

**GROWING AND PROTECTING
NEW ZEALAND**

Ministry for Primary Industries

**International Agreements:
Their Impact on Biosecurity & Trade Risk**

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Ministry for Primary Industries
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International Agreements

1. **WTO SPS Agreement**
2. **International Plant Protection Convention**
3. **Free Trade Agreements**
4. **How Does This All Help?**



WTO – SPS Agreement

- **Agreement on the Application of Sanitary and Phytosanitary Measures** - also known as the **SPS Agreement**.
- Sanitary refers to animal and human health, phytosanitary to plant health.
- Came into force 1995.
- Applies to product moved between countries.

- New Philosophy – trade can not be prohibited without good reason – to protect human health, animal and plant life or health.

Essentials

Measures

- Must be necessary
- Must be supported by scientific principles
- Must not discriminate
- Based on international standards
- Least trade restrictive

Functions

- Dispute resolution

Concepts

- Appropriate Level of Protection
- Precaution
- Transparency
- Regionalisation
- Equivalence
- Harmonisation

International Plant Protection Convention

- 181 contracting parties
- Came into force 1952 (Revise 1979, 1997)
- One of the “three sisters” – WTO SPS standard setting bodies
- Core activities
 - Standard Setting
 - Capacity Development

Standard Setting

- International Standards for Phytosanitary Measures (ISPMs).
- Lengthy processes – 2-3 years once work starts.
- Developed by technical panels and expert groups with membership from NPPO's.
- 6 month consultation period.
- Adopted by consensus (usually).

Standard Setting

Standards & Guidelines (examples)

ISPM 1: Phytosanitary principles.

ISPM 2: Pest risk analysis.

ISPM 4: Requirements for establishing pest free areas.

ISPM 6: Guidelines for surveillance.

ISPM 7: Phytosanitary certification

ISPM 14: systems approach for pest risk management.

ISPM 15: Wood packaging material

ISPM 17: Pest reporting

ISPM 18: Guidelines for use of irradiation.

ISPM 23: Guidelines for inspection.

ISPM 27: Diagnostic protocols

ISPM 28: Phytosanitary treatments

ISPM 36: Integrated measures for plants for planting.

CPM 10 2014:

- Appendix to ISPM 12 – electronic certification.
- Determining host status of fruit to fruit flies
- Annex: Control measures for an outbreak within a fruit fly-pest free area

Free Trade Agreements

- Known as either a *Free Trade Agreement (FTA)*, *Closer Economic Partnership (CEP)*, or *Strategic Economic Partnership (SEP)*
- Builds on overall relationship and trust between countries
- Improving access for exporters and investors to other countries' markets, reducing any barriers to trade, and ensuring existing access is maintained
- New Zealand seeks high-quality comprehensive FTAs that cover trade in goods, services and investment

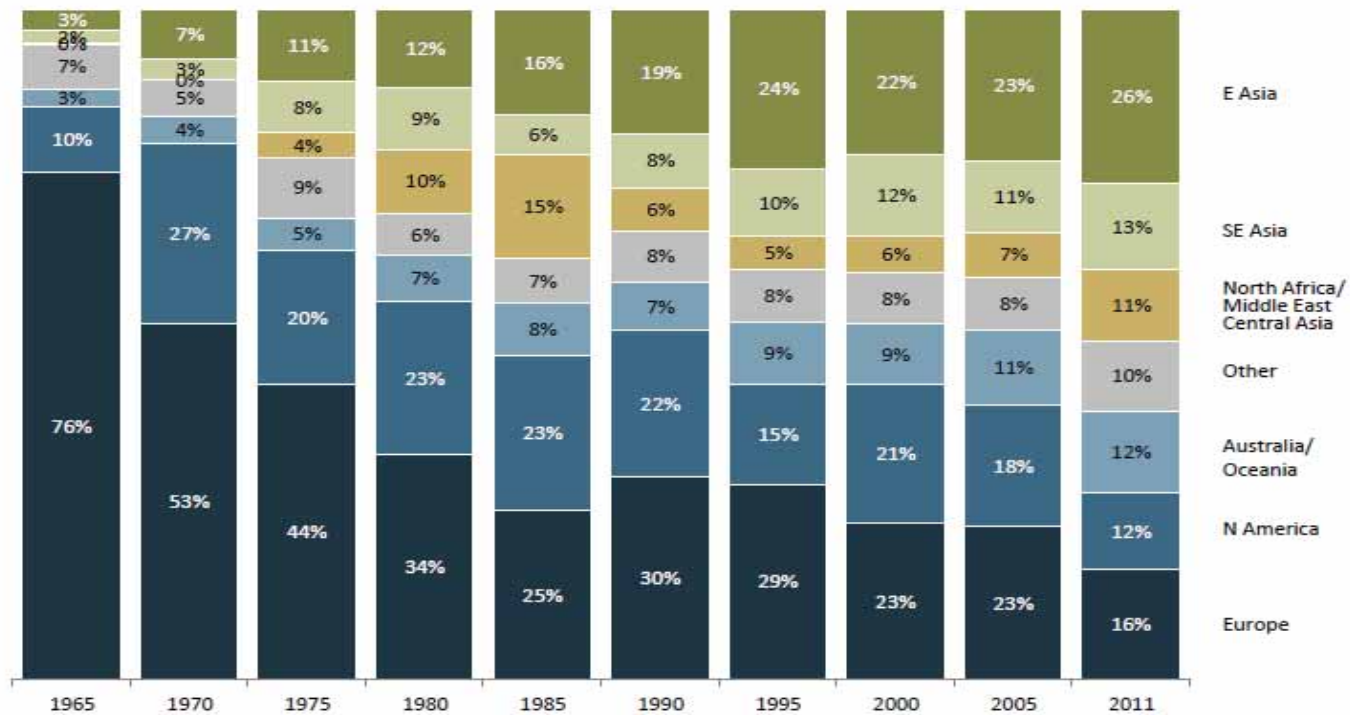
... we have best in class market access



...which has had a major impact already

New Zealand in the middle of a fundamental **transition** from feeding Westerners to **feeding the Asia-Pacific** region

Share of New Zealand F&B export value by region
(% of US\$, 1965-2011)



How does this all help?



