advice. The FAO/WHO evaluation of Codex had identified a review of the provision of scientific advice as a matter of urgency. It recommended that consultations be organized to improve processes to ensure efficiency, transparency and timeliness. A consultative process was now underway and involved three main steps: an electronic discussion forum, an international workshop and an expert consultation. The electronic discussion forum ran from 1 October to 14 November 2003. Over 200 participants from more than 50 countries joined the forum to comment on ten discussion papers. An international workshop will take place at the WHO on 27-29 January 2004, with experts and representatives from the stakeholder organizations attending. The workshop would consider the ten discussion papers (amended to include comments from the electronic discussion) and prepare proposed measures for the improvement of the provision of scientific advice. Expert consultations would be organized for May or June 2004, at the FAO, to consider the conclusions of the workshop and to develop final recommendations for submission to Codex, FAO and WHO.

125. The representative of WHO also drew attention to: the Fourth Joint FAO/WHO Consultation on food derived from biotechnology, safety assessments of foods derived from genetically modified animals including fish, to be held in Rome on 17-21 November; the First Joint FAO/OIE/WHO Expert Workshop on non-human antimicrobial usage and antimicrobial resistance: scientific assessment, to be held in Geneva on 1-5 December; and the FAO/WHO Workshop on capacity building in developing countries to be held in New Delhi in the first half 2004. He also highlighted a new publication on guidelines for strengthening national food control systems.

126. The Chairman noted that although OIRSA could not participate in this meeting, it had provided a report on its activities in document G/SPS/GEN/443.

X. OBSERVERS – REQUESTS FOR OBSERVER STATUS

127. The Committee agreed to invite the organizations with ad hoc observer status to participate in the next meeting of the Committee (ACP Group, EFTA, IICA, OECD, OIRSA and SELA). The Committee also invited all interested observer organizations to participate in the informal meetings to be held in connection with the next Committee meeting.

128. The Committee took no decision regarding the requests for observer status from the Office International de la Vigne du Vin (OIV), the Asian and Pacific Coconut Community (APCC), and the Convention on Biodiversity (CBD).

XI. ANNUAL REPORT TO THE COUNCIL OF TRADE IN GOODS

129. The Chairman announced his intention to make a brief, factual annual report on the activities of the SPS Committee in 2003 for consideration by the Council for Trade in Goods. The report would provide information on the main work undertaken at the meetings held in 2003. He indicated that he

would draw attention to the progress made on equivalence. In addition, the report would mention the large number of specific trade concerns discussed, and provide an overview of discussions under other agenda items. The annual report to the Council on Trade in Goods was subsequently circulated as G/L/661.

XII. OTHER BUSINESS

Paraguay - Information concerning FMD

130. The representative of Paraguay gave a short report on an outbreak of FMD in 12 July 2003, in Pozo Hondo (G/SPS/GEN/454). Actions had been taken in accordance with OIE recommendations to control the outbreak. After a 90-day period, indigenous farmers were given a number of stock equivalent to the number culled. Paraguay had established a nation-wide programme of vaccination to recover its previous FMD free status and requested Members to refrain from taking unjustified measures against its exports

131. The representatives of Brazil and Argentina noted that they were working with veterinary authorities in Paraguay and commended Paraguay on its efforts.

Hungary – Unjustified ban on live animal imports by Croatia

132. The representative of Hungary expressed serious concern with measures taken by Croatia to ban imports of live animals and meat product. The ban had been in place since 24 June 2003, supposedly as a protection against BSE. The ban was applied to all meat products, including fish and poultry, as well as live animals. Hungary requested the prompt removal of the ban.

133. The representative of Croatia took note of the statement by Hungary and stated that there had been meetings between veterinarians from Hungary and Croatia at which steps had been agreed to try and resolve the issue.

