

ANNEX I

Sub-committees on SPS(related to existing FTA's): Updates on the outcomes of currently held SPS sub-committees

CETA:

Following the SPS Joint Management Committee in February 2019, Mid-year Co-chair call took place on 22 October with the aim to have an update on the progress since the SPS JMC. The following topics were discussed:

- ✓ **Export of fresh tomatoes with vines, stems, and calyces from Italy**
 - Italian authorities have provided the required information to the Canadian authorities and Canada has committed to allocate the required resources and to follow up this dossier as a priority.
- ✓ **Alternatives for the use of methyl bromide (MbR)**
 - CAN requires to use Methyl bromide for treatment of phytosanitary commodities exported to Canada while MbR it is banned in the EU. For this reason, European Commission Partnership Instrument has financed Technical Assistance project “Alternatives to Methyl Bromide Treatment” which aims to facilitate export from the EU to Canada by sharing best practices on alternatives to methyl bromide treatment in phytosanitary import conditions.
 - The result of the project is the “Exporter Guide For Submitting Alternatives to Methyl Bromide Treatment to the Canadian Food Inspection Agency (CFIA)”.
 - The draft Export guide was consulted with MSs (deadline was 1st week of November) and the Commission intends to finalise it and make it publically available before the end of 2019.
- ✓ **EU export of grapevine plants to Canada from France**
 - France has to submit the required information. Canada has committed to allocate the required resources and to follow up this dossier as priority.
- ✓ **Hazard based pesticides**
 - The COM has provided updates on the ongoing work.
- ✓ **Regionalisation recognition for Longhorn beetle**
 - CAN informed about their intention to notify the WTO in November 2019 about the recognition of 22 EU MS being free of Asian Longhorn beetle and Citrus Longhorn beetles.
- ✓ **Recognition of EU Member State meat inspection systems in EU**
 - CAN has committed to send inspection reports from January and July 2019 as soon as they are available. Draft audit reports for Individual MS audited in January have been received (Greece, Cyprus, Bulgaria, Germany, France) end of November 2019. The reports from MS audited in July will follow in 2020.
- ✓ **Export Certificates**
 - EU and CAN agreed to continue the work on the agreement of bilateral export certificates according to identified priorities. The fresh poultry meat certificate has been agreed in principle in January 2020, it will be finalised in the coming days.

The next SPS Joint Management Committee (JMC) meeting will take place on 21-23 April 2020 in Ottawa.

JAPAN:

Speaking points:

- ✓ The free trade agreement EU-Japan (EPA) - entered into force by 1 February 2019 - is the largest agreement never negotiated and entered into force by the EU. There is still huge potential to increase the market access;
- ✓ Parties have seriously engaged in delivering on the outstanding issues. For this reason, a roadmap (where all the necessary steps and deadlines for the relevant files have been included) has been endorsed by President Juncker and Prime Minister Abe during the June 2019 meeting in Osaka;
- ✓ The Commission is working closely with Japan to ensure the full market access. Since June, Poland and Croatia have been authorised to export beef. Several other MSs have recorded substantial progress on their application files (Belgium and Spain for Fresh beef, Denmark and Sweden for beef products);
- ✓ The Commission works on ensuring the adherence to international standards (regionalisation) which are actually penalising the export. A project of mutual recognition on animal health is ongoing. Tangible results are expected by the 1st semester 2020.

Background:

✓ **Files of EU interest:**

The overall assessment is that **Japan is moving on the EU files with less pace than expected**. It is worth reminding that Japan deliverables are based on individual approach to EU Member States compared to the EU deliverables, which are based on the opening of access for Japanese commodities to its market counted as 28 Member States.

Since June,

- Poland's application to export certain beef products (steamed stomachs, fore-stomachs and frozen intestines) has been approved.
 - Croatia: approved to export beef as of 4 October 2019.
 - Denmark and Spain: Japan conducted the final audit in 2019 on beef. Applications are in their final phase.
 - Finland: Japan conducted an audit in 2019 on beef after which risk assessment can start and then it will be followed by another audit.
 - France and Hungary: Regionalisation on African swine fever (ASF) - Japan and FR/HU are planning onsite inspection.
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- BE answered the questionnaire and MHLW is now assessing the answer. Next step would be onsite inspection. Last step would be final administrative procedures giving market access
 - ES: on site visit is conducted (30/9-4/10), next step MHLW is assessing the onsite visit – last step final administrative procedures giving market access

✓ **Files of Japan's interest:**

It is worth reminding that EU has made substantial efforts on Japanese files of interest during the last months. In particular, The EU has:

- Approved the salmonella plan submitted by Japan (15 January 2019); the residue monitoring plan (16 January 2019); listed Japan for exports of eggs and egg products (21 February 2019); listed Japan for exports of milk and milk products (7 March 2019) and for poultry meat (5 November).

