



IGTC policy

IPPC and Phytosanitary Measures for Grain August 2016

BACKGROUND: The IGTC's purpose is to convene significant expertise and representation to provide advice on the commercial requirements and economics of the world's food, feed and processing industries from a global perspective. The International Plant Protection Convention (IPPC) is developing new protocol that will be of direct impact on the international trade of grain¹ for food, feed and processing that is critical to the provision of global food security.

Specification 60 for the International Movement of Grain as approved by the IPPC Commission of Phytosanitary Measures is to be developed into an International Standard for Phytosanitary Measures (ISPM) on the international movement of grain. An Expert Working Group (EWG) has been named and is scheduled to meet in September 2016 to provide for a draft ISPM that may be approved for member consultation. Ultimately, the pending ISPM for Grain may be considered for approval by the IPPC's Commission on Phytosanitary Measures (CPM) as early as the 14th meeting of the CPM in 2019. Explanatory documents may accompany the entry in force after CPM approval.

IPPC has indicated the pending ISPM for Grain should: "facilitate the safe international movement of grain through harmonized guidance and criteria for the establishment of phytosanitary import requirements to be used by National Plant Protection Organisations (NPPOs)." Further, IPPC states the application of the pending ISPM for Grain "may help minimize the spread of quarantine pests due to the international movement of grain" and "measures should be technically justified and not more restrictive to trade than required".

IGTC POLICY: The International Grain Trade Coalition (IGTC) places a high priority on participation in the IPPC process and emphasizes the need to in provide for the least trade distortive and most trade facilitative measures and practice.

¹ IPPC defines grain as a Commodity Class that includes "seeds intended for processing or consumption and not for planting"



IGTC

International Grain Trade Coalition

To achieve these objectives, measures applied to grain movement need to recognize that grain is a low risk pathway and protect against the use of illegitimate and non-scientifically justified measures. The ability of governments and commercial parties to provide for plant health risk management and accomplish trade should be supported by:

1. Exclusively addressing actions to manage plant health risks, thereby allowing for other product parameters to be addressed by appropriate party. For example: commercial parties address logistics including quality; and appropriate officials address customs and other non-phytosanitary regulatory requirements.
2. Prompt, transparent official action that preserves adequate fungibility² of supply and does not include imposition of unjust or unnecessary measures that restrict grain trade.
3. The use of sound and best available science for pest risk assessment, identification and management and mitigation including but not limited to, sampling, testing, fumigation.
4. Providing support for the reliance on the use and the development of national and regional plant protection organizations in close communication and cooperation with industry that avoids the imposition of minimum requirements on a global scale and addressing specific pests on a per grain basis.
5. Informing and including relevant commercial parties in all relevant decision making and implementation processes.

Key actions for measures applied to grain should include:

- 1. Sound final certification at the point of origin prior to export.** In order to avoid reductions in fungibility, prior to incurring post export costs, certification must be established, embedded and encouraged in any measure addressing pest management in grain, whether provided by competent national authorities, under their direction, by a third party or by commercial partners to the trade.
- 2. Import and export requirements that provide for measures for review and mitigation.** Competent authorities at both import and

² Fungibility can be understood as "A good or asset's interchangeability with other individual goods/assets of the same type. Simplifies the exchange/trade process, as interchangeability assumes that everyone values all goods of that class as the same"



IGTC

International Grain Trade Coalition

export requirements should provide for consistent and transparent measures that include:

- a. Recognition of the measures taken at export that deploy sound final certification.
- b. Documenting and demonstrating risk factors that justify the type and frequency of import checks, including information about the analytical methods used for phytosanitary controls.
- c. Internationally accepted and science based sampling and testing procedures.
- d. Provision for a transparent record of reasons for regulatory enforcement requirements, data requirements for each consignments and mitigating actions.
- e. Provision of a mechanism to resolve the issue should a decision be taken to reject or detain a particular consignment. The respective authority should provide the relevant commercial trade partners as well as the IPPC counterpart authority with reasons for the rejection and the opportunity to be involved in relevant aspects of the review, including any mitigation actions.
- f. Expediting all or partial forwarding of consignments.

3. Science and risk analysis that includes:

- a. Provisions for quick revelation of whether or not a risk assessment has been completed.
- b. Requirements for the relevant authority to produce data & analysis upon which its risk assessment is based, when or before such risk assessment has been completed.
- c. Rights extended to the exporting country and interested parties to allow them to comment on the risk analysis conducted by the importing Party and receive an explanation on the relevance of information requested from the exporting Party regarding the risk assessment. Arbitrary measures going beyond agreed international standard requirements for quarantine pests & not based on sound risk assessment principles should not be included.

4. Audit provisions that provide for IPPC Parties to have the right to audit counterpart competent authorities and inspection systems (including on-site inspections). Audit processes need to be agreed between NPPOs and where applicable including RPPOs, and need to ensure that the audits are based on objective evidence and verifiable data as well as include ability to challenge and comment on conducted



IGTC

International Grain Trade Coalition

audits, all of which will greatly improve predictability of meeting obligations of all parties.

5. Transparency provisions to explicitly require disclosure under which information is to be available to governments as well as commercial parties prior to implementation. Such measures should:

- a. Promote and encourage the use of the current WHO/FAO SPS notification process between NPPOs.
- b. Require importing Parties to wait at least 60 days after distributing notification of a proposed measure to receive comments from interested persons or parties. This will allow interested businesses and organizations to comment on the proposed measure.
- c. Require all Parties to make available the proposed SPS measure by electronic means (including legal basis of the measure and a summary of the written comments received).
- d. Require the importing Party to provide the requesting exporting Parties, before or immediately after an import measure is finally adopted, with documented and objective scientific evidence that is rationally related to the measure (e.g. risk assessments, relevant studies and expert opinions).

6. Provisions for consistent, prompt and effective enforcement of all requirements and a dispute resolution process that includes commercial parties and utilizes new as well as existing mechanisms.