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## Application of Sanitary and Phytosanitary Trade Measures



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### Synonyms

[Trade theories](#); [World Trade Organization](#)

### Brief Definition

The World Trade Organization is an international organization that deals with the rules and guidelines governing international trade.

Sanitary and phytosanitary measures establish the safety rules for plant, health, and human.

### Introduction

All countries that are members of the World Trade Organization (WTO) have to comply with the WTO's agreements and measures on international trade. Fiji is not an exception to this. By becoming a member of the WTO in 1996, Fiji has to adhere to WTO's requirements on the application of sanitary and phytosanitary measures for the export of

products from its national boundaries (Ravuvu et al. 2017). The Pacific Island countries (PICs) are struggling to meet the SPS requirements of the international trading system with the adverse impacts of these visible in fisheries, ginger, dalo, and kava exports. Recent studies conducted by the international agencies in the PICs confirm that the policymakers and practitioners need to strengthen legislative frameworks, enforcement mechanisms, laboratories, and infrastructure to harmonize the region's SPS compliance with the international standards (United Nations ESCAP 2010). The main aim of this essay is to discuss the SPS agreement and its implications to the Pacific Island exporters and how the agriculture exporters can comply with this agreement.

### SPS Agreement and Its Implications for the Pacific Island Exporters

To begin with, the primary objective of the agreement on the application of SPS measures is to outline the basic rules for food safety and plant and animal health requirements (WTO 2020). These measures are applied to protect the natural ecosystem (plants, wildlife, forests, fish, and animals) and human life from disease-causing organisms. This agreement allows countries to set their own standards based on scientific reasoning, which is applied to protect human, animal, and plant health. The specific forms of the sanitary and phytosanitary measures relate to the inspection of

products, treatment of products, setting the maximum levels of pesticide residues, and determining the limits for the use of additives in food. These measures not only apply to domestically produced products but also imported products. The sanitary measures apply to human and animal health, while the phytosanitary measures relate to plant health (WTO 2020). There are certain environmental protection measures that may overlap with the SPS agreement (WTO 2020). These measures include (1) avoiding contamination of drinking water, (2) preventing farm soils and fish stock contamination from heavy metals, and (3) protecting the natural biodiversity. Measures that are taken to protect consumer interest do not form part of the SPS agreement (WTO 2020). The SPS agreement outlines clearer and detailed food safety and animal health measures that affect international trade. Governments can easily challenge their trading partner's food safety and animal and plant health requirements based on the grounds of scientific evidence (WTO 2020). Table 1 summarizes the specific focus areas for SPS measures.

Furthermore, the Pacific Island exporters are facing numerous challenges in accessing the Australia and New Zealand market as a result of the implementation of the SPS agreement on January 1, 1995, by the WTO (Department of Foreign Affairs and Trade 2020; Pomfret 2016). The Pacific Island exporters are struggling to meet the international SPS standards on the export of organic foods and fisheries products and provide certification and scientific evidence related to food safety (Department of Foreign Affairs and Trade 2020). Resultantly, this imposes numerous implications for exporting agricultural and fisheries products to the Australia and New Zealand markets. First, the science-based biosecurity requirements for Australia and New Zealand markets are stringent and demanding which requires the exports from the Pacific Islands to Australia and New Zealand market to be competitive, pest-free, reliably packaged, and subject to high-quality certification and preparation process (Department of Foreign Affairs and Trade 2020). Due to lack of laboratories and skilled personnel, it is difficult for the Pacific Island exporters to meet the quality

standards desired by the Australia and New Zealand markets (Department of Foreign Affairs and Trade 2020). Second, the export of Kava from Vanuatu and Fiji still faces export restrictions from the New Zealand, Australia, US, and EU markets. The Kava ban had a devastating impact on the economy of Vanuatu as it is one of its chief exports. Before the implementation of the SPS agreement by WTO, Kava trade had enormous trade prospects for Fiji and Vanuatu. However, SPS-related compliance issues have curtailed the export potential of Kava to Australia and New Zealand markets. Figures 1 and 2 show that Fiji and Vanuatu experienced a major decline in the export of kava with the imposition of the EU-led global ban on the imports of kava. Figure 1 shows that the export of kava declined from 503 million vatus in the year 2001 to 232 million vatus in the year 2002.

Figure 2 shows that the export of Kava from Fiji declined from FJ\$5 million in the year 2001 to 1.7 million in the year 2002.

According to Tahana (2020), kava is classified as a drug under the Customs Regulations of Australia. Travellers to Australia can only bring 4 kilograms of kava, but this ceased with the COVID-19 restrictions imposed by the Australian government. Currently, Australia is reviewing its import ban of commercial importation of kava into the country (Tahana 2020). Although the SPS standard compliance remains a challenging task for the Pacific Island exporters, the implementation of these standards has generated numerous learning opportunities for exporters.