Several requests submitted by Japan have been progressed under the roadmap, the most important are:

- **Fukushima-related measures**
The draft decision on alleviation of measures has been adopted (25 October).
However, a complete lifting of the measures is not envisaged for the time being. It lacks sufficient support from Member States.
- **Authorisation of imports to the EU of *Black pine Bonsai (Artificial dwarfed plants of Pinus thunbergii)* from Japan:**
Discussion with Member States could take place at a forthcoming PAFF Committee meeting (1st quarter 2020)
- **Authorisation of Japan to export pork meat:**
The animal health situation in Japan precludes progress at this stage since Japan is fighting classical swine fever. There have not yet been outbreaks of African swine fever in Japan, but the risk of it is very high.

UKRAINE:

Since 2017, the EU and Ukraine have an Association Agreement (AA) in place that seeks strengthening our political relations and aims to establish a Deep and Comprehensive Free Trade Area (DCFTA). Under the Trade part of the Agreement, parties have established an SPS chapter with the objective for Ukraine to align with the EU SPS *acquis communautaire* and for the parties to facilitate trade of food and agricultural products in both directions. Parties have created an SPS Subcommittee, which is co-chaired by DG SANTE for the EU (HoU D3), and maintains regular contacts with the Ukrainian SPS authorities, either via videoconferences (once every 6-8 weeks) or in person as at the annual SPS Subcommittee meeting (next one on 18th November in Brussels).

Issues currently at stake are:

- ✓ The adoption and entering into force of Annex V of the AA, that lists around 240 EU SPS acts and specifies per act the deadline by which UA will have to approximate its legislation to that of the EU, took place in November in 2019. Ukraine is a big country with a significant agricultural potential and already today the trade of food products to the EU (and vice versa) is considerable. For the Member States it is important that we maintain a Level Playing Field and that therefore UA is going to apply the EU welfare requirements too, which is addressed by Annex V (and gives UA an unique position vis-à-vis other third countries);

- ✓ Recognition of disease regionalisation measures. The EU and UA have a mechanism in place by which in principle measures taken in a region to control outbreaks of poultry diseases (Avian Influenza and New castle Diseases) are acknowledged by the other party and trade from free areas can continue. The AA foresees in respecting this principle and currently we are seeking the same for other animal diseases like African Swine Fever;
- ✓ Trade facilitating measures, like:
 - 1) establishing harmonised export certificates ensuring that exports of all MSs to UA can go under the same sound conditions;
 - 2) establishing equivalency agreements as for cereal seeds from UA to the benefit of food producers at both sides of the border and
 - 3) tackling upcoming trade barriers, as with the UA-threat to banning imports of poultry Mechanically Separated Meat (MSM) from the EU which was successfully addressed and abolished due to interventions by the Commission in cooperation with the MSs.

SOUTH KOREA:

The main outcomes of the 8th EU-KR SPS Sub Committee meeting on 4 and 6 September 2019 can be summarized as follows:

- ✓ good will and engagement to work on remaining EU beef export applications. But subsequent evaluations of France and Ireland have not yet finalised, namely for France and not yet granted, as committed by Korea during the last SPS committee in September.
- ✓ initial opening to further discuss acceptance of regionalisation at EU level (currently MS by MS). Due to the ASF in Korea in September/October 2019, the dialogue that should take place in the bilateral meeting back to the SPSC in Geneva in November has not yet started
- ✓ acceptance to engage discussion with the EU on KR pesticides rules for food commodities (including fruits and vegetables) in force since 1st January 2019. The work from SANTE has been initiated beginning of January and a 1st agenda has been sent out. However, due to the coronavirus outbreaks in China and propagation within Asian countries, MFDS is reluctant to attend a working group meeting in Brussels in the coming months.
- ✓ agreement on a mid-term call to allow a stock-taking of the progress made (mid-March 2020)

Background

- ✓ The confirmation of the opening of the Korean beef market for NL and DK since August 2019 after so many years of ban due to BSE issues. In addition, Korea gave credible assurances that remaining beef application will be treated swiftly but pointed out that all open questions need to be answered before concluding the process.
- ✓ Regarding regionalisation, KR did not engage to launch a structured dialogue with the EU on acceptance of EU regionalisation policy for the whole EU arguing the lack of human resources, which are now focused on the beef applications. Following in-depth discussion, KR agreed to discuss a concept note on regionalization in the margins of the SPS Committee in November 2019 in Geneva. Taking into account the reluctance of KR to

react to the EU request since 18 months, this can be seen as a positive initial step allowing the EU to keep the pressure on KR.

- ✓ The question of 'born and raised' in certificates for animal products was again extensively discussed. The elimination of some misunderstandings on the Korea side will form a good basis for further discussion about the EU expectations.
- ✓ The 'positive list system' (PLS) for pesticides entered into force as of 1st January 2019 for generic active substances, which implies that for substances not listed temporary MRLs are applicable. In absence of an import tolerance, as from 1 January 2022, a default 0.01-ppm limit will be enforced as of 1 January 2022. This measure will have a significant effect on exports of fruit & vegetables for pesticides where an MRL is available at EU level. Both Parties agreed to set up a working group with experts including EFSA experts to discuss in details the approach and the KR requests for field trial data.
- ✓ Finally, both Parties agreed to convene at mid-term review of a conference call to take stock of progress made in between. The 9th SPSC will take place in 2020 in Brussels, likely in September 2020 (exact date to be agreed later by both Parties).