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para la  
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y la  
Alimentación

**TWENTY-SIXTH FAO REGIONAL CONFERENCE  
FOR LATIN AMERICA AND THE CARIBBEAN**

*Merida, Mexico, 10 – 14 April 2000*

**IMPACT OF TECHNICAL OBSTACLES AND NON-TARIFF  
BARRIERS ON AGRICULTURAL TRADE  
IN LATIN AMERICA AND THE CARIBBEAN**

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## INTRODUCTION

1. Article 20 of the Agreement on Agriculture of the World Trade Organization (WTO) states that the process of reform should be continued one year before the end of the implementation period. The related negotiations were to have begun at the WTO Ministerial Conference in Seattle, United States, from 30 November to 3 December 1999.
  
2. The following elements have emerged from the reforms introduced in 1995 under the completed Uruguay Round of GATT and those unilaterally introduced by most developed and developing countries<sup>1</sup>:
  - Greater transparency in border protection and increased exposure to international competition, although high levels of protection still remain in a number of cases, shielding certain products from market disciplines.
  - Agricultural activity is more market-oriented though significant levels of domestic support still exist in certain areas.
  - Shift in focus of agricultural instruments from price support to direct payments.
  - Reduced use of input subsidies and greater support for farm investment and diversification of production.
  - Greater emphasis on agricultural development in step with environmental requirements.
  - Greater emphasis on fostering structural adjustment and disadvantaged areas.
  - Increased focus on regulatory reform, especially food safety.
  
3. The countries of Latin America and the Caribbean (LAC) are directly concerned by implementation of the Uruguay Round Agreements. They also have a stake in the preparation, participation and monitoring of the next multilateral round of trade negotiations for agriculture, because of the importance of agricultural production and trade in the region, the related socio-economic impact and the complexity and significance of the issues to be discussed and regulated.
  
4. This paper examines the obstacles in the way of LAC agricultural exports to the major international markets on the basis of the results of the Uruguay Round and the legal framework governing agricultural trade<sup>2</sup>. The first section examines the commitments made by WTO members regarding tariff and non-tariff restrictions on agricultural products; the second analyses the restrictions on agricultural trade arising from actual implementation of certain WTO agreements; the third looks at the impact of

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<sup>1</sup> OECD (1999)

<sup>2</sup> The paper will not examine distortions to trade or the restrictions on access deriving from the existence of agricultural export subsidies and domestic support measures that affect both the cost-effectiveness of production and conditions of competition facing such products.

sanitary and phytosanitary measures and standards on agricultural trade; the fourth studies the scope of the WTO agreements and its system of settlement of disputes; finally, the fifth section puts forward the main conclusions of the paper.

### **TARIFF RESTRICTIONS TO AGRICULTURAL TRADE**

5. Agricultural trade continues to be an important source of employment in the LAC countries and stimulates sectoral activity. Agricultural exports averaged US\$ 50 000 million in the region for 1996-1997, representing 23% of total exports (Table 1). The situation however varies extensively from one country to another: agricultural exports only account for 2% of the total for Venezuela but an average of 70% and 63%, respectively, for Paraguay and Uruguay. The exported items also differ. Products with sizeable tariff barriers such as cereals, dairy products, meat and sugar account for a high percentage of Mercosur exports, but a significantly lower proportion of exports from other countries of the region (Table 2). Conversely, exports of fresh fruits and vegetables account for a comparatively larger share of total exports from the other countries. This is important, as the type of trade restrictions applied to these product categories in the major markets will determine respective national positions at the forthcoming agricultural negotiations.

6. The Uruguay Round called for greater transparency in the use of border restrictions to agricultural trade. As has been widely documented, such trade was subject to a variety of restrictions prior to entry into effect of the WTO agreements, both in terms of tariff and non-tariff restrictions aimed at limiting imports and protecting domestic production. Negotiations on market access resulted in a reduction in tariff restrictions, with lower tariffs and the conversion of non-tariff measures into their *ad-valorem* or specific tariff equivalents (tariffication). They also produced a tariff binding for all agricultural products in the form of an undertaking not to increase tariffs above negotiated levels<sup>3</sup>. Moreover, the Agreement prohibits the introduction of new non-tariff measures so as to avoid subsequent nullification or impairment of agreed concessions.

