

SANITARY/PHYTOSANITARY MANAGEMENT

PROGRAM PROFILE

Goal	To minimize the threat of foreign agricultural pests and diseases to the United States, and ensure that trade complies with international science-based plant and animal health standards.
Enabling Legislation	Sanitary/Phytosanitary Management (SPS Management) represents the consolidation of older plant and animal line items. The international animal health program began in 1985 under 21 USC 114, PL 80-8, Act of February 28, 1947; international plant health first directly funded in 1982, 7 USC 147a (Organic Act of 1944), 7 USC 150 aa-jj (Federal Plant Pest Act), Federal Plant Quarantine Act.
Economic Significance	<p>This program helps to open up markets for US agricultural and animal products; reduce the probability of exotic diseases or pests from entering the US; and provide APHIS with advance warning to prevent potentially costly outbreaks from occurring in the US. Also, the increased worldwide movement of cargo and passengers will continue to increase the threat of exotic pests and diseases to US plant and animal health resources.</p> <p>In FY 1997, according to the most recent data available, SPS accomplishments included the resolution of over 70 issues worth almost \$2.2 billion. APHIS expertise helped USDA expand export markets worth over \$1 billion. Our successful market expansion efforts included poultry to Russia potentially worth \$950 million annually and cherries to Japan potentially worth \$100 million. Also, program activities were crucial in efforts to retain markets potentially worth \$1.3 billion. Various agricultural markets retained included markets in Mexico potentially worth over \$430 million and in the European Union potentially worth \$530 million. Currently, an estimated 56 US agricultural products (primarily high value commodities such as citrus, stone fruit, pork, poultry, biotechnology products, and others) are prevented from gaining full access to foreign markets because of SPS issues.</p>

Implementation of single market and regional trading blocks in Europe, Asia, and elsewhere will increase the volume and rapidity of agricultural trade from new trading partners. The emergence of new trading economies is shifting the balance of economies and trading partners. This shift has led to the development of new trade initiatives such as the Asia-Pacific Economic Cooperation, the US Congressional passage of the GATT, and the creation of the WTO. Other anticipated trading blocks include the Free Trade Area of the Americas (FTAA).

Principal Approach And Methods Used to Achieve Goals

Through SPS Management, APHIS carries out two essential functions. It safeguards US animal and plant resources by monitoring and responding quickly to emerging foreign pest and diseases threats at their origin rather than waiting for them to reach US ports of entry. The program also helps facilitate agricultural trade through close working relationships with foreign regulatory officials to ensure that trade in agricultural products is not thwarted by unjustified sanitary and phytosanitary (SPS) requirements. These functions help APHIS resolve SPS trade barriers which constrain US agricultural exports, promote a level playing field where the movement of food and agricultural commodities is based on international standards, risk analysis, and the use of innovative risk management strategies.

Through SPS Management, APHIS maintains a presence in countries that are significant agricultural trading partners and may also be potential sources of economically dangerous agricultural pests and diseases. APHIS personnel at overseas locations provide an effective first line of defense against the entry of foreign plant and animal diseases and pests into our country. The changing biology from emerging diseases and outbreaks requires major attention by attaches and analysts to resolve these serious concerns and to ensure safety and fairness in US agricultural trade relations with other countries. The SPS Management program helps APHIS ensure that SPS requirements are not compromised, are scientifically justified, and not used as arbitrary trade barriers. SPS Management assists in developing well-designed trade strategies to maximize our influence over the development

of standards and to effectively negotiate bilateral and multilateral issues. The program also augments the exchange of technology through a timely link to sanitary and phytosanitary surveillance and up-to-date diagnostic and disease/pest monitoring and control strategies practiced by trading partners.

History

International plant health activities were carried out by the program prior to FY 1982; international animal health functioned as part of emergency programs prior to FY 1985. As a result of the APHIS restructuring of 1989, the animal and plant programs line items were combined into one line item called International Programs.

State and Local Cooperation

None.

Involvement of Other Agencies

Foreign Agricultural Service; United States Trade Representative; Food Safety Inspection Service; Food and Drug Administration; Cooperative State Research, Education, and Extension Service; Agricultural Research Service; Economic Research Service; Environmental Protection Agency.

RESOURCE DATA

-----Obligations-----					
	<u>Direct</u>	<u>Reimbursement</u>	<u>User Fees</u>	<u>Staff-Years</u>	
FY 1996	5,774,821	--	--	40	
FY 1997	6,667,164	--	--	50	
FY 1998	7,708,447	--	--	54	
FY 1999	7,612,929	--	--	52	
FY 2000 (est.)	7,530,000	--	--	52	
FY 2001 (est.)	9,492,000	--	--	62	
	<u>APHIS</u>	<u>Coop</u>	<u>Total</u>	<u>CCC</u>	<u>Contingency Fund</u>
Cum. (FY99)	72,418,926	190,904	72,609,830	--	--

RECENT ACCOMPLISHMENTS

Threat Minimization

APHIS attaches located in foreign sites work to facilitate a number of processes. To minimize the threat to plant and animal resources, they: a) Facilitate development of new technology to control new pests and diseases affecting agriculture in the western hemisphere; b) Make contacts with plant health officials in foreign countries to discuss pest problems and negotiate scientific methods to resolve pest and disease problems which could pose a threat to US agriculture; c) Help determine the presence or absence of suspect pest and diseases in foreign countries by assisting in foreign surveys for economically significant and exotic pests and diseases that threaten the United States or by conduct risk analyses to monitor epidemiological pest and disease trends and conduct or participate in risk analysis for specific plant and animal commodities and pathways of introduction; d) Respond to requests for services related to a variety of information needs, including risk assessment information, regulations, economic data. These requests come from many sources, both foreign and domestic, both inside and outside government; e) Coordinate and facilitate scientific and technical visits of USDA personnel in foreign countries to deal with or gain understanding of pest and disease problems.

