

Summary of SPS Committee Discussion on Private Standards on 27-28 June 2007 (prepared by the Media Relations Division of the WTO secretariat)

A workshop on private and commercial standards was organized by the WTO and UNCTAD on Monday 25 June (see [details](#)) These are standards set by the private sector, such as supermarket chains, or “EurepGap” – “good agricultural practices” or GAP, set by the Euro-Retailer Produce Working Group, [Eurep](#). Also presented were approaches of the retailer-driven Global Food Safety Initiative (GFSI) and the food safety management system standard “ISO 22000” from the International Organization for Standardization (ISO).

Following up in the formal SPS Committee meeting, developing countries picked up three themes:

- **Trade:** Standards set by the private sector can help suppliers improve the quality of their products and gain access to markets, but this may be offset by the cost of meeting the standards and obtaining certificates, compounded by the fact that there are an increasing number of private standards. These standards are not based on science, the developing countries complained.
- **WTO law:** Egypt, Argentina and a number of other developing countries argued that the SPS Agreement makes governments in importing countries responsible for the standards set by their private sectors. Some said the private standards are “untransparent” because they are not notified to the WTO.
- **Beyond SPS:** Several countries commented that the standards impose additional burdens because they cover a wide range of issues, not only food safety, such as quality, how they are produced (such as organic products), fair trade and labour requirements, and environmental concerns (such as transportation distances). Some argued that the private sector standards should offer special treatment for developing countries. Some called for a joint meeting of the WTO’s SPS and Technical Barriers to Trade (TBT) Committee.

Among the developing countries speaking in the meeting were: Egypt, Pakistan, Ecuador, Brazil, Cuba, Belize, Chile, Venezuela, Argentina, Kenya, South Africa, Dominican Rep, Mexico, Colombia, China, Bolivia, Costa Rica, Peru, Rwanda.

The EU said it also hears a lot of complaints from within its member states, but it urged members to focus on the positive aspects as well. For example, with private sector standards, it is the largest importer of food and vegetables, with a large share (\$14bn out of \$17bn) coming from developing countries. It said that without any dispute ruling to provide legal interpretation it remains unclear whether the SPS Agreement obliges governments to take responsibility for private standards. Therefore members should focus on the costs of complying with the standards and ways to deal with this, such as through aid to help suppliers meet the requirements, the EU said.

Other developed countries (Japan, New Zealand, Australia, Canada and the US) were non-committal, preferring to ask questions or comment on the number of forums looking at this topic.

This issue takes the SPS Committee into comparatively new territory – the committee generally deals with standards set by international standards-setting bodies and those imposed by governments. Private sector standards were first raised two years ago in [June 2005](#) by St Vincent and the Grenadines, because of private standards for bananas. St Vincent and the Grenadines complained that private standards are often more rigid than international standards, causing small farmers to suffer.