Phytosanitary measures and safe trade

Robert L. Griffin

Abstract

It has long been recognized that protection from the introduction and spread of harmful new plant pests is essential for food security. Likewise, in this era of globalization, the facilitation of trade has become equally important to economic security. As the movement of people and goods accelerates with the liberalization of trade, the phytosanitary measures used by governments to abate the introduction and spread of plant pests have come under increasing scrutiny for the protection they provide and also for their effect on trade.

The objectives of plant protection and free trade intersect under the International Plant Protection Convention (IPPC) where the concept of 'safe trade' is addressed through the global harmonization of phytosanitary measures. The primary mechanism for realizing this is the elaboration of international standards.

Key concepts and principals addressed in international standards under the IPPC provide the basis for globally harmonized phytosanitary measures. By participating in standard-setting processes and observing internationally agreed standards, governments are better able to achieve an appropriate level of protection while reducing the likelihood of trade challenges. The emphasis in standards on feasibility and technical soundness ensures that the same principles and procedures are beneficial where trade is not the primary concern.

Introduction

One does not often encounter the terms 'Food security' and 'Economic security' in the same context. Although both are undeniably desirable aims for all nations, indeed for the world, they are characterized by very different types of interest, influence, and practice. But these ideals also overlap; particularly where trade in agricultural commodities is concerned. It is in this area where the concept of 'safe trade' emerges as key to maximizing the potential for countries to achieve both food security and economic security.

Trade of agricultural products across international boundaries is often essential to food security; especially where shortages occur or greater variety is required. The ability to move commodities to distant markets helps balance global shortfalls and surpluses and offers needed diversity to diets.

Likewise, the ability to import and export in the international marketplace is an important element for the economic security of all nations. Trade in agricultural products is especially important to many developing countries whose primary products are unprocessed agricultural commodities.

Globalization, and the rapidly accelerating liberalization of trade, has brought new opportunities for countries hoping to strengthen their economic situation with trade in agricultural products. But, these countries also need to protect their natural and cultivated resources from the ravages of new pest introductions.

The right and need to impose phytosanitary measures for the exclusion of harmful plant pests is recognized and strongly supported by all countries. However, this is balanced by the need to ensure that exclusion policies are justified and the right to challenge those that are deemed unfair. In instances where free trade policies collide with excessively restrictive phytosanitary measures, the opportunities for improving either food security or economic security become policy-limited. By carefully balancing free trade with legitimate plant protection measures, countries are able to realize maximum benefit in their efforts toward both protection and the facilitation of trade. In this context, facilitating trade and protecting plant health should not be seen as conflicting concepts, but rather as a single objective—'safe trade'.

Food Security

The case for food security begins with the realization that there are currently about 800 million chronically undernourished people in the world today. The World Food Summit, convened by FAO in November 1996, urgently called for coordinated worldwide action to ensure 'Food for All'.

One element of strategies to achieve food security is increased agricultural production. This may be achieved by increasing the area under production, improving cultural
Mankind has been concerned with the introduction and development, first emerging with the industrial age in the movement of pests that can have deleterious consequences in agricultural products increase opportunities for the movement of pests that can cannot be adequately managed to meet import requirements.

**Economic Security**

Where economic security is concerned, one need not look far to see a world of growing economic integration and widening circles of development. As the World Trade Organization celebrates the 50th anniversary of the rules-based trading system which began with the GATT after World War II, it is clear that globalization and the liberalization of trade have become permanent fixtures in international policy formulation and are integral to the economic security of all nations. Now, more than ever before, the world's prosperity rests on maintaining an open international economy based on commonly agreed rules.

The significance of agriculture in this international economy is quickly evident as we see enormous quantities of fresh and processed agricultural commodities racing across borders and seas to markets in the far corners of the globe where the availability of such products had been inconceivable only two decades before. For every country in the world, the import and export of agricultural products is essential to the health of the economy as well as the population. Non-industrialized countries in particular rely upon agriculture as a cornerstone for commerce. Industrial countries rely upon trade in agricultural products to provide the quantity, quality and variety of goods demanded by modern consumers.