Moreover, the Pacific Island agricultural products, such as ornamental foliage, sawn timber, taro, limes, breadfruit, eggplant, papaya, cocoa, beef, zucchini, and copra, have high potential to access the wide Australia and New Zealand market provided the local authorities invest in strengthening the local SPS measures to suit the requirements of these markets (Department of Foreign Affairs and Trade 2020). Initially, when the SPS standards came into full force on January 1, 1995, it was extremely challenging for the exports from the PICs to enter the Australia and New Zealand market. However, the PACER Plus

**Application of Sanitary and Phytosanitary Trade Measures, Table 1** Specific focus areas for SPS measures

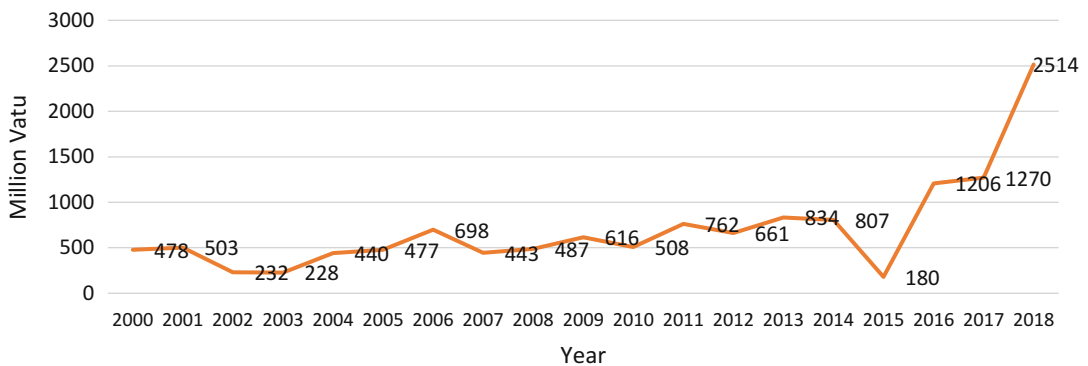
| Focus area                        | Specific measure                                                  |
|-----------------------------------|-------------------------------------------------------------------|
| Food contents                     | Food contamination                                                |
|                                   | Food additives                                                    |
|                                   | Poisonous substances                                              |
|                                   | Pesticides in food                                                |
| Certification                     | Food certification                                                |
|                                   | Product labels on food safety                                     |
| Processing methods and quarantine | Processing methods that have implications for food safety         |
|                                   | Quarantine for plant and animals                                  |
|                                   | Declaring pest- and disease-free areas                            |
|                                   | Prevention of disease and pests from spreading to another country |
|                                   | Import sanitary requirements                                      |

Source: WTO (2020)

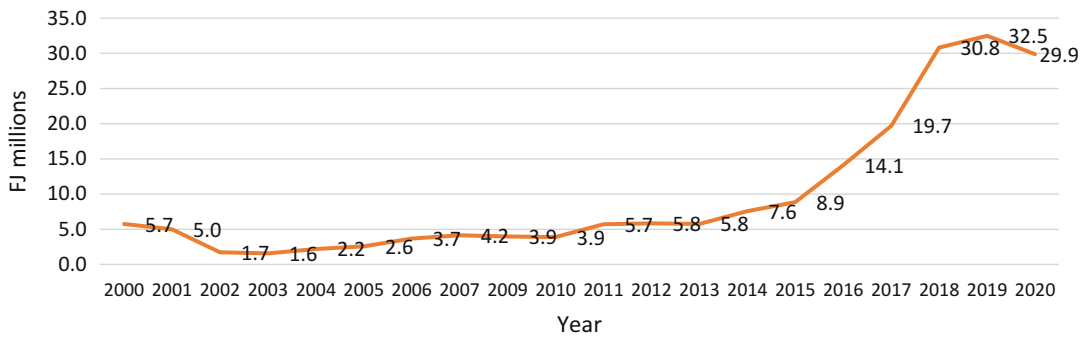
trade agreement and Pacific Horticultural and Agricultural Market Access Program (PHAMA) have relieved some of the major constraints faced by the Pacific Island exporters in accessing the Australia and New Zealand markets (Department of Foreign Affairs and Trade 2020). Specifically, PHAMA and PACER Plus have improved Australian and New Zealand market access for timber, beef, watermelon, cooked breadfruit, taro, and copra (Department of Foreign Affairs and Trade 2020). Table 2 provides specific details on the difficulties faced by the PICs to access Australia, New Zealand, and other international export markets as a result of the implementation of SPS measures related to food safety, certification, and quality. PHAMA played a critical role in

maintaining, enhancing, and opening new market opportunities for the Pacific Island exporters.

