

Improving the Functioning of the SPS Agreement

(Washington, DC) The International Food & Agricultural Trade Policy Council (IPC) hosted a session on “Increasing the Transparency of SPS Measures” at the WTO’s Public Forum in Geneva on 30 September, 2009. Panelists concurred that the SPS Agreement plays a vital role, but that WTO members can go further in their implementation of the Agreement’s provisions.

The session closed with a number of recommendations on how transparency can be furthered:

1. The implementation of the SPS notification system needs to be improved at the national level, in particular in developing countries. WTO members should also be encouraged to provide more detailed information on their notifications.
2. Although importing countries should always have the right to refuse an import approval request if this is scientifically justified, they must provide more timely and substantive responses to such requests. Guidelines could be drafted in the SPS Committee to clearly spell out such requirements.
3. Trade practitioners would benefit from increased efforts to provide an improved, comprehensive overview of national regulatory processes and SPS measures. Clearer explanation of the reasons for non-adherence to internationally agreed standards is required.
4. Efforts to determine the trade impact of SPS measures should continue so that presently piecemeal information can be translated into a comprehensive database that could also be used to monitor improvements in market access and focus attention on remaining problems.

Scott Andersen of Sidley Austin LLP opened the session by stating that more than 10,000 SPS measures have been notified to the SPS Committee since the Agreement’s entry into force in 1995. The increased pace of notifications has coincided with ever decreasing tariffs on food and agriculture products. Given this tension between the rights to apply SPS measures and the temptation to abuse them to satisfy domestic protectionist interests, Andersen said that it is important to evaluate how increased transparency in the application and development of SPS standards could lead to fewer trade barriers, particularly for food and agricultural products of developing countries. **Marlynn Hopper** of the Standards and Trade Development Facility (STDF) spoke about the ongoing need to improve the functioning of the SPS Notification System in developing countries, so as to create an operational and effective framework for managing and coordinating work on SPS measures at the national level. **Valentin Zahrnt** of the European Centre for International Political Economy (ECIPE) argued that the WTO’s Trade Policy Review Mechanism should more consistently and thoroughly describe a country’s regulatory mechanism and cover national SPS measures. IPC Member **Tim Josling** of Stanford University spoke about efforts underway to construct comprehensive databases of SPS measures and to measure the aggregate impact of SPS standards on market access, calling for institutional leadership and adequate resources to expand on these efforts. IPC Member **Pedro de Camargo Neto**, former Brazilian Secretary of Agricultural Production and Trade, shed light on another need for transparency, as he spoke about the slow responses to import approval requests for pork from a Brazilian region declared free of Foot and Mouth Disease by the World Animal Health Organization (OIE). De Camargo Neto argued for guidelines requiring expeditious and comprehensive responses to formal import approval requests. **Alex Thiermann**, President of the Terrestrial Animal Health Code of the World Animal Health Organization spoke of OIE efforts to move countries towards improved implementation of animal health standards. **Gretchen Stanton**, head of the WTO SPS Secretariat, indicated that the notification system could be improved, in particular through more detailed submissions by WTO members, although members may not be motivated to provide greater detail. Stanton also believes that the information provided by notifications needs to be managed and conveyed appropriately, and further work is required in order to be able to quantitatively judge the impact on trade of standards.

Please access <http://www.agrifood.org/SPS-WTO-Session.html> to view the presentations.