# MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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Special Distribution

Group of Negotiations on Goods (GATT)

Negotiating Group on Agriculture:
Working Group on Sanitary and Phytosanitary
Regulations and Barriers

# DRAFT TEXT FOR A DECISION BY CONTRACTING PARTIES ON SANITARY AND PHYTOSANITARY MEASURES

This is a revision of the text that appeared as MTN.GNG/NG5/WGSP/W/26 of 1 October 1990. This version is also prepared on the responsibility of the Chairman and secretariat and does not imply any degree of acceptance by members of the Working Group.

The present revision does not include all the modifications suggested by all parties, but attempts to provide the basis for compromises which may be acceptable to all. Although brackets have been maintained for only a few of the provisions where the greatest differences remain, it is recognized that members of the Working Group have made known their disagreement with other provisions of the text.

It would greatly facilitate progress in the Working Group if parties would make available their suggested modifications in writing, and if at all possible, submit these to the secretariat for informal distribution before the next meeting.

The present revision has been presented in the form of a decision by contracting parties; this is without prejudice to the legal form which the final text might take.

As was suggested at the last meeting of the Working Group, the most recent available texts resulting from the negotiations on dispute settlement, Article XXIV:12, and on the Agreement on Technical Barriers to Trade are attached for your information.

## SANITARY AND PHYTOSANITARY MEASURES

The CONTRACTING PARTIES,

Reaffirming that no contracting party should be prevented from adopting or enforcing measures necessary to protect human, animal or plant life or health, subject to the requirement that they are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade;

<u>Desiring</u> to improve the human health, animal health and phytosanitary situation in all contracting parties;

Noting that sanitary and phytosanitary measures are often applied on the basis of bilateral agreements or protocols;

<u>Desiring</u> the establishment of a multilateral framework of rules and disciplines to guide the adoption, development and the enforcement of sanitary and phytosanitary measures in order to minimize their negative effects on trade;

Recognizing the important contribution that international standards, guidelines and recommendations can make in this regard;

<u>Desiring</u> to further the use of harmonized sanitary and phytosanitary measures between contracting parties, on the basis of international standards, guidelines and recommendations adopted by the relevant international organizations including the Codex Alimentarius Commission, the International Office of Epizootics, and the relevant international and regional organizations engaged in these activities under the obligations of the International Plant Protection Convention:

[Recognizing the obligations of those contracting parties which are also contracting parties of the International Plant Protection Convention;]

Recognizing that developing countries may encounter special difficulties in complying with the sanitary and phytosanitary measures of importing countries, and as a consequence, in access to markets, and also in the formulation and application of sanitary and phytosanitary measures in their own territories, and desiring to assist them in their endeavours in this regard;

<u>Desiring</u> therefore to elaborate rules for the application of the provisions of the General Agreement which relate to the use of sanitary and phytosanitary measures, in particular the provisions of Article XX(b);

#### Decide as follows:

- 1. This decision applies to all sanitary and phytosanitary measures which may, directly or indirectly, affect international trade. Such measures shall be developed and applied in accordance with the provisions of this decision.
- 2. For the purposes of this decision, the definitions provided in Annex A shall apply.
- 3. The annexes are an integral part of this decision.

# Basic Rights and Obligations

- 4. Contracting parties have the right to take sanitary and phytosanitary measures necessary for the protection of their human, animal or plant life or health, provided that such measures are not inconsistent with the provisions of this decision.
- 5. Contracting parties shall ensure that sanitary and phytosanitary measures are applied only to the extent necessary to protect human, animal or plant life or health, are based on scientific principles and are not maintained against available scientific evidence.
- 6. Contracting parties shall ensure that their sanitary and phytosanitary measures do not arbitrarily or unjustifiably discriminate between contracting parties where identical or similar conditions prevail, including between their own territory and other contracting parties. Sanitary and phytosanitary measures shall not be applied in a manner which would constitute a disguised restriction on international trade.
- 7. Sanitary or phytosanitary measures which conform to the provisions of this decision shall be presumed to be in accordance with the conditions of Article XX(b).

