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Committee on Sanitary and Phytosanitary Measures

SUMMARY OF THE MEETING OF 25-26 JUNE 2020

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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 and obligations under the WTO.

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1 ADOPTION OF THE AGENDA

1.1. The Committee on Sanitary and Phytosanitary Measures (the "Committee") held its 77th regular meeting on 25-26 June 2020. The proposed agenda for the meeting was adopted with amendments (<u>JOB/SPS/8</u>). The meeting was held at the Centre William Rappard. In light of the COVID-19 pandemic, delegates were also able to participate via a virtual platform, and through a written procedure. The procedures for the meeting are described in documents <u>JOB/SPS/7</u> and <u>JOB/SPS/8/Add.1</u>.

1.2. Members were able to submit agenda items and statements through the eAgenda platform for the first time. The Chairperson announced that the Secretariat would circulate a report on the use of eAgenda after the meeting, and thanked Members for their use of the platform.

2 INFORMATION SHARING

2.1 Information from Members on relevant activities

2.1.1 Japan – Update on the situation surrounding Japanese food after the TEPCO Fukushima Daiichi nuclear power plant accident

2.1. <u>Japan</u> provided the following statement: Japan would like to express deep sympathy for the difficulties which Members and the people have encountered under the COVID-19 pandemic. Japan also expresses gratitude to the Secretariat for organizing this virtual meeting and giving us opportunity to make this statement again.

2.2. Here, we would like to draw attention of the Members to refer to the communication <u>G/SPS/GEN/1233/Rev.2</u>. It updates the food monitoring and study results which justify the effectiveness of our food safety control and our request for lifting import control measures on Japanese food, provisionally adopted since 2011. It also provides updates on the treated water stored at the nuclear power station and the monitoring results of the sea area, based on the close collaboration and assessments made by the IAEA.

2.3. Unfortunately, we often encounter misinterpretation regarding the issue of treated water. Therefore, we would like to clarify that regardless of the disposal methods, the water currently stored in tanks and with the concentrations above the regulatory standards for discharge is to be re-purified and diluted to meet the standards before discharge. This is not releasing contaminated water to the environment. Accordingly, the disposal has no relevance to the safety of Japanese food. Japan continues to be transparent on relevant information and requests Members to make decisions based on the scientific evidences.

2.4. Since the last meeting in November 2019, we have made improvements in the lifting of import measures, especially from a few ASEAN members. We would like to express appreciation to the decisions made by Singapore and Indonesia, and notably the Philippines that completely lifted the measures early this year. In the past nine years, most countries and regions have lifted their import measures and those that maintain them have reduced to 20.

2.5. Under the COVID-19 pandemic, we understand the difficulties which Members may have in making decisions, while we are determined to make every effort to assist Members' decisions to lift existing import control measures.

2.6. <u>Korea</u> provided the following statement: As we are aware, the COVID-19 pandemic has been an unprecedented challenge to the WTO. International trade is adversely affected and Members are struggling to address the issues posed by COVID-19. In this regard, I would like to express my sincere gratitude to the WTO Secretariat in supporting Members and coordinating their response.

2.7. In a time of crisis, it is imperative to keep open and predictable trade in agriculture, agri-food products and to ensure the food safety control within the framework of the SPS Agreement, which is why transparent process of information sharing between Members is ever more essential. Against this backdrop, we appreciate Japan's efforts for providing us with updates on the situation surrounding Japanese food after the Fukushima nuclear accident. As we all know, the Fukushima Daiichi nuclear disaster, which occurred in March 2011, is considered to be one of the greatest

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disasters of the 21st century. And due to this accident, large swaths of land were contaminated by radiation, which led to radioactive contamination of the marine environment.

2.8. On February 10, 2020, the Subcommittee on Handling of Advanced Liquid Processing System Treated Water (ALPS - treated water) under the Agency for Natural Resources and Energy of Japan published a report recommending an evaporation and/or a release of the ALPS-treated water into the Pacific Ocean as feasible methods for the Japanese government. As the geographically closest neighbour of Japan, Koreans are taking a huge interest in the disposition of contaminated water, which is currently stored at the Fukushima Daiichi nuclear power plant. Releasing contaminated water into the ocean, a method recommended by the Subcommittee, would have a negative impact on the global environment. Therefore, such decision should be considered as a major global issue, not a mere domestic issue of Japan. We are asking the Japanese government to keep transparency in the process of making decisions on the disposition of contaminated water while allowing the participation of stakeholders.

2.9. In addition, the whole process of disposition and accurate information on radioactive materials should be disclosed. And we hope you seek empathy and understanding from neighbouring countries such as Korea and China by providing us with chances to participate in the decision-making process. We also hope that the final decision on the disposition, and further detailed procedures and schedules, as well as radiation safety information, will be disclosed in a transparent way.

2.10. Japan responded to the statement delivered by Korea regarding the treated water stored in tanks at the Fukushima Daiichi Nuclear Power Station (FDNPS). Japan emphasized the importance of having a discussion based on scientific evidence, and noted that the Japanese expert committee's report, published in February 2020, indicated that the radiation impact to the public was estimated to be no more than one thousandth of the natural exposure in Japan (2.1mSv/year). Japan added that if the treated water stored in tanks were to be discharged, it would be further purified and diluted in advance, to meet regulatory standards in line with international practice. Japan assured the international community that it would continue to provide information in a transparent manner and based on scientific evidence.

2.1.2 Colombia, Costa Rica, Côte d'Ivoire, Dominican Republic, Ecuador, Panama, Paraguay, and South Africa - Request for the suspension of the processes and entry into force of reduction of MRLs for plant protection products in light of the COVID-19 pandemic (<u>G/SPS/GEN/1778/Rev.2</u>)

2.11. <u>Colombia</u> took the floor, on behalf of the 33 co-sponsors, to introduce the communication they addressed to the European Union, in document <u>G/SPS/GEN/1778/Rev.2</u> and <u>G/TBT/GEN/296/Rev.2</u>.²

2.12. <u>Panama</u> recalled that the document had been first circulated on 12 May 2020 to the TBT and SPS Committees and had been discussed at the June meeting of the Council for Trade in Goods. Panama emphasized key points from the document, in particular regarding the principle of harmonization, as reflected in Article 3 of the SPS Agreement.

2.13. <u>Costa Rica</u> provided the following statement: Costa Rica shares the objectives of protection of the environment and human health with the European Union. However, we note with concern that the European Union has decided to adopt a regulatory approach with a major impact on its trading partners' production systems, without taking account of their climatic and geographical circumstances or the impact that this could have on food security at the global level or on the most vulnerable population groups of developing countries. The urgency and vulnerability of the situation is made worse by the current economic situation. Our countries were already facing an intensification of the effects of climate change, on top of which there is now the pandemic and its socio-economic consequences. Agricultural producers, especially the smallest ones, and MSMEs would be greatly affected by new measures and requirements that are more restrictive with regard to exports at a time when all efforts are being directed towards health-related containment measures and economic recovery.

² Some Members made reference in their statements to previous versions of document <u>G/SPS/GEN/1778/Rev.2</u> of 25 June 2020. This report will refer to the last version of the document, at the time of the SPS Committee meeting.

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2.14. In awareness of this crucial historical moment, we have presented, together with 32 other Members, a communication to the European Union requesting it, in consideration of the present exceptional circumstances, to interrupt its regulatory process and suspend the implementation of maximum residue levels (MRLs) in relation to critical substances for agricultural production.

2.15. We urge the EU once again to establish a mechanism with interested Members for dialogue and evaluation of its policies on MRLs which takes into consideration and effectively addresses our systemic and trade related concerns; which ensures that implementation of the objectives outlined in communication <u>G/SPS/GEN/1797</u>, does not further aggravate the problems that we are already facing and repeatedly discussing in this Committee; and which ensures that the costs of the adjustment that it is proposing do not fall on the producers, exporters and most vulnerable population groups of developing countries. We are sure that, through more and better dialogue, we can find solutions together, which will enable us to progress towards mutually beneficial trade.

2.16. <u>Argentina</u> submitted the following statement: We would like to thank Colombia, Costa Rica, Côte d'Ivoire, the Dominican Republic, Ecuador, Panama, Paraguay and South Africa for placing on the agenda the item on the request for the suspension of the processes for entry into force of maximum residue levels (document <u>G/SPS/GEN/1778/Rev.2</u>, also co-sponsored by Argentina). The COVID-19 pandemic has created a challenge, especially for developing countries, regarding the distribution of financial resources, with the need to focus efforts on guaranteeing public health. In these circumstances, some sanitary and phytosanitary measures may create restrictions to international trade, which means that international cooperation is essential for tackling this crisis and contributing to a speedy economic recovery.

2.17. The document concerned, the latest version of which has been co-sponsored by 33 Members, requests the European Union to suspend for a 12-month period all modifications to maximum residue levels (MRLs) currently in force and the entry into force of all reductions planned for 2020. We extend this request to all Members that are in the process of reviewing or modifying MRLs with a view to setting more restrictive levels, so that they can consider this request and base their MRLs on international standards and commitments made.

2.18. <u>Cuba</u> highlighted the challenges faced by developing countries due to the COVID-19 pandemic. Cuba emphasised the importance of international cooperation to face the crisis and noted its contribution towards the protection of human life. It added that trade-facilitating measures could contribute to reducing the economic consequences of the pandemic. Cuba was therefore cosponsoring the request, aimed mainly at the European Union, but also at other Members. Cuba concluded that these were times for solidarity and collaboration.

2.19. <u>El Salvador</u> provided the following statement: We would like to indicate that El Salvador is a co-sponsor, together with 30 other Members, of the communication circulated in document <u>G/TBT/GEN/296/Rev.2</u>, which is supported by a number of delegations including El Salvador, requesting the European Union to suspend for a period of 12 months the review processes under way for maximum residue levels (MRLs) and the entry into force of all MRL reductions planned for 2020.

2.20. The economic impact of the COVID-19 crisis on our country presents an enormous challenge for our authorities, which are currently focusing their efforts on addressing the health situation and on economic recovery. We know that all Members are going through the same situation, some with greater capacities and resources than others for tackling it. This is why we reiterate the request made in the document in order to give the necessary attention to processes of interest to our country.

2.21. In general, we would like to express our concern regarding the various proposed EU technical regulations on MRLs. We insist that these be based on technical evidence and do not cause unjustifiable restrictions on trade. Specifically in the case of MRLs for the use of chlorothalonil, El Salvador shares the concerns voiced by other delegations, which will be referred to in agenda item 3, regarding the negative impact that this measure will have on exports of agricultural products from El Salvador and many developing countries to the European market.

2.22. <u>Paraguay</u> provided the following statement. With regard to the Request for the suspension of the processes and entry into force of reductions of maximum residue levels (MRLs) for plant

protection products in light of the COVID-19 pandemic, we would like to thank the delegation of Colombia for introducing document <u>G/SPS/GEN/1778/Rev.2</u>. Today we are facing a complex health and economic situation as a result of the COVID-19 pandemic. The economic crisis that we will have to tackle in the coming years will be even more difficult to overcome if aggravated by major commercial losses caused by the ongoing implementation of these policies that eliminate key tools for integrated pest management in relation to food production. Furthermore, in the current circumstances these policies cannot be reviewed and evaluated exhaustively, especially in developing countries, where all government efforts are focused on combating the pandemic.

2.23. As we mentioned previously, despite the best efforts of the Secretariat and the Chairpersons of the Committees, the WTO meetings in which technical exchanges to address these policies occur are unable to be held in the usual way. The TBT Committee meeting was suspended and limited in May to an exchange by written procedure, and the SPS Committee meeting, which will take place using a hybrid system with virtual media, has been substantially reduced in terms of time, affecting Members' rights and the scrutiny of these policies.

2.24. In light of the above, we have presented, together with 32 other delegations, document <u>G/SPS/GEN/1778/Rev.2</u> - <u>G/TBT/GEN/296/Rev.2</u> in the TBT and SPS Committees. In this document we request the European Union to take these elements into consideration and to suspend the processes for the review and implementation of MRL reductions for a 12-month period. We hope that this request will receive favourable consideration from the EU and that we will receive a reply as soon as possible, since we note with concern that the review processes are continuing despite the fact that dialogue is affected.

2.25. We once again request the European Union to take account of the implications that these policies will have for the economy and development of Paraguay and for the employment of hundreds of thousands of Paraguayans who depend on the trade in agricultural goods for a decent living and, with this in mind, to ensure that import tolerances are based on conclusive scientific criteria and risk analysis.

2.26. <u>Côte d'Ivoire</u> supported the request to the European Union. It noted that the implementation of phytosanitary measures that restrict international trade presented a challenge that hindered the efforts of global economic recovery, in particular those of developing countries and LDCs. It added that smaller producers and MSMEs would be the most affected by new measures and more restrictive requirements, particularly because the European Union was the largest importer of fruits and vegetables. Côte d'Ivoire concluded with a request to all Members currently reviewing their MRLs to base them on international standards.

2.27. <u>Peru</u> provided the following statement: Peru as a co-proponent would like to stress the need to focus available resources on economic recovery further to the COVID-19 pandemic. In this regard, the postponement of certain regulatory changes, such as those relating to pesticide MRLs, especially those that depart substantially from the limits established by the Codex Alimentarius, would have a positive impact on the food trade. In this regard, Peru would like to appeal to the European Union to take account of this request as soon as possible.

2.28. <u>Senegal</u> provided the following statement: The delegation of Senegal strongly supports this request, which is contained in document <u>G/SPS/GEN/1778/Rev.2</u>, especially in the context of COVID-19, where businesses are being adversely affected and supply chains disrupted. Given that millions of people rely on international trade for their food security and livelihoods, measures that facilitate trade will have a significant impact in the fight against the pandemic and its consequences. We therefore request the EU to suspend the MRL reduction processes for plant protection products and to postpone the entry into force of the MRL reductions planned for 2020.

2.29. <u>Ecuador</u> provided the following statement: We thank Colombia for the submission of document <u>G/SPS/GEN/1778</u>, which has continued to attract co-sponsors since its first submission this May and is confirmation of how much of a concern this issue is for much of the membership of this Organization. The impact of the COVID-19 pandemic on the global economy is extremely serious, and unfortunately Ecuador has been no exception. Our national economic situation is critical. It is estimated that in the agriculture export sector, losses in early March alone amounted to USD 300 million.

2.30. Against this backdrop, well-functioning global supply chains for agri-food products are crucial for world economic recovery, and especially for developing countries. It is for this reason that Ecuador is co-sponsoring document <u>G/SPS/GEN/1778/Rev.2</u>, through which 33 developing Members are calling for the suspension of the processes to modify MRLs aimed at establishing more restrictive levels, and of their entry into force, during the current pandemic situation.

2.31. The protection of human, animal or plant life and health are legitimate objectives, but we request that Members who are in the process of reducing MRLs take into consideration the current situation of developing country Members, which are suffering the economic and social impact of the health crisis. For countries like Ecuador, where our agricultural and agri-food exports are to a large extent the mainstay of our economy, import restrictions could compound the devastation caused by the pandemic.

2.32. <u>South Africa</u> supported this request and recalled concerns regarding the EU MRL process, making reference to the impact it would have on its wine industry. South Africa added that the lockdown had delayed South Africa's analysis and assessment of EU MRLs, and that an additional period of 12 months would give its regulatory authorities and the industry time to prepare for new MRLs.

2.33. <u>Guatemala</u> provided the following statement: Guatemala wishes to add itself to the list of Members requesting to include this item on the agenda. We thank Colombia for introducing document <u>G/SPS/GEN/1778/Rev.2</u>. Guatemala is sponsoring this document, as the COVID-19 pandemic has forced us to prioritize health measures over other issues in order to keep the virus under control. This situation has prevented the competent authority and the domestic production sector from making the necessary adjustments and testing alternative substances. Small and medium sized producers, in particular, will be the most affected.

2.34. While the health crisis is in its final stages in the European Union, with measures and lockdown being lifted, it is peaking in Latin American countries. Guatemala is reaching its first peak while the health system is collapsing throughout the country. With 700 cases confirmed per day, restrictions on movement have been implemented nationwide and the entire public transport system has been temporarily suspended. We urge the establishment of a mechanism for dialogue and consideration of our trade concerns. We therefore ask the European Union to consider the request of 33 Members to suspend, for 12 months, any measures entering into force in 2020 and under review, and would welcome a clear and flexible response to this request.

2.35. <u>Israel</u> provided the following statement. As cosponsor to this paper, Israel would like to note that although this paper is directed specifically to the European Union it should also be considered as a request to all large trade markets and especially for pesticides in wide use. At the best of times the removal or the reduction in MRLs for a pesticide heavily in use causes a huge disruption to agricultural production and it is often replaced by less effective control measures that usually require multiple applications and may even increase the overall risk to health.

2.36. As the COVID-19 pandemic is raging and does not seem close to any near solution, the ability for farmers to work with extension officers and pesticide companies in order to find effective substitutes is even more challenging than in normal times. If alternative safe and effective pesticides cannot be found, global agricultural and food supply chains are likely to be disrupted. Therefore, we fully support this initiative and urge Members, in particular the European Union, to lengthen the periods before the entry into force of new MRLs during this period of uncertainty in global food supply and trade.

2.37. The <u>European Union</u> took note of the request and subsequently presented its response in document <u>G/SPS/GEN/1814</u>.

2.1.3 United States – The USDA Animal and Plant Health Inspection Service's SECURE rule on Biotechnology (<u>G/SPS/N/USA/3082/Add.1</u>)

2.38. The <u>United States</u> read the statement contained in document <u>G/SPS/GEN/1806</u>.

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2.1.4 Canada, the Philippines and the United States – International Statement on Agricultural Applications of Precision Biotechnology (<u>G/SPS/GEN/1658/Rev.4</u>)

2.39. <u>Canada</u> provided the following statement: Canada would like to note the International Statement on Agricultural Applications of Precision Biotechnology. As one of the original signatories to this Statement, Canada commends the Philippines' decision to co-sponsor this Statement and encourages other Members to consider doing so as well.

2.40. Precision biotechnology, including gene editing, has the potential to provide agriculture producers with new, more flexible tools. These innovative tools could not only improve productivity across all sectors, but could also improve plant and animal health, as well as environmental sustainability and food security. Given its broad range of potential applications, precision biotechnology also offers the possibility of providing solutions to global challenges in food production - including pest pressures, the spread of animal disease, and animal health and welfare issues.

2.41. Canada encourages Members to establish science- and risk-based regulatory frameworks that protect food safety, animal health, and plant health, while also facilitating trade of these products. Canada would like to stress the importance of continued multilateral collaboration and dialogue among trading partners and agriculture stakeholders to minimize the potential trade impacts related to the regulatory oversight of precision biotechnology products and maximize their potential positive contributions to global agriculture.

2.42. Canada encourages interested Members to support the Statement and join cooperative and collaborative multilateral efforts to support open and fair trade for products of precision biotechnology. Canada also expressed appreciation to Paraguay and the Philippines for their support and co-sponsorship of the Statement.

2.43. The <u>United States</u> read the statement contained in document <u>G/SPS/GEN/1800</u>.

2.44. <u>Argentina</u> provided the following statement: With regard to the agenda item on the International statement on agricultural applications of precision biotechnology, Argentina wishes to welcome the Philippines as a new co-sponsor. As previously indicated, Argentina presented this statement at the November 2018 meeting of the Committee, with the co-sponsorship of Australia, Brazil, Canada, the Dominican Republic, Guatemala, Honduras, Paraguay, the United States and Uruguay.

2.45. The statement seeks to guarantee appropriate regulatory approaches that are science and risk based, transparent, predictable, timely and consistent with relevant international trade obligations. Given the differences internationally in approaches used to assess agricultural biotechnology, due consideration should be exercised by governments to avoid arbitrary and unjustifiable distinctions between end products derived from precision biotechnology and similar end products obtained through other production methods.

2.46. The <u>Philippines</u> submitted the following statement: The Philippines joins other Members in affirming support for the promotion of science-based regulatory approaches and international regulatory cooperation for agricultural applications of precision biotechnology. Global challenges posed by growing human population at exponential rates, emerging pests and diseases, exacerbated by negative impacts of extreme weather conditions put immense pressure on agriculture. It is for these difficulties that agricultural innovations are of paramount importance and their rational use helps enhance agricultural productivity in a sustainable manner. Being a country that is vulnerable to a wide range of challenges to food security, the Philippines considers biotechnology as one of technology options. With precision biotechnology, also known as new breeding techniques, we are presented with a new set of molecular, genomics and cellular tools that enable the targeted and efficient development of new varieties of crops with beneficial traits in a way that is faster and more precise than conventional plant breeding techniques.

2.47. We share the same sentiment that consistent policies among governments for products of precision biotechnology are rudimentary to facilitate the development and uptake of these innovations. Disproportionate regulatory hurdles translate to higher costs and limited access,

especially for small and medium-sized enterprises (SMEs) and public institutions, to the latest breeding innovation tools.

2.48. We join the call for promoting regulatory cooperation among countries. However, where there are unavoidable differences, scientific evidence should support any discrepancies. We believe that the cornerstone of decision-making must be founded on scientific evidence and risk assessment. It is by having a functional, risk-based regulatory system that the Philippines was able to realize the benefits of biotechnology. It is our view that regulations should be reasonably stringent but should not cripple agricultural innovations. We are one with countries calling for science-based and risk-based, transparent, predictable, and timely regulatory approaches to help ensure safety in respect of products derived from precision biotechnology.

2.49. We appreciate cooperation among Members on public communication efforts to build trust in regulatory frameworks and improve the acceptability of future innovations that will help modernize and enhance sustainability of agriculture for the present and future generation.

2.50. <u>Paraguay</u> provided the following statement: My delegation would like to be included as a co proponent of this agenda item in the record of the meeting and we would also like to welcome the Philippines as a co-sponsor of the statement. Precision biotechnology products can potentially play a role in responding to many of the challenges that agricultural production has to face nowadays. The approaches promoted by governments for the approval and use of this technology must therefore be based on conclusive science and risk analysis, and must be in harmony with the protection of human, animal, plant and environmental health. We firmly believe in the need for a harmonized approach that minimizes unnecessary obstacles to trade relating to the use of these tools that have the potential to respond to many of the challenges faced by agricultural production today.

2.51. <u>Brazil</u> provided the following statement: As stated in previous opportunities, Brazil believes that, in this hour of multiple crises caused by the COVID-19 pandemic, international agricultural trade has proven to be a central pillar not only to keep the world economy afloat, but to guarantee the world's food security. The SPS Agreement and the principles enshrined therein are at the core of this system, built at the outset of the WTO, and are ever more important now, to make sure that the application of SPS measures related to food safety must be based on scientific principles, in order to guarantee that they are not applied in a manner which would constitute arbitrary or unjustifiable barriers to trade.

2.52. We believe that innovative advancements in science and technology applied to agricultural practices are essential allies in the promotion of sustainable agriculture and food security. It is, therefore, of paramount importance that the regulatory frameworks on matters such as precision biotechnology products, as well as plant protection products, are based on sound scientific evidence and proper risk analysis, through transparent procedures. We reiterate the view that technology, investment, innovation and research on plant protection products are crucial for the development of a resilient, stable and sustainable agriculture in tropical regions. Safe and modern plant protection products can be of the utmost importance for the protection of plants while promoting agricultural yield and productivity. In this sense, we welcome initiatives in the Committee that address some pressing issues such as pesticide MRL policies that take into consideration neither international standards established by Codex Alimentarius, nor rigorous risk analysis based on sound scientific evidence.

2.53. We also recall the importance of the International Statement on Agricultural Applications of Precision Biotechnology (document <u>G/SPS/GEN/1658/Rev.4</u>), which brings to the attention of Members the key role that precision biotechnology techniques, such as gene editing, play towards the promotion of sustainable crop systems and food security. The establishment of science-based regulatory frameworks for these new technologies will increase the participation of different actors in the process of developing varieties with high technological value and enhance technical cooperation and collaboration. It is important to ensure predictability for the stakeholders of an innovation system.

2.54. <u>Colombia</u> provided the following statement: We hereby express our support in this meeting for the International statement on agricultural applications of precision biotechnology

 $(\underline{G/SPS/GEN/1658/Rev.4})$ and we thank the Members who have provided information on activities relating to the implementation of the SPS Agreement.

2.55. <u>Uruguay</u> provided the following statement: We welcome the placing on the agenda of the item regarding the International statement on precision biotechnology, and wish to join those who have welcomed the Philippines as co-sponsor of the document. Precision biotechnology, which includes techniques such as gene editing, has an important role to play in global food security, enabling increases in production and productivity and thus in the supply of healthy, quality food, at affordable prices, in an environmentally and economically sustainable manner. In this regard, we consider it appropriate to reiterate, in the current context, the importance of adopting fair regulatory approaches that are science- and risk-based and, as far as possible, harmonized internationally, with regard to the treatment of precision biotechnology.

2.1.5 European Union - A Farm to Fork Strategy for a fair, healthy and environmentally friendly food system (<u>G/SPS/GEN/1797</u>)

2.56. The European Union summarised the statement contained in document G/SPS/GEN/1797.

2.57. <u>Paraguay</u> provided the following statement: My delegation would like to thank the EU delegation for presenting this document, the content of which is being analysed by our government and to which we will return with detailed comments and observations at the next meeting of this Committee. However, we would like to mention that our attention has been drawn in particular to the "promote a global transition" aspect and we wonder how this objective would be consistent with granting import tolerances.

2.58. <u>Peru</u> provided the following statement: Peru welcomes the information provided by the European Union regarding its Farm to Fork Strategy. Peru also shares the vision of encouraging trade in products free from substances that are harmful to health. In this regard, implementing risk analysis in accordance with Article 5 of the SPS Agreement is of fundamental importance, not only for fulfilling the legitimate objective of protecting public health but also for facilitating trade.

2.59. <u>Guatemala</u> provided the following statement. We thank the European Union for presenting document <u>G/SPS/GEN/1797</u>. As it is still being analysed in our capital, we will comment at a later date. We are struck by the fact that it refers to a more sustainable food system for the trading partners of the European Union, which will accompany developing countries' transition towards a more sustainable use of pesticides. We would welcome clarification as to how this support will help agricultural producers who export products that take between three and four weeks to reach European ports, as well as further information on the alternative plant protection methods mentioned in the document.

2.60. <u>Uruguay</u> provided the following statement: We would like to thank the EU delegation for the presentation of an informative document on the Farm to Fork Strategy, which forms part of the European Green Deal. We trust that, in line with this document, the European Commission will move ahead with a robust, significant and transparent discussion process with all Members concerned in different spheres, including the WTO, and we already express Uruguay's interest in participating in such discussions.

2.1.6 European Union - Additional information about the new Official Controls Regulation (<u>G/SPS/GEN/1763</u>)

2.61. The European Union made reference to document G/SPS/GEN/1763 and to its intervention under agenda item 2(a)(vii).

2.62. <u>Chinese Taipei</u> submitted a written statement regarding the European Union's new rules, which was introduced under agenda item 2(a)(vii).

2.1.7 European Union - New rules on composite products (G/SPS/GEN/1786)

2.63. The <u>European Union</u> provided information in document <u>G/SPS/GEN/1786</u> to explain the new rules on animal health and public health requirements that would apply from 22 April 2020.

The European Union also noted their willingness to provide further explanations to interested Members.

2.64. <u>Chinese Taipei</u> submitted the following statement: We would like to thank the European Union for sharing with us its new rules about composite products in documents <u>G/SPS/GEN/1763</u> and <u>G/SPS/GEN/1786</u>. However, we still have some questions about the scientific justification for some of these new regulations. EFSA first published its scientific opinions in its Journal 2012:10(5):2662, which mentions that composite products such as soup stocks, flavourings, meat extract, meat concentration and sterilized heat-treated foods are considered as low risk. But the European Union's new rules seem to regulate that all composite products with ingredients of animal origin shall be produced in establishments authorized to export those processed products to the European Union, regardless of the proportion used in the final composite product, and even within the final composite product, and even with ingredients which are de-natured or highly processed.

2.65. Therefore, we would like to ask the European Union to provide us with the relevant scientific information that justifies the reason why all ingredients of animal origin in composite products, regardless of risk status, shall be produced from EU listed establishments. We would also ask the European Union to kindly provide further information on whether these measures are implemented in practice by any other WTO Member. In conclusion, while the world we live in has to face such serious situations as the COVID-19 pandemic, we urge all Members to remain committed to supporting the multilateral trading system and avoiding unnecessary trade barriers in accordance with the SPS Agreement.

2.66. Japan provided the following written statement: Japan would like to thank the European Union for the updated information regarding new rules applicable to the entry of composite products into the European Union market. The range of the composite products covered by the new rules seems to be quite wide. Depending on the content of the new rules, it may impose an additional burden at the border control, attachment of official certificates or private attestations, to many varieties of low risk composite products from non-European Union countries, which are currently in European Union market without any problem. Thus, sufficient lead time to prepare for the implementation of the new rules would be necessary for business operators of non-EU countries. Japan expects the European Union to keep transparency in further detailed procedures and schedules of the new rules and to provide non-EU countries with opportunities to participate in decision making process.