7. The Agreement gives a broad definition of non-tariff barriers (NTBs), which include quantity restrictions, variable tariffs, minimum import prices, discretionary import licensing, non-tariff measures maintained through state trading enterprises, voluntary export restraints, and border measures other than ordinary customs duties<sup>4</sup>. The tariffication process applies to the situation existing in the period 1986-88.

8. However, other categories of measures that can be considered as non-tariff can be maintained and new measures can even be introduced, although these must comply with the provisions of the agreements

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<sup>3</sup> There are three different situations in this regard: (i) for goods whose import tariffs were bound before the beginning of the negotiations (1986-88), reductions take effect from such levels; (ii) if these products were also subject to some form of non-tariff measure, this is tariffied and the reduction takes effect at this level, guaranteeing that the conditions of access that existed in the period 1986-88 are maintained for the volume imported in this period; and (iii) in those cases where goods were not subject to bound tariffs and were affected by some form of non-tariff measure, bindings and reductions are implemented from the levels of tariffication.

<sup>4</sup> Not included are measures adopted to remedy balance-of-payments problems or other measures not specified in the agricultural agreements.

and be consistent with their related obligations. Non-compliance can be resolved through the disputes settlement procedure envisaged by the multilateral trade system.

9. As regards the practical significance of the trade reductions agreed in the negotiations, developed country tariffs were reduced by at least 15% for all products and by an average of 36% for all products (tariff lines) over a period of six years from January 1995. Developing countries could benefit from special and differential treatment, with a minimum reduction of 10% per product and an average of 24% over a period of ten years for all products.

10. As the tariffication process could in fact result in reduced access, the level of imports prior to tariffication was guaranteed through a tariff quota system whereby the import volume existing in 1986-88 would have entry at the pre-Round tariff level. Quantities above this level would pay the tariffs resulting from tariffication. Where there had been no previous exports, minimum access commitments were determined as explained below.

11. In general tariff terms, the Agreement represented progress over the pre-WTO situation in at least the following areas: a) commitment to bind 100% of agricultural tariff lines; b) conversion of non-tariff measures into tariff equivalent; c) minimum access commitments; and d) reduction in tariffs by an average of 36% with a minimum of 10% per tariff item.

12. Even taking into account the many defects of the tariffication process, border protection affecting agricultural trade is now more transparent; there is greater certainty over the type of measure and maximum level that can be applied to imports of a given product. Nevertheless, the selective use of domestic and international prices in the tariffication process often produced an overestimation of level of protection ("dirty" tariffication), particularly for products, which had traditionally received strong protection. Future negotiations should therefore seek a significant reduction in the levels resulting from the Uruguay Round negotiations.

13. The main categories of agricultural commodity relevant to the LAC countries (cereals, sugar, dairy products and meat) still encounter high levels of tariff protection (tariff peaks) in the major developed country markets (Table 2)<sup>5</sup>. These sectors are also subject to tariff quota systems which in practice translate as highly restrictive conditions of access, as well as to special safeguards (defined in the Agreement on Agriculture), which effectively further protect domestic production. In the case of fruit and vegetable products, average tariffs in the European Union and Japan are lower than those applied by the United States. However, they are also subject to tariff quotas and special safeguards<sup>6</sup>.

14. The WTO members drew up 1400 tariff lines subject to tariff quota schemes based on historical trade data and minimum access commitments representing 3% of apparent consumption of a given

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<sup>5</sup> The table refers to bound tariffs. There can be a difference between bound and applied tariffs, with the latter normally being lower. However, the former are those with validity from the perspective of juridical status under the multilateral trading system. Hence the need for greater focus on binding tariffs as these are the ones that constitute a legally binding commitment.

<sup>6</sup> In the case of the European Union, the system of variable tariffs was placed under a series of limitations with the entry into effect of the WTO. In particular, the minimum prices that trigger the system feature in the Community schedules and these are subject to a maximum level.

agricultural product and rising to 5% in the year 2000. This mostly concerns products that are “sensitive” for the developed countries. The European Community has 516 lines subject to tariff quota; the United States 189; and Canada 150. In many cases the prescribed access is not fully utilized (Table 3), reportedly on account of problems of supply, high tariff levels within the quota and associated administrative mechanisms. This system needs to be overhauled to provide effective opportunity of access.

15. Finally, the tariff quota mechanism is administered through licensing systems that affect restrictive capacity and the distribution of implicit earnings between exporting and importing agents/countries. It is very difficult to determine accurately the magnitude of transfers generated by the quotas, but these can be substantial<sup>7</sup>. In 1995, the income generated by quotas for wheat, grains, sugar, dairy products and meat applied in the European Community, United States and Japan was estimated at about US\$ 24 000 million, with Latin America accounting for less than US\$ 1 000 million<sup>8</sup>.

