



## EU - US TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP

# Sanitary and phytosanitary issues

*Initial EU position paper*

*without prejudice*

In its Final Report, the High Level Working Group on Jobs and Growth (HLWG) recommended that the United States of America and the European Union (hereinafter «the Parties») should seek to negotiate an ambitious “SPS-plus” chapter. To this end a mechanism to maintain an improved dialogue and cooperation should be established to address bilateral sanitary and phytosanitary (SPS) issues. The chapter will seek to build upon the key principles of the World Trade Organization (WTO) SPS Agreement.

This chapter – as part of the FTA discussions within the TTIP – will seek to build upon the key principles of the World Trade Organization (WTO) SPS Agreement, including: the requirements that each side’s SPS measures be based on science and on international standards, where these exist, while recognising the right of each Party to appraise and manage risk in accordance with the level of protection it deems appropriate, in particular, when relevant scientific evidence is insufficient; and with the objective of minimising negative trade effects. Measures taken, in particular, when relevant scientific evidence is insufficient, must be applied only to the extent necessary to protect human, animal, or plant life or health, must be developed in a transparent manner and reviewed within a reasonable period of time.

This chapter should seek to address market access issues and to facilitate the resolution of differences. It should be without prejudice to the right of the EU and Member States to adopt and enforce, within their respective competences, measures necessary to pursue legitimate public policy goals such as public health and safety in accordance with the WTO SPS Agreement. The SPS chapter will form part of a broader move

to also address regulatory issues and non-tariff barriers. In this context, the two sides should also seek to strengthen upstream cooperation by regulators and to increase their cooperation on standards setting at an international level. Regulatory convergence shall be without prejudice to the right to regulate in accordance with the level of health, safety, consumer and environmental protection that either Party deems appropriate, or to otherwise meet legitimate regulatory objectives.

At present, the 1999 *Agreement between the United States of America and the European Community on sanitary measures to protect public health and animal health in trade in live animals and animal products (the so-called Veterinary Equivalence Agreement or VEA)* aims to facilitate trade in animals and animal products by offering a framework for establishing the equivalence of EU sanitary measures relative to the US level of protection and vice-versa, for US sanitary measures relative to the EU level of protection. The VEA also provides for recognition of the animal health status of the exporting Party, the recognition of the regionalisation, guidelines for border checks, procedures for the conduct of verification visits, improved information exchange and transparency, amongst other things.

The new SPS chapter should build upon the existing VEA and make it part of the overall architecture of any future comprehensive Free Trade Agreement. In particular it should take into account the experience gained thus far, maintaining those elements of the VEA that have worked well and improving on those that have done less well. The new SPS chapter should also contain phytosanitary elements, with the same level of ambition as for veterinary matters.

Other existing forms of cooperation like the EU-US technical working groups on animal and plant health, or existing ad-hoc cooperation for example in multilateral fora or standard setting bodies, should be examined and updated in the same way, to reflect the overall experience gained to date.

Overall, the new SPS chapter should in particular seek to:

1. minimise the negative effects of SPS measures on trade through close regulatory, confidence building and technical cooperation,
2. respect legitimate objectives in order to safeguard human, animal and plant health measures applicable to trade, prevent and eliminate unnecessary barriers,
3. improve transparency by bringing certainty consistency and no discrimination to the adoption and application of SPS measures.

To this end existing sanitary and phytosanitary measures should be revisited in a collaborative manner and with the aim to remove unnecessary barriers, while recognising the right for the Parties to appraise and manage risk in accordance with the level of protection that each side deems appropriate.

Special focus should also be given to trade facilitation measures where a number of areas can be potentially benefit (e.g. approval and/or authorisation procedures where the administrative burden, redundancies, etc. could be reduced).

In summary, the SPS component of the overall agreement should seek to achieve full transparency and no discrimination as regards sanitary and phytosanitary measures applicable to trade, establish provisions for the recognition of equivalence, implement a 'pre-listing' approach for establishments, prevent implementation of pre-clearance, provide for the recognition of disease-free and pest-free health status for the Parties and recognise the principle of regionalisation for both animal diseases and plant pests.