2.1.8 United Kingdom – Implementation and administration of the Agreement on Sanitary and Phytosanitary Measures during the transition period (<u>G/SPS/GEN/1767</u>)

2.67. The <u>United Kingdom</u> provided the following statement: As set out in document number <u>WT/GC/206</u>, dated 1 February 2020, the United Kingdom ceased to be a Member State of the European Union at 11:00pm GMT on 31 January 2020. The United Kingdom and the European Union have agreed a Withdrawal Agreement which provides for a time-limited transition period during which European Union law, as implemented through the Withdrawal Agreement, will continue to apply, with a few limited exceptions, to and in the United Kingdom. This transition period will end on 31 December of this year. The Withdrawal Agreement retains existing EU standards on animal health and welfare, plant health and food safety in UK domestic law. Our high standards, including import requirements, continue to apply following withdrawal from the European Union and there have been no immediate changes to our import requirements on animal health, plant health and food safety for our third country trading partners.

2.68. In the interests of transparency, the United Kingdom submitted document <u>G/SPS/GEN/1767</u>, dated 18 March 2020, informing Members of SPS regulations and standards that will apply during the transition period. In this document, we describe the United Kingdom's SPS import requirements, UK SPS regulatory system and information for traders as well as the details of our National Notification Authority and Enquiry Point. The United Kingdom is committed to maintaining high standards for animal health and welfare, plant health and food and feed safety. Through these standards, we maintain our biosecurity and public health goals while facilitating trade and minimising impacts on businesses. In this way, the United Kingdom's agri-food regulatory system continues to provide high levels of assurance to consumers and trading partners alike following our withdrawal from the European Union. We would be happy to answer any questions related to our SPS regime via our SPS Enquiry Point, details of which can be found in the GEN document.

2.69. The United Kingdom would also like to take this opportunity to recognise the important work that the WTO is doing to monitor specific trade measures in response to COVID-19. COVID-19 is a global challenge and requires a coordinated global response. In support of the WTO's effort, the UK has provided relevant information, including regularly contributing to the COVID-19 specific surveillance platform hosted on the WTO webpage and has also submitted a return to the Director General for the Trade Monitoring Report. The United Kingdom also spoke recently at an STDF seminar on safe trade, underlining again that collaboration and partnerships will be vital to keeping supply chains moving and overcoming this crisis.

2.70. The United Kingdom looks forward to engaging with all World Trade Organization Members to take forward the important work of the SPS Committee, in our collective efforts towards a more integrated multilateral framework of rules and disciplines to guide the development, adoption and enforcement of SPS measures in order to minimize their negative effects on trade.

2.71. <u>Peru</u> provided the following statement: Peru also welcomes the information provided by the United Kingdom on the implementation and administration of the SPS Agreement during the transition period (<u>G/SPS/GEN/1767</u>) and points out that it is ready to intensify bilateral work on SPS matters related to trade. Peru also emphasizes that this work must focus on maintaining SPS measures that are based on risk analysis and also facilitate trade between both parties.

2.1.9 Peru – APEC initiative on promoting transparency through an improved presentation of information in SPS notifications (<u>G/SPS/GEN/1791</u>)

2.72. <u>Peru</u> submitted document <u>G/SPS/GEN/1791</u> and provided the following statement: Peru would like to share with WTO Members the results achieved in relation to the APEC initiative on promoting transparency through an improved presentation of information in SPS notifications. In this regard, the aim has been to conduct an evaluation of the notifications made by economies that form part of this forum, in order to identify ongoing challenges in this area that need to be tackled in the short term to facilitate trade. Peru invites Members to revisit document <u>G/SPS/GEN/1791</u> for more details.

2.1.10 Senegal - Implementation of EU Directive 2019/523 on exports of agricultural products

2.73. <u>Senegal</u> provided the following statement. The delegation of Senegal would like to share some information on measures taken to secure the EU's approval of Senegal's mango dossier. The continuity of mango exports is also contingent on these measures, in accordance with Implementing Directive (EU) 2019/523 and Implementing Regulation (EU) 2019/2072 of 28 November 2019, establishing uniform conditions for the implementation of Regulation (EU) 2016/2031.

2.74. These new phytosanitary requirements apply to countries exporting fruit and vegetables to the EU market. To facilitate product access, measures taken to ensure the absence of quarantine pests targeted by the regulations have been described in this dossier. The country has in fact been breaking mango export records for the past three years. We should remind you that the mango subsector provides more than 15,000 jobs for an annual export income of more than CFAF 16 billion. All of this was made possible thanks to the establishment of a public-private dialogue platform, which mobilized the various stakeholders involved in order to determine the short - and medium - term steps to be taken to implement the agreed action plan, including each stakeholder's roles and responsibilities. Concrete risk management measures were presented, discussed, validated and implemented by professionals in the horticultural subsector. Moreover, in order to guarantee safety at work and ensure the continuity of activities in the COVID-19 pandemic situation, both in the production area and packing houses, a guide to good hygiene practices to prevent the spread of coronavirus in agricultural subsectors has been developed, validated by health authorities and widely disseminated in agricultural value chains. Furthermore, the implementation of protection measures is a mandatory requirement for the deployment of inspection missions to horticultural packing houses.

2.75. This is a good opportunity for us to thank all our partners, in particular the International Finance Corporation (IFC) of the World Bank Group, USAID, the Enhanced Integrated Framework and the Europe-Africa-Caribbean-Pacific Liaison Committee (COLEACP).

2.1.11 Chile - Statement regarding the use of SPS related scientific evidence and science based principles in order to avoid unnecessary restrictions on international trade as a result of the COVID-19 pandemic

2.76. <u>Chile</u> provided the following statement: Chile would like to take this opportunity to underline that the SPS Agreement and its provisions establish an international framework for an appropriate balance between legitimate protection measures and a predictable environment within which to facilitate international trade. The proper implementation of the SPS Agreement by Members means compliance with the rights and obligations set out in Article 2. Although within those rights it is provided that Members can take the sanitary and phytosanitary measures necessary to protect human, animal or plant life or health, it is also an obligation to ensure that these are implemented only to the extent necessary to meet the objectives. Furthermore, in order to apply the principle of transparency properly, through the provisions of Annex B, Members are urged to give immediate notification of any measures that may have an impact on trade, and to provide, upon request, copies of the regulation to other Members so that they have an opportunity to make comments.

2.77. As there is no scientific evidence that SARS-CoV-2 is transmitted through food, we call on WTO Members not to implement measures that are more trade-restrictive than necessary, so as to keep international trade flowing and not exacerbate the current threat to food security and economic stability in these times of crisis due to COVID-19.

2.78. <u>Mexico</u> supported Chile's concern regarding a Member's decision to establish measures that would unnecessarily obstruct trade in food products, generate costs for exporters, and be detrimental to people in the context of this health emergency situation. Mexico considered that justifying these measures in the terms proposed by the Member adopting them could violate the principles set out in the WTO SPS Agreements. In this regard, it should be recalled, as well as other principles in the SPS Agreement, that sanitary and phytosanitary measures should comply with the principles of transparency and be based on international standards and scientific evidence.

2.1.12 Ecuador - Online platform for electronic certification

2.79. Ecuador provided the following statement: We wish to draw Members' attention to document <u>G/SPS/GEN/1771</u>, through which we inform the Committee that the Ecuadorian Agency for Plant and Animal Health Regulation and Control (AGROCALIDAD) has developed an online platform for viewing and verifying phytosanitary export certificates issued by Ecuador. Members' national authorities will be able to access this platform and enter the certificate number. When doing so, a digital copy of the certificate issued by AGROCALIDAD can then be viewed on screen, which proves its authenticity. The platform is available in Spanish and English. We reiterate our thanks to Members for accepting electronic certificates, which will help to prevent the spread of the virus through people gathering in public spaces.

2.2 Information from Codex, IPPC and OIE on relevant activities

2.2.1 Codex (<u>G/SPS/GEN/1790</u>)

2.80. <u>Codex</u> provided a summary of its activities, as detailed in <u>G/SPS/GEN/1790</u>, and highlighted a few key points. Since the last SPS Committee meeting, the Codex Committee on Food Hygiene and the 7th session of the Ad hoc Codex Intergovernmental Task Force on Antimicrobial Resistance had taken place, both of which had forwarded texts to the Codex Alimentarius Commission for adoption. The Codex Alimentarius Commission was scheduled to be held between mid-September and October 2020, with the main objective of adopting these texts. Codex also announced that the Executive Committee (CCEXEC) would hold a virtual meeting from 13 to 20 July 2020, as endorsed by FAO and WHO.

2.81. Regarding World Food Safety Day, it had taken place completely online with a high level of success. Its goal was to highlight that food safety was a matter of concern to everyone. Finally, Codex explained that the COVID-19 pandemic had led to the development of papers on food safety by WHO and FAO, available from the Codex webpage on COVID-19.³

³ <u>www.fao.org/fao-who-codexalimentarius/thematic-areas/COVID-19/en/</u>.

2.2.2 IPPC (<u>G/SPS/GEN/1787</u>)

2.82. <u>The IPPC</u> Secretariat highlighted several points from its report, contained in document <u>G/SPS/GEN/1787</u>. In particular, the International Year of Plant Health (IYPH) was mentioned, although the Ministerial session of the Commission on Phytosanitary Measures (CPM) to mark the occasion and many other events have been cancelled or postponed but some activities are still taking place and SPS members were encouraged to plan further activities to raise awareness of the importance of plant health. IYPH flagship event, the International Plant Health Conference (IPHC) which had been scheduled for October 2020 in Helsinki had also been postponed to 28 June to 1 July 2021. In addition, efforts were being made to establish an International Day of Plant Health on 12 May.

2.83. In November 2019, the IPPC Standards Committee had reviewed and recommended a number of draft standards to the CPM for adoption, which were since on hold due to the cancellation of the Commission meeting. The Standards Committee, has continued its work via the online comment system, and have approved three draft ISPM for consultations: amendments to the Glossary on phytosanitary terms, a focused revision of ISPM 12 in relation to re-export and audit in the phytosanitary context. They had also received approval to circulate a draft standard on the concept of commodity and pathway standards, which will also be available for comments from July 1. The Implementation Committee had met in November 2019 and had held several virtual meetings since. The draft guide on Pest Status is being finalized but is pending the adoption of the draft ISPM on Pest Standards.

2.84. The suspension of travels due to the COVID-19 pandemic had led to a suspension of in-person technical assistance and capacity development activities, and has led to the development of some eLearning tools. The IPPC Secretariat also noted that a study on the state of Monitoring and Evaluation had been commissioned and published on the activities of the three sisters, the STDF and the WTO.⁴

2.85. With regards to ePhyto, in order to mitigate the impact of COVID-19 restrictions more countries have stated to exchange phytosanitary certificates electronically. The IPPC Secretariat invited Members to visit their website to find out more information on the ePhyto Solution.⁵ There were 80 countries registered to exchange ePhyto, with 12,000 certificates being issues and processed daily, with capacity to exchange 100,000. The IPPC Secretariat also highlighted its work with STDF and the three sisters on electronic certificates; as well as its work on e-commerce.

2.86. Finally, IPPC's offices had been closed for the past three months, and had opened in June with a limited capacity.

2.2.3 OIE (<u>G/SPS/GEN/1789</u>)

2.87. The <u>OIE</u> presented its report, contained in document <u>G/SPS/GEN/1789</u>, and emphasised its work on the potential role of wildlife in the COVID-19 pandemic. The OIE had put in place an Incident Coordination System, which had been reported on at the COVID-19 information sharing session of the SPS Committee. Out of this work, the OIE recommended that OIE Members continue work cooperatively and facilitate the international movement of live animals and animal products, in accordance with the provisions on the Terrestrial Animal Health Code. In addition, their recommendation was not to introduce any COVID-19 related sanitary measures, unless and until they were shown to be necessary to protect human or animal health, scientifically justified with a risk analysis and fully aligned with international standards. The OIE was regularly monitoring new information, and updating these recommendations, which were available on the OIE website.⁶

2.88. The planned General Session, scheduled for May 2020, had been cancelled and would be held in May 2021. For some decisions that needed to take place this year, delegates had supported an adapted procedure to adopt some resolutions electronically, including resolutions about countries or members that received official recognition for disease status or disease control programmes. It was important to note that as a consequence of the postponement, no new or amended chapters to international standards were adopted, so they were undergoing another round of comments, and

⁴ https://www.ippc.int/en/publications/88447/

⁵ <u>https://www.ippc.int/en/ephyto/</u>.

⁶ <u>https://www.oie.int/</u>.

would be proposed for adoption next year. The Presidents of the OIE commissions provided some representations which are available on the OIE website.

2.89. A technical item that was planned for the OIE General Session on the required competency of veterinary services in the context of international trade had been completed despite the postponement of the General Session, and would be published and disseminated on the OIE website and through webinars and videos. The OIE invited Members to look out for this information.

2.90. The OIE headquarters and regional offices had been closed for three months, and similar to IPPC and Codex, OIE staff had learnt to work in a different modality. The office had reopened two weeks earlier with limited capacity and still in a different modality.

3 SPECIFIC TRADE CONCERNS (<u>G/SPS/GEN/204/Rev.20</u>)

3.1 New issues

3.1. Before the adoption of the agenda, during phase 2 of the procedure specified in <u>JOB/SPS/7</u>, the European Union withdrew a specific trade concern regarding Malaysia's import restrictions due to African swine fever, and the Russian Federation withdrew its support to the specific trade concern raised by the United States on China's administrative measures for registration of overseas manufacturers of imported food (26 November 2019).

3.2. The Chairperson reminded Members of the procedure for this point of the agenda, as detailed in document <u>JOB/SPS/8</u>.

3.1.1 Thailand's phytosanitary restrictions on imports of fresh citrus fruits due to sweet orange scab – Concerns of Japan

3.3. Japan provided the following statement: Japan would like to raise a specific trade concern regarding Thailand's phytosanitary restrictions on imports of fresh citrus fruits from Japan. Thailand claims that sweet orange scab (SOS) is the target pest, for which the measure aims at preventing the introduction. SOS is a plant disease that infects citrus fruits by the fungus and causes scab symptoms on the fruit surface. There has been no detection of SOS from Japanese citrus fruit throughout historical records of trade even under the agreed phytosanitary measures prior to the additional treatment introduction. This fact clearly demonstrates that plant health was secured without the addition.

3.4. In August 2018, Thailand unilaterally added wax treatment to the phytosanitary requirement without bilateral consultation, in addition to already agreed phytosanitary measures including field inspection during growing season, visual inspection, washing, brushing, surface disinfection and fungicide treatment. After the sudden introduction of the new treatment, Japan generously proposed in February 2019, an alternative measure by systems approach, including visual inspection for all fruits. The proposed alternative is equivalent based on the scientific report Thailand admits. It is regrettable, however, that Thailand has not accepted Japan's proposal.

3.5. According to the scientific report, citrus fruits are susceptible to SOS infection only within the limited growth period, that is, up to eight weeks after the fall of petal. The report also describes that the period between spore infection and symptom expression can be no longer than fourteen days (two weeks). In Japan, petals of citrus fruits fall in May and the fruits are harvested from November. In this situation, if infected, the fruits will surely show the symptom well before they are harvested. In other words, the mature fruits with no scab symptom at the time of harvest should not be infected, and therefore, there is no possibility of the fruit being a source of inoculum for spreading SOS and will not be infected thereafter. Japan is confident that the proposed alternative by systems approach which encompasses visual inspection for all fruits at the time of harvest, washing, brushing and surface disinfestation can effectively identify and remove the fruits showing symptom in Japanese side.

3.6. Japan points out three problems in this excessive phytosanitary measure: Firstly, against Japan's request, the Pest Risk Analysis report has not been provided by Thailand, although IPPC ISPM 11 stipulates that "[t]he whole process from initiation to pest risk management should be sufficiently documented so that when a review or a dispute arises, the sources of information and

rationale used in reaching the management decision can be clearly demonstrated." Secondly, despite the fact that systems approach proposed by Japan meets Thailand's regulatory objective of preventing SOS introduction, requirement of wax treatment is more trade-restrictive than required to achieve the regulatory objective. As a result of Thailand's decision to add wax treatment, exports from the main production area dropped to 15.6 ton, a 35% decrease from the previous year, in the 2019 export season. Thirdly, Thailand claims that only the mix of fungicide treatment and wax treatment is effective, without a reasonable response and has not accepted Japan's proposal, which is equivalent. The SPS Agreement notes that "Members shall accept the SPS measures of other Members as equivalent", "if the exporting Member objectively demonstrates to the importing Member that its measures achieve the importing Member's appropriate level of SPS protection."

3.7. Japan hopes that Thailand will provide positive responses to advance discussions on the proposed equivalent measures.

3.8. <u>Chile</u> supported this concern and provided the following statement: Chile is keen to follow up this issue because of undue delays in Thailand's risk analysis of Chilean pears.

3.9. <u>Thailand</u> submitted the following response: Sweet orange scab (SOS) is a citrus disease caused by the fungus *Elsinoë australis*. It is considered a quarantine pest of concern to Thailand for the importation of citrus fruits from Japan and other countries where it is known to be present. Importation of citrus fruits could be an important pathway. The risk associated with this fungus on citrus fruits imported from Japan is non-negligible and phytosanitary measures can be justified. In this regard, Thailand has established the 5-step-packinghouse procedures including washing, brushing, surface disinfestation, chemical treatment and wax, to manage the risk posed by SOS on imported citrus fruits from Japan. These procedures are based on the documents prepared by experts from APHIS, USDA. It is recommended that the surface treatment with a fungicide-wax will destroy fruiting bodies on symptomatic fruit and inhibit further sporulation. However, MAFF proposed an alternative option against SOS by conducting only visual inspection instead of chemical treatment and wax. We considered that this measure is inefficient to eradicating the risk of introduction and spread of SOS in Thailand.

3.10. Although the symptom of SOS can be observed with the naked eye, the symptoms of some citrus diseases are very much similar to that of SOS. Only well-trained inspectors or experts have the pre-requisites to perform such inspection in both countries. Thailand as an importing country, which has limited resources available, could not withstand the risks of SOS associated with the imported consignments. In addition, visual inspection on every single fruit in commercial consignments is impractical. There is a high probability that SOS infected fruits could elude either export inspection or import inspection. Therefore, inspection could not provide adequate safeguard to prevent the introduction of SOS. Thailand considers that the 5-step-packinghouse procedures can provide more assurance on risk mitigation measures of SOS than fruit inspection proposed by MAFF.

3.11. Visual inspection is considered not be the effective measure to prevent the risk of introduction and spread of SOS in Thailand. On the other hand, chemical treatment and wax could effectively eliminate the fungus on citrus fruits as mentioned above. Moreover, it could facilitate the import clearance of consignments at the port of entry after arrival to Thailand while the alternative measure proposed by MAFF might lead to long delay on import clearance. If suspicious symptoms are found on the consignments, they must be held at the port of entry waiting for the results of laboratory confirmation. It is a fact that diagnosis of SOS is complicated and time-consuming, as well as requires particular experts. These might adversely affect fruit quality to be unmarketable and eventually disrupt the trade of citrus fruits from Japan.

3.12. According to Japan's claim, the volume of citrus fruits exported to Thailand decreased due to the application of the requirement on wax treatment. Thailand would like to provide further clarification that Thailand imposes the 5-step-packinghouse procedures to manage the risk of SOS on imported citrus fruits not only from Japan but also from other countries. This measure has been applied to all countries without discrimination. We believe that this measure is the effective risk mitigation measure and is not trade-restrictive phytosanitary measures.

3.13. Finally, Thailand, as a Member of the WTO, takes into account the principles under the WTO SPS Agreement when establishing phytosanitary import requirements. Based on all

above-mentioned clarifications, Thailand confirms that the current requirements of SOS comply with the WTO SPS Agreement.

3.1.2 US non-recognition of the pest free status in the European Union for Asian longhorn beetle and citrus longhorn beetle – Concerns of the European Union

3.14. The <u>European Union</u> provided the following statement: The European Union would like to raise its concerns about the unjustified and long delays of the United States to recognise the pest free status in the European Union for Asian and Citrus longhorn beetles.

3.15. Since 2013, the United States and Canada classified the whole European Union as being affected with Asian and citrus longhorn beetles, while these pests are absent in many EU member States. The European Union is strictly controlling and monitoring Asian and citrus longhorn beetles in the European Union. During more than seven years, the European Union has provided all information needed to allow the United States and Canada to recognise the country pest-free status of 21 European Union Member States and the pest-free area status of the remaining EU member States.

3.16. After all the scientific work was finally assessed satisfactorily by the United States and Canada, the United States subsequently issued, during the summer of 2019, a WTO SPS notification (<u>G/SPS/N/USA/3089</u>) with a draft proposal to recognise the country freedom of these pests for the EU member States concerned. In addition, the United States informed that it would issue the final Federal Order by the end of 2019 on the recognition of this country pest-free status of these EU member States, at the same time when Canada would recognise the pest-free status of these EU member States.

3.17. The European Union would like to thank Canada for having confirmed this recognition on 2 December 2019. The European Union regrets to note that the Unites States did not issue its Federal Order at the same moment for this country-freedom recognition, despite its earlier commitment. The United States could also not provide to the European Union a justification based on science for not issuing its Federal Order on the recognition of the pest-free country status for the Asian and Citrus longhorn beetles for 21 EU member States. Neither did the United States provide a response to the European Union request to provide a date for the publication of this Federal Order.

3.18. The European Union would like to refer to the constructive technical work on this topic during the past years with the United States. The European Union would urge the United States to respect their international obligations by (i) promptly taking the final administrative step to recognise the pest free status of the 21 EU member States and (ii) by finalising without any delay the work to recognise the pest free areas for the Asian and citrus longhorn beetles for the remaining EU member States. In particular, the European Union would like to ask the United States to inform of the date for the publication of the Federal Order on the country pest freedom of Asian and citrus longhorn beetles.

3.19. The <u>United States</u> provided the following response: The United States appreciates the interest of the European Union in the status of our work to grant pest-free status from Asian longhorn beetle and citrus longhorn beetle to the European Union. We would like to assure our European colleagues that the US Department of Agriculture is working through its administrative procedures to process this request. We note our bilateral technical engagement on the matter and look forward to continued cooperation with the European Union going forward.

3.1.3 India's fumigation requirements for grain and other products – Concerns of the Russian Federation

3.20. The <u>Russian Federation</u> provided the following statement: The Russian Federation is concerned that India has placed a mandatory use of methyl bromide for cereal fumigation. Since 2017 the Republic of India introduced the obligatory phytosanitary requirement for exporting countries to use methyl bromide for fumigation of grain crops imported into India. The Montreal Protocol on Substances that Deplete the Ozone Layer, dated 16 September 1987, limits the use of methyl bromide. The Russian Federation has proposed several times to India to lift the ban and use alternative preparations based on hydrogen phosphorus (phosphine) along with methyl bromide preparations according to prevailing world practice. In 2017 and 2018, many countries (Senegal,

Kenya, etc.) expressed the same concern. India, for its part, eases requirements every six months and allows the import of agricultural products processed by alternative fumigants with further treatment with methyl bromide in the Indian port. However, this practice of easing requirements' prolongation reduces predictability and is inconsistent with the principles of SPS transparency.

3.21. Russia has repeatedly sent India an analysis of the validity and feasibility of using phosphines against grain pests, as well as the comparative effectiveness of fumigation with using of methyl bromide and phosphine. Unfortunately, no response has been received to date from India to resolve the issue. Russia invites India to consider recognizing the effectiveness of alternative preparations for processing grain supplied to India by exporting countries on an ongoing basis.

3.22. <u>Canada</u> supported this concern and provided the following statement: Pulses have long been an important element of Canada's bilateral trade relationship with India. Canada is therefore concerned about India's mandatory fumigation requirements and the impact these requirements are having on that trade. Canada has raised these concerns on numerous occasions with India, including on the margins of previous meetings of this Committee. Unfortunately, we have yet to find a solution, despite strong Canadian efforts to do so. We hope to reach a satisfactory solution prior to the November WTO SPS Committee.

3.23. <u>India</u> provided the following statement in response to the Russian Federation: Our authorities are in receipt of a letter dated 29 May 2020 from the Russian Federation regarding the fumigation of grains using the chemical phosphine. They are processing this request and will soon send an official reply to the Russian Federation. We remain available to consult bilaterally with the Russian Federation, with a view to resolving this issue.

3.24. <u>India</u> provided the following statement in response to Canada: India and Canada have been engaging on this issue since 2018. Canada has suggested the systems approach as an alternative to India's mandatory fumigation requirements. A team of technical experts from India had visited Canada to review their systems approach. Following this visit the Indian technical agencies had sought some additional information from Canada. The information provided by Canada on 19 July 2019 was being examined by our agencies. This process was set back on account of the interception of quarantine pests in consignments of pulses imported from Canada into India in October 2019. Although the detection of such quarantine pests was in violation of India's Plant Quarantine Order of 2003, a one-time exception was made and the consignments from Canada were released after ensuring that the quarantine pests had been sieved out. Following this incident, the Indian technical agencies had conducted a review of the Pest Risk analysis for pulses imported from Canada. Information about this review was shared with the Canadian agencies and we are yet to receive a response from them on this review.

3.25. Canada had also submitted a request to review the list of quarantine seeds regulated under India's Plant Quarantine Order of 2003. The information provided by Canada in this regard is being examined by our technical experts. We are committed to continue engaging with Canada on this issue, with a view to finding a mutually acceptable solution at the earliest.

3.1.4 Nepal's import ban on energy drinks – Concerns of Thailand

3.26. <u>Thailand</u> provided the following statement: The Thai Government has been informed by our private sector about their concern on the Nepali Government's Order of 17 June 2019 which imposes an import ban on caffeinated energy drinks, flavoured synthetic drinks and other similar drinks. Since the regulation entered into force on 17 June 2019, our private sector has been unable to export energy drinks to Nepal. The exporter was severely affected because their products were already produced with model and label designed specifically for Nepali market only, hence, cannot export such products to other countries. We appreciate the opportunity to have a bilateral consultation with your high-level authority in Kathmandu. However, the issue has not been resolved as the concerned products of our exporter are still banned for import to Nepal.

3.27. Furthermore, Thailand is concerned that Nepal has not submitted complete notifications related to those measures to the WTO. In this regard, Thailand would like to request further information from Nepal regarding the measures as follows: What objective does Nepal pursue by banning the importation of energy drinks and how does it comply with the WTO's commitments?

Please clarify whether Nepal's import ban based on any scientific evidence concerning the effects of energy drinks?

3.28. Thailand stands ready to engage bilaterally with Nepal with a view to settling this issue amicably in the near future.

3.29. <u>Nepal</u> referred to its statement made at the meeting of the Committee on Market Access held on 8 June 2020 and provided the following response: To begin with, Nepal joined the WTO in 2004 through the accession process and became the first acceding least developed country (LDC) and 147th Member of the WTO. Despite being an LDC Member, Nepal's level of commitment at the WTO is mostly similar to some developed members and its situation may be the same as that of other Members joining the WTO through the accession process. For instance, our binding coverage is 99.4%, simple average bound tariff is 26.3%, and simple average MFN applied tariff is around 12%. The MFN applied tariff being less than half of the bound tariff indicates our further liberalized implementation.

3.30. Since Nepal joined the WTO, it has been playing its level best to honour its obligations. It has taken several policy measures to fulfil commitments made during the accession process and has been expediting its market-friendly policy reforms through various initiatives. All the domestic legal and other measures have been complied with the WTO at the maximum possible level. WTO membership was simply a beginning of the process to integrate Nepal into the global economy in a meaningful way. Nepal understands that the journey to the WTO means a balance between rights and obligations and we are fully committed to it. Nepal has conducted its first and second Trade Policy Reviews in 2012 and 2018, respectively in a timely manner.

3.31. While assessing the trade performance of the country since joining the WTO in 2004, Nepal could not benefit much from the membership as expected, particularly in export performance, it rather faced a huge import surge. The export-import ratio of trade in goods reached to 1:15.3 in 2017/2018 from 1:2.5 in 2004/2005 (TEPC, Nepal). World's merchandise export increased from about 9 trillion US\$ in 2004 to about 19 trillion US dollars in 2018 but Nepal's export mostly remained stagnant with just a nominal growth from 730,5 million US dollars in 2004 to 783,5 million US dollars in 2018. However, Nepal's merchandise imports significantly increased from 1.85 billion US dollars in 2004 to 12.9 billion US dollars in 2018 (World Bank). The situation of a mostly stagnant export but skyrocketing import surge resulted in a huge trade gap and posed severe challenges to the entire economic development process of the country. In view of this difficult situation, the Government of Nepal assessed the causes of such trade imbalance and accordingly took measures of import and export regulation while focusing on trade regulation, on an MFN basis, to be applied to all WTO Members equally in accordance with the WTO laws.