# <u>Harmonization</u>

8. To harmonize sanitary and phytosanitary measures on as wide a basis as possible, contracting parties shall base their sanitary and phytosanitary

<sup>\*</sup>In this decision, reference to Article XX(b) includes also the chapeau of that Article.

measures on international standards, guidelines or recommendations, where they exist, except as otherwise provided for in this decision.

- 9. Sanitary and phytosanitary measures which conform to international standards, guidelines or recommendations shall be deemed to be necessary to protect human, animal or plant life or health in terms of Article XX(b) and this decision, and presumed to be consistent with the relevant provisions of this decision and of Article XX(b).
- 10. Contracting parties may introduce or maintain sanitary or phytosanitary measures that differ from those based on the relevant international standards, guidelines or recommendations only if, for those measures which result in a level of sanitary or phytosanitary protection which is greater than that which would be achieved by measures based on the relevant internationnal standards, guidelines or recommendations, there is a reasonable scientific justification, and if all such measures are not otherwise inconsistent with the provisions of this decision.
- 11. Contracting parties shall play a full part within the limits of their resources in the relevant international organizations, in particular the Codex Alimentarius Commission, the International Office of Epizootics, and in the international and regional organizations operative under the obligations of the International Plant Protection Convention, to promote within these organizations the development and periodic review of standards, guidelines and recommendations with respect to all aspects of sanitary and phytosanitary measures.
- 12. A procedure shall be developed, as provided for in Annex D, to monitor the process of international harmonization and coordinate efforts in this regard with the relevant international organizations.
- 13. Furthermore, contracting parties shall notify changes in their sanitary and phytosanitary measures and shall provide information on their sanitary and phytosanitary measures in accordance with the provisions of Annex B.

## Equivalence

- 14. Contracting parties shall accept as equivalent sanitary and phytosanitary measures of other contracting parties, even if these measures differ from their own, or from those used by other contracting parties trading in the same commodity, provided that the measures adequately achieve the level of sanitary and phytosanitary protection determined to be appropriate by the importing contracting party.
- 15. Contracting parties shall, upon request, enter into consultations with the aim of achieving bilateral and multilateral agreements on recognition of the equivalence of specified sanitary and phytosanitary measures.

# Assessment of Risk and Determination of the Appropriate Level of Sanitary or Phytosanitary Protection

- 16. Contracting parties shall ensure that their sanitary and phytosanitary measures are based on an assessment, as appropriate to the circumstances, of the risks to human, animal or plant life or health, taking into account risk assessment techniques developed by the relevant international organizations.
- 17. In the assessment of risks, contracting parties shall take into account available scientific evidence; relevant processes and production methods; relevant inspection, sampling and testing methods; prevalence of specific diseases or pests; ecological conditions; and quarantine or other treatment.
- 18. In assessing the risk and determining the appropriate level of sanitary and phytosanitary protection, contracting parties shall take into account as relevant economic factors the potential damage in terms of loss of production or sales in the event of entry and establishment of a foreign pest or disease, the costs of control or eradication, and the relative cost effectiveness of alternative approaches to limiting risks.
- 19. [Contracting parties shall, in the determination of the appropriate level of sanitary and phytosanitary protection, allow the maximum trade opportunities while ensuring the legitimate and necessary protection of human, animal or plant life or health.]
- 20. [Contracting parties may determine different levels of sanitary or phytosanitary protection to be appropriate provided that such differences are not arbitrary and do not result in an injustified restriction to trade in products assessed to pose similar levels of risk.]
- 21. Without prejudice to paragraph 8, when establishing or maintaining sanitary or phytosanitary measures to achieve the appropriate level of sanitary or phytosanitary protection, contracting parties shall ensure that such measures are the least restrictive to trade, taking into account technical and economic feasibility.
- 22. In cases where relevant scientific evidence is insufficient, a contracting party may provisionally adopt sanitary or phytosanitary measures on the basis of available pertinent information, including that from the relevant international organizations as well as from sanitary and phytosanitary measures applied by other contracting parties. In such circumstances, contracting parties shall seek to obtain the additional information necessary for a more objective assessment of risk and review the sanitary or phytosanitary measure accordingly within a reasonable period of time.
- 23. When a contracting party has reason to believe that a specific sanitary or phytosanitary measure introduced or maintained by another contracting party is constraining or has the potential to constrain its