Foreign Disease and Pest Exclusion

International standards must reflect US Regulatory approaches including transparent, scientific decision making with respect to plant and animal health import requirements. The second meeting of the Interim Commission on Phytosanitary Measures (ICPM) took place at FAO headquarters in Rome, Italy, on October 4-8, 1999. The ICPM adopted two new phytosanitary standards; adopted a new, more transparent standard setting procedure; and established its work program for the coming year. The meeting was successful in advancing several key US standard setting objectives. These included obtaining ICPM agreement to prioritize and begin immediate standard setting work in three specific areas: 1) developing a global standard on wood packing material; 2) establishing guidelines to harmonize members' interpretation and application of the term "official control;" and 3) forming a working group to examine the phytosanitary aspects of genetically modified

organisms (GMOS) and identify potential standards which may be needed.

APHIS continued to enforce US plant and animal health import laws. APHIS technical experts in foreign posts supported US agricultural exports by immediately addressing SPS concerns that arose throughout FY 1999. APHIS veterinarians and plant health specialists worked closely with foreign governments and industry, particularly in Mexico, Central and South America, the European Union, the Caribbean, Africa, Japan, China, Australia, and Korea to protect American agriculture. The Agency also helped determine the presence or absence of suspect pests and diseases in foreign countries and assisted in foreign surveys for economically significant and exotic pests and diseases that threaten the United States. This information helps APHIS conduct risk analyses (comprised of risk assessment, risk management, and risk communication) to ensure regulatory decisions that affect trade are made in a transparent and justifiable manner. The results of risk analyses provide well-supported and consistent recommendations to facilitate the safe importation of agricultural commodities from foreign countries. The provisions in the WTO SPS agreement have been especially valuable for creating a more open trade environment.

Export Facilitation

Last year, SPS Management was a crucial component of APHIS' role in facilitating U.S. exports through the use of health information and addressing animal and plant health requirements of foreign governments, including arbitrary or unjustified SPS measures, that impede U.S. exports. This program ensured timely resolution of SPS issues which threatened or constrained U.S. access to foreign markets. APHIS attaches are the only technical experts permanently stationed overseas able to speak authoritatively about the justified and/or unjustified use of trade restrictions based on technical trade restrictions. They coordinated the exchange of scientific information between USDA officials and trading partners regarding specific pest and disease concerns which were the source of trade problems.

Retaining foreign markets often involves protocols that must be approved and signed each year. In June 1999, the Philippines approved a protocol to allow the entry of Florida citrus after 2 years of work by APHIS, the Foreign Agricultural Service, and the Florida citrus industry. Industry sources estimate that grapefruit sales to the Philippines could reach \$3 million in the short-to-medium term. APHIS and Canadian authorities agreed on a pilot systems approach to permit the export of California peaches, nectarines, and apricots without fumigation. This is a significant accomplishment involving the largest market for U.S. stonefruit, which accounts for almost half the volume of U.S. peach and nectarine exports annually.

In addition, the U.S. successfully challenged a restrictive Japanese phytosanitary measure before a WTO Disputes Settlement Panel. This ruling in favor of the U.S. reflects the extraordinary effort of the USDA in gathering and interpreting the scientific and technical information that was used to support the case. APHIS continues to assess and make regulatory decisions on an increasing number of import requests. These regulatory decisions, which must comply with WTO rules, require greater documentation, scientific analysis, and transparency.

APHIS Role in Addressing SPS Barriers

The demands facing APHIS, not just SPS Management, have shifted substantially as a result of agricultural trade liberalization achieved during the GATT Uruguay round. The workload associated with regulating imports and certifying exports is increasing as APHIS has become a leader in animal and plant trade issues. As traditional barriers such as tariffs and quotas are eliminated under the WTO and other trade agreements, the temptation has increased for countries to adopt health-related requirements as disguised trade barriers.

This reality increases the need for APHIS, through all its programs associated with trade, to assertively execute its role as a leader in the SPS area. First, APHIS conducts risk analyses to monitor epidemiological pest and disease trends and conduct or participate in risk analysis for specific plant and animal commodities and pathways of introduction into the United States. Second, APHIS is continuing to assess and make regulatory decisions on an increasing number of

import requests. These regulatory decisions must be in accordance with WTO rules which require greater documentation, scientific analysis, and transparency than in the past. Third, APHIS supports U.S. agricultural exporters who encounter foreign technical trade barriers. Our scientific staffs play a critical role in the negotiation and resolution of these SPS issues. Fourth, APHIS spends an increasing amount of time and resources working with its foreign regulatory counterparts to develop international standards and address a variety of pest and disease issues which affect trade. Increasingly, APHIS must also gather technical information in foreign countries on surveillance and monitoring procedures and certify these systems. These international activities and relationships are becoming increasingly vital for promoting harmonized regulatory approaches which allow U.S. products to compete on a level playing field.