3.32. Nepal has taken this temporary measure because of the country's unique situation as an LDC and LLDC facing various constraints and challenges of export performance. The regulation is not only focused on trade restriction of few products but concentrated on trade regulation and facilitation, covering broad aspects of Nepal's international trade to make it standard and smooth. Furthermore, it also includes provisions to comply with the Convention on International Trade in Endangered Species of Wild Fauna and Flora. The objective of this measure is not to restrict trade but to regulate and facilitate Nepal's international trade and safeguard the country from the severe challenge of trade imbalance, and the threat to its balance of payments caused by this development, so as to make Nepal's international trade well-regulated and well facilitated.

3.33. In the context of COVID-19 pandemic and its impacts, the government of Nepal is in consultation with agencies concerned regarding potential health implication of energy drinks and some other non-essential products which are being imported in large scale in recent years. I would like to underline that it is a temporary measure taken by the government and the country is further assessing this regulation and the entire trade performance from time to time through a detailed study and this may be reviewed periodically and revised based on the study findings.

3.34. We have sent an official note and notification to the WTO Secretariat on 21 January 2020 in this regard. When we received concerns from our friendly Thailand, we requested to resolve the issue through bilateral consultation. In this regard, a bilateral meeting was held in Kathmandu and the matter was discussed at length. The discussion would further be expedited, and the matter could be settled once the COVID-19 outbreak is normalized. However, Thailand raised this concern at this

meeting without keeping in view the bilateral discussion held in Kathmandu and the current challenging time of fight against COVID-19 pandemic, despite our repeated emphasis on and requests for addressing this issue through bilateral consultation.

3.35. Let me share with this meeting that in our bilateral consultation held in Kathmandu and also in the statement made by Thailand today, Thailand is stressing that their products were already produced with model and label designed specifically for Nepali market only; hence, it cannot sell such products in other countries. In this regard, Nepal would like to request our friendly Member country Thailand to share its explanation as to why those products have been specially designed and labelled only for Nepali market? What the quality standards of those products is? Why such products cannot be sold even in its domestic market? We underline that there is a need to make a study whether those products targeted to Nepali markets are in line with set quality standards. Nepal will certainly look into this matter and take necessary initiatives, as needed, based on the study findings. We have conveyed all the concerns raised by Thailand to the Ministries concerned (Ministry of Industry, Commerce and Supplies, and Ministry of Foreign Affairs) in Kathmandu. We will certainly share detailed information in this matter as and when we receive from our capital.

3.36. Finally, it is our humble submission to all WTO Members including Thailand to positively consider the unique situation of Nepal as an LDC and LLDC Member, facing a huge trade gap with an export-import ratio of 1:15.3 (meaning that imports being more than fifteen times of exports) and with having several constraints and challenges in international trade.

3.1.5 Modification of EU MRLs for plant protection products: Chlorpyrifos and Chlorpyrifos-methyl – Concerns of Colombia and Ecuador

3.37. <u>Colombia</u> thanked Ecuador for co-sponsoring this specific trade concern, and to the Dominican Republic, Egypt, Paraguay, Guatemala, Peru, Chile and Indonesia for supporting it. Colombia noted that the support was evidence that this and other STCs related to changes in MRLs were not a bilateral or regional concern, but that they affected countries of different regions and products. Colombia referred Members to document <u>G/SPS/GEN/1761</u>.

3.38. <u>Ecuador</u> introduced document <u>G/SPS/GEN/1807</u> and submitted the following statement: Ecuador shares this concern regarding the ban on the use of more plant protection tools that are key to pest eradication and food quality. Such measures can seriously hamper the entry of many agricultural products into the market of our main trading partner.

3.39. <u>Guatemala</u> provided the following statement: We thank Colombia, Costa Rica, Ecuador and Paraguay for including this item on the Committee's agenda.

3.40. The European Food Safety Authority (EFSA) has reduced the maximum residue levels (MRLs) for chlorpyrifos, which is applied manually in Guatemala to control pests in banana production, by placing ties on each banana and plantain bunch and using protective sleeves for the fruit, instead of using the spray method. The banana sector has repeatedly said that, domestically, there are no alternatives proven to be effective as chlorpyrifos available for immediate use. In the Latin American banana sector, tests are being carried out using other substances, including an EFSA approved molecule called pyriproxifen that might be similarly effective to chlorpyrifos. However, it is still being trialled and farmers are looking for lower risk alternatives. Although farmers have considered using pyriproxifen, obtaining and introducing it in the country at this crucial time has been hampered by quarantine measures in several countries due to COVID-19, and by domestic requirements for registration, including field tests, which obviously cannot be conducted at this time.

3.41. In addition to the challenges to obtaining substitutes for the above-mentioned agricultural chemical, the global health emergency caused by COVID-19 is having a serious impact on domestic farmers, due to the isolation of technical and field staff, interruptions in supply processes and shortages in production inputs. This may lead to an increase in pests and diseases that will have an adverse effect on banana and plantain production. If this is compounded by the current transition periods for the use of chlorpyrifos, they will pose an additional challenge to existing difficulties caused by the coronavirus, which would fall on producers and exporters, putting at even greater risk their ability to maintain levels of production, comply with delivery programmes as per contracts, guarantee the supply of fruit in the various markets and ensure employment in the sector.

3.42. It should be noted that, in such a health situation and with no immediate alternative to replace chlorpyrifos, farmers will see 10 to 15% of their fruit go to waste due to the damage done to the banana skins by the increase in sucking/eating insects, lowering the commercial value of the bananas. In addition to the loss of produce and the immobility of staff due to the health emergency, the cost of production will increase and productivity will decrease, making banana production riskier due to direct economic losses and even creating a negative social effect.

3.43. In light of the above, Guatemala has sent communications to the European Union asking it to postpone the application of this measure and to provide scientific evidence of the damage to European consumers' health caused by eating bananas and other agricultural products from third countries. We reiterate the request made and previously discussed in document in <u>G/SPS/GEN/1778</u>.

3.44. <u>Indonesia</u> provided the following statement: Indonesia would like to thank Colombia for placing this important issue into the STC agenda. While we are still examining the potential impact of the European Union's proposed MRLs, Indonesia supports this STC and registers its interest to following this STC's discussions. We fully noted the statements delivered by Colombia and other proponents to this STC on its potential implication to specific agricultural products sourced mainly from developing and LDC Members; and lack of scientific evidence in determining new MRLs. In this regard, Indonesia wishes to urge the European Union in preparing the level of MRLs, to carry it out in accordance with the SPS Agreement and international standards, as necessary, and that these MRLs do not create any unnecessary barriers to trade.

3.45. <u>Paraguay</u> provided the following statement: My delegation shares the trade concern submitted by the delegations of Colombia and Ecuador and thanks these delegations for including it on today's agenda.

3.46. As well as reiterating our systemic concern regarding the EU's approach to establishing the MRLs in question, we would like to highlight the importance of these substances for Paraguay. While chlorpyrifos is important for our agriculture, as a substance commonly used in the rotation system practised by our farmers to prevent the resistance of pests in corn, sesame, soya bean and wheat crops, it is also vital for human health because it is used as a base substance for mosquito repellents, in a country where a dengue fever epidemic strikes every year in summer, affecting hundreds of thousands of people. In 2020 alone, the Ministry of Public Health and Social Welfare reported more than 137,000 dengue notifications and 135 deaths between January and March, just in the Republic of Paraguay. To put this in perspective, across the world approximately the same number of cases of COVID-19 were reported in the same period. The figures for Paraguay reflect the number of cases of dengue even with the availability of repellent products and fumigation to eliminate breeding sites; imagine how the numbers would look if these products were not available.

3.47. Climatic conditions in Paraguay require the use of particular products and, following the EU's decision to suspend the use of this substance in its territory, one of the main companies producing it has announced that it will discontinue its production, not because it deems the substance to be dangerous, but because it is no longer *commercially viable*. This is the peril faced by the small countries using such compounds; we do not have the capacity to produce or develop alternatives. As for alternatives to control dengue, we have to raise our concern about cypermethrin and citronella oil, also key substances, being included on the list of the upcoming EFSA review of substances and which in all likelihood will be removed.

3.48. We once again urge the European Union to base its measures on conclusive scientific evidence and to take into consideration the unintended consequences and implications that its policies will have for third countries, which have different climatic conditions from those of European countries and therefore have to deal with other pests and diseases affecting not only agriculture but also people's health.

3.49. <u>Peru</u> provided the following statement: Peru wishes to point out that the standard applied by the EU for chlorpyrifos will have an impact on Peruvian exports. Specifically, Peru wishes to state that, when making this type of modification, Article 5.3 of the WTO SPS Agreement should be taken into consideration, to determine the potential damage that this regulation would cause, and Article 5.4, concerning the objective of minimizing negative trade effects.

3.50. The <u>Dominican Republic</u> provided the following statement: The Dominican Republic wishes to express its support for this agenda item. We reiterate our concern that the EU continues to reduce its maximum residue levels (MRLs) to the minimum detection level and to reduce MRLs for active substances that remain approved under the Codex Alimentarius, without conducting the requisite scientific risk assessments, as stipulated in the SPS Agreement. As explained in the communication in document <u>G/SPS/GEN/1761</u>, chlorpyrifos is an essential compound for protecting crops against pests and diseases, which is used to maintain the quality and safety of products before their entry into the European market. Measures of this kind have a direct impact on our exports, not to mention a social and economic impact on the region. We therefore ask that any measure applied by the European Union be prepared in accordance with the WTO SPS Agreement, based on scientific principles and risk assessment criteria.

3.51. The <u>European Union</u> provided the following response: The European Union has carefully studied all the information available and confirms that there is sufficient evidence to conclude that both substances pose serious concerns for human health. The available regulatory studies and scientific literature, including epidemiological data, provide evidence of developmental neurotoxicity, leading to adverse neurological outcomes in children. In addition, a genotoxic potential cannot be excluded for the two substances, in particular concerning the ability of the substances to damage DNA. It is therefore not possible to set safe levels of exposure for human health, which in turn makes it impossible to carry out a risk assessment for consumers. The identified issues are based on a consideration of all the available information and concerns identified from that information, not due to missing data. The European Union legislation prescribes that it is the responsibility of the industry to demonstrate that substances and products they contain do not have any harmful effects on human and animal health or unacceptable effects on the environment.

3.52. The Regulations concerning the non-renewal of approval received a favourable opinion at the Standing Committee on Plants, Animals, Food and Feed, on 6 December 2019, after being duly notified under the WTO TBT procedure. The Regulations were adopted and published on 10 January 2020. The Regulations required EU member States to withdraw authorisations for plant protection products containing chlorpyrifos and chlorpyrifos-methyl by 16 February 2020 and allowed member States to grant a short period of grace until 16 April 2020 for placing on the market, storage, disposal and use of plant protection products. On 18 February 2020, member States endorsed a Commission proposal to lower the Maximum MRLs of chlorpyrifos and chlorpyrifos-methyl in food and feed to the Level of Quantification, which was duly notified under the WTO SPS Agreement.

3.53. Notwithstanding the serious health concerns identified by EFSA, the Regulation includes a deferral period for the application of the lower MRLs - 3 months from the date of entry into force of the Regulation. Therefore, it does not lead to immediate trade disruptions as the new MRLs will not become applicable before November 2020.

3.54. It is important to note that given the concerns identified by EFSA, it is not possible to determine MRLs based on a risk assessment and therefore all MRLs must be lowered to the limit of determination. For the same reason, no additional transitional measures can be provided for products that will have been produced in the European Union or imported into the European Union before the Regulation becomes applicable.

3.55. Some WTO Members consider that the European Union is moving away from Codex procedures and its international norms and that the JMPR has rejected the European Union argumentations. The European Union has been supporting the work of the Codex Alimentarius Commission since its inception and strongly believes in the role the organisation plays in the protection of consumers' health and to facilitate trade. The European Union is the highest contributor to the Codex Trust Fund 2 and has also spearheaded an initiative supported by many other Codex members to ensure sustainable funding for Codex scientific advice.

3.56. In addition, EU law stipulates that MRLs set at the international level by the Codex Alimentarius Commission should be considered when Community MRLs are being set, taking into account corresponding good agricultural practice. When deciding on the setting, modification, or deletion of an MRL, the European Commission is therefore bound to take into account existing Codex MRLs (CXLs) – and this is what the European Union does. However, at times the European Union scientific bodies and experts consider that existing or proposed CXLs are not sufficient to protect EU consumers and recommend different MRLs.

3.57. Chlorpyrifos was originally evaluated by JMPR in 1972. It was evaluated for toxicology in 1982 by JMPR and for residues in 1995, and it was reviewed for toxicology in 1999 and for residues in 2000, 2004 and 2006. There is a 20-year gap since chlorpyrifos was last reviewed by JMPR, as it is also indicated in the General Considerations (point 2.6) of the 2019 Report of the Extra Joint Meeting of the FAO Panel of Experts on Pesticide Residues in Food (JMPR) and the Environment and the WHO Core Assessment Group on Pesticide Residues. The European Union has submitted recently a concern form to the Codex Secretariat and the JMPR to raise awareness on its latest findings. The European Union considers that a re-evaluation for toxicology and residues of chlorpyrifos, and all the JMPR CXLs, is necessary and this task should be prioritised in the JMPR calendar.

3.58. The European Union hopes that the replies conveyed address the concerns of delegates.

3.1.6 Modification of EU MRLs for plant protection products: Mancozeb – Concerns of Colombia, Costa Rica, Côte d'Ivoire, Ecuador and Paraguay

3.59. <u>Colombia</u> thanked Côte d'Ivoire, Paraguay, Costa Rica and Ecuador for co-sponsoring this STC, and to Guatemala, Brazil, Nicaragua, Mexico, Peru and Chile for supporting it. Colombia shared the concerns expressed by Côte d'Ivoire in document <u>G/SPS/GEN/1796</u>, in particular regarding bananas.

3.60. <u>Colombia</u> and <u>Ecuador</u> jointly submitted document <u>G/SPS/GEN/1808</u>, based on the observations sent to the European Union regarding notification <u>G/SPS/N/EU/384</u>.

3.61. <u>Côte d'Ivoire</u> submitted its observations in document <u>G/SPS/GEN/1796</u>.

3.62. <u>Costa Rica</u> provided the following statement: Costa Rica was deeply concerned upon receiving notification <u>G/TBT/N/EU/712</u>, through which the European Union proposes the non-renewal of approval for the active substance mancozeb and informs the Committee that separate action will be taken to reduce maximum residue levels (MRLs) for this substance. These measures would enter into force in the last quarter of 2020.

3.63. Mancozeb is used in Costa Rica in the production of more than 20 crops, including some of its main export products. This substance is especially important in banana cultivation, as it acts as a protector against black sigatoka, a pest of the highest economic importance. Unless black sigatoka can be controlled, it would be impossible to obtain a harvest with a sufficient number of leaves to ensure the fruit is exportable.

3.64. Mancozeb has a number of advantages from the point of view of environmental conservation: it can be used and is effective in a wide range of doses, making it possible to streamline its use, cost and impact; it is compatible with mineral oil and is not phytotoxic; it is stable in a tropical environment (high precipitation and temperatures); there is less need for chemical adjuvants (adherents and anti-drift); and it is compatible with all fungicides and many foliar fertilizers and bio stimulants used in banana crops and required to enhance quality and production.

3.65. The agrochemical industry worldwide has so far been unable to develop another fungicide to match the characteristics of mancozeb: highly effective, offering a broad spectrum, safe for crops, the environment and the health of workers, zero risk of resistance, excellent compatibility with other agrochemicals and low cost. Without the use of mancozeb, isolates of black sigatoka resistant to systemic fungicides would proliferate unchecked and control of the disease in plantations would be lost in the short term, with serious economic and social consequences.

3.66. Before the pandemic, the banana industry in Costa Rica was the source of 40,000 direct jobs and 100,000 indirect jobs, equivalent to an employment rate of around 6.7%. The industry is already struggling with the loss of access to other critical substances, such as buprofezin, chlorothalonil and imazalil, dramatically increasing the vulnerability and viability of our agricultural production system and reducing its capacity to absorb employment and act as a social and economic driver.

3.67. We understand that the preliminary findings of the most recent assessment point to a safe use of mancozeb within the European Union. However, should the European Union go ahead with plans to modify the MRL for mancozeb despite the question marks over the science and the social and economic challenges that such a modification would create, it is extremely important that the

European Union also take into account the exceptional circumstances created by the pandemic. Costa Rica therefore associates itself with the earlier call, and especially by Côte d'Ivoire in document <u>G/SPS/GEN/1796</u>, for the EU to suspend the processes for reducing MRLs for critical substances and to establish an effective dialogue with the trading partners affected.

3.68. <u>Paraguay</u> provided the following statement: The Paraguayan delegation is concerned about the non-renewal of approval for mancozeb and the subsequent modification of MRLs for this substance. This concern has already been discussed through the TBT Committee's written exchange in May, and comments were submitted to the European Union in Brussels within the deadline set in the notification. We hope these comments will be taken into account. Mancozeb is an active substance that has been in use for over 50 years and is still considered to be an important tool for the control of fungal plant pathogens worldwide, especially in anti-resistance programmes.

3.69. Mancozeb is a multisite, protective fungicide used on more than 70 crops such as vegetables, fruit trees, ornamentals, nuts, cereals, soya beans, maize, potatoes, bananas, citrus fruit, grapes and turf. The substance is used to treat more than 400 diseases, alone or blended with systemic fungicides, of species belonging to the four major fungi groups: phycomycetes, ascomycetes, deuteromycetes and basidiomycetes: *Phytophthora, Botrytis, Alternaria, Michosphaerella, Septoria, Peronospora, Phoma, Pseudoperonospora, Cercospora, Venturia, Plasmopara, Monilia, Anthracnose, Puccinias, Uromyces, Ascochyta, Helminthosporium, Sphaceloma, Uncinula, Diplocarpon.* It has become a strategic fungicide used to control the 10 main diseases worldwide, with a usage rate of more than a 95%.

3.70. Paraguayan producers currently use mancozeb to control soybean rust which, due to resistance, cannot be tackled using other fungicides currently on the market. Given its multisite usage, mancozeb acts in various environments within the pathogenic organism that has become resistant to other fungicides. Consequently, withdrawing this product from circulation could potentially increase the use of other fungicides during the productive cycles, while simultaneously reducing their efficiency. This would hit the production output of a crop that is a mainstay of the Paraguayan economy. There are very few multisite products like mancozeb. One such product is chlorothalonil, which is the focus of another trade concern since the European Union is also phasing out its use. Mancozeb and chlorothalonil account for almost 90% of multisite use in Paraguaya.

3.71. Besides soya bean crops, maize crops will be affected by this non-renewal, as mancozeb is used on maize to combat a disease caused by *Phaeosphaeria maydis*. This substance is currently the only widely used and effective alternative, offering producers a good price-quality ratio.

3.72. Over the last decade, regulatory authorities in several regions have reassessed mancozeb as a current active ingredient. Based on extensive data, studies and regulatory guidelines on health and the environment, mancozeb has successfully completed the regulatory reassessment. In the last few years, products containing it have been re-registered in a number of countries, including in the European Union. When used in compliance with approved good agricultural practices, mancozeb does not endanger human health or the environment, since it is a substance with low environmental persistence, low levels of acute toxicity in mammals and little or no phytotoxicity. Any reduction in mancozeb's MRLs could have a significant impact on world trade, adversely affecting third-country producers' market access.

3.73. As a landlocked developing country, the impact on Paraguay could be strong, affecting farmers and lessening or ending access to the European market. The negative impacts would be felt directly by agricultural producers and indirectly by those involved in the entire agricultural production and export chain, including in transport and logistics. Moreover, without an alternative product on the market to control the phytopathogen, food security could be affected given that Paraguay would be unable to continue using mancozeb if it wished to export to one of its main trading partners.

3.74. For the above reasons, we urge the European Union to: (1) Set measures supported by conclusive risk assessments based on criteria established by international standards and recommendations, in accordance with the provisions of the SPS and TBT Agreements; (2) Maintain the European Union's existing MRLs for mancozeb and refrain from setting more restrictive levels, particularly in the aftermath of COVID-19, in acknowledgement of the issues raised in communications <u>G/SPS/GEN/1778/Rev.2</u>, <u>G/TBT/GEN/296/Rev.2</u>.

3.75. In conclusion, we would like to remind the European Union that, for Paraguay, agriculture is crucial, and a well-functioning agricultural sector is key to ensuring food security, agricultural producers being one of the main sources of domestic food and income, who rely on the availability of tools like mancozeb to deal effectively with pest attacks.

3.76. <u>Ecuador</u> made reference to the three specific trade concerns that it co-sponsored, which referred to the EU policy of reduction of MRLs for various substances of great importance to the phytosanitary protection in food production. Ecuador highlighted a specific concern regarding the substances buprofezin, chlorothalonil, imazalil, and the more recent chlorpyrifos and mancozeb. Finally, Ecuador introduced the joint document with Colombia contained in <u>G/SPS/GEN/1808</u>.

3.77. Brazil, Chile, Guatemala, Honduras, Mexico, Nicaragua, Panama and Peru supported this concern.

3.78. <u>Chile</u> provided the following statement: Chile shares the concern, mainly because of the future impact on MRLs for fruit exports. Mancozeb is used in the production of fruit for export, primarily for pome fruits (apples and pears) and, as there is currently no product to replace it, non-renewal of approval could lead to complications in the control of some diseases and production losses, resulting in a negative impact on national fruit production and trade. Chile is a leading exporter of apples, with over 700,000 tonnes a year. It has a planted area of 30,000 hectares.

3.79. <u>Guatemala</u> provided the following statement: We thank Colombia and Ecuador for including this item on the Committee's agenda. We are concerned at the European Union's decision not to renew its approval of mancozeb. We would like to reiterate that we are not producers of this substance, but that it is used by agricultural producers. We are concerned at the non-renewal of approval and the expiration of all grace periods for stocks of products containing this substance.

3.80. As a result of this notification, the European Union has announced that in the future it will review the MRLs currently permitted, as it has done in the past for other substances, which will directly affect domestic production and exports to the European Union. This decision will have a negative impact on Guatemalan agricultural producers, as they use mancozeb to control fungi on agricultural products. This substance is essential for strategic crops that are exported to the European Union, such as fruit and vegetables like bananas and plantains. This measure will likewise affect exports from other Latin American countries that are also agricultural producers and exporters. Member countries are reminded that the vast majority of Latin American countries that are not present in Europe.

3.81. In banana and plantain production, mancozeb is used to control a disease called black sigatoka, caused by the fungus *Mycosphaerella fijiensis*. This disease invades and necrotizes the leaf tissue, causing leaf death in perennial banana and plantain crops, and thus has a significant economic impact on banana and plantain crops worldwide. Moreover, there are no chemicals or organic substances on the market that efficiently control black sigatoka.

3.82. The European Union mentioned in notification <u>G/SPS/N/EU/384</u> that it has identified potentially negative health effects, but has failed to provide the countries affected with information on the contamination of products that have been assessed with the scientific information available. Moreover, the EU has not presented any scientific evidence of the supposed danger and harmful nature of mancozeb in the fruit and vegetables exported to the European market from Latin America. Guatemala sent comments during the public consultation and awaits a response to its proposals.

3.83. <u>Mexico</u> provided the following statement: Mexico is sharing this statement to support the specific trade concern raised by Colombia, Costa Rica, Ecuador and Paraguay regarding the proposed modifications to the European Union's regulations to ban the use and marketing of the fungicide mancozeb. We emphasize the importance, when adopting sanitary or phytosanitary measures with a significant impact on trade, of basing such measures on an assessment of the risks to human, animal or plant life or health, in accordance with the principle set out in Article 5 of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures. Accordingly, like other delegations, we request the European Union to reconsider changing the approach of this measure, making it risk-based rather than hazard-based, so as to ensure that risk assessments based on scientific evidence determine the conditions for the establishment of maximum residue levels, as provided in Article 5 of the SPS Agreement.

3.84. The ban on the use of mancozeb on food products and its marketing in the European Union would also have a significant impact on Mexico's exports.

3.85. Mexico urges the European Union to take into account the comments made by countries regarding the notifications submitted to the SPS and TBT Committees. We welcome and reiterate the importance of promoting transparency throughout the process under way in the European Union and request that the Members of this Committee be kept informed of progress in this matter.

3.86. <u>Peru</u> provided the following statement: Peru continues to monitor notifications <u>G/TBT/N/EU/712</u>, <u>G/SPS/N/EU/384</u> and <u>G/SPS/N/EU/384/Add.1</u> regarding the European Union's non-renewal of approval for the use of mancozeb. In this connection, Peru would be grateful if the European Union would take into consideration the comments made through the TBT Enquiry Point and bilateral consultations, to ensure that the final measure is risk-based, in accordance with Article 5 of the WTO SPS Agreement.

3.87. The <u>European Union</u> provided the following response: The European Union thanks WTO Members for raising this issue and would like to take this opportunity for clarifying the rationale behind the decision taken. On 17 April 2020, the European Union notified to the TBT Committee a draft Commission Implementing Regulation concerning the non-renewal of the approval of the active substance mancozeb, in accordance with Regulation (EC) No. 1107/2009 on the placing of plant protection products on the market. Existing authorisations of plant protection products containing mancozeb will be withdrawn and such products cannot be placed on the market.

3.88. The non-renewal of the approval is based on a scientific assessment conducted under Regulation (EC) No. 1107/2009 by experts from the Member States of the European Union and the European Food Safety Authority (EFSA). In order for an active substance to be approved in accordance with Regulation (EC) No 1107/2009, it must be demonstrated that the substance is not harmful to human health, animal health or the environment. Specific criteria, listed in Article 4 of the Regulation (and further detailed in Annex II), must be met to enable approval. During the evaluation and peer-review of mancozeb, the following concerns were identified by EFSA: (a) a reprotoxic potential of mancozeb, classified as toxic for reproduction category 1B in accordance with the criteria set out in Commission Regulation (EC) No. 1272/2008; (b) the non-dietary exposure estimates exceed the reference values for tomatoes, potatoes, cereals and grapevines; (c) moreover, endocrine disruptors criteria are met for humans and likely for non-target species.

3.89. In light of the above, mancozeb does not meet the approval criteria as outlined in Article 4 of Regulation (EC) No. 1107/2009 and cannot be currently approved. EU member States must withdraw existing authorisations for plant protection products containing mancozeb at the latest by 3 months from the date of entry into force of the Commission Implementing Regulation. The grace period in line with Article 46 of Regulation (EC) No. 1107/2009 shall expire, at the latest, after 6 months from the entry into force of the Implementing Regulation. This decision only concerns the placing on the market of mancozeb and plant protection products containing it. Following non-approval and the expiry of all grace periods for stocks of products containing this substance, separate action will likely be taken on maximum residue levels and a separate notification will be made in accordance with SPS procedures.

3.1.7 Thailand's draft notification of Ministry of Industry's List of Hazardous Substances and Ministry of Public Health Re: on Food Containing Pesticide Residues (No.3) – Concerns of the United States

3.90. The <u>United States</u> provided the following statement: We thank Thailand for our bilateral engagement to date regarding the Thai government's withdrawal of maximum residue limits (MRLs) for chlorpyrifos and paraquat. The United States remains concerned about the bans as announced in Draft Notification of Ministry of Industry on the List of Hazardous Substances and Ministry of Public Health Re: Food Containing Pesticide Residues (No.3), <u>G/TBT/N/THA/567</u> and <u>G/SPS/N/THA/313</u>, on 1 April and 20 May 2020, respectively. Thailand initially issued these bans in October 2019 and delayed implementation until 1 June 2020. We understand that implementation is now set for 18 July 2020. These bans will be applied to the import, sale, use, and possession of chlorpyrifos and paraquat. Additionally, these bans will apply to residues in food, effectively withdrawing all MRLs for these pesticides. The withdrawal of these MRLs will disrupt exports of soybeans, wheat, tree nuts, ground nuts, fresh fruits, and additional agricultural products from many of Thailand's trading

partners. Yet, Thailand has not conducted risk assessments for chlorpyrifos or paraquat, nor cited any assessments of risk from trading partners or international organizations as the basis for withdrawing these MRLs.

3.91. We request that Thailand conduct a risk assessment, taking into account risk assessment techniques developed by the relevant international organizations, as the basis for to its MRLs. We ask that Thailand also consider the objective of minimizing negative trade effects. We note that the Codex Committee on Pesticide Residues has established chlorpyrifos and paraquat MRLs for many agricultural products. These MRLs are designed to protect human health while facilitating international trade. We also request that Thailand defer to Codex MRLs for chlorpyrifos and paraquat to harmonize with international standards.

