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*Limited*¹

NOTE FOR THE ATTENTION OF THE TRADE POLICY COMMITTEE

SUBJECT: Information note on the outcome of the 70th WTO Sanitary and Phytosanitary (SPS) Committee meeting of 2-3 November 2017, in Geneva

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OBJECTIVE: *For information*

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REMARKS:

The 70th meeting of the WTO SPS Committee took place in Geneva, on 2 and 3 November 2017, preceded by a workshop on transparency and an informal meeting.

Further details of the nine bilateral meetings held in the margins of the WTO SPS Committee with several WTO Members, are included in the annex to this note.

SUMMARY

The EU policy on **pesticides** was, once again, the subject of strong criticism with a total of 41 interventions by other countries. Led by the US and Argentina, 20 countries took the floor on **endocrine disruptors** and nine on **glyphosate**. Peru and nine other countries raised concerns about the residue limits of **thiabendazole** and the French measure on **dimethoate** was again criticised by the US and Canada. The EU also faced new concerns in other areas, namely the limits of **cadmium in cocoa** (Peru plus eight countries) and the *Salmonella* criteria in poultry meat (Brazil).

On the offensive front, the EU confronted again a number of Members for not respecting their WTO obligations on **regionalisation** for **African Swine Fever** or **Avian Influenza**, raising a new trade concern against **South Africa** on the latter. It also challenged the outstanding **BSE** bans on EU Member States.

Aside from specific trade concerns, the most salient issue was a proposal for a **Ministerial Decision** for the 11th Ministerial Conference submitted by the US, Kenya and Uganda on **pesticide MRLs**. It was lengthily discussed by the Committee but no consensus was achieved. Otherwise, the Committee agreed to conduct thematic sessions on **Pest-Free Areas** (February 2018) and on **Private Standards**, and to launch the **5th review** of the implementation of the Agreement.

Finally, **9 bilateral meetings** offered opportunities for the EU to push for key market access interests.

REPORT

Specific Trade Concerns (STCs)

23 STCs were discussed. The EU raised 6 offensive STCs and defended the EU policy on 5 issues.

EU offensive issues:

New:

- **South Africa:** import restrictions on poultry due to HPAI

Previously raised:

- **Russian Federation:** import restrictions on certain animal products from Germany;
- **Russian Federation:** import restrictions on processed fishery products from Estonia and Latvia;
- **China:** import restrictions due to ASF;
- **South Korea:** import restrictions due to ASF;
- **BSE:** general import restrictions; the EU urged other Members (especially Korea, USA, China, Malaysia) to rapidly lift their long-standing and scientifically unjustified restrictions.

The EU (together with Japan, Singapore, Guatemala and Thailand) supported the US in their concern raised against **China** on the new measure on certification of low-risk food products. The EU also supported the US in their concern against **China** for restrictions on poultry due to HPAI. Finally, the EU raised, together with the US, the lack of implementation of international standards from the OIE on **HPAI** by several WTO members that have put in place restrictions inconsistent with these standards.

EU defensive issues:

New:

EU **MRLs on acrinatrin, metalaxyl and thiabendazole** (raised by Peru, supported by 9 Members). Peru questioned the scientific basis of the MRLs in particular for thiabendazole in mangoes. The US also criticised the EU measures and argued that thiabendazole was a widely used pesticide in their sweet potato production where there were no alternatives.

EU maximum level of **cadmium** in foodstuffs (raised by Peru, supported by 8 cocoa-producing Members). Peru questioned EFSA's risk assessment and requested the EU to exclude cocoa and chocolate products from the scope of the relevant EU legislation.

EU restrictions on poultry meat due to **Salmonella** detection (raised by Brazil). Brazil argued that the EU criteria requiring the absence of all *Salmonella* serotypes in salted poultry meat was not scientifically justified.

Previously raised:

Endocrine Disruptors (raised by the US and Argentina, supported by other 18 Members). The US delivered the most detailed statement questioning the hazard-based approach, enquiring about the interim criteria and complaining generally about the EU policy on pesticides. In particular, they criticised the EU approach to import tolerance setting, and noted the expected negative trade impact of the MRLs for several specific substances.

