



SPS in trade agreements

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*Health and
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European
Commission

Outline

1. Statistics
2. SPS barriers
3. SPS Chapter in FTA
4. Conclusions



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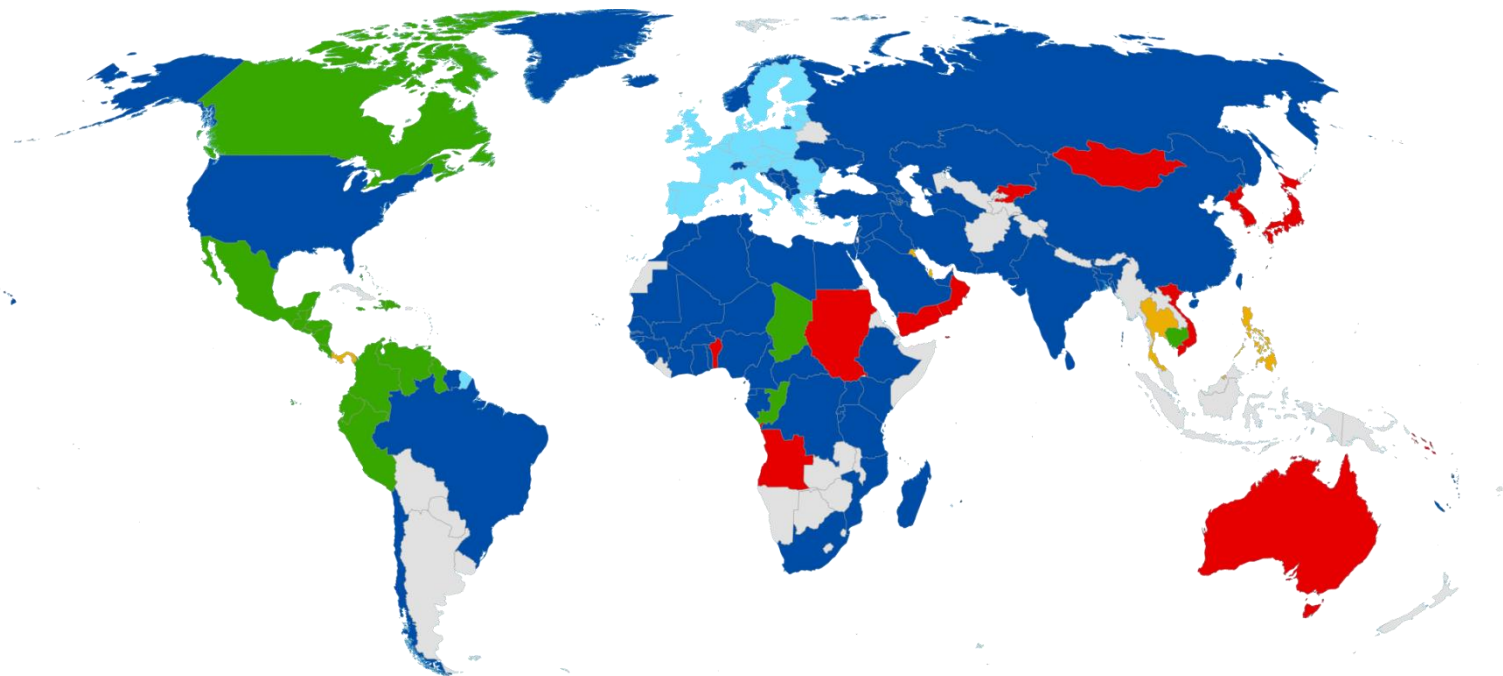
Global trade EU 1st trader

■ EU as 1st trade partner

■ US as 1st trade partner

■ China as 1st trade partner

■ Japan as 1st trade partner





EU Agricultural Trade 2016/17

- **EU = biggest global player in agricultural trade**
- **Net exporter of agri-food products since 2010**
- **Agri-food export ~ € 138 bn, 7.5 % of total EU export**
- **Agri-food import ~ € 118 bn, 6.6 % of total EU import**
- **Big part of EU exports are value added products, processed food, cheeses, beverages**
- **Context - agricultural production:**
 - **CAP becoming more market oriented (milk and sugar quota abolished)**
 - **increasing productivity and EU getting more self-sufficient**



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SPS barriers

- Apply to high-risk products i.e. animal products, plant products (including fruits and veg) and relate to trade conditions in relation to safety
- In recent years, the use of SPS measures as trade barriers has increased considerably. Tariffs further down – non-tariff barriers increase
- Barrier when SPS conditions go beyond WTO SPS Agreement



WTO SPS Agreement

- *basic SPS trade principles Agri-food, e.g.:*
 - **SPS measures to be based on international standards (IS) in animal and plant health, food safety**
 - **When deviation from IS or when no IS exist – measure has to be based on risk analysis based on science = justification required**



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Objectives of the SPS Chapter of the Agreements

- Maintain and improve the level of health protection
- Non-negotiation of food safety standards
- Facilitate trade by establishing fair and balanced conditions (import conditions, regionalisation)
- Build mutual understanding and trust and pursuing the application of EU-wide export authorisation processes (single entity)
- More structured and regular dialogue in Joint Management Committees;

Objectives of the SPS Chapter of the Agreements

- Cooperation with non-EU countries, including technical assistance.
- Ensure that SPS standards are not used to regulate trade (SPS barriers).

Additional Objectives of the SPS Chapter of the Agreements

- Cooperation on Animal Welfare
- Cooperation on the fight against antimicrobial resistance (AMR)
- Cooperation at International Fora

Three stages with various trading partners

- Implementation of existing agreements (CETA, New Zealand veterinary agreement);
- Negotiation of SPS Chapters within the ongoing Free Trade Agreement talks;
- On-going bilateral relations with countries where agreements are not yet in place.





Some highlights

- **Chile** – Recognised the EU as a single entity: same import requirements to all the EU. Trade facilitation measures (prelisting, regionalisation, audit's expenses).
- **Harmonised certificates** with export rules for all 28 with some major trading partners: maintained at EU level via TRACES.
- **Switzerland** – Trade growth of 96% since 2002.
- **New Zealand** – EU trade growth of 98% since 2012



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Conclusions

- SPS – related barriers have highlighted the importance of having detailed and solid SPS chapters in FTAs.
- Maintain and improve the level of health protection and non-negotiation of food safety standards
- Facilitate trade by establishing fair and balanced conditions (import conditions, regionalisation)
- Promotion of EU exports through the application of EU-wide export authorisation processes (recognition of single entity)