3.92. Canada, Colombia and Japan supported the concern.

3.93. <u>Canada</u> provided the following statement: Canada understands the importance of implementing measures to protect the environment and workers' safety. However, Canada notes that when subsequent measures to revoke MRLs or to adopt zero-tolerance approaches are implemented, that they can have a significant impact on international trade, especially when they are applied in regard of Members with differing production and environmental conditions.

3.94. In recent years, Canada has seen a trend in the implementation of domestic measures to ban, restrict or further control the use of crop protection products to address local environmental or occupational concerns, and then the extension of those measures to apply to different circumstances including imported food containing residues of those products. Canada submitted a comment letter for the TBT notification <u>G/TBT/N/THA/567</u> on 26 May 2020, expressing our concerns with the anticipated impact of Thailand's decision on the maximum residue limits (MRLs).

3.95. Canada raised our concerns that once the proposed ban has been confirmed and implemented, Thailand would adopt a zero-tolerance approach on agri-food imports, even though Codex MRLs are currently in place. Indeed, Thailand's SPS notification <u>G/SPS/N/THA/313</u> confirms that Thailand is deleting the MRLs for chlorpyrifos and paraquat in food. Canada will send a comment letter to Thailand for the SPS notification <u>G/SPS/N/THA/313</u> requesting information on the scientific evidence and Thailand's assessment of risks taking into account risk assessment techniques developed by the relevant international organizations, that would support the deletion of the MRLs for chlorpyrifos and paraquat in food.

3.96. Canada is also concerned with the lack of clarity regarding the implementation of the notified measure as it provides additional uncertainty for exporters. We would appreciate confirmation from Thailand of our understanding that the MRLs for residue of chlorpyrifos and paraquat in imported agricultural products will remain those specified in annex 2 of the MOPH Notification, No.387 or Codex MRLs, for 30 days after the notified measure <u>G/SPS/N/THA/313</u> is published in the Government Gazette.

3.97. <u>Colombia</u> provided the following statement: Colombia thanks the United States for raising this concern in the Committee. We support this concern, given our systemic concern regarding regulatory changes to MRLs in agricultural products that fail to follow the international standards of the Codex Alimentarius, and especially the principle of risk assessment without sufficient scientific evidence, creating unnecessary barriers to trade. We would be grateful to Thailand if it could provide a response.

3.98. Japan provided the following statement: Japan shares the concerns on Thailand's draft notification of the maximum residue limits for five pesticides including chlorpyrifos and paraquat in foods. Since the proposed regulation in the notification by the Ministry of Public Health of Thailand specifies that the pesticide residue level for five pesticides shall be "non-detectable", which is a higher level of protection than that established by Codex standards, the assessment of risks should be made available to WTO Members. Without a risk assessment based on sound science, Japan expresses its concern on the new regulation that would create negative trade barriers. The MRLs that are allowed, based on scientific evidence, should be stated in the regulation, rather than stating "non-detectable", in order to avoid unnecessary trade barriers.

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3.99. <u>Thailand</u> provided the following response: Thailand thanks the United States for raising the concern regarding Thailand's draft Notification of the Ministry of Industry's List of Hazardous Substances and the draft notification of the Ministry of Public Health regarding Food Containing Pesticide Residues (No.3). According to the resolution of the National Hazardous Substance Committee (NHSC), the Committee decided to ban paraquat and chlorpyrifos based on the information concerning the impact of these substances on human health and the environment. In order to protect human and environment, the draft Notification was notified as <u>G/TBT/N/THA/567</u>. Later, the Ministry of Public Health proposed the draft Notification of the Ministry of Public Health regarding Food Containing Pesticide Residues (Pesticide Residues in Food) (No. 3), which was circulated to WTO members as <u>G/SPS/N/THA/313</u> on 20 May 2020.

3.100. To comply with WTO transparency obligations, the 60-day comment period has been provided for WTO Members to make their comments on the draft notifications. Currently, the draft Notification of the Ministry of Public Health regarding Food Containing Pesticide Residues (No.3) is made available for comment until 18 July 2020 and has not yet entered into force. We welcome all comments from WTO Members and the relevant agency will gather all comments. The received comments will be proposed to the Food Committee for further consideration.

3.1.8 General import restrictions on chocolate and cocoa products due to maximum levels of cadmium– Concerns of Peru

3.101. <u>Peru</u> thanked Members supporting this specific trade concern and referred to document <u>G/SPS/GEN/1792</u>.

3.102. Colombia and Ecuador supported the concern.

3.103. <u>Colombia</u> provided the following statement: Colombia thanks Peru for raising this concern in the Committee. We agree with the statements made by Ecuador and Peru in this regard. We therefore fully support the call to ensure that the preparation of Codex standards is based on science and country-representative data, taking into account actual levels of risk and exposure, in order to guarantee safety and avoid unjustified barriers to trade. We also urge WTO Members with already established maximum levels for cadmium in chocolate and cocoa products to review and adjust their regulations, under the principle of harmonization, taking into account the recommendations on maximum levels of cadmium in cocoa products of the Codex Committee on Contaminants in Foods.

3.104. Ecuador provided the following statement: Ecuador chairs the Electronic Working Group on Maximum Levels for Cadmium in Chocolate and Cocoa Products, with discussions on the matter taking place in the Committee on Food Contaminants under the auspices of the Codex Alimentarius. My delegation therefore supports Peru's statement and calls for decision-making in this process to be conducted in strict adherence to the Procedural Manual of the Codex Alimentarius Commission and the Statement of Principle Concerning the Role of Science in the Codex Decision-Making Process, so as to ensure that discussions are transparent, with a view to reaching a consensus that will lead to the adoption of international standards promoting consumer health and the establishment of fair practices in global food trade. In this connection, we agree with Peru on the need to have Members' support in setting maximum levels for the remaining categories.

3.1.9 Viet Nam's National Technical Regulation on Animal Feeds - Maximum Allowable Limits of Safety Indicators in Animal Feeds and Ingredients for Production of Aquatic Feeds (Circular No. 04/2020/TT-BNNPTNT) and Decree 13/2020 Detailing the Law on Animal Husbandry - Concerns of Argentina and the United States

3.105. The <u>United States</u> submitted document <u>G/SPS/GEN/1788/Rev.1</u> and requested that Viet Nam delay implementation of the NTR Circular until 2021, to allow sufficient time for an exchange of technical information regarding sampling, testing, and corrective procedures, as well as time to discuss an assessment of risk and health concern for each Maximum Allowable Limit (ML).

3.106. <u>Argentina</u> provided the following statement: Argentina would like to express its concern regarding Viet Nam's Circular No. 04/2020/TT-BNNPTNT "National Technical Regulation on Animal Feeds and Ingredients for production of Aquatic Feeds". The implementation of this circular could have a negative impact for our country on exports of grains (maize, wheat and soya beans) and

by-products (soya flour). The main concern relates to provisions on salmonella, both the technical justification for the requirement and the specific implementation of such a control.

3.107. Although we have embarked on bilateral efforts that have been constructive so far, Argentina wishes to request Viet Nam to: postpone the entry into force of the standard, scheduled for 1 July 2020, for a period of at least four months; notify the draft standard to the WTO, in line with transparency commitments under the SPS Agreement, giving Members an opportunity to submit comments where necessary.

3.108. Brazil supported this concern.

3.109. <u>Viet Nam</u> provided the following response: At the outset Viet Nam would like to thank the United States and Argentina for the interest in document <u>G/SPS/GEN/1788</u> of 12 June 2020 regarding the requirements contained in Viet Nam's Circular 4/2020 promulgating National Technical Regulation (NTR) 190:2020 – Maximum Allowable Levels (MLs) of Safety Indicators in Animal Feed and Feed Ingredients and Viet Nam's Decree 13/2020, detailing the Animal Husbandry Law and Certificate of Free Sale (CFS) requirement for feed and feed ingredients. We would like also to thank the United States for the bilateral engagement to date on the issue. We agree with the first sentence of point 1.4 of the document <u>G/SPS/GEN/1788</u> that Viet Nam issued these measures in January and March 2020, respectively. However, we would like to confirm that Viet Nam has notified these measures to the WTO. More specifically, regarding Decree 13/2020, Viet Nam's notification is contained in document <u>G/SPS/N/VNM/106</u> of 15 May 2019 with the following links: http://www.spsvietnam.gov.vn/en/gspsnvnm106;

<u>http://www.spsvietnam.gov.vn/en/gspsnvnm106.add1</u>. At present, Decree 13/2020 has been under review for further consideration of revisions (if required). Until the new revised Decree comes into effect, provisions in point c), item 3, Article 18 and item 2, Article 29 of Decree 13/2020 are temporarily put on hold.

3.110. Regarding Circular 4/2020, our Notification is contained in document <u>G/SPS/N/VNM/113</u> of 23 June 2020 with the following link: http://www.spsvietnam.gov.vn/en/gspsnvnm113-1. Viet Nam has decided to delay the implementation of some indicators on salmonella and heavy metals in plant origin feed stipulated in Item III, Annex I of the Circular for one year starting 1 July 2020 for further review and impact assessment (please refer the Circular 08/2020/TT-BNNPTNT of 30 June 2020 for information, which was also notified to WTO with the following link: http://sps.mard.gov.vn/en/gspsnvnm113.add1.

3.1.10 India's new requirements for animal feed in the Food Safety and Standards Act, 2006 (dated 27 January 2020) – Concerns of the United States

3.111. The <u>United States</u> submitted its statement in document <u>G/SPS/GEN/1804</u>.

3.112. <u>India</u> submitted the following response: India had notified the measure amending the Food Safety and Standards Act to WTO Members through notification number <u>G/SPS/N/IND/249</u> dated 26 February 2020 and notification number <u>G/TBT/N/IND/145</u> dated 27 February 2020. A transition period of 6 months has been provided to all WTO Members to comply with the amendment. We take note of the concern expressed by the United States, and we are willing to consider a further extension of the transition period in view of the current COVID-19 pandemic and its impact on the preparedness of all stakeholders. The new measure is the fourth revision of a standard that was originally published in 2009. The standard is reviewed periodically. It was amended in 2010, 2016 and was last reaffirmed in 2019. We are open to considering suggestions regarding additional feed ingredients. The United States may provide us specific inputs on additional feed ingredients with justifications as to why they should be included in India's list of feed ingredients, for the consideration of Indian authorities.

3.113. We would like to clarify that the new regulation is applicable to all types of commercial feed for cattle, whether manufactured domestically or imported into India. We also wish to confirm that the Indian technical agencies conduct stakeholder discussions at the time of formulating standards as well as issuing regulations.

3.114. We have taken note of the concerns raised by the United States, and we are open to continuing constructive bilateral engagement to resolve outstanding SPS concerns between India and the United States.

3.1.11 Guatemala's import restrictions on bovine and swine meat – Concerns of Mexico

3.115. <u>Mexico</u> provided the following statement: Mexico wishes to express its concern regarding the delays on the part of the health authority of Guatemala with regard to Mexico's interest in exporting bovine and swine meat products to that country. Since 2016, Mexico has met the requirements imposed by Guatemala for undertaking the corresponding risk analysis. This involves a questionnaire issued by the Guatemalan health authority and a proposal was sent to Mexico for a visit to guarantee the health conditions that Mexico provides for the exportation of the products in question.

3.116. Mexico has expressed this concern in the Committee on Sanitary and Phytosanitary Measures established under the Free Trade Agreement between Mexico and Central America. Since 2017, Guatemala has pledged to ensure progress on the risk analysis but so far this has not occurred. In this regard, Mexico considers that Guatemala is infringing the principles laid down in Article 8 and Annex C of the SPS Agreement. In 2018, Mexico held a videoconference with Guatemala to reiterate the importance of making progress with these arrangements and asked Guatemala to confirm specific dates for the visit to Mexican establishments interested in exporting to Guatemala, but so far these dates have not been confirmed by Guatemala.

3.117. Mexico has sent various communications to the trade authorities in Guatemala with a view to ensuring further progress on this matter, but no replies have been received. The Government of Mexico urges the Guatemalan authorities to publish the outcome of the risk analysis carried out by the Ministry of Agriculture, Livestock and Foodstuffs in Guatemala and also to propose a date for the visit to the establishments interested in exporting; otherwise, it asks to be informed of procedures for the authorization of such establishments.

3.118. <u>Guatemala</u> provided the following response: Guatemala, through its VISAR/MAGA Animal Health Directorate, noted the comments made by Mexico, and stated that the country eligibility questionnaire had indeed been received and that they will respond directly to the Director of Animal Health at SAGARPA/SENASICA, so that they can provide more details on certain points.

3.119. Provision is made in Guatemalan legislation for the completion of the questionnaire, and for subsequent possible on-site inspections, in order to complete the risk analysis and issue sanitary requirements. I can also report that the Guatemalan veterinary services, within VISAR'S Food Safety Directorate, are in charge of approving unprocessed meat product facilities. Similarly, the Food Regulation and Control Department of the Ministry of Public Health and Social Welfare is responsible for approving processed products of animal origin, on condition that it is satisfied with the sanitary conditions of the exporting country.

3.1.12 Costa Rica's import restrictions on swine meat products – Concerns of Mexico

3.120. <u>Mexico</u> provided the following statement: Mexico wishes to express its concern at the delays caused by the health authority of Costa Rica concerning arrangements to allow exports of swine meat products from Mexico. Since January 2018, Mexico has sent replies to the Questionnaire for the preliminary evaluation of competent authorities in countries interested in exporting products from establishments for the slaughter, deboning, packaging, storage and transportation of bovine, goat, horse, sheep and swine meat for human consumption to Costa Rica, as requested by the National Animal Health Service of Costa Rica (SENASA). By means of various official communications sent during 2018 and 2019 to the government of Costa Rica, a reply has been requested regarding progress in relation to the questionnaire completed by Mexico, but no reply has been received so far. In Mexico's view, these delays infringe the principles laid down in Article 8 and Annex C of the SPS Agreement.

3.121. Mexico has focused on dialogue between the health authorities of both countries to address the concerns of Costa Rica with regard to this matter, and has shared the necessary information to ensure the health guarantees required by Costa Rica. In light of the above, Mexico urges Costa Rica to share the outcome of its analysis of the information sent by the Mexican health authority, and

also the procedures to be followed for the authorization of establishments interested in exporting swine meat products to Costa Rica.

3.122. <u>Costa Rica</u> provided the following response: In response to Mexico's request concerning the outcome of the analysis and the procedures to be followed, Costa Rica is pleased to report that, on 18 June, official communication SENASA-DG-736-2020 was sent to SENASICA, informing it that the document inspection had been completed and found to be satisfactory. In order to move forward with the authorization process, the Costa Rican health authorities ask that their Mexican counterparts submit a formal request, indicating the list of establishments interested in exporting swine meat products to Costa Rica, the identification number or code, the products or by-products for each establishment, and geographical location. Once the information requested has been received, the Costa Rican health authorities will send the questionnaire to be completed by each establishment concerned in order to continue with the respective procedure.

3.1.13 Peru's import restrictions on pork – Concerns of Brazil

3.123. <u>Brazil</u> provided the following statement: Brazil understands there has been undue delay by Peru on finalizing the risk analysis process concerning Brazilian pork exports. We believe this goes against the provisions of Article 5 of the SPS Agreement, as well as its Annex C. Since last November's Committee Meeting, there have been several exchanges between our capital-based authorities as well as talks on the margins of previous editions of the SPS Committee. Despite that, Peru has not presented technical or scientific reasons for not concluding the process. Even before the spread of the pandemic, neither did Peru commit to send inspection missions to Brazil, nor have Peruvian authorities accepted our proposal for plant authorization through official document exchanges between the countries' sanitary authorities.

3.124. Brazil had requested the inclusion of an STC on the issue at last November's SPS Committee Regular Meeting. However, Brazil decided to withdraw the STC after high-level bilateral talks, upon a commitment by Peru to send a technical mission to Brazil before the end of 2019. In December 2019, Brazil sent to Peruvian authorities two itinerary proposals for a Peruvian audit to take place in early 2020. However, Peruvian authorities failed to confirm the mission. In February 2020, an understanding was reached regarding the Sanitary Certificate models to support Brazilian exports of meat and pork products to Peru. Subsequently, Peru's SENASA authorities conveyed to Brazil the willingness to conclude the process, which unfortunately is still pending. Brazil respectfully asks to conclude the process without further delay.

3.125. <u>Peru</u> responded that it was respectful of the obligations established in the WTO SPS Agreement and was currently working on the opening of its market to pork meat from Brazil, according to national and multilateral regulations.

3.1.14 Costa Rica's import restriction on dairy and dairy products – Concerns of Mexico

3.126. <u>Mexico</u> provided the following statement: Mexico expresses its concern at the measures taken by the authorities of Costa Rica with regard to authorizing Mexican exports of dairy products to that country. Mexico has maintained an ongoing dialogue on this matter since 2015, with both the National Animal Health Service of Costa Rica (SENASA) and the Costa Rican Ministry of Foreign Trade. However, each time arrangements show positive progress, dilatory responses are perceived on the authorization process. In Mexico's view, the Costa Rican health authorities have caused undue delays in the risk analysis process relating to the granting and renewal of authorizations of Mexican establishments interested in exporting to Costa Rica. In this regard, Mexico considers that Costa Rica is infringing the principles laid down in Article 8 and Annex C of the SPS Agreement.

3.127. Up to May 2019, after various information exchanges, confirmation had been given by SENASA to undertake visits to Mexican establishments interested in exports, with a view to auditing them and streamlining pending procedures. However, in June 2019, Costa Rica suspended the visits and so far there has been no reply from that country with regard to rescheduling them.

3.128. Mexico has provided Costa Rica with details of the efforts made to comply with the requirements of the Costa Rican authority, within the Committee on Sanitary and Phytosanitary Measures established under the Free Trade Agreement between Mexico and Central America and also in bilateral meetings with Costa Rica in the context of the SPS Committee of the WTO, but this

dialogue has not yielded any positive results. Mexico has fostered cordial and open communication with Costa Rica. It therefore urges Costa Rica to grant reciprocal treatment to Mexican exports of dairy products, as Mexico does with exports of dairy products from Costa Rica, considering the level of protection to be appropriate to the circumstances. Mexico would be grateful if the delegation of Costa Rica would take account of this statement and for any comments it may wish to make in this regard.

3.129. Costa Rica provided the following response: In response to Mexico's request concerning the status of procedures for the authorization of establishments for the export of dairy and dairy products, Costa Rica wishes to report the following: On 14 February, official communication SENASA-DG-184-2020 was sent to SENASICA, informing it of the findings of the evaluation of the content of the National Programme for the Control and Monitoring of Toxic Residues in Goods of Animal Origin and Aquaculture and Fishery Resources (PNCMRT), proposed by Mexico. In this connection, the Costa Rican authorities thank Mexico for the information provided, and draw attention to the need to submit further information on the following aspects: (1) Inclusion of chloramphenicol, stilbene, clenbuterol and growth promoter analyses in the milk residue monitoring plan: although Mexico did state that those compounds would be included for monitoring in the PNCMRT 2020, SENASICA has still not submitted the results of those analyses; (2) Inclusion of fipronil, carbamates, amitraz and pyrethroids in the PNCMRT 2019: given that the Mexican authorities did not include these compounds in the documents submitted in September 2019 and therefore the results of the analyses for the last six months have not been received; (3) Details on the adjustments that the Mexican authorities will make to ensure that the criteria established by Costa Rica for compliance with respect to organochlorines are standardized in the PNCMRT 2020; (4) Documentation on the adjustments that SENASICA will make to ensure that MRLs for organochlorines comply with the international requirements established by the Codex Alimentarius, as requested in official communication SENASA-DG-1288-2019 of October 2019.

3.130. Costa Rica is waiting for the information requested in official communication SENASA-DG-184-2020 of February 2020 so it can continue with the respective procedure.

3.1.15 India's approval procedures for animal products – Concerns of the Russian Federation

3.131. The <u>Russian Federation</u> provided the following statement: For several years the Federal Service for Veterinary and Phytosanitary Surveillance (Rosselkhoznadzor) has been expecting to receive the information about animal health requirements for imports of animal products to India (in particular for pork, beef, lamb and poultry since 2013, inedible animal raw products since 2015, feedstuffs since 2017 and wool since 2017).

3.132. So far, there is still no position of the Indian party concerning the recognition of the Russian Federation's regionalization with respect to avian influenza and potential export of poultry. Data about the freedom of the Russian Federation from avian influenza were sent in September 2016 (22 September 2016) by a letter; veterinary and sanitary requirements and relevant certificate models were also requested (additional request, dated 16 December 2016). The completed questionnaire on veterinary surveillance system and poultry production was sent in December 2017 and re-sent in January 2020. To date, no comments of the Indian party concerning this questionnaire have been received. The Indian party also impedes the harmonization procedure of the veterinary certificate for poultry, poultry products (offal) and hides and skins, exported from Russia. Another request of the Rosselkhoznadzor for the abovementioned veterinary requirements and harmonization of the veterinary certificate was vocalized at the bilateral meeting on the margins of the 76th SPS Committee meeting in November 2019.

3.133. Lack of responses from the Indian party in relation to the abovementioned matters is a delay of appropriate procedures and inconsistent with Article 8 and Annex C of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures. Based on their obligations, WTO Members shall ensure that procedures are undertaken and completed without undue delay and the other countries are promptly informed of the duration of the procedure, its stage and results of the request examination with any delay being explained. The Russian Federation urges India to comply with its obligations under the SPS Agreement, and to apply transparent and expeditious approval procedures, and to grant SPS access for Russian livestock products.

3.134. The Russian Federation added that detailed information of the concerns had been provided to India in communications before the March and June 2020 SPS Committee meetings. The Russian Federation added that they had received a request from India for bilateral communications with a list of issues for discussion. The Russian Federation looked forward to a fruitful discussion and the resolution of pending issues.

3.135. <u>India</u> provided the following response: In response to the Russian Federation's request for information regarding India's veterinary requirements for the import of different livestock products, we'd like to state that the Indian requirements for the import of various livestock products are available at the following web-link: <u>http://dadf.gov.in/Trade/Sanitary-requirement-veterinary-health-certificate-import-various-livestock-products</u>.

3.136. Regarding Russia's request for an update on the status of their veterinary certificates for harmonization, we have received the following information from our technical agencies: (a) the certificates for fish and fish products are being examined by our Department of Fisheries; (b) the veterinary certificates for leather raw materials and poultry and poultry products were received by our technical agencies in July 2019, and are under active consideration; (c) and with respect to the import of poultry meat and poultry meat products from the Russian Federation to India, the Indian Department of Animal Husbandry had sought some additional information from the Russian Federation as a follow-up to the Russian Federation's response to the Indian questionnaire regarding the import of poultry and poultry products. This additional information was sought through a letter dated 29 November 2018. We have not yet received this additional information from the Russian Federation.

3.137. India is ready and willing to engage in constructive bilateral discussions with the Russian Federation on all these issues. We also have a number of concerns with respect to the Russian Federation's SPS measures. These concerns have been previously raised bilaterally with the Russian Federation and also shared with the Russian Federation through an email dated 25 June 2020. We look forward to continuing engaging with the Russian Federation with a view to resolving all outstanding bilateral SPS issues.

3.1.16 China's administrative measures for registration of overseas manufacturers of imported food (26 November 2019) – Concerns of the United States

3.138. The <u>United States</u> submitted document <u>G/SPS/GEN/1803</u>.

3.139. Japan, the European Union, Switzerland and Thailand supported this concern.

3.140. <u>Japan</u> provided the provided the following statement: Japan shares the concerns raised by the United States, regarding China's draft administrative measures for registration of overseas producers of imported food. China's proposed measures would create unnecessary barriers to trade and have negative impacts on food trade between China and other WTO Members. As far as Japan understands, the proposed measures would require foreign competent authorities to inspect and supervise manufacturing companies in accordance with Chinese laws and regulations, and to confirm their compliance with Chinese laws and regulations, covering all food products imported into China.

3.141. Japan is concerned that the proposed system would expand the range of the products subject to the measures without scientific risk assessment, although the current system covers only food products of animal origin such as meat and seafood. In addition, there would be considerable negative impacts on foreign products due to increase in relevant cost, labour and time, possibly with arbitrary operations under insufficient transparency.

3.142. Therefore, Japan requests China to suspend the proposed measures. SPS measures should be taken to the extent necessary and sufficient according to the risks of each product, and the coverage of the measures should not be expanded indefinitely without a prerequisite scientific risk assessment. Japan would like to request China to make timely WTO notifications, provide relevant information along with the details of the system on this matter as appropriate, and address the concerns of WTO Members.

3.143. The <u>European Union</u> provided the following statement: The European Union is also very concerned about this measure as this will have a serious impact on imports into China. Our concern

is that the measure will have a serious impact on transaction cost of our trade, but it will have very little impact, if any, on its safety. In other words, this measure appears highly disproportionate for low-risk products that are currently traded under a self-registration regime.

3.144. The European Union kindly requests China to explain the objective of this proposal and stands willing to discuss any legitimate concerns in order to find consensus solutions. The first step towards such a dialogue would be an official notification by China through WTO channels in order to frame our discussions.

3.145. <u>Switzerland</u> provided the following statement: Switzerland shares the concerns raised by the United States regarding China's draft Administrative Measure for registration of overseas producers of imported food. Switzerland understands and supports China's objective to ensure that only safe food is imported. However, the draft Administrative Measure appears to expand the registration of overseas manufacturers to include all food categories, irrespective of their risk-profile. The measure therefore seems more trade restrictive than necessary.

3.146. Switzerland is also concerned about the possible implications for foreign competent authorities, who are obliged to confirm that manufacturers are in continuous compliance with Chinese regulations. Furthermore, implementing the Administrative Measure may cause disruption in trade and delays in the evaluation procedure, thereby negatively affecting the access of businesses to the Chinese market and the availability of imported products in China. China issued the draft Administrative Measure for domestic consultations in November 2019, to which Switzerland already provided its comments and questions. Switzerland would like to request China to notify the draft Administrative Measure to the WTO, and on to seek mutually acceptable solutions with Members on that basis.

3.147. <u>Thailand</u> provided the following statement: Thailand shares the concerns raised by the United States regarding China's draft Administrative Measure for registration of overseas producers of imported food. We would like to express our concerns on this measure as follows: First, the scope of the products covered by this measure has not been clearly identified. We are concerned that this measure would be applied to all food products including low-risk food products, which would create unnecessary barriers to trade. Therefore, we would like to request China to provide the list of commodities covered under this measure and to implement this measure as necessary only for high-risk food products. Second, since this measure may have a significant effect on international trade. In order to comply with WTO transparency obligations, we request China to notify this draft measure to WTO Members and provide the 60-day comment period. Lastly, to comply with this draft measure, our exporters and authorities need a reasonable period of time to adapt to such draft measure. We therefore would like to seek clarification on the expected date of entry into force and the transitional period provided for trading partners. We hope that China will take our concerns into account.

3.148. <u>China</u> provided the following response: The application of a registration system of overseas producers of imported foods is a requirement in China's Food Safety Law. In recent years, China's food imports and number of registered overseas food production enterprises have grown rapidly. The current administration measure for registration of producers does not meet the requirements of a new situation anymore. The objective of revising the Administrative Measures for Registration of Overseas Producers of Imported Foods is to implement the Food Safety Law and improve the existing registration system, which will optimize the registration procedure and clarify the responsibilities of all the relevant stakeholders based on risk management. Currently, this administrative measure is still in the process of drafting. Once the draft is ready, China will notify it to the WTO and welcomes Members to share their reasonable comments or suggestions with us at that time.

3.1.17 Saudi Arabia's temporary suspension of Brazilian poultry exporting establishments – Concerns of Brazil

3.149. <u>Brazil</u> provided the following statement: Last February, Saudi authorities suddenly suspended imports from two Brazilian major poultry-producing plants. In that month, Brazil became aware of Letter No. 19672/E, through which the Saudi Food and Drug Authority (SFDA) informs about its decision to temporarily suspend imports from plants SIF 1985 and SIF 2518 (both from same company, BRF S/A). One of them was responsible for over 20% of our poultry exports to Saudi Arabia. No clear technical grounds were provided by Saudi authorities, except for media reports on

an investigation conducted by Brazil's federal police that, in 2018, targeted an alleged fraud scheme in the production of animal feed. However, neither of the plants suspended last February were involved in said investigation. Brazil's Agriculture and Foreign Affairs authorities provided Saudi Arabia all the technical information necessary, but the issue remains open. As Members will recall, at the WTO SPS Committee 77th Regular Meeting, Saudi Arabia informed it would disclose said technical reasons, but failed to do so.

3.150. It goes without saying that SPS measures without any scientific substance goes against the very core of SPS Agreement. We therefore urge Saudi Arabia to reconsider its restrictive measures as soon as possible.