exports because the measure is not based on the relevant international standards, guidelines or recommendations, or because such standards, guidelines or recommendations do not exist, an explanation of the reasons for such sanitary or phytosanitary measure may be requested and shall be provided by the contracting party maintaining the measure.

# Adaptation to Regional Conditions, including Disease-Free Areas and Areas of Low Pest or Disease Prevalence

- 24. Contracting parties shall ensure that their sanitary and phytosanitary measures are adapted to the sanitary and phytosanitary characteristics of the area whether a country, part of a country, or areas of several countries from which the product originated and to which the product is destined. In assessing the sanitary and phytosanitary characteristics of a region, contracting parties shall take into account, inter alia, the level of prevalence of specific diseases or pests, the existence of eradication or control programmes, and appropriate criteria or guidelines which may be developed by the relevant international organizations.
- 25. Contracting parties shall, in particular, recognize the concepts of pest- or disease-free areas and areas of low pest or disease prevalence. Determination of such areas shall be based on factors such as geography, ecosystems, epidemiological surveillance, and the effectiveness of sanitary and phytosanitary controls.
- 26. Exporting contracting parties claiming that areas within their territories are pest- or disease-free or areas of low pest or disease prevalence shall give the necessary evidence thereof in order to demonstrate to the importing contracting party that such areas are, and are likely to remain, pest- or disease-free or areas of low pest or disease prevalence, respectively. For this purpose, reasonable access shall be given, upon request, to the importing contracting party for inspection, testing and other relevant procedures.

# Control, Inspection and Approval Procedures

- 27. Contracting parties shall observe the provisions of Annex C in the operation of control, inspection and approval procedures, including systems for establishing tolerances for additives or contaminants in food or feed products, and otherwise ensure that their procedures are not inconsistent with the provisions of this decision.
- 28. [In the operation of systems for establishing tolerances for additives or contaminants in food or feed products, where a relevant international standard exists, contracting parties shall minimize the cost to the applicant as provided for in Annex E. Once an application for approval has been made, contracting parties shall provide, on an interim basis pending completion of the approval procedures, access to products which conform to the relevant international standard.]

# Technical Assistance

- 29. Contracting parties agree to facilitate the provision of technical assistance to other contracting parties, especially developing contracting parties, either bilaterally or through the appropriate international organizations. Such assistance may be, inter alia, in the areas of processing technologies, research and infrastructure, including in the establishment of national regulatory bodies, and may take the form of advice, credits, donations and grants, including for the purpose of seeking technical expertise, training and equipment to allow such countries to adjust to, and comply with, sanitary and phytosanitary measures necessary to achieve the appropriate level of sanitary or phytosanitary protection in their export markets.
- 30. Where substantial investments are required in order for an exporting developing contracting party to fulfil the sanitary and phytosanitary requirements of an importing contracting party, the latter shall consider providing such technical assistance as will permit the developing contracting party to maintain and expand its market access opportunities for the product involved.
- 31. In cases where developing contracting parties are involved in dispute settlement on sanitary and phytosanitary issues, the GATT secretariat shall facilitate the provision of technical advice and information to them.