16. Again with regard to tariffs and the perspective of Latin American and Caribbean exports of such products, the present situation of specific tariffs needs to be converted to *ad-valorem* tariffs. In terms of total agricultural tariffs, for countries such as Canada and Japan these apply to 22% of all tariff lines of this product category, reaching 42% for the United States and the European Union. The level of protection afforded by specific tariffs is inversely proportional to unit price. They therefore penalize – discriminate against – the “cheaper” imports in each product category, which are subject to the same customs levy and are normally from the developing countries<sup>9</sup>.

17. Similarly, the escalation of tariffs for certain product categories of interest to the LAC countries gives greater protection to products with higher value added and restricts the agro-industrial exporting potential of countries of the region. In some product categories, such as vegetables, fruits and coffee, items with high processing enjoy substantial protection (Table 4)<sup>10</sup>.

18. It is important to determine the level of overall protection that results from all these measures and their impact on the economies of the region. The impact will depend on respective compositions of agricultural trade on whether specific LAC countries are net exporters or importers of related goods. It is also important to consider the base period of the estimate and assumptions regarding production functions (constant returns to scale) and product price and income elasticities. With these qualifications in mind, a substantive (not total) liberalization of tariff quotas of the main product categories included in Table 2 could benefit LAC to the tune of at least US\$ 600 million<sup>11</sup> or, excluding Argentina and Brazil, some US\$ 231 million. These figures refer to a substantive liberalization of products subject to tariff quotas. We also need to add the gains from a reduction for high tariff products and a reduction of the above-mentioned tariff escalation.

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<sup>7</sup> Martin and Fukase (1999) and UNCTAD (1999).

<sup>8</sup> Elbehri, Ingco, Hertel & Pearson (1999).

<sup>9</sup> UNCTAD (1999).

<sup>10</sup> This even when OECD (1997) reports the progress made in reducing tariff escalation in various OECD countries as during the Uruguay Round negotiations.

<sup>11</sup> Elbehri, Ingco, Hertel & Pearson (1999), define a substantive liberalization of tariff quotas as a reduction of tariffs outside the quota towards the tariff levels within the quota.

## ***CONTINGENCY PROTECTION***

19. The WTO agreements envisage circumstances in which members may apply temporary protection measures, of which there are basically three types: anti-dumping duties; countervailing duties; and safeguard measures. The first two refer to measures that the WTO members adopt against “unfair” competition, while the third covers unforeseen situations leading to higher imports that cause or threaten to cause injury to domestic production.

### ***Anti-dumping measures***

20. Article VI of GATT 1994 defines dumping as the practice whereby “products of one country are introduced into the commerce of another country at less than the normal value of the products”<sup>12</sup>. The margin of dumping is determined as the quotient between the difference of product normal value less its export price divided by this price.

21. The WTO defines dumping as a straightforward discrimination of price on different markets. There is therefore no need for sale below production cost for dumping to occur, as is commonly thought, which is however normal commercial practice as producers have to satisfy differing preferences, adopt distinct marketing strategies and resort to such means.

22. Like any legal instrument, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 is an assortment of provisions that is open to manipulation unless adequately safeguarded. For example, with regard to criteria to determine dumping, the use of certain procedures to compare the prices of the product under investigation on different markets affects its normal value, the procedure to calculate the margin of dumping by using the computed value method to determine normal value, the comparison of external prices on different markets, the determination of national production, the assessment of material injury and, finally, the establishment of a causal link.

23. This Agreement envisages *de minimis* criteria for market participation (3% of total imports) and margin of dumping (2%). This means that if imports represent less than 3% of the total or the margin of dumping is less than 2%, anti-dumping duties against such imports cannot be applied. However, the latitude for manoeuvre in calculating the margin of dumping makes it easy to pass from less than 2% to more than 2%.

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<sup>12</sup> Less than normal value is defined as when it:

- a) is less than the comparable price, in the ordinary course of trade, for the like product when destined for consumption in the exporting country or,
- b) in the absence of such domestic price, is less than either:
  - i) the highest comparable price for the like product for export to any third country in the ordinary course of trade, or
  - ii) the cost of production of the product in the country of origin plus a reasonable addition for selling cost and profit.