3.151. <u>Saudi Arabia</u> provided the following response: The Kingdom of Saudi Arabia would like to thank the Republic of Brazil for raising their specific trade concern on the measures taken by Saudi Arabia to temporary suspend imports of poultry products from two Brazilian establishments. Firstly, we would like to assure that Saudi Arabia, without prejudice to the WTO Agreements, spares no efforts in removing any barriers to trade with WTO Members. Saudi Arabia welcomes the efforts of the SPS Committee to resolve issues affecting the human health and safety.

3.152. Referring to the STC raised by Brazil, Saudi Arabia would like to state the following: The suspension of poultry meat imports from Brazil to Saudi Arabia is limited to two establishments due to potential food fraud in the poultry industry. Given that these practices affect human health and safety, Saudi Arabia took measures to temporarily suspend the imports of poultry meat from these establishments in light of Article 2.1 of the SPS Agreement. Accordingly, Saudi Arabia communicated these concerns to the Brazilian side and requested clarification on the issue at hand with the provision of supporting documents.

3.153. Finally, Saudi Arabia would like to stress that we welcome cooperation with Brazil to resolve this issue at a bilateral level, and we take this opportunity to renew our previous request to the Brazilian side to provide us with the documents needed in order to allow us to review the measures in light of new information and further developments.

3.2 Issues previously raised

3.2.1 EU MRLs for buprofezin, chlorothalonil, diflubenzuron, ethoxysulfuron, glufosinate, imazalil, ioxynil, iprodione, molinate, picoxystrobin and tepraloxydim – Concerns of Colombia, Costa Rica, Dominican Republic, Ecuador, Panama, Paraguay and the United States (No. 448)

3.154. <u>Panama</u> recalled that it had raised this STC several times in different WTO Committees, and reiterated that Members should try to harmonise their measures, that measures should not be unnecessarily strict so as to affect trade; and that they should be based on conclusive scientific evidence. Panama expressed concern over EU studies that had mostly remained inconclusive, but had led to blocking the use of active elements, the use of which was regulated by international organizations, and which were essential to produce food in the rest of the world.

3.155. Panama made reference to paragraph 7.3 of the notification of non-renewal of chlorothalonil, key substance against black sigatoka in Panama. Panama added that it was facing a similar situation with substances alternative to chlorothalonil, such as mancozeb, for which the European Union had also announced its non-renewal. Panama emphasized that EU studies mentioned tomatoes, potatoes, cereals and grapes, all of which with a thinner pulp than bananas, and which was not consumed. Panama suggested that specific studies should be carried to obtain proper scientific evidence. Panama stressed that in its packaging plants, bananas were washed and cleaned following strict safety procedures.

3.156. Panama requested that the European Union review its position and, if it were to block a substance, to base the decision on conclusive scientific evidence for each product.

3.157. <u>Paraguay</u> provided the following statement: My delegation, together with the delegations of Colombia, Costa Rica and Ecuador, have submitted written questions to the European Union regarding this trade concern, which are contained in document <u>G/SPS/GEN/1760</u>. The questions refer to: the appropriate level of protection the European Union is seeking through the modification

of the MRLs; whether the European Union considers that there is enough scientific evidence to support such modifications; how such measures are consistent with Article 3.1 of the SPS Agreement; how the limit of quantification provides legal certainty to the operators; how, in practice, a distinction can be made between an MRL of 0.01 mg/kg and zero tolerance; justification for setting differing MRLs for the same substance depending on the product; how the European Union can consider that Article 5.3 is not relevant in the case of this measure, given that it applies to animal feed; which safe alternatives the European Union has considered in establishing MRLs; a definition and comprehensive list of what it regards as other legitimate factors to be taken into account in the establishment and granting of import tolerances; a comprehensive and complete list of all substances that have been, and will be, reviewed; when the European Union might begin to implement the TBT and SPS system of dual notification for measures that hold implications for both committees. With regard to the last question, we note with satisfaction that the European Union began the process of dual notification days after we submitted this document for circulation.

3.158. We look forward to receiving a full response from the European Union to all these questions, so that we can move forward in a process of dialogue and towards a better understanding of its policies and their scope. In this connection, and in the interests of transparency, it is crucial to have a complete list of all substances. We have already asked the European Union for this on previous occasions, including in the European Union's Trade Policy Review, a response to which we received at the end of May, and this is still being analysed.

3.159. We urge the European Union to establish a mechanism for ongoing dialogue with all interested delegations to seek a mutually beneficial solution for all parties to this trade concern.

3.160. <u>Colombia</u> reminded Members of the questions posed on 2 March 2020 in document <u>G/SPS/GEN/1760</u>, for which it had not received a response. Colombia also supported the statements by Panama, Dominican Republic, Paraguay, United States, Costa Rica and Ecuador.

3.161. The <u>United States</u> submitted document <u>G/SPS/GEN/1802</u>.

3.162. <u>Costa Rica</u> provided the following statement: In recent years, Costa Rica has noted with concern the way in which the European Union has reduced MRLs for a number of plant protection products that are fundamental in agricultural production and in the handling of major quarantine pests in countries with tropical climates. These reductions often deviate from the tolerances established by the international community in the Codex Alimentarius, and thus run counter to the objective of trade facilitation and harmonization that governs international trade commitments agreed at the multilateral level.

3.163. At a specific level, we have shared our concerns with the European Union on many occasions regarding the impact that reducing MRLs to minimum detection levels for a number of the substances listed in this concern would have on our production system. Costa Rica has sent comments through the processes created for this purpose, at the bilateral, regional and multilateral levels, and against the backdrop of a growing number of concerns raised by an equally growing number of Members, both in this Committee and in the Committee on Technical Barriers to Trade, and more recently in the Council for Trade in Goods. However, to date, Costa Rica has not received a satisfactory reply from the European Union, which has decided to pursue its current approach despite the impact that it would have on food security and on the most vulnerable populations in our country.

3.164. We have already discussed the cases of chlorothalonil, imazalil and buprofezine in previous meetings, and now mancozeb has been added to the list. These are all substances that are used in Costa Rica to control quarantine pests that affect banana production and transportation. In all these cases we have repeatedly expressed our concern about the lack of conclusive scientific evidence to justify the changes to MRLs, and about the divergence between the findings of the European Union and the conclusions and findings of other important international institutions. We have also submitted questions, the latest of which can be found in document <u>G/SPS/GEN/1760</u>.

3.165. Aside from the hazard-based approach taken by the European Union, we have emphasized the importance of also taking into consideration the impact that these new regulations would have on the production systems of its trading partners. The fact is that there is limited availability on the market of substances that would enable an appropriate rotation for pest control in tropical production conditions, and the few that do exist are crucial for reducing the possibility of developing cross

resistance. That is why the non-renewal and reduction of the maximum residue limits for buprofezin, chlorothalonil and imazalil to the levels being established by the European Union in practice means removing these rotation tools from programmes for the control of pests in bananas that are always present in the humid tropics such as scale, mealybug or the dreaded black sigatoka.

3.166. Our concerns and requests have been supported by dozens of Members in documents G/C/W/767 and G/SPS/GEN/1778 (and their revisions), so we will not repeat them today. On this occasion, we take the floor to urge the European Union to reconsider the direction of its regulatory approach and to establish an effective and comprehensive dialogue with the Members affected, and to consider measures to limit the impact that these new regulations would have on global food security. This call is even more urgent in the face of the tragic consequences of the COVID-19 pandemic for the most vulnerable populations in developing and least developed countries.

3.167. The <u>Dominican Republic</u> provided the following statement: The Dominican Republic once again associates itself with this concern and wishes to reiterate its statement made at the SPS Committee's previous meeting. The Dominican Republic is seriously concerned about the amendment to this regulation, particularly concerning the substances diflubenzuron, chlorothalonil and iprodione, which will have an impact on the marketing of agricultural food products exported from the Dominican Republic to the EU. Chlorothalonil and iprodione are two fungicides used on plants to control powdery mildew, mildew, rust and Botrytis disease, and iprodione is used on mangoes to control Phytophthora damage at the flowering stage, so a reduction in MRLs without technical or scientific justification would affect fruit and vegetable production in the Dominican Republic.

3.168. In view of the withholding periods established for these molecules, it is difficult for treated products to comply with the maximum detection limits. As noted by other delegations, it is virtually impossible for farmers to be able to find control measures that are reliable enough to replace the molecules, owing to the long process required to obtain substitutes. These measures will cause serious problems for our exports, mainly for banana, mango and avocado exports, which represent around 20% of total annual food exports, with the European Union member States being their main market.

3.169. Imazalil, which is a key post-harvest fungicide, is a molecule of significant economic and agricultural importance, widely used in the cultivation of fruit such as bananas, mangoes and avocados because it is an essential tool in post-harvest treatment for the foods in question, as they are prone to various diseases caused by fungal pathogens that can only be prevented by using imazalil as part of an effective control programme. Reducing MRLs for imazalil would create serious problems for our sector because there is currently no effective substitute among plant protection products with the efficacy of imazalil, especially when it comes to controlling fungal pathogens.

3.170. The European Union has failed to demonstrate sound scientific evidence to justify implementation of these MRLs. Implementing them will therefore lead to the creation of unnecessary barriers to trade for agricultural products exported from the Dominican Republic.

3.171. The Joint Statement on Trade in Food and Agricultural Products at the Eleventh Session of the WTO Ministerial Conference in Buenos Aires in December 2017 and the Declaration of the G20 Meeting of Agriculture Ministers in July 2018 reinforce the European Union's commitment as a Member State to the SPS Agreement and to refraining from adopting unnecessary obstacles to international trade.

3.172. We therefore request the European Union to maintain the previously established MRLs or establish the reference level in line with the Codex Alimentarius, until there is scientific justification.

3.173. <u>Ecuador</u> provided the following statement: Ecuador wishes to register its concern regarding the provision in the WTO Agreement on the Application of Sanitary and Phytosanitary Measures that Members will ensure that such measures are not more trade-restrictive than required to achieve their appropriate level of protection, taking into account technical and economic feasibility. However, in recent years the European Union has been adopting a policy of suspending the approval of many active substances and subsequently reducing the MRLs for these substances to the minimum detection level. It is also reducing MRLs for substances that remain approved, without any sound

scientific evidence to show that such measures are the least trade-restrictive means of achieving an appropriate level of protection for consumers.

3.174. In Ecuador, the use of certain active compounds is vital for agricultural production. Such compounds constitute an essential tool for the protection of crops against pests and diseases, and for maintaining the quality and safety of products during storage, transport and the period when they are available for sale before reaching consumers on the European market. It is important to bear in mind that, due to Ecuador's tropical climate, the spread of pests and diseases follows very different patterns from those in European countries, making it vitally important to be able to identify phytosanitary alternatives, comparable in quality and effectiveness and approved in the European Union, that can be used in agricultural crops to protect the health of plants and plant products.

3.175. A review of the Codex Alimentarius reveals that recommended MRLs are sometimes higher than those set in the European Union, meaning the European Union is departing from the international standard recommended under the WTO SPS Agreement without scientific justification. In this connection, Ecuador recommends that, provisionally, the European Unipn keep its MRLs in accordance with the provisions of the Codex Alimentarius, until it has the information needed to enable it to set safe MRLs based on a scientific risk analysis, which provide real health protection and do not constitute a disguised barrier to trade.

3.176. Brazil, Canada, Guatemala, Honduras, Nicaragua, Peru and Uruguay supported the concern.

3.177. <u>Brazil</u> provided the following statement⁷: Brazil would like to thank Colombia, Panama, the Dominican Republic, Paraguay, the United States, Costa Rica and Ecuador for maintaining this important trade concern on the agenda. Brazil shares the concerns and refers to its statements delivered at the four previous meetings when this STC was discussed.

3.178. <u>Canada</u> provided the following statement: Canada recognizes and supports all Members' rights to apply food safety measures deemed necessary to protect human health while at the same time not unjustifiably restricting international trade. Canada continues to emphasize the need for decision-making on plant protection products and maximum residue limits to be based on risk assessment techniques developed by relevant international organizations.

3.179. If the European Union anticipates changes to its maximum residue limits, Canada requests that the European Union notify the SPS Committee well in advance, including clear indication of the scientific basis and transition periods, in order to provide Members with the opportunity to comment and have those comments taken into account.

3.180. Finally, it is essential that the European Union's transition periods for maximum residue limits take into account the need for exporters to adapt to new requirements and ensure that the conditions and requirements do not unjustifiably discriminate between domestic producers and foreign exporters.

3.181. <u>Guatemala</u> provided the following statement: We thank Colombia and its co-sponsors for including this item in the agenda. We share the concerns expressed about the change to MRLs in the European Union. The Members that have already taken the floor have argued, fully informed of the issue, that such measures have a negative impact on trade, economic and social conditions in developing countries.

3.182. Guatemala is an important agricultural exporter and is situated in the tropics, where certain products are used out of a phytosanitary need, something that does not apply to the members of the European Union. We would be grateful if the European Union, based on its studies and analyses, could explain how this measure will not impede tropical countries' trade. We have raised our concerns in this forum, as well as bilaterally, without an alternative solution.

⁷ This statement was submitted through the eAgenda platform, after the deadline indicated in document <u>JOB/SPS/7</u>.

3.183. We once again reiterate the importance of basing this measure on a risk analysis so that it does not become more restrictive than necessary. The Codex Alimentarius develops harmonized standards that allow developing countries to work with international standards.

3.184. We would be grateful if the European Union could share information on its analyses and the damage found in products imported from third countries, particularly tropical ones, that use these substances for pest and disease control. Moreover, post-harvest use is important, given the distance between Latin America and Europe, for the marketing of the product. Some substances need to be used so that the fruit arrives at the European port in good condition.

3.185. <u>Peru</u> provided the following statement: Peru supports this concern because the levels of buprofezin set by the European Union for grapes are significantly lower than those established by the Codex Alimentarius. In this connection, Peru considers that this situation would run counter to Article 5.6 of the WTO SPS Agreement, as the measure would be more trade-restrictive than required to achieve an appropriate level of sanitary protection.

3.186. Uruguay provided the following statement: Uruguay thanks Colombia, Costa Rica, the Dominican Republic, Ecuador, Panama, Paraguay and the United States for placing this specific trade concern on the Committee's agenda. Uruguay continues to be concerned at the approach followed by the European Union to reduce the maximum residue limits for a growing list of active substances, used at different stages of the production process of various agricultural products, to levels lower than those agreed in the Codex Alimentarius, and even to the detection level, without a full risk assessment being carried out to justify such a departure based on sufficient scientific evidence. Regulations on plant protection products must be based on science and a full risk analysis, carried out in accordance with the recommendations of the international organizations relevant in that area, to avoid becoming unjustified barriers to international trade in food and other agricultural products. Furthermore, when changes are implemented that comply with the conditions outlined in the points mentioned above, sufficient transition periods should be provided to make the necessary adjustments to production and ensure that the products concerned comply with the modified maximum residue limits, taking into account harvesting periods and the stages at which plant protection products are applied, and the time required for the development and registration of alternative substances.

3.187. We would therefore like to call upon the European Union to give due consideration to the concerns expressed, to respond to the questions raised by several Members in regard to this concern, and to reconsider its regulatory approach with a view to avoiding the unjustified proliferation of barriers to international trade in food and other agricultural products, together with the serious social and economic consequences that this approach might have on other Members, in particular developing and least developed countries.

3.188. The <u>European Union</u> provided the following response: The European Union would like to remind delegates that most of the questions have already been answered previously within this Committee and bilaterally. Nonetheless, in an attempt to bring additional clarity to the issue, the European Union has provided the answers below to the questions raised by Members:

3.189. 1) Level of Protection: it is necessary to ensure that pesticide residues are not present at levels presenting an unacceptable risk to humans. MRLs should be set at the lowest achievable level consistent with good agricultural practice for each pesticide with a view to protecting vulnerable groups such as children and the unborn.

3.190. 2) Scientific Evidence: Decisions to approve or to revoke the approval of active substances and decisions on MRLs are taken after a rigorous risk assessment carried out jointly by European Union member states and the European Food Safety Authority (EFSA) with the first and foremost objective to protect consumers' health. The European Union considers that the assessment of scientific data made available by the applicants justified lowering previous MRLs of some of the above-mentioned substances to achieve the desired level of public health protection. Detailed information on the scientific opinions underpinning the European Union decisions can be found on the EFSA website and in the rationale of each European Union decision.

3.191. 3) Consistency with Article 3: The European Union fully supports the activities of relevant international standard setting bodies and works assiduously with the three sisters to help reaching

a comprehensive framework internationally-agreed standards. European Union public, animal and plant health measures are generally based on those relevant international standards. The European Union fully supports the activities of relevant international standard setting bodies, and works assiduously with the three sisters to help reaching a comprehensive framework internationally agreed standards. EU public, animal and plant health measures are generally based on those relevant international standards.

3.192. Relevant EU legislation requires that where international standards exist, they are to be taken into consideration in the development or adaptation of food law. More specifically, Regulation (EC) 396/2005 stipulates that pesticide MRLs set at international level by the Codex Alimentarius Commission should be considered when EU MRLs are being set, taking into account corresponding good agricultural practice. As a consequence, EU maximum residue levels (MRLs) are regularly and systematically aligned with Codex MRLs (CXLs), provided that these CXLs are higher than existing EU MRLs, are related to commodities for which the European Union sets MRLs, and are acceptable in terms of consumer protection, supporting data and extrapolation rules.

3.193. For instance, between 2012 and 2019, a total of 2,567 CXLs for food commodities were adopted by Codex. In that period, the European Union has taken on board 1,833 MRLs out of these 2,567 CXLs. Taking into account that EU MRLs that are set at the same or higher level than the CXLs for the same food products, the European Union is aligned with more than 70% of the CXLs established in this period. However, at times, the European Union deviates from international standards when justified for the protection of public health and on the basis of EFSA's scientific advice. In doing so, the European Union acts in conformity with Article 3 of the SPS Agreement.

3.194. 4) and 5) Limit of Quantification (LOQ): The limit of 0.01 mg/kg, also applicable as a default limit for pesticides for which no explicit MRLs are set in the EU legislation, is meant to facilitate the control of pesticide residues and to protect consumers from exposure to unauthorised or excessive levels of residues. Practical experience shows that 0.01 mg/kg is an appropriate default value, as it is the limit of quantification reached by official control laboratories for the majority of substances, without requiring unnecessary efforts. The European Union sets MRLs at higher levels than 0.01 mg/kg where it has information that a lower value may not be attainable for certain substance/matrix combinations. The European Union sets MRLs at lower levels than 0.01 mg/kg only for very toxic substances, where a level of 0.01 mg/kg is not sufficient to protect consumers.

3.195. The European Union considers that applying a default value is preferable to a zero-tolerance policy. A zero-tolerance may not be necessary for consumer protection and is more trade-restrictive than necessary, as acceptance in the importing country cannot be reliably predicted in the exporting country, due for example to different performance levels of the analysing laboratories, or due to differences in the product tested where the commodity is concentrated for shipment.

3.196. 6) Relevance of Article 5.3: See second sentence of paragraph 4 in Annex A of the SPS Agreement.

3.197. 7) Consideration of alternatives: Two good agricultural practices on banana and supporting data were assessed by the European Food Safety Authority in its review of the existing MRLs for imazalil: a post-harvest use authorised in Greece, and the good agricultural practice underlying the Codex MRL of 2 mg/kg at the time, evaluated by JMPR in 1977. However, the risk assessment indicated an unacceptable risk to European consumers, with exceedances of the Acute Reference Dose of 157% and 184%, respectively.

3.198. 8) Other Legitimate Factors: Current European Union legislation does not provide for an exhaustive list of legitimate factors to be taken into account when managers decide on the most appropriate measure to attain a chosen level of protection. So far, the European Union has not resorted to the use of "other legitimate factors" in the setting of pesticide MRLs, including decisions on import tolerances requests.

3.199. 9) Comments from Members: The European Union has consistently taken into account comments on the revocation of authorisation on specific substances or on MRLs received by WTO members on measures notified under either the TBT Agreement and/or the SPS Agreement. The European Union strives to reply in writing to all comments received within the given deadline.

3.200. 10) Substances under review: The approval of active substances in the European Union is time-limited. Article 5 of Regulation (EC) No. 1107/2009 provides that the first approval of an active substance shall be for a period not exceeding 10 years. Article 14(2) provides that the renewal of approval shall be for a period not exceeding 15 years. Other maximum approval periods apply for certain categories of active substances, most importantly for Candidates for Substitution (maximum 7 years; Article 24(1)). The approval of an active substance may be renewed if an applicant submits an application for renewal of approval, supported by a dossier with the required data. Such an application must be submitted at the latest 3 years before expiry of the approval period, followed by the dossier at the latest 2.5 years before expiry. Relevant information can be found in the Official Journal of the European Union and on the EU Pesticides database. We will be happy to provide the links to interested delegations. The EFSA website indicates clearly the state of the review of existing MRLs. Again, we will be happy to provide the link to interested delegations.

3.201. 11) Dual Notification: The European Union has started to inform the SPS Committee of measures concerning plant protection products notified under the TBT Agreement. We would like to remind delegates that Comments to those TBT measures should be submitted only to the TBT Enquiry Point, even when these are notified for information under the SPS Agreement.

3.2.2 EU legislation on endocrine disruptors – Concerns of Paraguay (No. 382)

3.202. <u>Paraguay</u> provided the following statement: As in the previous trade concern, my delegation has submitted written questions to the European Union, which were circulated in document G/SPS/GEN/1762. In those questions we asked the European Union for information on: how it distinguishes between relevant scientific evidence and non-relevant scientific evidence; which protocols form the basis for studies that are not based on internationally agreed study protocols; how Commission Regulation (EU) No. 2018/605 is in conformity with Article 5.1 and 5.2 of the SPS Agreement; how risk assessments carried out by the European Union take account of strength, severity and reversibility of effects; whether presumed endocrine disrupting substances are covered under Article 5.7 of the SPS Agreement; whether it considers that the prohibition of substances to which exposure represents a negligible risk of endocrine disruption is scientifically justified; how import tolerance mechanisms will function; how it can reconcile analysing import tolerances on a case-by-case basis if they are to be based on a risk analysis; and, lastly, applications for import tolerances that have been received and the number that have been approved to date. We would appreciate receiving a full response to our questions from the European Union. We would specifically request further information on the functioning of the mechanisms of import tolerances, in light of the recently published Farm to Fork Strategy.

3.203. Brazil, Canada, Colombia, Costa Rica, the Dominican Republic, Guatemala, Honduras, Panama, Peru, Chinese Taipei, the United States and Uruguay supported the concern.

3.204. <u>Brazil</u> provided the following statement⁸: Brazil would like to thank Paraguay for maintaining this important trade concern on the agenda. Brazil shares the concerns and refers to its statements delivered at the four previous meetings which discussed this STC. Brazil urges the European Union to take into consideration the concerns of a large number of WTO Members regarding the scientific criteria for the determination of endocrine disrupting properties, highlighting the importance of conducting assessments appropriate to the circumstances and the need to obtain the additional information necessary for a more objective assessment of risk that does not create measures more trade-restrictive than required.

3.205. <u>Canada</u> provided the following statement: Canada continues to ask the European Union to amend its hazard-based regulation for active substances in plant protection products, and to consider both hazards and risks for all active substances in its regulatory decision-making. As a major agricultural producing nation, Canada is concerned with the trade implications of the European Union's approach to the regulation of active substances in plant protection products, and in particular the impact of this approach on setting import tolerances. While the European Union has indicated that a process for establishing import tolerances for actives which have triggered the hazard-based cut-off criteria exists, we remain keen to understand how it will be implemented.

⁸ This statement was submitted through the eAgenda platform, after the deadline indicated in document <u>JOB/SPS/7</u>.

3.206. Specifically, Canada continues to seek information on how the European Union will base the setting of an import tolerance for an active substance falling under the cut-off criteria on an assessment of risk, and on how the European Union will take into account risk assessment techniques developed by the relevant international organizations.

3.207. Canada takes this opportunity to ask the European Union whether it could provide an update on the timing of the third countries and stakeholder seminars. As mentioned in the last Committee, Canada hopes that these seminars will provide detailed information on the process that the European Union will follow when setting an import tolerance for an active substance falling under their cut-off criteria. Until such a clear and predictable process is implemented, Canada requests that import tolerances for active substances which are not re-authorized in the European Union be maintained at existing levels to allow trade to continue.

3.208. Canada shares the objectives outlined in the EU Farm to Fork Strategy and looks forward to the announcement of specific policies that will be used to address these ambitious goals related to pesticides. It is important to Canada to see trade aspects included in the impact assessments that will be developed throughout the progression of the Farm to Fork Strategy.

3.209. Canada encourages the European Union to notify to the WTO SPS Committee of all proposed regulations arising from legislative and regulatory changes stemming from the Farm to Fork Strategy, and to allow sufficient time for WTO Members to comment and have their comments taken into account in the finalization of the regulations. Canada would like to underline the importance of providing significant advance notice between the adoption of regulations and entry into force, to enable industry sufficient time to adapt to any legislative and regulatory changes.

3.210. Finally, we hope that any regulatory changes arising from new policies, including the Farm to Fork Strategy, will be commensurate with the risk involved, be established in a coherent and transparent way that will minimize negative and unnecessary trade effects that enable producers and exporters to make timely business decisions.

3.211. <u>Costa Rica</u> provided the following statement: As we have indicated previously, we are concerned by the approach taken by the European Union in the implementation of Regulation (EC) No. 1107/2009, which led to the adoption of a hazard-based decision criterion. We once again urge the European Union to ensure that the implementation of its regulation is based on the use of risk assessments for the identification and regulation of endocrine disruptors, using criteria supported by sufficient scientific evidence, in line with the commitments established in the SPS Agreement.

3.212. The <u>Dominican Republic</u> provided the following statement: The Dominican Republic would again like to confirm its support for this item, and to reiterate its concern over this EU regulation, which has been on this Committee's agenda for over two years. This measure assesses the substances concerned based on a hazard-identification approach, rather than on the basis of a scientific risk assessment, as provided for in the WTO SPS Agreement. The European Union has therefore been unable to demonstrate a level of objective risk. We are particularly concerned about the systemic and trade impact of these measures on our country's exports.

3.213. We urge the European Union to reduce the negative effects on international trade, taking Members' concerns and comments into consideration to avoid imposing unnecessarily traderestrictive measures. We refer in particular to measures that affect agricultural products, so as to minimize the social and economic consequences for farmers in countries exporting commodities and special products, who are the most vulnerable populations in developing countries such as the Dominican Republic.

3.214. <u>Guatemala</u> provided the following statement: We thank Paraguay for including this item on the agenda. We reiterate our concern over the European Union's approach to regulating pesticides and MRLs. Despite the concerns repeatedly expressed by more than 40 Members at the SPS Committee, the European Union is pursuing its actions. We ask the European Union to reconsider its approach and to base its measures on a risk assessment.

3.215. <u>Peru</u> provided the following statement: Peru supports this concern, as the EU regulation would not be based on certain risk, in accordance with Article 5 of the WTO SPS Agreement, but rather on a hazard-based approach. In taking such an approach, the European Union would be

implementing measures that were more restrictive than necessary, causing unnecessary damage to trade.

3.216. <u>Chinese Taipei</u> provided the following statement: The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu shares the concern raised by Paraguay regarding the European Union's legislation on endocrine disruptors. At the present time, the main body of research undertaken by the international academic community into the endocrine-disrupting effects of most chemicals is still ongoing, and there are no clear conclusions yet in terms of assessment and differentiation. In June 2018, the European Food Safety Agency (EFSA) and the European Chemicals Agency (ECHA) of the European Union issued guidelines on the identification of endocrine-disrupting substances in chemicals (pesticides and fungicides), which suggests various methods of collecting and evaluating the relevant research data, as well as analysing and applying the MoA (mode of action) to ensure that EU member States use the same standards in their evaluations.

3.217. The latest EU research report shows that endocrine-disrupting effects have the characteristics of non-monotonic dose responses (NMDRs). That is to say, they do not have the traditional dose-response relationship, but something more similar to the non-threshold concept of tumorigenesis. However, the European Union has not yet completed or disclosed its findings on how the key elements of risk characterization should be considered, such as the intensity, severity and reversibility of their influence on the endocrine system. In view of the widely differing endocrine-disrupting effects of the various compounds, NMDRs should not be the only model used to address the effect of the endocrine disrupting chemicals. For this reason alone, it is clear to us that more research is needed in order to properly distinguish between, and manage, the different varieties of endocrine-disrupting compounds.

3.218. To conclude therefore, in line with Paraguay's concern, our recommendation is that the European Union be asked to submit more convincing scientific evidence regarding the effects of endocrine-disrupting compounds. We also look forward to the European Union taking greater consideration of WTO Members' concerns in the future, as well as implementing SPS measures that are consistent with its own WTO commitments.