**Trade and Protection**

Mankind has been concerned with the introduction and spread of harmful plant pests throughout recorded history, but regulatory programs for exclusion are a relatively recent development, first emerging with the industrial age in the last century. In the dawning age of globalization, more trade, faster trade, and the opening of new markets for agricultural products increase opportunities for the movement of pests that can have deleterious consequences in new areas. This raises significant concerns in policy formulation, especially as measures for protection are likely to affect the free movement of commodities in trade.

On the one hand, countries need to be able to import to meet their needs and market demands, and they have the reciprocal need to have their exports accepted by others. On the other hand, countries must exercise a certain amount of care to ensure that they do not unduly jeopardize their own resources by introducing harmful new pests. This must be considered against the corresponding need to ensure that they do not ship harmful pests to other countries. Consequently, there emerges a strong requirement for balanced, dynamic, multi-disciplinary approaches to policies concerned with pest management, for both domestic and foreign pest concerns. These approaches are increasingly based on international cooperation, sophisticated technologies, and the marriage of economic and biological analyses.

We are today experiencing this transition in practice based on more holistic global view. This is evidenced by the expanding interest and activity around technically sound, internationally agreed approaches to phytosanitary policy making in place of piecemeal bilateral agreements. The evidence indicates that this shift will bring significant benefits to the increased cooperation and trade. It also encourages more sustainable, consistent, and environmentally acceptable policies. There is strong concern that as tariffs and other barriers are removed, countries may impose measures under the guise of protection in order to secure market or other unfair advantages. It is the nature of quarantine to follow the old adage, "an ounce of prevention is better than a pound of cure." There is a common perception that it is comparatively cheaper and easier to prevent the entry of pests with strongly restrictive measures than it is to be faced with a new pest introduction. But while a certain degree of care is clearly justified, unreasonably conservative policies are seen to unnecessarily restrict trade. The results of such unfair practice can have dire economic consequences as trading partners react with challenges and possible retaliation. As globalization and liberalization of trade have matured, and international trade in agricultural products has grown in importance, it has become necessary for 'free trade' and 'fair trade' to evolve still further to embrace the concept of 'safe trade'. That is to say that disciplines are necessary to ensure that protective measures are used to the extent justified by legitimate concerns, but not as unjustified barriers to trade.

**The SPS Agreement**

This brings the discussion to the last round of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT) – the Uruguay Round, and the...
agreements therein related to agriculture. Emerging from these negotiations was the Agreement on the Application of Sanitary and Phytosanitary Measures (the SPS Agreement) which dealt specifically with the issue of measures to protect plant, animal and human health and life.

The SPS Agreement provides discipline to the use of protective measures in order to prevent such measures from being used as unjustified trade barriers. The Agreement is structured around several key principles, beginning with the sovereign right of a country to put protective measures in place, but balancing this with the obligation to ensure that such measures are justified. While every country is given the right to impose emergency measures in the absence of sufficient evidence, the SPS maintains a corresponding requirement to pursue such information as may be required to evaluate the appropriateness of measures. Measures should only be maintained on the basis of scientific principles and evidence considered in the framework of a systematic evaluation process known as risk assessment. Those that are determined to be inappropriate should be modified. Transparency in the development and implementation of measures is critical throughout.

A number of other very important principles and definitions are found in the SPS Agreement. The sum of these represents a blueprint for establishing fair measures as well as for evaluating the measures of others.

A key point to note is that the SPS Agreement gives countries the option to base their measures on risk assessment or on international standards. It then goes further by identifying the sources for such standards in the three disciplines: animal and human health (sanitary), and plant health (phytosanitary). The Codex Alimentarius is responsible for human health and food safety, the Office International des Epizooties (OIE) addresses animal health, and the International Plant Protection Convention (IPPC) is the organization named in the SPS Agreement as the source of international standards for phytosanitary measures.

**The International Plant Protection Convention**

Prior to the SPS Agreement, the IPPC had led a relatively quiet existence as an international treaty deposited with the Director-General of FAO. Since 1951 when it was adopted, the Convention's most distinguishing feature had been the Phytosanitary Certificate, a harmonized format to be used by countries to certify the phytosanitary status of shipments for export. It is on this certificate that pest management measures and other important information are noted, especially requirements pertaining to it specified by the importing country.