# Special and Differential Treatment

- 32. In the preparation and application of sanitary and phytosanitary measures, contracting parties shall take account of the special needs of developing contracting parties, and in particular of the least-developed ones.
- 33. Where the appropriate level of sanitary or phytosanitary protection allows scope for the phased introduction of new sanitary and phytosanitary measures, longer time-frames for compliance should be accorded on products of interest to developing contracting parties so as to maintain opportunities for their exports.
- 34. With a view to ensuring that developing contracting parties are able to comply with the provisions of this decision, the Committee on Sanitary and Phytosanitary Measures is enabled to grant to such countries, upon request, specified, time-limited exceptions in whole or in part from obligations under this decision, taking into account their financial, trade and development needs.
- 35. Contracting parties should encourage and facilitate the active participation of developing countries in the relevant international organizations.

# Consultations and Dispute Settlement

[Note: Depending on the form of this agreement, it may be necessary to make specific provisions with respect to dispute settlement. If the agreement takes the form of a Decision by Contracting Parties, the following provisions are suggested as appropriate.]

- 36. [Contracting parties which believe that their rights under this decision are being nullified or impaired have recourse to the dispute settlement provisions of the General Agreement.]
- 37. [In disputes involving sanitary and phytosanitary measures, dispute settlement panels shall be encouraged to seek the advice of qualified technical experts.]
- 38. Nothing in this agreement shall impair the rights of contracting parties to resort to the good offices or dispute settlement mechanisms of other international organizations.

# Administration

- 39. A Committee on Sanitary and Phytosanitary Measures shall be established to provide a regular forum for consultations. It shall carry out the functions necessary to implement the provisions of this decision and the furtherance of its objectives, in particular with respect to harmonization. The Committee shall also encourage and facilitate ad hoc consultations or negotiations among its members on specific sanitary and phytosanitary issues.
- 40. The Committee shall maintain close contact with the relevant international organizations in the field of sanitary and phytosanitary protection, especially with the Codex Alimentarius Commission and the International Office of Epizootics, and the international and regional organizations operative under the obligations of the International Plant Protection Convention, with the objective of securing the best available scientific and technical advice for the administration of this decision and in order to ensure that unnecessary duplication of effort is avoided.
- 41. The Committee may, on the basis of an initiative from one of the contracting parties, invite the relevant international organizations to examine specific matters with respect to a particular standard, guideline or recommendation.
- 42. Contracting parties shall consider the need to make available additional resources necessary for the financing of requested examinations to be carried out by relevant international organizations.

## Implementation

- 43. [Contracting parties shall ensure that governmental authorities within their territories comply with the relevant provisions of this decision.] [Contracting parties shall ensure the observance of the provisions of this decision by the regional and local governments and authorities within its territory in accordance with Article XXIV:12 of the General Agreement.] Contracting parties shall also take such reasonable measures as may be available to them to ensure that non-governmental entities within their territories, as well as regional bodies in which relevant entities within their territories are members, comply with the relevant provisions of this decision. In addition, contracting parties shall not take measures which have the effect of, directly or indirectly, requiring or encouraging such regional or non-governmental entities to act in a manner inconsistent with the provisions of this decision.
- 44. This decision shall come into effect as of  $\_$  . Sanitary and phytosanitary measures already in existence as of that date shall be brought into conformity with the provisions of the decision no later than

# ANNEX A

## Definitions

For the purposes of this decision, the following definitions shall apply:

1. <u>Sanitary or phytosanitary measure</u> - Any measure designed and applied to protect human, animal or plant life or health from risks arising from the establishment and spread of pests, diseases, disease-causing organisms and disease-carrying organisms, or from exposure to additives, contaminants and toxins in foods, feedstuffs and beverages.

Sanitary and phytosanitary measures include all laws, decrees, regulations, requirements and procedures related to human, animal or plant life or health including, inter alia, end product criteria; processing and production methods; testing, inspection, certification and approval procedures; quarantine treatments; [materials necessary for the survival of animals or plants during transport;] provisions on relevant statistical methods, sampling procedures and methods of risk assessment; packaging and labelling requirements directly related to food safety; [measures for the protection of animal welfare and of the environment, as well as of consumer interests and concerns]. Measures intended only to ensure, inter alia, quality, composition and grading, [consumer preferences, consumer information, animal welfare and ethical and moral considerations] are not considered to be sanitary or phytosanitary measures for the purposes of this decision.