3.219. <u>Uruguay</u> provided the following statement: Uruguay thanks Paraguay for keeping this concern on the Committee's agenda. We would like to reiterate our trade and systemic concern relating to the European Union's adoption and implementation of a hazard-based approach, instead of an approach based on full scientific risk assessments, in its regulatory determinations concerning products with endocrine disrupting properties.

3.220. We reiterate the need to base such determinations on conclusive scientific evidence, gathered from an assessment of the actual risks associated with pesticides, to avoid some of these products, which remain important components of pest management systems, being withdrawn despite their safe use. An approach based on hazard rather than on actual risk contributes little or nothing to the cited aim of effectively protecting public health, while at the same time having a significantly negative impact on sustainable agricultural production, food security and international trade in food products.

3.221. Uruguay continues to support any multilateral work undertaken by the Codex Alimentarius to develop a harmonized, risk-based approach that ensures the protection of health while facilitating international trade in food and agricultural products. In the meantime, we once again urge the European Union to listen to and address the concerns expressed by a number of Members, and to reconsider its regulatory approach with a view to preventing the unjustified proliferation of barriers to international trade in agricultural products and the serious social and economic consequences of such an approach for other Members, in particular developing and least developed countries.

3.222. The <u>European Union</u> provided the following response: The European Union has explained previously the principles behind the regulatory measures for substances having endocrine disrupting properties and how the European Union intends to deal with import tolerance requests. Even though no new information is available at this stage, the European Union is pleased to address the latest questions received as follows:

3.223. 1) Definition of endocrine disruptors (ED): The European Union regulatory criteria as enshrined in Regulation (EU) 2018/605 are based on the WHO definition, which is the following:

"An endocrine disruptor is an exogenous substance or mixture that alters function(s) of the endocrine system and consequently causes adverse health effects in an intact organism, or its progeny, or (sub)populations".

3.224. 2) Relevant scientific evidence: A Guidance Document published in 2018 and developed by EFSA, ECHA and JRC provides guidance to how to interpret the ED-criteria. The relevance of data refers to whether data are pertinent and can be used to demonstrate or exclude one of the three elements of the ED-criteria: i.e. either adverse effect, mode of action, or a link among the two. Under the European Union regulations, data requirements based on international study protocols need to be fulfilled. Some of those data need to allow to determine whether the substance is potentially an ED. However, scientific peer review literature could also be used, if relevant.

3.225. In particular, all available relevant scientific data (in vivo studies or adequately validated alternative test systems predictive of adverse effects in humans or animals; as well as in vivo, in vitro, or, if applicable, in silico studies informing about endocrine modes of action): (a) scientific data generated in accordance with internationally agreed study protocols; in particular, those listed in the Commission Communications in the framework of setting out the data requirements for active substances and plant protection products, in accordance with this Regulation; (b) other scientific data selected applying a systematic review methodology, in particular following guidance on literature data listed in the Commission Communications in the framework of setting out the data requirements for active substances and plant protection products, in accordance with this Regulation; (b) other scientific data selected applying a systematic review methodology, in particular following guidance on literature data listed in the Commission Communications in the framework of setting out the data requirements for active substances and plant protection products, in accordance with this Regulation.

3.226. 3) Consistency with Article 5: When assessing a request for the authorisation of a plant protection product or for an import tolerance, the European Union carries out a rigorous product specific and step-by-step risk assessment taking into account all relevant data. As such, the European Union is in compliance with the relevant provisions of article 5 of the SPS Agreement.

3.227. 4) Risk assessments: A Guidance Document published in 2018 and developed by EFSA, ECHA and JRC provides guidance to how to interpret the ED-criteria.

3.228. 5) Relationship with Article 5.7: The European Union does not see a direct link between recital 4 of Regulation (EU) 2018/65 and Article 5.7 of the SPS Agreement. Where the European Union considers that the available pertinent information is not sufficient to implement definitive measures, the European Union may need to adopt and apply provisional measures to protect consumers, animals and/or plant life or health. This decision-making process complies with the relevant SPS Agreement provisions

3.229. 6) Negligible risk: Substances which are identified as endocrine disruptors under the EU legislation and for which exposure is negligible can be placed on the market if negligible exposure is demonstrated.

3.230. 7) Import tolerance mechanisms and 8) Import tolerance case by case: Import tolerance requests can be submitted for active substances approved in the European Union or for active substances that are not approved in the European Union. Interested parties may submit an "import tolerance" request according to Article 6(4) of Regulation (EC) No. 396/2005. This allows setting EU-MRLs based on Good Agricultural Practices (GAPs) authorised in non-EU countries at a level sufficiently high to meet the needs of international trade, provided that a risk assessment demonstrates that the protection of European Union consumers is ensured. The data requirements and stringency of assessment (e.g. regarding the need to demonstrate safety for all European consumer groups) for import tolerance requests are identical to those for MRL applications based on authorisations in the European Union and its member States (EUMS). An MRL can be set only when there is sufficient information to support a risk assessment demonstrating that the MRL is sufficiently protective for consumers. The burden lies with the applicant to show that residues of the active substance from use in accordance with the good agricultural practice under evaluation are safe. The European Union will assess each import tolerance request in its own merit and will carry out a thorough, product-specific, risk assessment, which will take into account the data submitted for each request.

3.231. 9) Import tolerances, state of play: Since 2008, 94 applications for import tolerances have been submitted, among which 80 were assessed positively by EFSA and nine received a negative opinion. The remaining five applications are still under assessment.

3.2.3 New EU MRLs for lambda-cyhalothrin – Concerns of China (No. 459)

3.232. <u>China</u> provided the following statement: We would like to express our concern regarding the EU amendment of MRLs for lambda-cyhalothrin in tea from 1 mg/kg to 0.01 mg/kg. We consider that the MRL revision does not comply with paragraph 1, Article 5 of the SPS Agreement: "Members shall ensure that their sanitary or phytosanitary measures are based on assessment [...] taking into account risk assessment techniques developed by the relevant international organization", and paragraph 4, Article 5 "Members should, when determining the appropriate level of sanitary and phytosanitary protection, take into account the objective of minimizing negative trade effects."

3.233. We recommend that the European Union should evaluate the health risk to consumers for the implementation of the original residue limit standard (1 mg/kg), and if there is no risk, the European Union should continue to implement the original limit standard. If the European Union implements new limit standards, we recommend it consider the tea planting and tea production period and provide a transition period of at least one year for the producers.

3.234. The <u>European Union</u> provided the following response: The European Union has provided information on the issue previously in this Committee and bilaterally. The European Union amended its legislation on maximum residue levels (MRLs) for lambda-cyhalothrin in 2018. The amendments to the MRLs of lambda-cyhalothrin are based on two risk assessments carried out by the European Food Safety Authority (EFSA), published on EFSA website on 2 December 2015⁹ and 26 July 2017¹⁰, respectively.

3.235. EFSA performed risk assessments for the MRLs of the products on which trials and information were submitted by the EU member States, by non-EU countries or by stakeholders at the time of the finalization of the document. Available Codex maximum residue levels (CXLs) were also assessed. Notwithstanding EFSA had requested to submit necessary information on existing Good Agricultural Practices, the residue trials supporting these for all commodities, including herbal infusions, and the magnitude of the residue generated, no data were submitted to EFSA. EFSA reasoned opinion states clearly that the number of trials provided on tea are insufficient to derive an MRL as well as risk assessment values and further information on the Good Agricultural Practice (number of applications) on which an old import tolerance was granted has not been provided. As a consequence, the legislation set the MRLs for lambda-cyhalothrin in tea and herbal infusion at the LOQ of 0,01 mg/kg based on the EFSA reasoned opinion.

3.236. The European Union would like to remind China that an import tolerance request for lambda-cyhalothrin can still be submitted according to Article 6(4) of Regulation (EC) No. 396/2005.

3.2.4 New EU definition of the fungicide folpet – Concerns of China (No. 447)

3.237. <u>China</u> provided the following statement: China has raised this concern several times on the European Union's residue definition for folpet. Although the European Union has committed to process the revision in previous meetings, the definition of the residue used for monitoring folpet has not yet been revised and the definition for the sum of folpet and phthalimide are still performed. We hope that the European Union can update the progress of the revision and indicate the time when the revision will be finalized. We will pay attention to the progress continuously and request the European Union to ensure the current EU folpet residue definition to comply with the definition of Codex Alimentarius Commission following the principle of harmonization in Article 3 of the SPS Agreement.

3.238. The <u>European Union</u> provided the following response: The European Union would like to recall that the Chinese concerns regarding this particular substance have been addressed in previous Committee meetings and also bilaterally. The European Union residue definition of the fungicide folpet is currently under consideration as part of the on-going renewal procedure of the approval of

⁹ European Food Safety Authority, 2015. Reasoned opinion on the revision of the review of the existing maximum residues levels for lambda-cyhalothrin. EFSA Journal 2015;13(12):4324. http://www.efsa.europa.eu/en/efsajournal/pub/4324

¹⁰ European Food Safety Authority, 2017. Focussed review of the existing maximum residue levels for lambda-cyhalothrin in light of the unspecific residue definition and the existing good agricultural practices for the substance gamma-cyhalothrin. EFSA Journal 2017;15(7):4930.

this active substance. This renewal procedure is still on-going. The European Union will keep China updated on further developments both here and bilaterally.

3.2.5 EU review of legislation on veterinary medicinal products – Concerns of the United States (No. 446)

3.239. The <u>United States</u> provided its statement in document <u>G/SPS/GEN/1811</u>.

3.240. Brazil, Canada, Colombia, Japan and Paraguay supported this concern.

3.241. <u>Brazil</u> provided the following statement11: Brazil would like to thank the United States for maintaining this important concern on the agenda. While reiterating our previous statements delivered in previous meetings, we would like to reinforce the request to the European Commission to hold consultations with stakeholders and third countries on the delegated act of the criteria to designate antimicrobials to be reserved for human treatment.

3.242. <u>Canada</u> provided the following statement: Canada agrees with the European Union and many other Members that anti-microbial resistance is a major global threat of increasing concern to human, animal and environmental health. Canada recognizes the important contributions of both global and country-led efforts in the fight against anti-microbial resistance. Canada appreciates the EU's commitment to ensure that trading partners can participate in the consultation process for the secondary legislation related to the Veterinary Medicinal Products Regulation which will come into force in January 2022. We look forward to contributing to this process for the remaining pieces of secondary legislation, and particularly those that impact third countries, before the Regulation comes into force.

3.243. We hope that the European Union will provide sufficient time for trading partners to comment, and have those comments taken into consideration in the finalization of secondary legislation.

3.244. <u>Japan</u> provided the following statement: Japan appreciates the European Union for holding the Briefing Session on the EU new regulations on Veterinary Medicinal Products in January 2020. However, Japan is still concerned that the European Union leaves critical points of the new regulation unclear, for instance, the list of antimicrobials to be banned for use in the European Union, regulated products, transition period and so on. Japan understands that the European Union will finalize details of the regulations in the near future. Depending on the details, Japanese producers exporting to the European Union will be impacted significantly. Therefore, Japan requests the European Union to provide the information swiftly and the timing of a notification to this Committee.

3.245. <u>Paraguay</u> provided the following statement: My delegation would like to thank the delegation of the United States for including this concern, which is shared by the Republic of Paraguay, in today's agenda. We are particularly concerned about the possible implications that the delegated acts of Regulation (EU) 2019/06 could have in third countries, specifically under Article 118 of this basic legislation. We will be monitoring the criteria that will be followed for the allocation of medicines for human use only, including the definition of risk analysis, provided for in Article 37.4 of this legislation.

3.246. We understand that, although the EU had begun a consultation process in Brussels, this was suspended by the pandemic, despite the fact that the legislative process is still ongoing. In this connection, we urge the EU to resume consultations as soon as possible and to address the concerns of its trading partners at this early stage, to avoid further complications in the future.

3.247. The <u>European Union</u> provided the following response: The European Union would like to take this opportunity to recall explanations and information presented to WTO Members in previous Committee meetings and to provide an update on the state of play on the preparatory work for the implementation of the new legislation. The new Regulation on Veterinary Medicines (Regulation (EU) 2019/6) will strengthen the European Union action in fighting antimicrobial resistance (AMR), which is a global threat to public health and animal health. It lays down a wide range of measures to fight

 $^{^{11}}$ This statement was submitted through the eAgenda platform, after the deadline indicated in document <u>JOB/SPS/7</u>.

AMR and to promote the prudent and responsible use of antimicrobials, following the approach of the European One Health Action Plan against AMR. The measures to fight AMR following the "One Health" approach are internationally recognised as the only effective means to tackle AMR and as such endorsed by the WHO, the OIE and the FAO as well as by other international bodies.

3.248. The European Union published the new EU Regulation on Veterinary Medicinal products (VMP) in January 2019, together with a new regulation on Medicated Feed. The objectives of these combined measures are: provide for a modern, innovative and fit for purpose legal framework on VMPs; give incentives to stimulate innovation for VMPs; increase the availability of VMPs; ensure economically viable production of safe medicated feed throughout the European Union; foster innovation in the oral routes of VMP administration, particularly medicated pet food; strengthen the European Union action to fight antimicrobial resistance. The new Regulation on VMP will start to apply as of 28 January 2022. A number of implementing measures are currently under preparation as follows:

3.249. (a) Delegated Act under Article 37(4) (Criteria for the designation of antimicrobials to be reserved for treatment of certain infections in humans): The European Commission received at the end of 2019 the scientific advice from the European Medicines Agency (EMA) as a basis for its preparatory work. It has consulted EU member States as well as targeted stakeholders. The scientific advice report is publicly available on the relevant European Commission webpage. The European Commission is currently working on the drafting of the delegated act. The deadline for its adoption is 27 September 2021.

3.250. (b) Implementing Act under Article 37(5) (List of antimicrobials reserved for human use): At the request of the European Commission, EMA set up an expert group at the end of 2019 to start preparing its scientific advice. The European Commission expects to receive it towards the end of the year. The deadline for adoption of the implementing act is 27 January 2022.

3.251. (c) Delegated Act under Article 118 (Rules on imports of animals and products of animal origin from third countries): The European Commission is moving forward in its reflections on the best approach for the application of Article 118. In this light, the questions raised by some of the Members in the context of the WTO SPS Committee are particularly relevant, as they highlight some of the specific elements of concern of other countries. It is extremely useful for the European Commission to be aware of such issues, as it draws its attention to those elements as it starts to shape the detailed rules of the delegated act under Article 118. The deadline for adoption is 27 January 2022

3.252. In terms of transparency, the European Union recalls that it regularly provides information to its trading partners not only at WTO SPS Committee meetings, but also through targeted information sessions and stakeholder consultations. The European Commission intends to organise another information session in the autumn. In accordance with WTO obligations, the European Union will notify for comments all relevant implementing measures under the relevant WTO Agreements.

3.253. Finally, the European Union would like to state, once again, that collaboration at the international level is of the utmost importance to address this major public health issue. The European Union remains determined to continue working as a driving force on the fight against AMR and to engage with WTO Members, within multilateral international organisations and bilaterally, to promote and support effective strategies to prevent and contain the global threat of AMR.

3.2.6 General import restrictions due to BSE – Concerns of the European Union (No. 193)

3.254. The <u>European Union</u> provided the following statement: The European Union reiterates its concerns about the unjustified and long delays in approving imports of beef from the European Union due to unjustified, persistent concerns of several WTO Members related to BSE. In our opinion, these Members ignore existing and indisputable science. The long delays that have accumulated in their approval procedures constitute a violation of Article 8 and Annex C of the SPS Agreement.

3.255. On a positive note, we would like to welcome the progress made by Japan in approving several Member States and we hope that remaining applications can also be finalised shortly. We urge all WTO Members, in particular China, Korea, Chinese Taipei and the United States, to comply with their obligations under the WTO SPS Agreement and apply international standards to

lift remaining BSE related restrictions for all EU member States and not unjustifiably further delay pending approval procedures.

3.256. As always, the European Union remains open to continue working constructively with all trading partners, but we are calling them to respect their international obligations.

3.2.7 Ukraine's restrictions on swine products – Concerns of Brazil (No. 463)

3.257. <u>Brazil</u> provided the following statement: Brazil raised this specific trade concern for the first time in the last SPS Committee (in July 2019), because Ukraine has been keeping an embargo on Brazilian pork and other swine products. The embargo began in 2018, after Brazil notified to the OIE an occurrence of classical swine fever.

3.258. Brazil has a zone free from classical swine fever, which was recognized by the OIE in 2015. This free zone concentrates over 95% of the Brazilian swine production and 100% of exports of pigs and pig products. The case notified in 2018, which gave rise to the Ukrainian embargo, occurred over 500 km away from the border with Brazil's zone free of this disease. After this first case, others occurred. However, these outbreaks are restricted to some backyards in three states which are not part of the free zone. Neither the first case nor any of the following occurrences altered in any way the international recognition granted to the Brazilian free zone.

3.259. At the last SPS meeting (in July), Ukraine argued that Brazil was lacking transparency. However, since the beginning of the Ukrainian embargo, Brazilian technical authorities, with the support of the Brazilian Embassy in Kiev, have been providing all the technical clarification that has been requested by Ukraine. Besides, Brazil and Ukraine held a bilateral meeting in Geneva in March 2020. Ukraine also claimed that Brazil was late in observing its notification obligations to OIE. We were perplexed by Ukrainian allegations that "almost 2 months had passed between the initial occurrence of the disease and the disease confirmation". Brazil takes this opportunity to underscore that the notification was submitted in due observance of the deadlines set forth in the Terrestrial Code and in the OIE Guidance on Immediate notifications under the OIE World Animal Health Information System.

3.260. The clinical and epidemiological investigation started immediately after the authorities were notified by the breeder. Samples were sent to laboratory analysis, and Brazil had then confirmation of the outbreak once the laboratory report attested the presence of the pertinent virus in samples from pigs that had shown symptoms. This confirmation took place on 6 October 2018. The notification was duly submitted by Brazil on 7 October 2018, within the 24-hour deadline from the confirmation. There was no delay neither in beginning investigation, nor in obtaining the confirmation, nor in communicating to the OIE once the outbreak was confirmed. Besides, since this first outbreak, Brazil has submitted 13 follow-up reports with detailed information on the subsequent outbreaks.

3.261. Brazil has a very strict National Program on Swine Health, which encompasses the whole national territory and ensures the containment of the disease and the protection of the sanitary condition of the classical swine fever free zone. In Brazil, free and non-free zones have clear boundaries, protected by both natural barriers and checkpoints. Movement and trade of animals and their by-products between the disease-free zone and the non-disease-free zone is prohibited. These restrictions have been reinforced since the beginning of the outbreaks in 2018. Strict surveillance and risk mitigation procedures to prevent the introduction of the disease into the free zone are routinely followed. Brazilian authorities keep track of the animals and animal products considered susceptible.

3.262. Brazil takes this very seriously, as it currently exports pork to about 90 different countries. Ukraine is the only country in the world to impose such restrictions on Brazilian pork. As the outbreaks do not interfere with the status of the Brazilian classical swine fever free zone, they cannot be used as justification for interruption in the trade of pigs and by-products.

3.263. Brazil considers that the restrictions imposed by Ukraine on the importation and transit in its territory of Brazilian swine products do not comply with Resolution No. 29 of 25 May 2018, which contains the model of health certificate that was bilaterally agreed, and with Decree No. 71 of the

Cabinet of Ministers of Ukraine of 14 June 2004, which specifies that Brazil should be divided into states or regions, with respect to trade restrictions due to the incidence of classical swine fever.

3.264. In December 2019, communication No. 6142 / 22-012-1089 from the State Service for Food Safety and Consumer Protection of Ukraine, which communicated the maintenance of the embargo on products of Brazilian origin, asked Brazil to send detailed information on controlling the movement of animals between the free zone and the non-free zone of classical swine fever, as well as data from the epizootic investigation and sources of contamination for the neighbouring region considered free from classical swine fever. According to the Ukrainian authority, the removal of restrictions depends on Brazil eliminating the disease in the territory and sending a report to the OIE. This demand conflicts with the guidelines of the OIE itself in determining zoning with free and non-free areas of classical swine fever within the same territory. In addition, the Ukrainian side indicated the possible arrival of an inspection mission to assess the Brazilian control system. In response, Brazil sent a formal response to Ukraine, with details about the free zoning carried out in Brazil and its controlling system, which complies with the guidelines provided by the OIE. Since then, Brazil has received no reaction from the Ukrainian side. We therefore urge Ukraine to reconsider its restrictive measures.

3.265. <u>Ukraine</u> thanked Brazil for their regular bilateral cooperation. Direct communication had been held through the Embassy of Brazil in Ukraine, and the latest correspondence from Ukraine had been sent on 18 June 2020. According to the final report on classical swine fever in Brazil, published on the OIE's website, the country was implementing systemic vaccination against classical swine fever, which had not been carried out before, indicating a change in national strategy for prevention and elimination of classical swine fever, matter that had not been raised in the latest information provided by Brazil. The State Service of Ukraine reiterated its proposal to start the coordination procedure between the competent authorities to evaluate the system of Brazil's control over pork. Ukraine was looking forward to receiving feedback from Brazil regarding evaluation on the spot.

3.2.8 The Philippines' trade restrictions on imports of meat (No. 466) – Concerns of the European Union

3.266. The <u>European Union</u> provided the following statement: The European Union regrets to report again that the Philippines does not adhere to agreed international standards of the World Organisation for Animal Health (OIE). Indeed, the Philippines does not apply the regionalisation principles towards the European Union and maintains a policy of imposing scientifically unjustified countrywide bans on imports of meat products from EU member States on grounds of African swine fever (ASF) as well as of Highly Pathogenic Avian Influenza (HPAI).

3.267. Nine EU member States¹² are today subject to import bans imposed by the Philippines on meat products. These bans even include a ban on import of pork meat from one EU Member State (Germany), which has never had any outbreak of ASF in its territory. The European Union believes that the bans on imports of pork meat as well as of poultry meat from the entire territories of EU member States lack scientific justification and go against the principle of regionalisation/zoning. The European Union considers these measures to be inconsistent with Article 2.2 and Article 6 of the WTO SPS Agreement.

3.268. The European Union has been very transparent on the regionalisation measures it has put in place in the European Union and provided all the necessary evidence to the Philippines demonstrating objectively the robustness of EU measures to guarantee that safe trade can continue to take place. This safety guarantee for trade is important not only for the EU internal market but also for products exported from the EU. EU regionalisation measures fully comply with the OIE recommendations in this respect.

3.269. The European Union remains ready to further engage with the Philippines with the objective to minimize the disruption of trade. The European Union reiterates its call to the Philippines to respect its obligations and to allow trade of all safe meat of pork and poultry products from European Union disease-free member States and disease-free zones. The European Union reiterates its concerns

¹² Import restrictions in relation to ASF: Belgium, Bulgaria, Germany, Hungary, Latvia, Poland, Romania, and Slovakia; import restrictions in relation to HPAI: Czech Republic, Germany, Hungary, Poland and Slovakia.

about the unjustified and long delays in approving imports of beef from the European Union due to unjustified, persistent concerns of several WTO Members related to BSE.

3.270. The <u>Philippines</u> provided the following response: As we previously emphasized, the Philippines recognizes the principle of regionalization and remains mindful of its obligations under the WTO SPS Agreement. In determining areas free of the disease, as stipulated under Article 6.1 of the Agreement, it is imperative for us to consider the effectiveness of controls. The effectiveness of the interventions must be supported by convincing evidence of disease contraction or elimination, which will build the Philippines' confidence in EU control measures. The measures to restrict imports of meat from countries with African swine fever (ASF) and Highly Pathogenic Avian Influenza outbreaks are provisional precautionary measures on the basis of available pertinent information consistent with Article 5.7 of the SPS Agreement.

3.271. We remain receptive of technical information relevant to controlling ASF as provided by the European Union, and as we faithfully monitor the disease situation, we continue to seek to obtain additional information that is necessary to review our provisional measures. In spite of our limited manpower, we are continuously monitoring the animal health situation and communicating with trading partners. Because of these efforts, we lifted the import ban which we imposed on one EU member State due to the ASF outbreak. We are continuously evaluating disease control measures carried out by other countries for possible lifting of the importat ban. In the case of Germany, the temporary ban imposed on their pork products was due to a serious violation of the import conditions. We have been in close coordination with Germany's authorities to resolve this concern.

3.272. As regards the measures taken by the Philippines to safeguard our territory from outbreaks of HPAI, please be assured that we will constantly monitor the disease situation with regular updates received from the veterinary authorities of EU member States. The Philippines strictly adheres to OIE's three-month policy after cleaning and disinfection of the last confirmed outbreak, as provided in Article 10.4.3 of the Terrestrial Animal Health Code. Information relevant to this policy has been requested from EU member States which have already resolved their HPAI outbreaks since May 2020.

3.273. We welcome continued discussion with the European Union in bilateral arrangements, as we have always been, to discuss this matter further towards resolution.

3.2.9 Guatemala's restrictions on egg products – Concerns of Mexico (No. 413)

3.274. <u>Mexico</u> provided the following statement: Mexico once again expresses its concern regarding the import restrictions imposed by Guatemala since 2006 on thermally processed egg products from Mexico. As Mexico has pointed out on many occasions, in its view, the measure could be in violation of the fundamental principles of measures having technical and scientific justification and being based on international standards, as provided for in both the SPS Agreement and the free trade agreement signed between Mexico and Central America.

3.275. Mexico has repeatedly insisted on objectively demonstrating to the Guatemalan health authorities that thermally processed egg products are not an import risk and has asked Guatemala to acknowledge this, as provided for in Article 10.4.15, paragraph 2, of the World Organization for Animal Health (OIE) Terrestrial Animal Health Code, which sets out the recommendations for the importation of egg products of poultry, regardless of the avian influenza status of the country of origin.

3.276. With regard to Newcastle disease, Mexico has been transparent, duly informing the OIE about infection outbreaks detected in the country. In this regard, we repeat that Guatemala should follow the recommendations of the OIE Terrestrial Animal Health Code, Article 10.9.11, paragraph 2, of which states that, regardless of the Newcastle disease status of the country of origin, goods can be imported provided they undergo thermal treatment to ensure the destruction of the virus, in accordance with Article 10.9.20 of the instrument. Guatemala has argued that its trade restrictions on imports from Mexico are imposed in compliance with its domestic regulations, referring to Ministerial Decision No. 228/2013, Article 4 of which also states that it should take the OIE guidelines into account, which, in Mexico's view, is not happening. Guatemala's position represents an alleged violation of the fundamental principles of the SPS Agreement, particularly Article 2.2, by applying a

trade-restrictive measure, without scientific basis, to a product that has undergone thermal treatment to ensure it poses no health risk.

3.277. It should be noted that Mexico has been seeking to resolve this matter through political and technical dialogue with the relevant authorities of Guatemala, within the framework of this Committee since 2016 when this concern was first raised, in various bilateral meetings, and through the SPS Committee provided for in the free trade agreement between Mexico and Central America. However, these efforts have not been successful and Guatemala continues to maintain the restriction on the Mexican products in question, even though Mexico has demonstrated it has zones and compartments free from highly pathogenic avian influenza. Mexico considers Guatemala's total restriction on exports of Mexican egg products to be a unilateral decision adversely affecting trade in these products between the two countries.

3.278. In light of the above, the Government of Mexico once again requests the Government of Guatemala to revoke its measure, so that trade in thermally processed egg products from Mexico can begin, given that it has not been demonstrated that Guatemala has any technical or scientific evidence, or any form of risk analysis appropriate to the circumstances, to justify more restrictive measures than those recommended by the OIE.

3.279. <u>Guatemala</u> provided the following response: Guatemala responded to Mexico's request through Official Communication DSA-BA-1309-2019 dated 2 October 2019, which outlined the sanitary requirements for the importation of hen eggs, not in shell, egg yolks, and dried pasteurized liquid egg albumen into Guatemalan territory. The sanitary import requirements sent to Mexico are the sanitary requirements applicable to egg products that are in force in Guatemala.

3.280. Current regulations in Guatemala are based on the OIE standards established in the Terrestrial Animal Health Code currently in force, with Article 10.4.15 relating to avian influenza virus and Article 10.9.11 referring to Newcastle disease virus.

3.281. Therefore, the sanitary measures established for the importation of poultry and poultry products have their legal basis in the OIE Terrestrial Animal Health Code standards, namely Volume I (General provisions) and Volume II (Recommendations applicable to OIE Listed diseases and other diseases of importance to international trade). Given that the sanitary import requirements and measures applied by Guatemala are based on the OIE recommendations, it follows that they are not in violation of the fundamental principles of the WTO SPS Agreement.