The US (supported by Argentina and Canada) criticised again the **French measures on dimethoate** stating as disproportionate and not scientifically justified.

Argentina, supported by 8 other Members, raised the renewal of the authorisation of **glyphosate**, urging the EU to base its decision on science and international standards.

Other issues

The EU invited Members to communicate certain information related to specific harmful organisms as required by recently revised **EU phytosanitary import requirements** applicable from 1 January 2018.

There was wide support for the US, Kenya and Uganda joint submission on **pesticide MRLs** which included a proposed **ministerial decision** for the 11th Ministerial Conference. However, no consensus was achieved. India argued that their concerns about setting MRLs at default level had not been addressed. The EU, Russia and Korea expressed concerns on procedural aspects and the appropriateness of taking to ministerial level a single SPS issue. No specific follow-up was agreed but the topic is expected to remain on the agenda of the next committees.

As follow-up to the **thematic session** on regionalisation held in July 2017, the Committee decided to organise a similar event in the plant health area, focussing **on pest free areas**. The session will take place in the margins of the next Committee meeting. The US will circulate a draft outline of the programme in December.

The proposal from Canada and Kenya on the **catalogue of instruments** was blocked by Mexico because of their strong objection to adding any kind of disclaimer to any document adopted by the Committee.

Belize proposed organising a **thematic session on private standards**. Several Members, including the EU, while reiterating their position that PS do not fall under the SPS Agreement, supported the proposal, which will be further considered at the next committee.

The **5th review** of the implementation of the SPS agreement will be conducted in 2018. The Secretariat will propose a timeline ahead of the next Committee meeting and Members will propose topics to be addressed during the process, which is expected to be completed in one year.

Informal meeting – 1 November 2017

The agenda of the informal meeting included the US, Kenya, and Uganda joint proposal on pesticides, the catalogue of instruments (disclaimer) and an update by the Secretariat on on-going transparency-related work.

Transparency workshop - 30-31 October

The workshop provided a useful opportunity to discuss how to improve the implementation of the transparency provisions of the SPS Agreement. Useful information was provided in particular on the recently introduced e-Ping system for notification alerts.

Bilateral meetings – 1-3 November

Nine bilateral meetings were held in the margins of the Committee namely with *Canada, China, Indonesia, Japan, Korea, Saudi Arabia, South-Africa, Thailand and Turkey*. The EU strongly encouraged all these countries to process market applications faster and reiterated the EU's SPS market access priorities (focused on real market openings), while also responding to their concerns about their exports to the EU (Canada, China, Korea, Thailand, Turkey). To different degrees, all trading partners were open to the questions put forward by the EU and undertook to promptly follow-up. Highlights of these meetings include:

- Korea will provide comments to our draft joint roadmap for finalisation of MS beef applications including target dates before the Trade Committee meeting of 7 December 2017.
- As regards AQSIQ's initiative related to certification of low risk food products and in particular, China reiterated their proposal to start with the wine certificate template and to engage in e-certification.
- Indonesia promised feedback on MS pending applications and next steps needed and agreed that a dedicated SPS market access bilateral meeting is organised in the margins of the next FTA negotiation round.
- Saudi Arabia suggested working closely together with the EU to accelerate lifting of the remaining bans due to previous outbreaks of HPAI. In addition, Saudi Arabia informed that new import requirements will allow import of certain poultry products under certain conditions even during outbreaks. Regarding beef/sheep meat, Saudi Arabia is right now discussing the age limitation of 30 months with the view to an extension to 48 months, which would be a positive development.
- Thailand confirmed that the process of evaluating 6 MS applications for pork and pork products is on track and will be finished soon.
- The EU raised concerns against Turkey concerning the non-acceptance of cattle vaccinated against bluetongue.

Next meeting

The next SPS Committee meeting will take place on 1-2 March 2018, and will be preceded by a thematic session on pest free areas on 27 February and an informal meeting on 28 February.

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