2. <u>Harmonization</u> - The establishment, recognition and application of common sanitary and phytosanitary measures by different contracting parties.

# 3. International standards, guidelines and recommendations

- for food safety, the standards, recommendations and guidelines of the Codex Alimentarius Commission relating to food additives, veterinary drug and pesticide residues, contaminants, methods of analysis and sampling, and codes and guidelines of hygienic practice;
- for animal health, the standards, recommendations and guidelines developed under the auspices of the International Office of Epizootics;

<sup>\*</sup>Throughout this decision the term "contaminant" should be understood in a broad sense, including, <u>inter alia</u>, pesticide and veterinary drug residues.

- for plant health, the international standards, recommendations and guidelines developed by the international and regional organizations engaged in these activities under the obligations of the International Plant Protection Convention;

and, for matters not covered by the above organizations, appropriate standards, recommendations and guidelines promulgated by other relevant international organizations open for membership to all contracting parties.

4. <u>Risk assessment</u> - The evaluation of the likelihood of entry, establishment and spread of pests, diseases or organisms within an area and the relevant potential biological and economic consequences, or the evaluation of the potential adverse effects on human or animal health of additives, contaminants, or toxins in food, feedstuffs and beverages.

# 5. Appropriate Level of Sanitary or Phytosanitary Protection

The level of protection from risks to its human, animal or plant life or health, as identified through appropriate risk assessment techniques, deemed appropriate by the contracting party establishing the sanitary or phytosanitary measure. [Note: Also referred to as the "acceptable level of risk".]

6. <u>Pest-cr Disease-Free Area</u> - An area, whether all of a country, part of a country, or all or parts of several countries, as identified by the competent authorities, in which a specific pest or disease does not occur.

A pest- or disease-free area may surround, be surrounded by, or adjacent to an area - whether within part of a country or in a geographic region which includes parts of or all of several countries - in which a specific pest or disease is known to occur but is subject to regional control measures such as the establishment of protection, surveillance and buffer zones which will confine or eradicate the pest or disease in question.

7. Area of low pest or disease prevalence - An area, whether all of a country, part of a country, or all or parts of several countries, as identified by the competent authorities, in which a specific pest or disease occurs at very low levels and which are subject to effective control or eradication measures.

## ANNEX B

# Transparency of Sanitary and Phytosanitary Regulations

# 1. Publication of regulations

- 1.1 Contracting parties shall ensure that all sanitary and phytosanitary regulations which have been adopted are published promptly in such a manner as to enable interested contracting parties to become acquainted with them.
- 1.2 Except in urgent circumstances, contracting parties shall allow a reasonable interval between the publication of a sanitary or phytosanitary regulation and its entry into force in order to allow time for producers in exporting countries, and particularly in developing countries, to adapt their products and methods of production to the requirements of the importing country.

# 2. Enquiry points

- 2.1 Each contracting party shall ensure that one enquiry point exists which is responsible for the provision of answers to all reasonable questions from interested contracting parties as well as for the provision of relevant documents regarding:
  - (a) any sanitary and phytosanitary regulations adopted or proposed within its territory;
  - (b) any control and inspection procedures, production and quarantine treatment, pesticide tolerance and food additive approval procedures, which are operated within its territory;
  - (c) risk assessment procedures, factors taken into consideration, as well as the determination of the appropriate level of sanitary and phytosanitary protection;
  - (d) the membership and participation of the contracting party, or of relevant bodies within its territory, in international and regional sanitary and phytosanitary organizations and systems, as well as in bilateral and multilateral agreements and arrangements within the scope of this decision, and copies of the texts of such agreements and arrangements.
- 2.2 Contracting parties shall ensure that where copies of documents are requested by interested contracting parties, they are supplied at the same

<sup>\*</sup>Sanitary and phytosanitary measures such as laws, decrees or ordinances which are applicable generally.

price (if any), apart from the real cost of delivery, as to the nationals of the contracting party concerned.

