

ON-SITE AUDIT PROCEDURES

Proposal by Argentina

The following communication, received on 20 December 2010, is being circulated at the request of the delegation of Argentina.

I. INTRODUCTION

1. Control, inspection and approval procedures are important tools for verifying and ensuring compliance with sanitary and phytosanitary measures. The relevant rights and obligations of Members are set out in Article 8 and Annex C of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement). Compliance helps to achieve a balance between Members' right to adopt the sanitary measures they consider relevant and the obligation to prevent such measures from being applied in such a way as to constitute either arbitrary or unjustifiable discrimination among Members in which the same situation exists or a disguised restriction on international trade.

2. Nevertheless, the ambiguity or lack of precision characterizing certain provisions in Annex C, as well as the lack of guidelines clarifying their content and scope, have led to significant differences between Members with regard to the design and implementation of their national control systems. These disparities have resulted in major trading difficulties which seriously affect exporters, especially as far as developing countries are concerned.

3. Argentina wishes to express particular concern regarding inspection procedures that take place in the territory of the exporting Member. Paragraph 3 of Annex C to the SPS Agreement provides that "Nothing in this Agreement shall prevent Members from carrying out reasonable inspection within their own territories". The absence of additional guidelines gives greater rise to situations that both hamper international trade and make it more costly, for example, visits, inspections or audits which are disproportionately frequent or lengthy without justifiable reason and the cost of which has to be borne, in the majority of cases, by the exporting Member. Attention should be drawn to the fact that, in many instances, there are also considerable differences in the methodology used for the visits, inspections and audits carried out by importing Members and, in some cases, by different institutions within the same importing Member.

4. Argentina would like to emphasize that the international reference organizations (Codex, IPPC and OIE) have carried out important work as regards harmonizing control, inspection and approval systems. Nevertheless, certain aspects which are pending harmonization go beyond the technical and scientific scope of the "Three Sisters" and relate to trade issues, which, by their very nature, should be addressed by the SPS Committee.

5. As was the case with regard to the regionalization work carried out by the SPS Committee, it is not our intention to duplicate efforts or create overlapping activities. On the contrary, we feel that it is important to complement the technical work of the "Three Sisters" with procedural provisions which enable multilateral obligations to be implemented coherently and consistently.

II. PROPOSAL

6. Although Argentina remains concerned about the discrepancies in criteria in relation to the implementation of certain paragraphs of Annex C¹, it suggests that work should commence with the issue of audits.

7. In particular, we propose the following:

- (a) Members should be urged to exchange information on their experiences and difficulties with implementing paragraph 3 of Annex C to the SPS Agreement in the light of the international reference standard.
- (b) The Committee should submit responses to the international reference organization responsible in this area, so that the problems identified can be analysed and consideration given to whether new standards need to be created or existing ones amended.
- (c) In the event of the competent organization reporting that an appropriate, valid international standard does exist, the Committee should be able to discuss the issues arising from the implementation of this standard under a new specific agenda item.

¹ G/SPS/W/244.