3.282. It should be noted that Guatemala is a country free from highly pathogenic avian influenza, as notified to the OIE on 14 January 2004, a status that remains valid to date. In the case of the highly pathogenic Newcastle disease virus, Guatemala declared itself disease-free on 1 December 2017, through Ministerial Decision No. 335/2017, and we are in the process of notifying the OIE of this status. Therefore, the sanitary requirements that are currently required for egg products are applied to safeguard the country's poultry health.

3.283. Guatemala requests a bilateral meeting with Mexico at permanent-mission level, so that the Mexican delegation can present the technical and scientific arguments on which its trade concern is based. Guatemala does not oppose the entry into its territory of egg products from Mexico, provided that compliance with domestic regulations is guaranteed, which includes carrying out on-site inspections and a risk analysis.

3.2.10 Indonesia's approval procedures for animal and plant products – Concerns of the European Union (No. 441)

3.284. The <u>European Union</u> provided the following statement: The European Union is concerned by the lack of transparency and undue delays of Indonesia's approval procedures. As reported on previous occasions, the European Union asked Indonesia to provide detailed information related to its market access approval procedures for agri-food products, including indicative and average timeframes for completing such procedures. Indonesia committed to reply, but the European Union has no so far received the requested clarifications. The European Union is in particular concerned by the lack of progress on its export applications on beef, dairy, poultry, pork and plant products, which in some instances were submitted more than six years ago.

3.285. Moreover the European Union is experiencing specific difficulties with its export of dairy products, namely delay in approval procedures, postponement of audits and restrictions on the issuance of import license approvals for already approved member States and establishments. All this constitutes unjustified barriers to trade. These developments are very worrying and of great concern to the European Union and its member States.

3.286. The European Union believes that Indonesia is in breach of its obligations under the SPS Agreement, namely those of Article 8 and Annex C 1(a) and 1(b), by the lack of transparency on market access approval procedures. Against this background, the European Union would like to ask Indonesia to correct the situation with no further delay. In particular, the European Union calls Indonesia to respect its obligations by being transparent about its approval procedures and by finalizing pending market access applications from EU member States without undue delays. Moreover, the European Union urges Indonesia to ensure that import licenses for dairy products that are already approved for export to Indonesia are swiftly issued.

3.287. The European Union looks forward to receiving the requested information from Indonesia about its import procedures, the state of works on pending applications and the assurance of respect of WTO SPS principles. For this, and as usual, the European Union remains open to continue working with Indonesia to make concrete progress on market access applications for export of animal products to Indonesia and to have a more effective and regular dialogue at the appropriate level.

3.288. <u>Indonesia</u> provided the following response: Indonesia thanks the delegation of the European Union for conveying again the EU member States interests on the transparency aspect of our import procedures and the update on progress of export applications requested by certain EU member States related to the import of plant and animal products. Indonesia wishes to inform the Committee that we have met with the delegations of the European Union several times to discuss this matter and we have provided the European Union necessary information to each of their point of interests.

3.289. Given the limited time to deliver our statement, Indonesia wishes to respond directly to the EU interests: (1) In term of transparency, we would like to inform the Committee that our current regulations have been adjusted taking into account the inputs from all relevant stakeholders so as to simplify import procedures, including by providing detailed timeframes with specific requirements to be followed, in relation with country approval processes for animal products. For the import of animal products, current regulations that should be referred to are the Ministry of Agriculture Regulations (MOA) No. 42/2019 and the Ministry of Trade Regulations (MOT) No. 29/2019 as amended by MOT No. 72/2019. (2) Then, for the importation of horticultural products, you can find detailed procedures in MOA No. 39/2019 as amended by MOA No. 02/2020 and MOT No. 44/2019 as amended by MOT No. 27/2020. All of these regulations are publicly available on the official website of the Ministry of Trade and the Ministry of Agriculture.

3.290. Now, we turn to address the European Union's interest in the progress of export applications from certain EU member States. Indonesia wishes to provide an update as follows: (1) For plant products, the approval processes for Austria, Bulgaria, Denmark, France, Germany, Italy, the Netherlands, Poland, Portugal and Spain have been completed. (2) For animal products, the approval processes for Austria, France, Ireland, Belgium, Italy and Spain have also been completed. (3) Other applications for approval processes from some EU member States are in the final stage of assessment. We are committed to further process applications with some schedule adjustment due to the constraints faced because of the COVID-19 pandemic.

3.291. Indonesia believes our current regulations and practices on imports of agricultural products as we informed at this meeting are consistent with our WTO obligations. Yet, we are ready to have further bilateral discussions with the European Union if it has follow-up questions in this regard.

3.2.11 US import restrictions on apples and pears – Concerns of the European Union (No. 439)

3.292. The <u>European Union</u> provided the following statement: It is with regret that the European Union has to repeat its concern about the United States refusal to allow imports of apples and pears from the European Union under a so-called systems approach – instead of the existing pre-clearance approach. Already in 2008, more than a decade ago, the European Union initiated an application to the United Sates to work towards the agreement of shipping apples and pears from the European

Union to the United States under a systems approach. Today's exports of apples and pears are allowed under a pre-clearance program. However, this system is not working as it is overly costly and therefore only very limited exports of apples and pears are taking place from the European Union to the United States.

3.293. The European Union is disappointed that the United States has failed so far to solve this issue where all scientific work has been carried out and as the United States finalised its assessment already several years ago and concluded that safe imports of apples and pears from the European Union could start to take place under a bilaterally agreed systems approach.

3.294. The only missing element is a purely administrative step, namely the publication by the United States of a final notice to allow trade to start. There is no scientific basis for the United States to block this publication. The European Union thus considers that the United States is not complying with the WTO SPS Agreement. Therefore, the European Union calls the United States to respect its obligations under the WTO and to approve the imports of apples and pears from the European Union under the agreed systems approach without any further delay.

3.295. The <u>United States</u> provided the following statement: The United States thanks the European Union for its continued interest in the status of the request from eight EU member States to export apples and pears under a systems approach to the United States. The United States Department of Agriculture continues to work through its administrative procedures on this request. We would again note that the European Union is able to export apples and pears to the United States under the existing preclearance program. We appreciate our bilateral engagement on this issue.

3.2.12 EU Regulation on high risk plants (Regulation (EU) 2016/2031) – Concerns of Israel (No. 469)

3.296. <u>Israel</u> provided the following statement: In the previous SPS meeting in November, Israel raised its concerns as regards the EU regulation on so-called high-risk plants. This regulation, which has now come into force, has banned the import of 35 plant genera and two species into the European Union and has thus stopped on-going trade, without the European Union submitting any scientific evidence of the phytosanitary risks behind the selection of this list of plants.

3.297. In September 2018, the European Union organized a meeting in Brussels with agricultural attachés during which Members were urged to submit dossiers on these high-risk plants as soon as possible (but not before January 2019). It was clear to all the delegates that if they acted accordingly and EFSA concluded their analysis on time, a ban would be avoided. Unfortunately, this has not been the case. Israel was the first country to submit two dossiers in January 2019. EFSA assessments of these two dossiers concluded in November 2019 and February 2020 respectively. Although in one case over half a year has passed since the conclusion of EFSA's risk assessment, the lifting of the ban imposed on 14 December 2019 has yet to be raised.

3.298. On a positive note, the European Union just a week ago, provided Israel with a draft legislation for the re-opening of trade on two of these commodities. This we very much appreciate. Unfortunately, these draft measures do not appear to take into account EFSA findings on the level of risk identified. As this is a new process for both the European Union and its trading parties, we beseech the European Union to provide further guidance on its appropriate level of protection and how new import measures relate to the levels of risk identified by EFSA.

3.299. We would like to reiterate that trade of these plants with the European Union had been ongoing for many years without any phytosanitary problems. The ban, which is still in place, and the continued uncertainty of not knowing when trade may recommence and under what circumstances, severely affects our producers. It is also in direct conflict with Article 5.4 of the SPS Agreement which states that Members should, when determining the appropriate level of sanitary or phytosanitary protection, take into account the objective of minimizing negative trade effects.

3.300. While we acknowledge the progress made, we continue to urge the European Union to reconsider its current policy with the aim of bringing it in line with the SPS Agreement. We believe that ongoing trade should not be banned, even temporarily, unless there is specific justification to do so. Where this is not the case, risk assessments should be performed while having minimal effects on ongoing trade i.e. by carrying out the risk assessments while trade continues and making

appropriate changes in import requirements per risks identified thereafter. Failing this, we continue to urge the European Union to conclude the process without any further delays.

3.301. The <u>European Union</u> provided the following response: The European Union would like to take this opportunity to recall some previous statements in the WTO SPS Committee and provide Members with an update on the state of play of the implementation of its regulatory measures concerning high-risk plants.

3.302. The new EU plant health regime, Regulation (EU) No. 2016/2031, which entered into force in December 2019, maintains a generally open system but increases the level of phytosanitary protection of the European Union. A preliminary assessment conducted by the European Union authorities revealed that a limited number of plants and plant products, listed in Regulation (EU) No. 2018/2019, posed unacceptable risks. As a result, the introduction of these high-risk plants into the European Union can only take place following a risk assessment carried out by the European Food Safety Authority (EFSA) based on a technical dossier submitted by the interested exporting countries. Once the risk assessment is completed, the European Commission adopts an implementing measure detailing the relevant import requirements.

3.303. The European Union has made significant efforts to disseminate information on the new plant health regime and minimize trade disruption. The European Commission held meetings in Brussels with non-EU countries to provide explanations and address possible concerns. EFSA has published a technical report detailing the information necessary for technical dossiers and organised two webinars to assist national authorities in the preparation of dossiers. In addition, the European Union has notified every draft regulatory measure and provided detailed responses to all the comments received. As of today, the European Union has received 53 applications and EFSA has concluded six risk assessments. The system is now operational and processes all applications in accordance with the established rules and procedures.

3.304. As regards the specific case of Israel, out of five applications, EFSA has concluded the assessment of the first two (*Albizia julibrissin* and *Robinia pseudoacacia*) and the third one is for adoption in the plenary meeting of the EFSA Panel in July 2020. The European Union has also concluded its internal consultation procedures and sent draft legal acts to Israel for a five-day consultation. The deadline for the consultation was 23 June 2020. The European Commission expects to adopt the corresponding legal acts very soon. Publication in the Official Journal of the European Union will take place a few days after adoption.

3.305. The European Union would like to reassure Israel and all the other WTO Members that it is making every effort to speed up the implementation of these regulatory measures, which are necessary to ensure the appropriate level of phytosanitary protection in its territory.

3.3 Information on resolution of issues in <u>G/SPS/GEN/204/Rev.20</u>

3.306. No Member provided any information under this agenda item.

4 OPERATION AND IMPLEMENTATION OF THE SPS AGREEMENT

4.1 Equivalence

4.1. No Member provided any information under this agenda item.

4.2 Pest- and disease-free areas (Regionalization)

4.2.1 Annual report in accordance with <u>G/SPS/48</u> (<u>G/SPS/GEN/1777</u>)

4.2. The Chairperson drew the attention of Members to the Annual Report on the Implementation of Article 6 of the Agreement of the Application of Sanitary and Phytosanitary Measures, which had been circulated as document <u>G/SPS/GEN/1777</u>.

4.2.2 Information from Members

4.2.2.1 Colombia – Recovery of its status as an FMD-free country with vaccination (<u>G/SPS/GEN/1768</u>)

4.3. <u>Colombia</u> provided the following statement: We would like to briefly mention a communication that we had prepared for the March meeting, which was cancelled for well-known reasons. We wish to inform WTO Members that the World Organisation for Animal Health (OIE) has restored the status of Colombia as a foot and mouth disease (FMD) free zone where vaccination is practised. Given Colombia's new health status granted by the OIE in its capacity as an SPS Agreement reference body, we wish to invite WTO Members to inform their health authorities so that the restrictions imposed by some countries may be lifted, thus facilitating ongoing processes to ensure compliance with sanitary requirements. Detailed information can be found in communication <u>G/SPS/GEN/1768</u> regarding the restoration of Colombia's health status as a foot and mouth disease (FMD) free zone where vaccination is practised.

4.2.2.2 Mexico - Declaration of an area free from fruit flies of the quarantine-significant genus *Anastrepha* and species *Rhagoletis pomonella* (<u>G/SPS/GEN/1780</u>)

4.4. <u>Mexico</u> provided the following statement: Mexico would like to share with Members communication <u>G/SPS/GEN/1780</u> (19 May 2020), declaring the municipality of San Juan Atenco in the State of Puebla to be an area free from fruit flies of the quarantine-significant genus *Anastrepha* and species *Rhagoletis pomonella*. The authority responsible for these self-declarations is the Ministry of Agriculture and Rural Development (SADER), acting through the National Agriculture and Food Health, Safety and Quality Service (SENASICA). Mexico kindly requests that these self-declarations be used as reference in their commercial dealings.

4.2.2.3 Mexico - Declaration of area free from large avocado seed weevils (*Heilipus lauri*), small avocado seed weevils (*Conotrachelus aguacatae* and *C. perseae*) and avocado seed moths (*Stenoma catenifer*) (G/SPS/GEN/1782)

4.5. <u>Mexico</u> provided the following statement: Mexico would like share with Members communication <u>G/SPS/GEN/1782</u> (25 May 2020), declaring the municipality of Taxco de Alarcón in the State of Guerrero to be an area free from the large avocado seed weevil (*Heilipus lauri*), the small avocado seed weevil (*Conotrachelus aguacatae* and *C. perseae*) and the avocado seed moth (*Stenoma catenifer*). The authority responsible for these self-declarations is the Ministry of Agriculture and Rural Development (SADER), acting through the National Agriculture and Food Health, Safety and Quality Service (SENASICA). Mexico kindly requests that these self-declarations be used as reference in their commercial dealings.

4.2.2.4 Peru - Self-declarations as a country free from diseases caused by the yellow head virus (genotype 1) and the infectious myonecrosis virus (<u>G/SPS/GEN/1793</u>)

4.6. <u>Peru</u> submitted document <u>G/SPS/GEN/1793</u> and provided the following statement: Peru would like to highlight to WTO Members the ongoing work being done by its fisheries and aquiculture health authority, the National Fisheries Health Authority (SANIPES), with regard to improving health conditions in the country. This work has resulted in two self-declarations, also published by the OIE, regarding the yellow head virus (genotype 1) and the infectious myonecrosis virus. Peru wishes to invite Members to take account of these self-declarations in subsequent trade/health formalities. Members can find further details in document <u>G/SPS/GEN/1793</u> and in notifications <u>G/SPS/N/PER/873</u> and <u>G/SPS/N/PER/874</u>.

4.2.2.5 Chinese Taipei - OIE official recognition of foot and mouth disease-free zone

4.7. <u>Chinese Taipei</u> submitted document <u>G/SPS/GEN/1813¹³</u> and provided the following statement: We are pleased to inform Members of our recently gained foot and mouth disease-free status. On 13 June 2020, the World Organisation for Animal Health (OIE) officially recognized the health status of the Taiwan, Penghu and Matsu areas of our customs territory as a foot and mouth disease (FMD) free zone, where vaccination is not practiced. Over the last 23 years, we have implemented a series

¹³ Chinese Taipei submitted a corrigendum on 29 July 2020, document <u>G/SPS/GEN/1813/Corr.1</u>.

of measures to eradicate FMD. So, for us it is an important milestone on our journey since the first occurrence of the disease in 1997. In the interest of transparency and in accordance with Article 6 of the SPS Agreement, we would encourage all Members to kindly take note of this recognition.

4.8. We also invite Members to inform their health and veterinary authorities at the earliest opportunity so that restrictions previously imposed by some may now be lifted. We look forward to cooperating closely with our trading partners, and to discussing the resumption of trade in relevant animals and animal products. This should be of some benefit to global food security during these difficult times of the COVID-19 pandemic and the severe outbreaks of African swine fever experienced around the world.

4.2.2.6 Russian Federation - OIE official recognition of zones free from certain animal diseases

4.9. The <u>Russian Federation</u> announced that, following OIE procedures, it had gained official status of freedom from contagious bovine pleuropneumonia. It explained that extensive studies, analysis and sampling had taken place in all its regions.

4.2.2.7 Ukraine - Update on its avian influenza-free status

4.10. <u>Ukraine</u> provided the following statement: With regards to the WTO Agreement on the Application of Sanitary and Phytosanitary Measures, animal health, welfare and veterinary public health must be improved worldwide to ensure safe international trade, Ukraine is pleased to support the fundamental principle of WTO of transparency in international trade. Ukraine would like to provide a brief update to Members with regards of the status free of Ukraine on Avian Influenza (AI).

4.11. In Ukraine, Highly Pathogenic Avian Influenza (HPAI) and Low Pathogenic Avian Influenza (LPAI) are diseases subject to mandatory notifications in accordance with the Law of Ukraine on Veterinary Medicine. The system for AI surveillance in Ukraine is based on active and passive surveillance that is fully in compliance with OIE recommendations. Ukraine had notified to OIE one single outbreak of highly pathogenic avian influenza (HPAI) among domestic poultry that was registered on 19 January 2020. All measures were taken in a timely manner due to the current National Control Programme on avian influenza developed in accordance with provision of the OIE Terrestrial Animal Health Code. Control measures included a stamping out policy, monitoring, movement and certification restrictions in place, etc. All measures were effectively implemented by the competent authority of Ukraine. This case has been localized and eradicated without further spreading of disease.

4.12. Ukraine has notified to the World Organisation for Animal Health (OIE) the outbreak of HPAI and submitted a follow up; surveillance has been carried out in accordance with the OIE Terrestrial Animal Health Code; and a three-month period was applied following completion of the stamping out policy and cleansing and disinfection without any new outbreaks. The final report was submitted to the OIE on 12 May 2020. Therefore, Ukraine declares that the whole country is free from avian influenza as of 12 May 2020 in accordance with its national legislation and Article 10.4.3 of the OIE Terrestrial Animal Health Code. Ukraine appreciates the adequate feedback from Members on this case.

4.3 Operation of transparency provisions

4.13. No Member provided any information under this agenda item.

4.4 Special and Differential Treatment

4.14. No Member provided any information under this agenda item.

4.5 Monitoring of the use of International Standards

4.5.1 New issues

4.5.1.1 United States of America - Codex Maximum Residue Limits and Risk Management Recommendations for Residues of Veterinary Drugs in Foods (CX/MRL 2-2018)

4.15. The <u>United States</u> submitted its statement in document <u>G/SPS/GEN/1801/Rev.1</u>.

4.16. <u>Canada</u> provided the following statement: Canada would like to thank the United States for raising the issue of the Codex Maximum Residue Limits and Risk Management Recommendations for Residues of Veterinary Drugs in Foods. Canada recalls the substantial effort to establish an international standard for ractopamine at Codex. The FAO/WHO Expert Committee on Food Additives (JECFA) conducted comprehensive risk assessments considering its toxicology, residues in and intake from food animals in 1993, 2004, 2006 and in 2010, and concluded that the recommended MRLs were safe for the consumption of muscle, liver, kidney and fat. The Codex Alimentarius Commission adopted MRLs for ractopamine in 2012 after discussing the issue for the previous four sessions. Non-adoption by Members of the ractopamine MRL, as well as other standards, recommendations and guidance established by Codex may unnecessarily increase costs for producers, processors and exporters, which results in higher prices for consumers around the world.

4.17. <u>Paraguay</u> provided the following statement: My delegation would like to thank the delegation of the United States for placing this item on the agenda. Paraguay has always supported and will continue to support the Codex work in this area. We urge all Members to follow the Codex recommendations to avoid the proliferation of non-tariff barriers to trade in agricultural products and of standards with which compliance may be impossible for developing countries that depend on exports of these products to sustain their economy and the subsistence of hundreds of thousands of people.

4.5.2 Issues previously raised

4.5.2.1 European Union – ASF restrictions not consistent with the OIE international standard

4.18. The <u>European Union</u> submitted the following statement: Once again, the European Union must draw the attention of WTO Members to inconsistencies in the application of OIE international standards related to African swine fever. The OIE Terrestrial Code contains clear guidance for the identification, treatment and certification of tradable products. Yet, several WTO Members chose to ignore these recommendations that were developed, consolidated and adopted in the OIE with the support of these same Members.

4.19. Through the European Union's strict regionalisation policy, the European Union demonstrates every day in its single market that African swine fever can be managed effectively to make sure that legitimate and safe trade is not the cause of any outbreak. The European Union is highly transparent on its disease control measures and provides information through the websites of the EU Commission, of the member States, of the OIE and through bilateral contacts with trade partners. For example, weekly synthesis reports are published by the EU Commission.

4.20. The European Union would like to insist that WTO Members apply import measures that are consistent with the SPS Agreement and with international standards. The European Union continues to give high priority to this issue and stands ready to work with WTO Members to remove country-wide and scientifically unjustified bans. Given the large number of WTO Members affected by the disease, from EU member States to China, from Belarus to Malaysia, the European Union has suggested to organise a thematic session on the subject of African swine fever (<u>G/SPS/W/322</u>).

4.5.2.2 European Union – HPAI restrictions not consistent with OIE international standards

4.21. The <u>European Union</u> submitted the following statement: The European Union appreciates the cooperation with those WTO Members that recognise the principle of zoning and accept the regionalisation measures put in place in the European Union. Many Members trust the European

Union's effective and transparent system of control and eradication of animal diseases like Avian influenza for many years now (and vice versa) and we do not experience any incident that would put this trust in question. On the other hand, there is still a significant number of WTO Members that disregard their obligations under Article 6 and Annex C of the SPS Agreement, in particular China, Korea and South Africa.

4.22. Country-wide bans after a disease outbreak are not scientifically justified. There is also no justification for WTO and OIE Members to await one year or more to restore the disease-free status - instead of the three months defined by the OIE Code. The European Union successfully manages regionalisation measures in its entire territory, namely the single market of its member States. The veterinary services of all EU member States work in full transparency. Trade partners of the European Union can be reassured that it is at all times fully aware of the animal health situation in all member States.

4.23. The European Union reiterates its call to all WTO Members to respect their obligations on regionalisation under the WTO SPS Agreement; allow trade of all safe products from non-affected zones; lift all bans after regaining freedom 3 months after the application of stamping-out, cleaning and disinfection of all affected premises; refrain from imposing trade restriction in case of HPAI in wild or captive birds; refrain from imposing trade restriction in case of LPAI detected. The European Union has repeatedly explained the disease control and regionalisation measures taken in the event of an outbreak and offered bilateral structured dialogues to come to a solution with WTO Members. Unfortunately, these offers have not yielded concrete results so far.

4.24. The European Union appeals to WTO Members to respect the recommendations of international standard setting bodies. These recommendations were developed and adopted with their support.

4.5.2.3 Annual report in accordance with <u>G/SPS/11/Rev.1</u> (<u>G/SPS/GEN/1776</u>)

4.25. The Chairperson drew the attention of Members to the Annual Report on the Procedure to Monitor the Process of International Harmonization, covering the period from 1 April 2019 until 31 March 2020, circulated as document <u>G/SPS/GEN/1776</u>.

4.6 Fifth Review of the operation and implementation of the SPS Agreement (G/SPS/W/313/Rev.3)

4.6.1 Report on the Informal Meeting

4.26. The Chairperson reported on the discussions on the Revised Draft Report of the Fifth Review held at the informal meeting on 25 June $2020.^{14}$

4.27. At the informal meeting on 25 June 2020, the Committee had discussed the revised draft Report of the Fifth Review circulated as document W/313/Rev.3 and its addendum, as well as the possibility of an ad referendum adoption of the Report. The Chairperson had explained that the Secretariat had prepared the latest version of the Report on the basis of the discussions that had been held in the May consultations and Members' comments contained in document W/324/Rev.1. The Chairperson had explained that while all comments had been given careful consideration, it had not always been possible for the Secretariat to take them all on board. The Chairperson had also highlighted some small edits which the Secretariat had included in the Report.

4.28. The Committee had first discussed the recommendations in the proposals section of the Report. No Member had expressed any reservations in relation to the recommendations on: (i) appropriate level of protection, risk assessment and science; (ii) equivalence; (iii) national SPS coordination mechanisms; (iv) notification procedures and transparency; (v) regionalization; and (vi) voluntary third-party assurance schemes.

¹⁴ The full report on discussions held at the informal meeting was distributed to Members by email on 26 June 2020. The deadline for providing comments was 6 July 2020. No Member submitted comments by that date.

4.29. On control, inspection and approval procedures, one Member had initially expressed some reservations on the second recommendation, but had subsequently indicated its willingness to lift this reservation, noting the positive support expressed by several Members in moving ahead with the recommendation, and its spirit of collaboration to facilitate the adoption of the recommendations.

4.30. On fall armyworm, one Member had drawn attention to its previously raised questions, noting that it was reviewing the response which it had recently received from one of the proponents and that it reserved its right to submit further comments. One proponent of the recommendation had offered to respond to any follow-up questions.

4.31. On the topic of MRLs for plant protection products, one Member had indicated that it still had reservations with the third recommendation and was consulting internally on the alternative language in the draft Report.

4.32. On the role of Codex, OIE and IPPC, one Member had noted its concerns with the wording in the third recommendation, indicating its preference to include the wording "should" instead of "may". Another Member had indicated its support for the analysis of STCs by Codex, OIE and IPPC. In response, one Member had recalled concerns raised in previous discussions on the involvement of Codex, OIE and IPPC in discussions of STCs, noting that the current recommendations reflected a delicate balance of views across Members and that any change would prove difficult in moving towards an ad referendum adoption. Another Member had suggested revising the title of the section in order to reflect the revised text of the recommendations. The new title would read as follows "Role of Codex, OIE and IPPC with respect to specific trade concerns". The Chairperson had requested the Secretariat to make this edit.

4.33. In concluding the discussions on the recommendations, one Member had highlighted that the proposed recommendations would not preclude continued discussions on MRLs or on the role of Codex, OIE and IPPC. Another Member had underscored the intense work that the Committee had undertaken during the period and the depth of the discussions, had also further highlighted that the recommendations outlined the future work of the Committee and had reflected on the importance of discussing elements central to the implementation of the SPS Agreement.

4.34. In relation to the factual section of the Report, no Member had made any comments.

4.35. Some Members had expressed the view that the Committee should move towards an ad referendum adoption of the Report and encouraged flexibility among Members in this regard. The Chairperson had explained how an ad referendum adoption would work, highlighting that this approach would give delegations another opportunity to consult. The Chairperson had drawn Members' attention to document <u>RD/SPS/111</u>, which included several examples of previous instances where the SPS Committee has adopted documents on an ad referendum basis. In addition, The Chairperson had underscored that the Committee meeting was being held "in-person" with the additional option for Members to join via the virtual platform, which meant that the Committee could take substantive decisions.

4.36. The Chairperson had suggested that the Report could be proposed for ad referendum adoption in the formal meeting, if there were no further concerns with the text. In this case, the Chairperson would then set a deadline of 31 July 2020 and if no delegation raised a written objection by this date, the procedure would be considered adopted. However, in the event of an objection, the Committee would consider and potentially adopt the report at its next meeting, in light of any changes.

4.37. The Chairperson had invited Members to reflect on the work undertaken by the Committee during the period of the Review and also to take into consideration the flexibility shown by Members in the meeting. The Chairperson indicated that the Committee would continue its discussions in the formal meeting.

4.38. With respect to the rescheduling of 2020 thematic sessions/workshops, the Chairperson reported that he had proposed to reschedule these activities that had to be postponed due to the COVID-19 pandemic, taking them up in the same order in which they had originally been planned. The Thematic Session on Voluntary Third-Party Assurance Schemes (<u>G/SPS/GEN/1754/Rev.1</u>), originally planned for March 2020, could be held in November 2020. The Workshop on Risk

Assessment, Risk Management and Risk Communication (<u>G/SPS/GEN/1769</u>), planned for June 2020, could be held in June 2021.

4.39. Two additional proposed thematic sessions had been proposed, on default pesticide MRLs and on African swine fever (<u>G/SPS/W/322</u>). These could either be held in March 2021 or in November 2021. Several Members had been in favour of the proposed calendar; one Member had proposed holding a thematic session on the locust situation that was affecting several Members. In general, Members had been open to exploring the possibility of combining in-person and virtual activities, with the objective of maximizing interactivity and broad participation. The Chairperson had suggested finalizing the scheduling of the proposed thematic sessions at the November meeting.