# 3. Notification procedures

- 3.1 Whenever an international standard, recommendation or guideline does not exist or the content of a proposed sanitary or phytosanitary regulation is not substantially the same as the content of an international standard, recommendation or guideline, and if the regulation may have a significant effect on trade of other contracting parties, contracting parties shall:
  - (a) publish a notice at an early stage, in such a manner as to enable interested contracting parties to become acquainted with the proposal to introduce a particular regulation;
  - (b) notify other contracting parties, through the GATT secretariat, of the products to be covered by the regulation together with a brief indication of the objective and rationale of the proposed regulation. Such notifications shall take place at an early stage, when a draft with the complete text of a proposed regulation is made available domestically, and when amendments can still be introduced and comments taken into account;
  - (c) provide upon request to other contracting parties copies of the proposed regulation and, whenever possible, identify the parts which in substance deviate from international standards, recommendations or guidelines;
  - (d) without discrimination, allow reasonable time for other contracting parties to make comments in writing, discuss these comments upon request, and take the comments and the results of the discussions into account.
- 3.2 However, where urgent problems of safety, health, or environmental protection arise or threaten to arise for a contracting party, that contracting party may omit such of the steps enumerated in paragraph 3.1 of this Annex as it finds necessary, provided that the contracting party:
  - (a) immediately notify other contracting parties, through the GATT secretariat, of the particular regulation and the products covered, with a brief indication of the objective and the rationale of the regulation, including the nature of the urgent problem(s);
  - (b) provide upon request to other contracting parties copies of the regulation;
  - (c) allow other contracting parties to make comments in writing, discuss these comments upon request, and take the comments and the results of the discussions into account.

- 3.3 Notifications to the GATT secretariat shall be either in English, French or Spanish.
- 3.4 Contracting parties shall, if so requested by other contracting parties, provide copies of the documents or, in case of voluminous documents, summaries of the documents covered by a specific notification in either English, French or Spanish.
- 3.5 The GATT secretariat shall promptly circulate copies of the notifications to all contracting parties and interested international organizations and draw the attention of developing contracting parties to any notifications relating to products of particular interest to them.
- 3.6 Contracting parties shall designate one single central government authority as responsible for the implementation, on the national level, of the provisions concerning notification procedures according to paragraphs 3.1, 3.2, 3.3 and 3.4 of this Annex.

# 4. General reservations

- 4.1 Nothing in this decision shall be construed as requiring:
  - (a) the provision of particulars or copies of drafts or the publication of texts other than in the language of the contracting party except as stated in paragraph 3.4 of this Annex; or
  - (b) contracting parties to disclose confidential information which would impede enforcement of sanitary and phytosanitary legislation or which would prejudice the legitimate commercial interests of particular enterprises.

# ANNEX C

# Control, Inspection and Approval Procedures\*

- 1. Contracting parties shall ensure, with respect to any procedure to check and ensure the fulfilment of sanitary or phytosanitary measures, that:
  - (a) such procedures are undertaken and completed without undue delay and in no less favourable manner for imported products than for like domestic products;
  - (b) the standard processing period of each procedure is published or that the anticipated processing period is communicated to the applicant upon request; when receiving an application, the competent body promptly examines the completeness of the documentation and informs the applicant in a precise and complete manner of all deficiencies; the competent body as soon as possible transmits the results of the procedure in a precise and complete manner to the applicant so that corrective action may be taken if necessary; even when the application has deficiencies, the competent body proceeds as far as practicable with the procedure if the applicant so requests; and that upon request, the applicant is informed of the stage of the procedure, with any delay being explained;
  - (c) information requirements are limited to what is necessary for control, inspection and approval;
  - (d) the confidentiality of information about imported products arising from or supplied in connection with control, inspection and approval is respected in a way no less favorable than for domestic products and in such a manner that legitimate commercial interests are protected;
  - (e) any requirements for control, inspection and approval of individual specimens of a product are limited to what is reasonable and necessary;
  - (f) any fees imposed for the procedures on imported products are equitable in relation to any fees charged on like domestic products or products originating in any other country and should be no higher than the actual cost of the service;

<sup>\*</sup>Control, inspection and approval procedures include, <u>inter alia</u>, procedures for sampling, testing and certification.