One of the main advantages of PACER Plus agreement is that it allows special and differential treatment on the implementation of the SPS measures, which includes increasing the time frames for compliance with the SPS measures for the developing countries to expand export opportunities, as well as building capacity for the Pacific Island exporters to implement the requirements of the SPS measures (Department of Foreign Affairs and Trade 2020).



**Application of Sanitary and Phytosanitary Trade Measures, Fig. 1** Export of kava from Vanuatu. (Source: Created by the author (2020) by using information from the Vanuatu National Statistics Office (2018))



**Application of Sanitary and Phytosanitary Trade Measures, Fig. 2** Export of kava from Fiji. (Source: Created by the author (2020) by using information from the Bureau of Statistics Database (2020))

### Ways of Supporting the Pacific Island Exporters to Comply with SPS Standards

Furthermore, with the increase in regional and international trade from the PICs, there has been

a rise in the risk of disease prevalence within the Pacific community. It is common for diseases and pests to migrate from one geographic region to another as products are exported from one country to another. The PICs are small developing island

**Application of Sanitary and Phytosanitary Trade Measures, Table 2** PHAMA'S role in providing PICs market access to international markets

| Product          | Issues                                                                                                                                                          | PHAMA's role                                                                                                                    | Impact                                                                                                                                             |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Seafood products | Stringent standards to ensure seafood is safe to eat and has been caught legally                                                                                | Capacity building and benchmarking audits to meet international standards                                                       | Illegal, unreported, and unregulated (IUU) fishing yellow card was uplifted in February to provide Solomon Islands market access to the EU markets |
| Kava             | Import ban by EU countries and restrictions on the commercial importation of kava by Australia and New Zealand markets                                          | Developed a national quality standard on the production of kava                                                                 | Increase in kava sales by \$800,000                                                                                                                |
| Sawn timber      | Australia and New Zealand export markets require timber to be sourced from sustainable and legal sources                                                        | Established the Timber Industry Working Group to develop the timber legality assurance guidelines                               | Protection of market for Solomon Islands timber to Australia and New Zealand market valued at AU\$10 million annually                              |
| Beef             | Australia and New Zealand markets require the PICs to demonstrate that the export of beef from PICs is free from mad cow disease, brucellosis, and tuberculosis | Refurbishment of animal health labs<br>Facilitating the country visits by experts from the World Organization for Animal Health | Ensure ongoing market access of the beef products from Vanuatu to Australia and New Zealand markets                                                |
| Coconut          | Inspection of copra meal exporting company's facilities by the Australian Department of Agriculture and Water Resources                                         | Provided funding to three companies in Solomon Islands and one company in Samoa                                                 | Companies in Samoa received accreditation from Australian Department of Agriculture and Water Resources                                            |
| Taro             | Fiji lacked Hazard Analysis And Critical Control Points (HACCP) accreditation to export to Australia and New Zealand markets                                    | Funded a HACCP specialist to train taro exporters                                                                               | Exporters become HACCP certified                                                                                                                   |

Source: Australian Aid (2017)