24. The economic liberalization of recent years has been accompanied by country-specific anti-dumping legislation. The more “traditional” users of anti-dumping measures include Australia, Canada, the EU, New Zealand and the United States, while “new” practitioners include Argentina, Brazil and Mexico. These latter accounted for 88% of anti-dumping measures adopted in the region between 1987 and 1997.

25. The number of investigations and anti-dumping measures against agricultural exports from the LAC region (including animal, plant and agro-industrial products) makes up a small percentage (under 10%) of all anti-dumping measures adopted by the WTO countries (Table 5). At the same time, the number of anti-dumping investigations initiated by countries of the region against agricultural products (from outside and within the region) is far higher than the level of definitive measures adopted against such products. Only three of 60 investigated cases culminated in the application of definitive measures.

### *Countervailing duties*

26. The Agreement on Subsidies and Countervailing Measures considers subsidies as being measures used by governments or public bodies: (a) that constitute monetary disbursements by tax authorities, that signify fiscal revenue foregone or not collected, that provide goods and services other than general infrastructure or that make payments to funding mechanisms; (b) that constitute a form of income or price support, thus conferring a benefit; and (c) that are specific to an enterprise or area of activity.

27. It establishes three categories of subsidy: a) *prohibited subsidies*<sup>13</sup>, which are those that are contingent, in law or in fact, upon export performance; and those that promote the use of domestic over imported goods; b) *actionable subsidies*, which are those that constitute a subsidy for domestic production and cause injury to the domestic industry or serious prejudice to the interests of another member country or nullify or impair a concession; and c) *non-actionable subsidies*, which are subsidies that are general and therefore not specific within the terms of the Agreement and not subject to countervailing measures.

28. Determination of injury is based on “positive evidence” and entails an objective examination of: (a) volume of subsidized imports and effect of the subsidized imports on prices in the domestic market for like products; and (b) consequent impact of these imports on domestic producers of such products. The investigation not only has to prove the existence of a subsidy and an injury to domestic production, but also has to establish a causal link between the two.

29. The Agreement on Agriculture introduces important changes regarding subsidies for this category of product. Firstly, subsidies for exports are not prohibited, so there is no commitment to their elimination. On the other hand, subsidized agricultural exports require a commitment to reduce the subsidy (36% on average) and the volume of subsidized exports (21% on average) over a period of six years.

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<sup>13</sup> This does not include agricultural subsidies

30. Subsidies for exports of agricultural products are permitted, and are only subject to countervailing duties on determination of injury or threat of injury based on volume and impact on prices.

31. Domestic support measures, which the Agreement on Subsidies and Countervailing Measures considers as subsidies to domestic production: (i) are not subject to countervailing measures if these do not cause injury or threat of injury under the terms defined in GATT; (ii) are not subject to countervailing duties except upon determination of the existence of injury or threat of injury based on volume, impact on prices or repercussions, in accordance with Article VI of GATT 1994; and (iii) are exempt from the criteria of nullification or impairment of the benefits associated with tariff concessions.

32. A total of 67 investigations were initiated in the WTO countries between 1995 and 1999 with regard to subsidies and countervailing duties, with 14 leading to definitive measures. Although only one-third of the investigations related to agricultural products, these accounted for most (78%) of the countervailing duties definitively applied. Two WTO members accounted for 71% of countervailing duties applied: Argentina adopted four measures against the European Union and Spain; while New Zealand adopted six countervailing duties against South Africa, the European Union and Spain.

### *Safeguard measures and special safeguards*

33. The Agreement on Safeguards reiterates a number of important requirements specified in Article XIX of GATT 1994 that need to be taken into account. In particular, such measures should be:

- i) the result of unforeseen developments and of the effect of obligations, including tariff concessions, incurred under the Agreement. This first requisite includes two substantive elements governing the introduction of safeguards: a) an unforeseen event; and b) the result of obligations under the Agreement, including negotiated trade concessions;
- i) the result of imports of a product into the territory of a member country in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers in that territory of like or directly competitive products<sup>14</sup>.

34. The Agreement on Agriculture also provides for exceptions, through its Article V on Special Safeguard Provisions, to forestall disproportionate increases in agricultural imports during the period of transition until the reform commitments have been accomplished. These safeguards can only be applied by those countries and for those products that have undergone “tariffication” as part of the Uruguay Round negotiations. Only 38 member countries have the right to apply special safeguards.