- (g) the same criteria should be used in the siting of facilities used in the procedures and the selection of samples of imported products as for domestic products so as to minimize the inconvenience to applicants, importers, exporters or their agents;
- (h) whenever specifications of a product are changed subsequent to its control and inspection in light of the applicable regulations, the procedure for the modified product is limited to what is necessary to determine whether adequate confidence exists that the product still meets the regulations concerned;
- (i) a procedure exists to review complaints concerning the operation of such procedures and to take corrective action when a complaint is justified.
- 2. Where a sanitary or phytosanitary measure specifies control at the level of production, the contracting party in whose territory the production takes place shall provide the necessary assistance to facilitate such control and the work of the controlling authorities.
- 3. Nothing in this decision shall prevent contracting parties from carrying out reasonable inspection within their own territories.

## [ANNEX D

# Monitoring of Harmonization

- 1. In conjunction with the relevant international organizations, the Committee on Sanitary and Phytosanitary Measures shall maintain a list of international standards, guidelines or recommendations relating to sanitary and phytosanitary measures which have a major trade impact. The list should include an indication by contracting parties of those international standards, guidelines or recommendations which they apply as conditions for import or on the basis of which imported products conforming to these standards can enjoy access to their markets. In order to avoid unnecessary duplication, the Committee may decide, as appropriate, to use the information generated by the existing procedures, particularly for notification, which are in operation in the relevant international organizations.
- 2. If a contracting party cannot apply an international standard, guideline or recommendation as a condition for import, the contracting party shall indicate if the reason is (1) because it considers the standard to be more stringent than necessary; (2) because it considers that the standard is not stringent enough to provide the appropriate level of sanitary or phytosanitary protection; or (3) because of specific conditions which make the standard inappropriate for its use.
- 3. The Committee on sanitary and phytosanitary measures shall, on the basis of the listing of standards and notification under paragraphs 1 and 2 of this Annex, encourage their use by all contracting parties as conditions for import.
- 4. Following its indication of the use of a standard, guideline or recommendation as a condition for import, a contracting party may revise its position. However, in such circumstances the contracting party shall provide a detailed explanation for its change and so inform the GATT as well as the relevant international organizations. The Committee may invite the relevant international organizations to investigate the basis of the explanation.
- 5. The Committee will, furthermore, ensure the co-operation with the relevant international organizations and in particular it may, on the basis of an initiative from one of the contracting parties, invite the relevant international organizations to examine specific matters with respect to a particular standard, guideline or recommendation.
- 6. Contracting parties shall consider the need to make available additional resources necessary for the financing of requested examinations to be carried out by relevant international organizations.

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7. A contracting party which has notified its willingness to apply as a condition for import, an international standard, guideline or recommendation shall grant clearance, with respect to the pertinent sanitary or phytosanitary requirement, for products conforming to such international standards, guidelines or recommendations.]

# Annex E

# Minimizing the Costs of Obtaining Approvals

- 1. Contracting parties shall waive any fees for an application for approval of a product for which an international standard exists.
- 2. Contracting parties shall make reasonable efforts to obtain from the appropriate international organization the scientific information on which the relevant international standard, guideline or recommendation was based and any other generally available information that would be required for evaluation of the application.
- 3. Contracting parties shall avoid imposing requirements for information to support an application which would be unnecessarily duplicative of information already legally available to that party.