4.7 Revised Draft Report of the Fifth Review (<u>G/SPS/W/313/Rev.3</u> and <u>G/SPS/W/313/Rev.3/Add.1</u>)

4.40. <u>Brazil</u> indicated that it would not oppose the Report on the 5th Review going forward to ad referendum adoption. Brazil also provided the following statement: (1) On paragraph 7.1., under Section 7 MRLs for Plant Protection Products, Brazil notes that SPS measures, including MRLs, are to be harmonized according to Article 3 of the SPS Agreement, which brings the International Standard Setting Bodies (ISSBs) to the core of the system. Moreover, regarding the excerpt "to improve harmonization to Codex MRLs, as well as to regional MRLs where relevant", Brazil clarifies that in its view all MRLs, either Codex or regional, must be based on sound scientific justification and on a proper assessment of risk, as established by the SPS Agreement. (2) On Section 9 Role of Codex, IPPC and OIE in Addressing Specific Trade Concerns, Brazil attributes the utmost importance to the inclusion of the ISSBs as technical brokers on STCs. ISSBs' participation shall not be regarded as a political deviation of their scientific purpose, as it must circumscribe itself to the scientific, technical and methodological aspects of their own standards. Considering the spirit of the SPS Agreement and the role the text attaches to the ISSBs, Brazil strongly feels that, from a technical standpoint, the Committee must consider the role of Codex, OIE and IPPC in the procedures of STCs.

4.41. <u>India</u> made reference to the questions it had raised at the November 2019 SPS Committee meeting to the proponents of the proposal on fall armyworm, reflecting stakeholders' concerns about some of the concepts mentioned in the proposal. On 11 May 2020, India had reiterated the questions, asking the proponents for a written response. Written responses from one of the proponents were received on 18 June 2020, which were under review by capital-based authorities and stakeholders. Despite the challenges posed by the COVID-19 pandemic, India emphasised that it was committed to share final comments with the SPS Committee by the end of the following week, towards an ad referendum adoption of the Fifth Review by 31 July 2020. India requested to reserve its right to provide comments and objections on the proposal on fall armyworm.

4.42. The Chairperson responded by clarifying the procedure for an ad referendum adoption. He proposed that the Committee adopt the Report on an ad referendum basis, setting a date by which Members could raise objections to the adoption of the Report, which would allow Members a final chance for consultations. If no delegation raised an objection by Friday, 31 July 2020, the report would be adopted. If any Member raised an objection before that date, discussion on the Report would continue at the following SPS Committee meeting.

4.43. Since no delegation presented any substantive comment on the Report of the Review at that stage, the Chairperson proposed that the Committee adopt the Report of the Fifth Review contained in document <u>G/SPS/W/313/Rev.3</u> and its Addendum, on an ad referendum basis.

4.44. The Committee <u>adopted</u> the Report of the Fifth Review <u>on an ad referendum basis</u>. If no Member informs the Secretariat of an objection by 31 July 2020, the Report will be considered to have been adopted.

4.45. The Chairperson expressed his appreciation to all Members, as well as to the previous Chairperson Ms. Noncedo Vutula (South Africa) and to the WTO Secretariat.

5 CROSS-CUTTING ISSUES

5.1 Report on the COVID-19 information-sharing session

5.1. The Chairperson reported on the discussions held at the COVID-19 information-sharing session held on 24 June 2020¹⁵ and noted that a news item on the session was available on the WTO website.¹⁶ The Chairperson also indicated that he had asked the Secretariat to prepare a more detailed report of the session, since a lot of valuable information had been shared.¹⁷

5.2. The Chairperson reported that the half-day information session had provided an opportunity for the Secretariat, STDF, Codex, IPPC, OIE (the three sisters), WHO, and Members, to give updates on their responses and reactions to the challenging situation that was being faced. The Chairperson had summarized some main points that had emerged from the discussions.

5.3. The Chairperson noted that many speakers had emphasized that maintaining and facilitating safe agri-food trade was more important than ever to mitigate eventual negative effects of the pandemic on food security and livelihoods. This was reflected in the notified measures; the last few months had seen an increase in electronic SPS certification and other flexibilities to facilitate trade, as had been reported by numerous delegations and the Secretariat. Several delegations had also made calls for further flexibilities particularly with respect to MRL review and setting processes in line with communication <u>G/SPS/GEN/1778</u> and <u>revisions</u>, requesting the European Union to suspend its ongoing review processes for 12 months, and urging all Members to base their MRLs on international standards, guidelines and recommendations.

5.4. The Chairperson also reported that the SPS Committee had heard how Codex, IPPC and OIE had been adapting their work to the situation, moving to virtual or hybrid meetings as necessary. Adherence to international standards and effective participation in standard-setting work was crucial to avoid – as one speaker had put it – measures taken "because of action bias and not based on science". Several organizations had worked quickly to produce guidance, for example on food safety, and were planning future work, for example on trade in wild animals. The Committee had also heard about the role of the International Health Regulations in facilitating information exchange about public health responses and ensuring that they were commensurate to the risk and avoided unnecessary interference with international trade and traffic.

5.5. Finally, the Chairperson had highlighted that numerous speakers had stressed the core principles of the SPS Agreement, including transparency, science and risk assessment. It had been clear that many Members considered that the SPS Agreement played a key role in addressing the COVID crisis. An effective response to the pandemic required coordinated action and so far, in general the agricultural and food production systems had proved resilient despite the considerable challenges that had been faced during the past months.

5.6. The <u>European Union</u> expressed its concerns regarding measures adopted without scientific justification, and submitted its statement delivered at the COVID-19 information sharing session in document <u>G/SPS/GEN/1799</u>.

5.7. The <u>United States</u> submitted its statement delivered at the COVID-19 information sharing session in document <u>G/SPS/GEN/1798</u>.

5.2 Canada and the United States - SPS Declaration for the 12th WTO Ministerial Conference (<u>G/SPS/GEN/1758/Rev.1</u>)

5.8. The Chairperson reported on the discussions on the SPS Declaration for the 12th WTO Ministerial Conference held at the informal meeting on 25 June 2020.

5.9. Proponents of the SPS Declaration for the 12th Ministerial Conference (<u>G/SPS/GEN/1758/Rev.1</u>) had noted that the COVID-19 pandemic had provided additional incentives to take stock of the

¹⁵ The report as read was distributed to Members by email on 26 June 2020. The deadline for providing comments was 6 July 2020. No Member submitted comments by that date.

¹⁶ <u>https://www.wto.org/english/news_e/news20_e/sps_24jun20_e.htm</u>

¹⁷ The Summary Report of the COVID-19 Information-Sharing Session was subsequently circulated as document G/SPS/R/98.

growing pressures faced by production and international trade in food, and how the SPS Agreement contributed to meeting those challenges in a science-based manner. Despite the postponement of the 12th Ministerial Conference, the proponents had continued to envisage a consensus process and had welcomed the opportunity for an exchange of views.

5.10. Co-sponsors had highlighted that the Declaration would initiate a work programme, open to all Members, which would complement the efforts of the SPS Committee and address the challenges faced by many countries in the implementation of the SPS Agreement. The Declaration would also help promote food security and international trade.

5.11. One Member had been keen to engage with the proponents to underline that cooperation with observer organizations should be more active, highlighting their expertise and institutional capacity.

5.12. To a question whether the items in the Declaration were not sufficiently covered in the 5th Review and whether they could be covered in the current course of work of the SPS Committee, proponents had responded that the Declaration presented a broader view than implementation efforts included in the 5th Review. Proponents had also added that the SPS Committee has access to a broad range of expertise in highly technical discussions, and an understanding on how they relate to trade issues. The work of the SPS Committee was fundamentally connected with issues being discussed at high political levels, such as disease transmission, pest pressure, sustainability, and feeding a growing population. A Ministerial Declaration was an effort to make a connection between the technical work being done, those larger issues, and the effects on trade. Also, through a Ministerial Declaration, the deliberative function of the WTO would be strengthened, by including technical issues in the discussions.

5.13. Another Member had noted that this had been the first time the proposed Declaration had been presented and discussed in the context of the SPS Committee, and while still considering its position, it had seen merit in celebrating the 25th anniversary of the SPS Agreement, underlining its connection to high level concerns. It had been open to engage on the Declaration, also taking into account the amount of work the SPS Committee would be committing to undertake.

5.14. The Chairperson recalled that Members could present comments on the report of the informal meeting until 6 July 2020, and announced that a new revision of the document would be circulated, including Senegal and Singapore as cosponsors.¹⁸

5.15. The <u>United States</u> welcomed the additional co-sponsors and the productive discussion that took place at the informal meeting of the SPS Committee. The United States also announced that a second revision would be issued shortly. The United States referred to document <u>G/SPS/GEN/1758/Rev.1</u> and made the following statement:

5.16. The 25th anniversary of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) is an opportune point to recognize the important contribution of the SPS Agreement in supporting rural livelihoods, facilitating trade and supporting agriculture sustainability. The COVID-19 pandemic and the accompanying disruptions to agricultural production and trade provided additional incentives to take stock of the challenges ahead and to assess the potential impact of emerging pressures, and to explore how implementation of the SPS Agreement contributes to our collective ability to meet the challenges ahead.

5.17. We welcome the interest of other Members in this initiative and look forward to working together with all Members to take it forward to MC12

5.18. <u>Canada</u> delivered the following statement: Canada thanked Members for their interest in the proposed Ministerial Declaration during the informal meeting of the SPS Committee. The Ministerial Declaration on sanitary and phytosanitary measures underlines the benefits of the SPS Agreement to all WTO Members since its adoption and reaffirms the continuing importance of adhering to its obligations. The global agricultural landscape has evolved since the adoption of the SPS Agreement in 1995. There are a variety of new opportunities and emerging pressures relating to international

 $^{^{18}}$ Members made reference in their statements to document <u>G/SPS/GEN/1758/Rev.1</u> of 11 May 2020. Later revisions were circulated on 25 June 2020 as document <u>G/SPS/GEN/1758/Rev.2</u> and on 17 July 2020 as document <u>G/SPS/GEN/1758/Rev.3</u>.

trade in food, animals and plants. Enhanced implementation of the SPS Agreement will assist in addressing the challenges and opportunities created by the evolving global agricultural landscape.

5.19. The objective of this Declaration is to initiate a work programme, open to all Members and Observers, to consider how to further enhance the implementation of the SPS Agreement in light of the opportunities and pressures created by the evolution of the global agricultural landscape. It is important to note that the Declaration does not in any way indicate that there is a need to launch the negotiation of SPS obligations or reopen the SPS Agreement.

5.20. Canada is enthusiastic that preliminary discussions with Members have thus far demonstrated an openness to developing a multilateral Declaration on sanitary and phytosanitary measures. Canada is pleased that other Members have joined as co-sponsors and welcomed Senegal and Singapore to the Declaration, as well as other Members who were close to joining. We look forward to continued work with all Members on the development of this Declaration, as well as a work programme that could highlight opportunities for further enhancement of the Agreement.

5.21. In light of the postponement of the Ministerial Conference, we urge Members to continue to reflect on this important initiative and invite interested Members to join as a co-sponsor.

5.22. <u>Brazil</u> provided the following statement: Based on what has been discussed throughout these sessions, we believe the moment is ripe to bring to the Committee's attention the efforts by several different delegations to bring together a proposal for an SPS Declaration, as available in <u>G/SPS/GEN/1758/Rev.1</u>. Now that the Agreement has been into force for over a quarter-century, we believe it's high time Members recognized the progress its implementation has brought to world agricultural trade, in spite of eventual setbacks we might have encountered on this journey. We must also look ahead and move forward, guided by our common understanding that enhancing implementation of the Agreement will help us, as we all face the challenges the 21st century has brought to farmers worldwide. In the work program contained in <u>G/SPS/GEN/1758/Rev.1</u>, the proponents have tried to capture the pressing issues that are already impacting agricultural production and trade. These issues must be dealt with urgently, with an unbiased and science-oriented approach. We thank Members that already have shown support to this initiative and we invite all those who have not come on board yet to engage with us so that, together, we can find a common forward-looking way ahead. Enhancing the implementation of the SPS Agreement goes in tandem with strengthening the works of the SPS Committee.

5.23. Argentina provided the following statement: With regard to document G/SPS/GEN/1758/Rev.1, containing the proposal for a sanitary and phytosanitary declaration for the Twelfth WTO Ministerial Conference, Argentina wishes to underline the importance of the SPS Agreement, which, after 25 years, continues to protect the right of Members to adopt the necessary measures to protect human, animal and plant life and health. In these 25 years, trade in agri-food products at the global level has evolved and we are facing new and complex challenges. Hence positive progress is needed at the Twelfth Ministerial Conference on a proposal of this type, which includes a work plan open to all Members and observers to determine common issues, the mechanisms for tackling them and the effects of these challenges on the application of the SPS Agreement. We encourage Members to support a declaration at MC12 proposing this work plan so that it can be analysed by the SPS Committee.

5.24. <u>Australia</u> provided the following statement: In these trying times Australia firstly extends our condolences to all those affected by the global pandemic. Australia would like to take this opportunity to reiterate the importance of the rules-based trading system, and specifically the SPS Agreement, in supporting global food security by facilitating open trade of food and agricultural products while maintaining plant, animal and human health.

5.25. Through the SPS Declaration for the 12th WTO Ministerial Conference, Australia and a number of other Members, have reaffirmed the rights and obligations established by the SPS Agreement and call for Members' strengthened adherence to the SPS Agreement to support international trade while ensuring the protection of human, animal and plant life or health. We look forward to working with Members in the lead up to MC12 to ensure the importance of the SPS Agreement is recognised more broadly. It will be no surprise to this Committee that Australia supports free and open trade that helps to facilitate the flow of goods, including essential food and agriproducts. At the same time, we take the issue of plant, animal and human health seriously.

5.26. As such, Australia calls on all Members to ensure that measures applied to the importation of plants and animals and their products are evidence-based and have a scientific justification. We call on Members not to apply unjustified measures which are inconsistent with WTO rules as such actions can result in un-necessary barriers to trade, increased costs to exporters, importers and consumers and could threaten food security.

5.27. Australia also calls on all Members to adhere to all their SPS Agreement obligations including risk assessment, transparency, and control, inspection and approval procedures in order to ensure that all measures are developed and applied in a transparent and proportionate manner and do not create unnecessary barriers to trade or disrupt global supply chains.

5.28. <u>Paraguay</u> provided the following statement: My delegation would simply like to thank the delegations of Brazil, Canada and the United States for their leadership in this initiative, which we joined as co-sponsors in March. The Working Group that it is planned to establish with this initiative will be open to all Members and seeks to identify common challenges in the implementation of the SPS Agreement and the mechanisms for attempting to resolve them, as well as the impacts of issues emerging in relation to the application of the Agreement. This will enable us to carry out a diagnosis and prepare recommendations for the 12th Ministerial Conference with a view to strengthening the principles and implementation of the Agreement. We are fully confident that this initiative, which already has 17 co-proponents, can be approved at the multilateral level and we invite all Members to support it.

5.29. <u>Uruguay</u> provided the following statement: We welcome the inclusion of the SPS Declaration for the 12th Ministerial Conference under the "Cross cutting issues" item on the agenda of today's formal Committee meeting, and also welcome the constructive discussions that took place in yesterday's informal meeting. The draft declaration, which is co-sponsored by Uruguay, recognizes the existence of various challenges for the production of, and international trade in, agricultural products and the effects of these challenges on the application of the SPS Agreement. In this context, we reiterate the importance of abiding by the provisions and principles established in the Agreement and of the commitment to work more intensively to improve its implementation through an openly structured work programme that complements existing mechanisms.

5.30. We hope to work together with all Members to build a consensus around this important initiative to enable it to be launched on a multilateral basis during the 12th Ministerial Conference.

5.31. <u>Senegal</u> provided the following statement: The delegation of Senegal commends the authors of the draft sanitary and phytosanitary declaration for the Twelfth Ministerial Conference. I would like to recall that, in its communication <u>G/SPS/GEN/1659</u> of 26 October 2018, the African Union (AU) informed Members of the mandate received from the Ministers of Trade to assess the status of quality infrastructure in Africa in order to give a summarized picture of where African countries stood in terms of their capacity to implement standards/measures for safety, agricultural and industrial development and market access.

5.32. An initial phase of this task, structured around the notification authorities, food safety, animal health and plant health, led to an assessment of AU member States' level of preparedness to meet the requirements set out in the Annex on SPS measures to the AfCFTA Protocol on Trade in Goods. Preliminary results show that, although in most cases guiding principles such as an SPS legislative framework or a national SPS Committee are available in member States, the documentation of specific trade concerns related to SPS measures and effective participation in the activities and work of the SPS Committee remain a challenge. The capacity to carry out audits or verifications, or other alert and emergency procedures, should also be strengthened. These challenges become even more pronounced in the area of market access for agricultural and agro-industrial products, particularly for small producers faced with tougher requirements set in sanitary and phytosanitary standards in developed and developing countries across the supply chain.

5.33. Senegal recognizes efforts made as part of SPS Committee activities, including the periodic review of implementation of the SPS Agreement, the sharing of information and good practices, and technical assistance and capacity building, to promote the use of harmonized sanitary and phytosanitary measures among Members that are based on international standards, directives and recommendations developed by the relevant international organizations. However, much remains to

be done, in particular in the area of facilitating exports for developing countries and LDCs and limiting the impact of sanitary and phytosanitary measures on LDC trade.

5.34. In this connection, Senegal believes that a Ministerial commitment at the 12^{th} WTO Conference, with a view to identifying and responding to the problems and challenges faced by Members in implementing the SPS Agreement, in particular LDCs, would be a decisive step forward. The resulting work programme will complement the work already undertaken by the Committee, avoiding duplication of resources and Members' efforts. This is the main reason why Senegal supports the proposal contained in document <u>G/SPS/GEN/1758/Rev.1</u> and joins the list of co-sponsors. Senegal therefore undertakes to work constructively with Members to achieve the objectives set.

5.35. <u>Israel</u> provided the following statement: Israel would like to state its general support for this paper as a Ministerial statement, however, in our view, it still requires some more work and fine tuning. For example, the paper describes a number of recommendations listed as bullet points. One of these bullet points is: How to encourage cooperation with observer organizations that support the work of the SPS Committee and the international standard setting bodies through technical exchanges and assistance in the context of this work programme.

5.36. Indeed, we support the desire to strengthen cooperation with observer organizations that support the work of this Committee and we are of the view that more active cooperation should also be encouraged with the international standard setting bodies themselves. The international standard setting bodies, as world experts in the areas of animal, plant and food safety, have the institutional and technical capacity to find science-based solutions for SPS trade-related disputes. We believe that Members should investigate the reasons why the mechanisms offered by the three sisters are not being used and find ways to leverage the expertise that the WTO lacks, in order to settle SPS trade-related issues. We, therefore, look forward to working with the proponents and other cosponsors of this paper, in order to find ways to incorporate the above-mentioned proposal.

5.3 Canada - Working group on approval procedures (G/SPS/W/328)

5.37. The Chairperson reported on the discussions on Canada's proposal for the Working Group on Approval Procedures held at the informal meeting on 25 June 2020.

5.38. At the informal meeting of 25 June 2020, Canada had presented its proposal regarding the Working Group on Approval Procedures Process set out in <u>G/SPS/W/328</u>. Canada had highlighted that, under its proposal, the Working Group would likely work electronically, possibly supplemented by in-person meetings. The Working Group would conduct three rounds of deliberations under the oversight of one or more "stewards". Canada had noted its willingness to act as a steward and had invited other interested Members to come forward. Canada had recognized that its proposed process for the Working Group was ambitious but had hoped that it would trigger discussions among Members. One Member had taken the floor to welcome Canada's proposal.

5.39. The Chairperson recalled that, as stated on the draft Report of the Informal meeting, Canada had proposed that the Working Group (WG) conducts rounds of deliberations under the review of one or more stewards. Canada had proposed themselves as a steward and had invited other Members to come forward. Since this was related to the Fifth Review, the Chairperson suggested to continue the discussion and try to adopt recommendations on a possible informal meeting in September, together with all the other issues that Members might like to suggest.

5.40. <u>Canada</u> provided the following statement: Canada is pleased with the fruitful discussions during the informal meeting on the Working Group on approval procedures. Today's discussion on STCs also illustrated that approval procedures are relevant to the trade concerns raised by Members in this Committee. A key observation of the Secretariat's presentation at the November 2019 thematic session was that approval procedures are at issue in a large number of the STCs brought to this Committee in the past.

5.41. Canada considers it timely to start this work following the discussion of the WG and the issue of approval procedures through the Fifth Review and the thematic session. Moreover, the Committee will be able to the advance work of the WG even with COVID-19 travel and meeting restrictions, since the deliberations of the WG would be in a primarily virtual format. Canada looks forward to

working with interested Members in finalizing the process for the WG. Canada proposes that the WG be launched at this Committee so the important deliberations can be commenced by the WG before the next meeting.

5.4 Brazil - Draft working procedures to strengthen the consultative function of the SPS Committee (<u>G/SPS/W/319/Rev.2</u>)

5.42. <u>Brazil</u> provided the following statement: As part of the collective broader initiative launched by the Ottawa Group, Brazil has been engaged in coordinating a consultation exercise which resulted in document <u>G/SPS/W/319/Rev.2</u>. Our aim is to try and capture Members perceptions and desires and bring them to the Committee. That's why we held many bilateral consultations. This is not a Brazilian document but by the Ottawa group, open to whoever wants to join.

5.43. <u>Paraguay</u> provided the following statement: We would like to refer briefly to Brazil's proposal regarding Draft procedures for improving the functioning of the SPS Committee (<u>G/SPS/W/319/Rev.2</u>) and point out that there are some elements of this initiative that can be improved with a view to its approval. In this regard, we emphasize that the need to provide a substantive description of the trade concern could have unwanted consequences at a time of promoting dialogue between Members and we hope that this aspect can be reviewed in a forthcoming version of the document.

5.44. The <u>United States</u> thanked Brazil for their continued efforts. The United States praised the arrangements for the current Committee, which underscored the desirability of consultation and flexibility among Members rather than binding rules for setting Committee procedures. The United States expressed concerns about the concept of setting down these procedures in a Committee document, because of the value it placed on discussions and exchanges in the Committee itself, and it did not want, at this point, to codify written exchanges as the universe of Committee procedures. Transparency and finding ways to support smaller delegations in providing statements, such as the eAgenda platform, could contribute, and the United States expressed continued commitment to efforts to improve transparency. The United States did not support moving forward at this point with the proposed draft decision.

5.45. <u>Canada</u> thanked Brazil for their proposal that brought together comments from a large group of Members, in connection to the Ottawa group process. Having heard the expressed views, in their opinion there was a need to maintain a certain amount of flexibility, which it believed was achieved with the current draft and it felt comfortable with the proposal. Canada agreed that the Committee had to maintain innovation and creativity but supported initiatives such as this. Canada looked forward to reflecting on these ideas, and how recent innovations in procedures might influence the next steps.

5.46. <u>Brazil</u> thanked Canada for their support, welcomed engagement from Paraguay and all Members to try and get a document that reflected all interests. Brazil expressed willingness to engage with the United States so that their concerns would be reflected in the document.

6 TECHNICAL ASSISTANCE AND COOPERATION

6.1 Information from the Secretariat

6.1.1 WTO SPS activities (<u>G/SPS/GEN/997/Rev.10/Add.1</u>; <u>G/SPS/GEN/521/Rev.15</u> and <u>G/SPS/GEN/521/Rev.15/Add.1</u>)

6.1. Updated reports on technical assistance were circulated by the Secretariat in documents <u>G/SPS/GEN/997/Rev.10/Add.1</u>; <u>G/SPS/GEN/521/Rev.15</u> and <u>G/SPS/GEN/521/Rev.15/Add.1</u>.

6.1.2 STDF (<u>G/SPS/GEN/1785</u>)

6.2. The report of the STDF Secretariat on its most recent activities was circulated in document <u>G/SPS/GEN/1785</u>.

6.2 Information from Members

6.2.1 European Union – SPS-related technical assistance provided in 2017-2018 (<u>G/SPS/GEN/1139/Add.5</u>)

6.3. The European Union submitted document <u>G/SPS/GEN/1139/Add.5</u>.

6.2.2 United States – Technical Assistance to Bt Eggplant (Brinjal) Project in Bangladesh

6.4. The <u>United States</u> submitted its statement in document <u>G/SPS/GEN/1805</u>.

6.5. <u>Bangladesh</u> expressed appreciation to the United States for its study on the Bt brinjal programme and for selecting Bangladesh for this study. Bangladesh believed this kind of studies would positively impact public health and international trade.

7 CONCERNS WITH PRIVATE AND COMMERCIAL STANDARDS

7.1. No Member took the floor under this agenda item.

8 OBSERVERS

8.1 Information from observer organizations

8.1.1 ECOWAS (<u>G/SPS/GEN/1784</u>)

8.1. ECOWAS submitted document G/SPS/GEN/1784.

8.2 Requests for observer status

8.2.1 New requests

8.2.1.1 Request from the United Nations Industrial Development Organization (UNIDO) (<u>G/SPS/GEN/121/Add.18</u>)

8.2. The Chairperson reminded Members of the new request for observer status from the United Nations Industrial Organization (UNIDO) in document <u>G/SPS/GEN/121/Add.18</u>.

8.3. The Chairperson explained that Members had the opportunity to submit written comments on the request, for further consideration in the November 2020 Committee meeting.

8.2.1.2 Request from the Arab Organization for Agricultural Development (AOAD) (<u>G/SPS/GEN/121/Add.19</u>)

8.4. The Chairperson reminded Members of the new request for observer status from the Arab Organization for Agricultural Development (AOAD) in document <u>G/SPS/GEN/121/Add.19</u>.

8.5. The Chairperson explained that Members had the opportunity to submit written comments on the request, for further consideration in the November 2020 Committee meeting.

8.2.2 Pending requests

8.6. The Chairperson noted that pending requests for observer status were contained in <u>G/SPS/W/78/Rev.14</u>, and that further details could be found in document <u>JOB/SPS/8</u>.

9 ELECTION OF THE CHAIRPERSON

9.1. The Chairperson reminded Members that, according to the Rules of Procedure, the term of office of the Chairperson of the SPS Committee ended with the conclusion of the first meeting of each year. The Chairperson of the Council for Trade in Goods (CTG) was still conducting consultations on chairpersons for the subsidiary bodies of the CTG in accordance with the established Guidelines

for Appointment of Officers to WTO bodies (contained in document WT/L/31). The Chairperson therefore proposed that the election of the Chairperson of the SPS Committee be postponed and conducted through a written procedure, as had been done in the past. The Committee <u>agreed</u> to elect its next Chairperson through a written procedure.

10 OTHER BUSINESS

10.1. No Member took the floor under this agenda item.

11 DATE AND AGENDA FOR NEXT MEETING

11.1. The Chairperson recalled that the following regular meeting of the Committee had been scheduled for 5-6 November 2020 (<u>G/SPS/GEN/1712/Rev.1</u>). Members would be informed if there were changes in the dates of meetings given the current situation. He added that the Secretariat would send an email with the summaries and the upcoming deadlines, and would send a reminder one month before the following meeting.

11.2. The Chairperson added that an informal meeting would scheduled for September, to discuss the procedures used for the current meeting and the application of the eAgenda platform. He also invited new delegates to request an informal information session on the work of the Committee.

11.3. The Secretariat requested Members' views about the format of the summary report, given that the most statements were available through the written procedure, in order to avoid repetitions: either the Secretariat could produce a long compilation of statements, with little editing (similar to the approach followed by TBT Committee on their written procedure on STCs); or a shorter summary report, that would be longer to produce. The Secretariat also reminded Members that, under phase 3 of the procedure (<u>JOB/SPS/7</u>), Members would be able to upload statements until Friday 3 July, for Members raising or supporting STCs, and until Friday 10 July for Members responding to STCs.

11.4. The Secretariat also noted that it would consult Members on the possibility of organising a symposium in November 2020, given that 2020 was the 25th anniversary of the SPS Agreement.

11.5. The <u>United States</u> supported preparation of a summary report that eased the burden of the Secretariat in summarising statements and added that it would be submitting the majority of its statements as GEN documents.

11.6. <u>Colombia</u> expressed appreciation to the Chairperson for his work, given the fact that it would most likely be his last meeting. Canada joined in thanking the Chairperson for his leadership in guiding the advancement of the work of the SPS Committee.

11.7. The Chairperson thanked Members for their comprehension and their support.

11.8. The Secretariat reminded Members of the following deadlines:

- eAgenda closes for statements from Members raising or supporting STCs: Friday, 3 July 2020;
- For submitting comments on the Chairperson's oral reports on the discussions in the informal meeting on the Fifth Review, thematic sessions/workshop, SPS Declaration for the 12th Ministerial Conference and working group on approval procedures; and the Chairperson's oral report on the COVID-19 information-sharing session: Monday, 6 July 2020;
- eAgenda closes for statements from Members responding to STCs: **Friday**, **10 July 2020**;
- eAgenda closes for statements on all other agenda items: **Friday**, **10 July 2020**;
- For objections to the ad referendum adoption of the Report of the Fifth Review: Friday, 31 July 2020;

- For identifying new issues for consideration under the monitoring procedure, and for requesting that items (including STCs) be put on the agenda: **Wednesday**, **14 October 2020**; and
- For the distribution of the annotated agenda: **Friday**, **16 October 2020**.