How does this reduce trade risk?



- Common basic rules that all have signed up to.
- Its clearer what is outside the rules.
- Common principles, understanding, expectations, and terminology.
- More familiar platform for negotiation.
- Predictable information requirements.
- Dispute settlement process when needed.
- Builds capability of developing countries.
- IPPC endorsed diagnostic protocols
- ISPM for notifying non-compliance and emergency action.

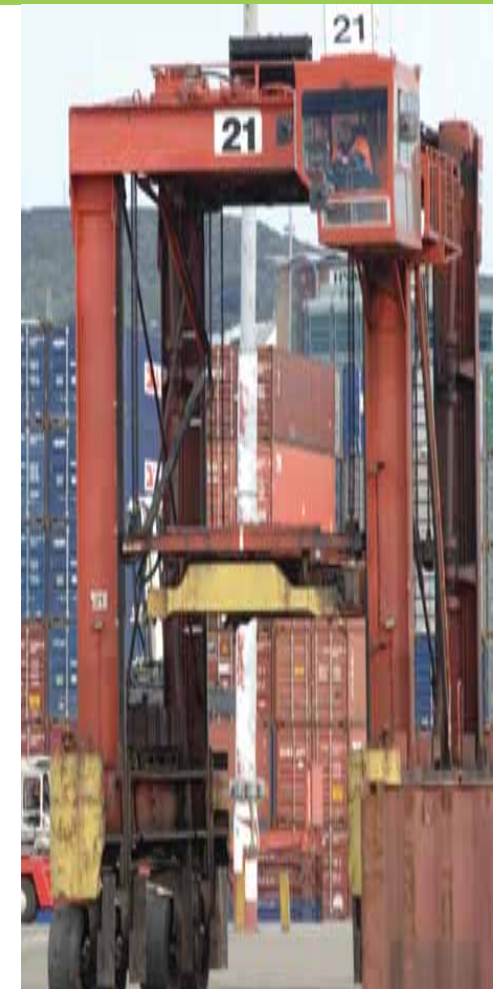
BUT...

But...

- Importing countries determine their *Appropriate Level of Protection* (ALOP).
- Science and uncertainty require application of judgement.
- Every country sets its own requirements.
- Not always based on international standards and guidelines.

Other things that help

- Freedom from pests of concern.
- Strong export assurance systems.
- Existing bilateral relationships at officials level.
- Demand for commodity within the importing country.
- No domestic production within the importing country.
- Pre-agreed responses to pest:
 - what will happen if the importing country detects a pest on your consignment?
 - what will happen if a new pest arrives in New Zealand?



NZ is small but influential

- Excellent agreements/SPS chapters.
- Seen as capable, competent and proven partner.
- Influential in international standard setting bodies.
- Countries replicate our agreements and approach.
- Appropriate legislative frameworks, regulatory systems and tools.
- Integrity of our Official Assurances engenders trust & confidence 2nd to none.

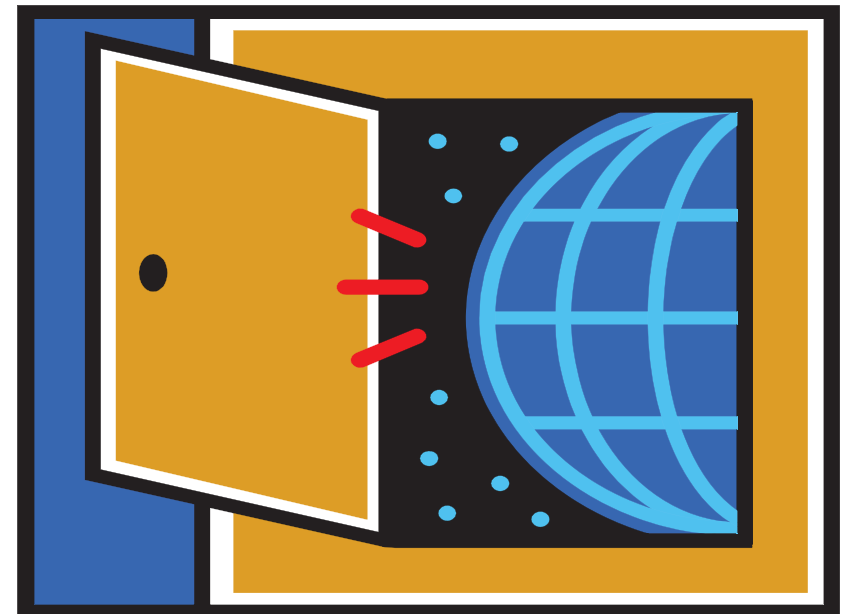
- But its still tough out there!

Free Trade Agreements

MPI works to ensure advantage to NZ

“Free” does not mean no restrictions

In the SPS area, FTAs deliver frameworks for resolution of issues



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Thanks



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