The SPS Agreement placed new expectations on the IPPC, resulting in a series of consultations and changes involving contracting parties to the Convention, regional plant protection organizations and FAO. The objective of these efforts was to agree upon necessary modifications to the Convention and to provide greater structure to future activities of the IPPC. Included in these initiatives was the formation of a Secretariat, the launching of an ambitious program of standard setting, and the negotiation of amendments to the Convention to better reflect contemporary practices and the new role of the IPPC in standard setting.

The IPPC has advanced into standard setting with the aim of establishing three levels of standards: reference standards, concept standards, and specific standards. The IPPC Secretariat, in consultation with member governments and regional plant protection organizations, defines priorities for standard setting and coordinates their elaboration. This has resulted in the adoption of several important documents, including: Principles of plant quarantine as related to international trade; Guidelines for pest risk analysis; Glossary of Phytosanitary Terms; Requirements for the establishment of pest free areas; and the Code of Conduct for the Import and Release of Biological Control Agents.

Each of the above listed documents address important elements of phytosanitary systems and provide valuable guidance for the development of appropriate harmonized systems and also for evaluating the systems of others. More recent standards, such as Guidelines for surveillance and export certification systems, provide additional information and another level of detail related to the proper design and implementation of phytosanitary systems.

As additional standards are added and greater detail is agreed upon, the standards will become increasingly more valuable. However, this framework of standards already offers significant utility to national plant protection organizations, particularly where pest management systems and regulatory decision making have an important role in trade.

By using standards to the extent possible for designing and implementing phytosanitary systems, countries reduce the level of analytical resources needed to design systems that can be expected to withstand the scrutiny of trading partners and also meet the obligations of governments under the IPPC and the SPS Agreement. The standards serve not only as models for developing measures, but also as reference points for evaluating or challenging measures. They offer conceptual, technical, and policy guidance.

Some key points from the Convention and current standards include:

- obligations for cooperation, information sharing, pest surveillance, pest listing, and pest risk analysis;
- definitions for critical terms such as pest, area, and establishment;
setting out the principles of area freedom and areas of low pest prevalence – recognizing that pest presence is associated with areas rather than political boundaries, and that pest absence or low prevalence may be used as the basis for phytosanitary certification;

- describing the essential components of pest free areas – systems to establish freedom, measures to maintain freedom, and checks to verify that freedom has been maintained;

- establishing the principle of equivalence – accepting measures that are not identical but have the same result;

- elaboration of the principle of managed risk – accepting that zero-pest risk is not feasible and that the strength of measures used to manage risk should be based on the level of risk and the appropriate level of protection;

- defining and describing pest risk analysis (PRA) – basing measures on a systematic assessment of the pest risk using scientific principles and evidence, including both biological and economic data

**Conclusion**

The ability to limit agricultural losses due to pests – in the field, during transportation, and storage – is clearly a key strategy in efforts to provide ‘Food for All’. This includes the need to apply exclusion measures, which is necessary to prevent the introduction of harmful new pests. Parallel to this is the need to trade agricultural products internationally without undue restriction or unacceptable pest risk. Trade in agricultural products is critical to balancing surpluses and shortages while also ensuring the economic strength and stability of many countries.

The possibilities for achieving the complementary goals of food security and economic security in the context of plants and plant products are enhanced by carefully balancing the objectives of plant protection and trade facilitation. This is done by ensuring that phytosanitary measures are limited to those that are necessary and technically justified.

The International Plant Protection Convention provides a neutral international forum for dialogue and agreement on global phytosanitary issues. Standards, guidelines and recommendations done under the IPPC provide useful guidance to governments and are recognized under the SPS Agreement of the WTO as the most appropriate means for harmonization. By participating in the IPPC and embracing the terms, concepts, practices and procedures developed under the Convention, governments are able to meet their obligations for international cooperation in plant protection as well as trade. At the same time, governments are able to realize maximum benefits from trade in agricultural products by building the confidence of trading partners as practitioners of ‘safe trade’.

**References**