35. These transitional safeguards, to be applied alternatively, are triggered by volume of imports or c.i.f. import price and comparison with a pre-determined trigger volume or price. The trigger volume is

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<sup>14</sup> The Agreement defines serious injury and threat of serious injury, specifying that: a) “serious injury” shall be understood to mean a significant overall impairment in the position of a domestic industry; b) “threat of serious injury” shall be understood to mean serious injury that is clearly imminent. Determination of the existence of a threat of serious injury shall be based on facts and not merely on allegation, conjecture or remote possibility.

based on the percentage contribution of imports to domestic consumption during the three preceding years. The trigger price is established on the basis of the average c.i.f. price for the period 1986-1988. In this case, the independent investigation to activate the safeguard is far more straightforward and does not require the determination of injury or threat of injury or a causal link with imports. In this sense, the mechanism is automatic. On the other hand, and in contrast to the general mechanism, the safeguard can only be applied for one year and there is a limit to the additional duty that can be imposed on the ordinary customs duty. This duty can also only be applied to imports that exceed the current and minimum access commitments.

36. Products that have not been tariffed, because not affected by non-tariff measures, remain subject to the standing safeguard clauses contained in the GATT (Article XIX), amended by the Agreement on Safeguards of the Uruguay Round. Adoption of countervailing measures needs to be justified by investigation by a competent body, with detailed information on increased imports, injury or threat of injury, and causality. Tariff increases beyond bound levels need to be temporary – four years, with a maximum of eight – and require a schedule of gradual elimination<sup>15</sup>.

37. It is interesting to note that there have been very few instances of safeguard measures adopted for agricultural products under Article XIX and the Agreement on Safeguards. Several cases have in fact been taken to the system for the settlement of disputes which might explain why relatively few such measures have been applied (Table 10).

38. Potential application of special safeguards embraces a wide range of agricultural products including livestock and livestock products (22%), fruit and vegetables (13%), dairy products (12%), and oilseeds, fats and oils and their products (11.6%). The possibility varies significantly between the members countries: Uruguay and New Zealand, for example, have retained the right to apply such measures for two and four tariff lines respectively, while the European Union, Norway and Switzerland retain a corresponding 539, 581 and 961 tariff lines. Yet, such clauses have only been invoked by a small number of member countries (six) and have principally concerned sugar products, dairy products, and livestock and livestock products (Table 7a and 7b).

### ***SANITARY, PHYTOSANITARY AND QUALITY MEASURES<sup>16</sup>***

39. Sanitary, phytosanitary and quality measures are replacing tariff and non-tariff barriers as mechanisms to regulate trade. Two WTO agreements apply in particular: the Agreement on the Application of Sanitary and Phytosanitary Measures and the Agreement on Technical Barriers to Trade.

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<sup>15</sup> Article XIX of GATT determines that countries affected by such measures which undermine exchanged concessions may seek compensation equivalent to the injury caused. The Agreement on Safeguards stipulates that during the first three years of effect the safeguard measures – adopted in accordance with established provisions – shall not be subject to offsetting measures on the part of the countries affected. Measures extending beyond this period will have to be compensated.

<sup>16</sup> This section is largely based on Sáez (1994) and (1999). This category of measure includes all sanitary and phytosanitary measures as well as other types of technical obstacle adopted by countries, such as quality standards and labelling, which affect product characteristics.

40. Negotiations on the Agreement on Sanitary and Phytosanitary Measures represented recognition of the increasing role of these variables in international trade. The provisions under this agreement guarantee the right of countries to determine the levels of protection they consider necessary to safeguard human, animal and plant health, taking care that related measures do not constitute a disguised barrier to trade<sup>17</sup>. Countries are recommended to adopt international standards set by organizations such as the Codex Alimentarius Commission and the International Office of Epizootics. Where a country's standards differ from international standards and have a significant bearing on trade, these have to be notified to the WTO Committee responsible for the Agreement to ensure that the measures do not seek to protect domestic production from external competition.

41. The agreement is based on the principles of harmonization and equivalence. Greater harmonization at international institution level implies that national policies based on this principle are consistent with WTO commitments. Countries may however opt for equivalence, where harmonization is not possible or appropriate, in which case the exporting country provides objective evidence to the importing country that its measures are up to the latter's required level of sanitary and phytosanitary protection. This is the concept underpinning bilateral or multilateral mutual recognition agreements between trading partners.