134. The representative of the European Communities supported the comments made by Hungary. He noted that the statement made by Croatia at the June meeting and circulated in the document G/SPS/GEN/416, in which Croatia claimed its measure was consistent with EC legislation, was inaccurate. EC legislation did not prohibit imports.

Chile - Implementation of ISPM 15: Guidelines for regulating wood packaging material in international trade

135. The representative of Chile stated that although Chile agreed with the ISPM 15, as a wood exporter it was concerned that adoption of the measure by Members should take into consideration the zone of production of the wood and allow sufficient time for countries to adapt their treatment methods to meet the standard. Most Members adopting ISPM 15 had specified January to March 2004 as the time of entry into force of the standard, but several issues had to be resolved prior to implementing the standard. Chile's concerns were that: the private sector must make large scale investment to comply with the standard; the certification process to register the mark on packaging was yet to be decided; there needed to be established an accreditation system for wood treatment companies certifying the process; and supervisory and audit system needed to be set up. Chile detailed its concerns in document G/SPS/GEN/435.

136. The representative of Uruguay stated that the problem with ISPM 15 was not the standard itself, but the implementation of the standard. There were two significant provisions of the standard: the basis for regionalization, i.e. the technical justification for application of the standard; and the possibility of accepting alternative methods for treating wood packaging. The representative of Argentina supported the comments made by Chile and Uruguay. The representative of Mexico stated

that problems could arise with implementing this standard and that discussions on this issue should continue in the context of the SPS Committee. Paraguay and Colombia supported the comments made by others.

137. The representative of Canada commented that this standard was not new, as it had been adopted by the IPPC in June 2002. Canada had planned to implement the standard in June 2003, and had notified this in March 2003, but had delayed its implementation until 1 January 2004 to give Members sufficient time to adapt wood treatment processes. Canada would provide a transition period so that non-compliance with the standard initially would not be penalised. Canada recommended that this issue be discussed under Agenda item 7(a) grading the use of international standards.

Peru – Integrated pest management on asparagus

138. The representative of Peru reported on an integrated pest management project targeting *Copitarsia incommoda* to improve the export competitiveness of its fresh asparagus. Peru currently faced US\$2 million per year in costs associated with quarantine treatment to eradicate the pest, which was not found in the United States. A detailed description of the project was provided in G/SPS/GEN/444.

Peru – Monitoring and control of poultry diseases

139. The representative of Peru highlighted a national programme to begin in 2004 to control and eradicate poultry quarantine diseases. Peru aimed to achieve avian influenza free status for the whole of the country, and areas free from Newcastle disease by the end of 2005. A detailed description of the programme is contained in G/SPS/GEN/446.

XIII. DATE AND AGENDA OF NEXT MEETING

140. The next regular meeting of the Committee is scheduled for 17-18 March 2004, with informal meetings scheduled for 15 and 16 March. The Committee agreed on the following tentative agenda for its next 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
 - Information on resolution of issues in G/SPS/GEN/204/Rev.3
 - (c) Consideration of specific notifications received
 - (d) Any other matters related to the operation of transparency provisions
3. SPS Agreement and developing countries

- (a) Consideration of proposals for implementation of the provisions for special and differential treatment
 4. Equivalence – Article 4
 - (a) Decision on further clarification of paragraph 5 of the Decision
 - (b) Information from Members on their experiences
 - (c) Information from relevant observer organizations
 5. Pest- and Disease-free areas – Article 6
 6. Technical assistance and cooperation
 7. Monitoring of the use of international standards
 - (a) New issues
 - (b) Issues previously raised
 8. Matters of interest arising from the work of observer organizations
 9. Observers - Requests for observer status
 10. Election of Chairperson
 11. Other business
 12. Date and agenda of next meeting
141. The following deadlines are relevant for the next meeting:
- **17 February 2004** for identifying new issues for consideration under the monitoring procedure;
 - **4 March 2004** for requesting that items be put on the agenda;
 - **5 March 2004** for the distribution of the airgram.
-