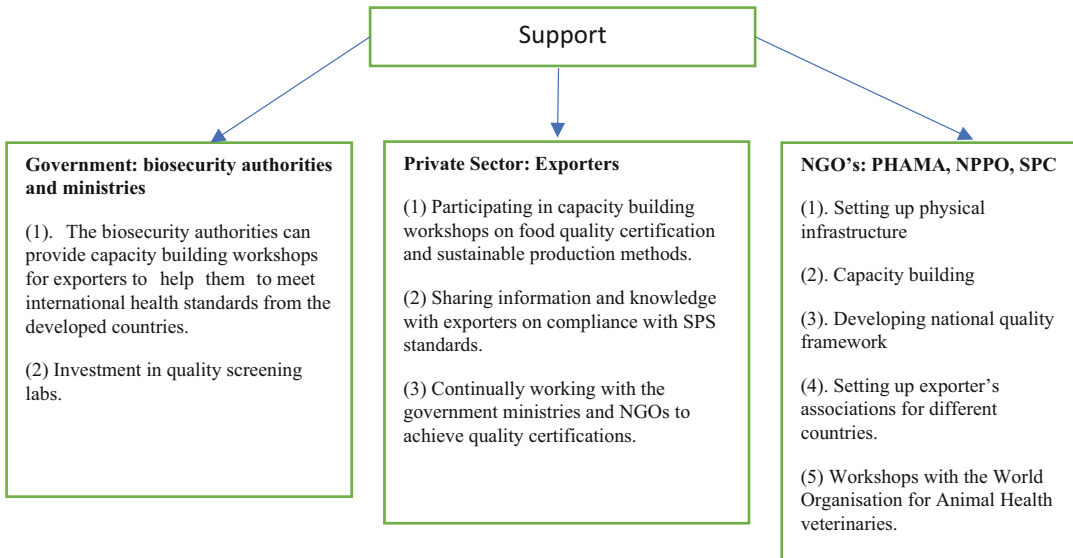
market economies with limited capacity and key competencies to implement the International Standards for Phytosanitary Measures (ISPMs). The main objective of the ISPMs is to ensure that agriculture and other commodities that may threaten the sustainability of the natural ecosystem are safely traded from one country to another. Importantly, exporters from the PICs lack capacity and key competencies to implement international phytosanitary requirements by using the Phytosanitary Capacity Evaluation (PCE) Tool of the International Plant Protection Convention (IPPC). Exporters from the PICs can be supported in numerous ways to achieve compliance with the ISPMs. The support to exporters from the PICs can be from the private sector, government organizations, and the nongovernment organizations (NGOs). Figure 3 shows that different stakeholders have different roles to play in supporting the Pacific Island exporters to comply with SPS standards. Capacity building of the Pacific Island exporters is one of the most priority items highlighted in Fig. 3.

Firstly, at a holistic level, the government officials, private sector, and NGOs can collaborate to enhance communication and exchange of ideas among the exporters and importers from Australia and New Zealand and health experts in the region on the international framework for trade in plants and plant products (STDF Secretariat 2012). This communication and exchange of ideas can be facilitated by using workshops and conferences whereby officials from different backgrounds come together to ensure that the key concerns raised in these official meetings are incorporated in the design of bilateral interventions (STDF Secretariat 2012). Secondly, government policymakers, NGOs, and private sector organizations can closely work with the leaders from the Pacific Island countries to identify legal frameworks that are incompatible with the IPPC, weaknesses in the export facilitation procedures, and National Plant Protection Organization (NPPO) management capacity. Once these issues have been identified, the PICs can work together to address these concerns via the application of the regional collaboration programs. Thirdly, there is an immediate and urgent

need to improve the biosecurity services in the PICs. A collaborative action strategy for strengthening biosecurity services in the PICs should be developed to harmonize the biosecurity laws among the PICs. Undeniably, the biosecurity authority's role is to work with international agencies around the world to provide market access opportunities for exports from the PICs, provide new market access protocols, and make changes to the current market access protocols as and when the need arises. Acquiring export market access is a rigorous process whereby the two trading partners develop import health standards by taking into account the disease status of the exporting countries. The biosecurity authority facilitates the compliance process related to SPS standards by submitting the scientifically justified market access submissions to its trading partners. As a competent regulatory authority, its role is to oversee the effective surveillance programs for managing pests related to quarantine concerns (Fiji Sun 2020).

## Conclusion and Recommendations

To conclude, this essay highlighted that the SPS measures are applied to protect the natural ecosystem from pests and diseases as dangerous organisms can easily migrate from one region to another with international trade of agriculture, fisheries, forestry, and poultry products. The PICs lack skilled personnel, equipment, and infrastructure to comply with SPS standards. There are numerous ways how the PICs can deal with the challenges imposed by the SPS standard compliance issues on its exports. Firstly, the PICs can represent their collective voice on the export bans that are not supported by scientific reasoning and methodologies by the importing countries. There are numerous cheaper dispute settlement processes that can be used by the economically disadvantaged small island economies to resolve trade disputes arising from the implementation of the SPS agreement rather than the process stipulated by the WTO. Secondly, the PICs need to strengthen their laboratories and quality testing infrastructure to confirm and verify the scientific



**Application of Sanitary and Phytosanitary Trade Measures, Fig. 3** Support to Pacific Island exporters to comply with SPS standards. (Source: Fiji Sun (2020))

evidence presented by the scientists from the developed countries. The ban on kava exported from the PICs to the EU, Australia, and New Zealand markets is a typical case of small island developing countries losing out on the imposition of import ban from developed countries that has not yet been substantiated by scientific reasoning and evidence. Thirdly, the PICs need to undertake a regional approach to strengthening its legal and institutional frameworks on market access and changes to existing market access protocols. In the long term, the PICs need to expand their industrial capacity to enhance its market access to the Australia and New Zealand markets.

## Cross-References

- ▶ [Global Trade](#)
- ▶ [Globalization](#)

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