42. A country that does not recognize harmonization or equivalence of standards needs to ensure that its standards are not applied discriminatorily to both domestic producers and other countries. Such a decision needs to be based on scientific evidence and, as far as possible, backed by verifiable data.

43. An idea of the magnitude of such measures in the agricultural trade of the LAC countries is provided by information from the US Food and Drug Administration on the main reasons for rejection of agricultural shipments from the region. We can see that about 30% of rejections are due to general problems of hygiene, suggesting that a relatively simple effort would reduce this cause of rejection and lead to increased exports<sup>18</sup> (Table 8).

44. Similarly, about 20% of rejections relate to residues of pesticides used in the production process. It would seem, therefore, that the sanitary measures required for products for the US market could often be easily met. However, Table 9 indicates that administrative processes can be particularly heavy. For example, exporters to the US have to foot all the costs incurred by agencies to determine compliance with sanitary and phytosanitary standards. Another exacting feature is the duration, with authorization sometimes taking several years and comprising a series of product treatments that significantly increase export costs.

45. A distinct category of standards applied by US agencies is that of marketing orders, whereby a large proportion of fresh fruit exports are expected to meet additional requisites concerning size, quality and state of ripeness of exported product.

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<sup>17</sup> These can be stricter than those recommended by international bodies so long as they are based on scientific principles and on criteria of risk assessment and adequate level of protection considered by the Agreement.

<sup>18</sup> FAO (1999).

46. Finally, there have been changes in approach in recent years regarding the best mechanisms to achieve specific sanitary objectives. One option is the *results* approach which determines the characteristics of the product, while another is the *process* approach which focuses on the characteristics of the process of production of the final item<sup>19</sup>.

47. A number of developed countries have introduced the Hazard Analysis and Critical Control Point (HACCP) system which defines critical points in the production process so as to reduce the risks of food contamination in the different phases of handling. The main advantage of this mechanism is that it significantly enhances the assurance of food hygiene. However, this method of control is viewed as inflexible as compared to a method focusing on results which gives producers more flexibility in selecting production functions that will lead to specific results.

48. What are the implications of these developments for the LAC countries? Firstly, the proliferation of methods of quality control by process reduces the possibility of equivalence agreements as interest lies not so much in evaluating the process but in determining whether the result obtained is equivalent. Secondly, such methods are far more costly to implement for small and medium-sized industries than for larger producers. This may undermine the export effort and lead to greater concentration and vertical integration to improve control of the production process<sup>20</sup>. Finally, the developing country members of WTO have been reluctant to accept that WTO agreements should focus on the requisite characteristics of production functions. This noted emphasis on requisite characteristics of the production process rather than on the product is a particularly sensitive area for the LAC countries.

49. FAO has played, and continues to play, an important role in this connection by virtue of the Agreement on the Application of Sanitary and Phytosanitary Measures, which assigns important functions to the Codex Alimentarius Commission, the International Plant Protection Convention and the International Office of Epizootics and states that the standards, guidelines and recommendations of these bodies should serve as the basis for the harmonization of such measures. In addition, the standards, guidelines and recommendations of the international organizations charged with establishing standards reflect the requirements of this agreement.

50. Finally, we need to note certain aspects of key importance to the developing countries and Latin America and the Caribbean in particular. The relationship between agricultural trade and environment is one of opportunity and threat: opportunity because empirical evidence has shown a positive link between the liberalization of agricultural trade and environmental conservation<sup>21</sup>; threat because of growing agricultural demand consonant with enhanced environmental conservation. These aspects will need to be addressed and reconciled. On a somewhat different note, agricultural trade will also have to be reconciled with sensitivities relating to production procedures, especially the issue of labour standards.

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<sup>19</sup> Reardon, Codron, Busch, Bingen and Harris (1999); Unneverh & Jensen (1998); Unneverh (1999).

<sup>20</sup> Unnevehr & Jensen (1998) and Unnevehr (1999).

<sup>21</sup> OECD (1999).

***COVERAGE AND SCOPE OF THE AGREEMENTS:  
THE WTO SYSTEM OF SETTLEMENT OF DISPUTES***

51. The provisions of the Understanding on Rules and Procedures Governing the Settlement of Disputes codify established GATT practice since 1947. This Agreement envisages three types of objection on the part of a member<sup>22</sup>.

52. Foremost are disputes arising from failure to comply with an obligation or concession on the part of a member which affects the rights of another member. In such disputes, the facts are examined in the light of the obligations in the agreements or concessions exchanged by the parties concerned. Table 10 summarizes the cases that have involved agricultural products and that have been taken to the system of settlement of disputes. Even though the classification of complaints may be arbitrary as a dispute generally refers to provisions from several agreements, the intention has been to portray the variety aspects submitted for consideration by the panels. The subject of contention has related to both traditional aspects of market access – such as all those measures relating to tariff and/or quantity restrictions – and to highly sensitive sanitary and phytosanitary measures (such as growth hormones in bovine meat).

53. The second most common form of dispute involves a direct or indirect advantage being nullified or impaired, or the delivery of one of the objectives of an agreement being compromised because another member country has applied a measure, *contrary or not to the provisions* of an agreement; or some other situation<sup>23</sup>.

54. Dispute settlement proceedings can be initiated not only upon failure to comply with an agreement. Even full compliance may cause injury or prevent the realization of a benefit; for example, a member may introduce a sanitary measure for the protection of animal or plant health that fully complies with the Sanitary and Phytosanitary Agreement but whose practical application is so costly as to render export economically unviable. In such a case such, the affected party could argue that, although the measure complies with the provisions of the Agreement and therefore does not amount to a violation, there is nevertheless nullification or impairment because of the material impossibility of meeting the standard required. Argumentation in such cases needs to follow the same procedures set out for cases of violation in the *Understanding*, but with certain modifications. In any case, there still remains the obligation to reach a “mutually satisfactory adjustment”, i.e. there exists the obligation to negotiate a *compensation*. However, in such cases and contrary to situations of non-compliance, compensation may be part of a “mutually satisfactory adjustment as final settlement of the dispute”.

55. Situations not anticipated, that is to say the existence of nullification or impairment even where there has been no non-compliance or violation, can be examined under the *Understanding*. Under GATT, from 1947 to 1994, there were 20 related cases out of a total of 250 panel investigations, but these have not occurred under the new system of disputes settlement, partly because it is difficult to put forward such

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<sup>22</sup> Petersmann (1997 a and b)

<sup>23</sup> This section is based on Sáez (1999) Chapter VII.

a case and partly because the GATT agreements of 1947 have been clarified and absorbed by the WTO, with a large number of new provisions included to lessen the need to invoke this form of complaint.

56. Finally, the WTO envisages a third type of case other than non-compliance with agreements or nullification or impairment of a concession. Even though four such cases were lodged under GATT 1947, the panels failed to reach a decision based on such argumentation which is by its nature relatively generic and could give rise to all sorts of lines of argument<sup>24</sup>.

57. The greater effectiveness of the disputes settlement system and the multidimensional nature of obligations under the WTO have been cited as obstacles preventing developing countries from exercising their associated rights, the reasoning being that developing countries, especially the least developed countries, do not have the resources to access the system properly. In the normal course of events, a dispute to be settled under WTO auspices will take at least a year (from the initiation of consultations), but a small country does not normally have government experts who can handle the case directly or even remotely from the home territory.

58. Depending on the type of dispute, the number of agreements involved and the economic implications for the complainant, a dispute within the WTO is generally expensive (more than US\$ 200 000). This constitutes a restriction on access that limits recourse to the disputes settlement system by developing countries and makes defence so expensive that every effort is made to find a rapid solution. This does not mean, however, that the system is against the interests of developing countries but, rather, that support mechanisms are needed to provide them with satisfactory access.

## CONCLUSIONS

59. The WTO Agreements constitute a complex web of rights and obligations governing trade relations, in all their ramifications, between more than 130 members. The agreements reflect the compromises reached upon conclusion of the Uruguay Round negotiations in December 1993 and represent marked improvement on the instability of the previous multilateral trade system.

60. From the perspective of agricultural trade, the key areas of advance have been the simplification of mechanisms of border protection, greater discipline in the application of subsidies distorting trade, and a procedure for the settlement of disputes that has helped safeguard the realization of the rights and obligations shaping the agricultural policies of WTO members.

61. From the point of view of the LAC countries, the protection still exercised by the principal members of WTO, the United States, European Union, Japan and other important markets, continues to be excessive for major product categories. Such protection is often bolstered, in full compliance with the WTO agreements, by contingency protection mechanisms that constitute additional barriers to trade. The negotiations scheduled to begin in the year 2000 should prioritize the further opening up of trade and the establishment of stronger safeguards against such mechanisms.

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<sup>24</sup> c.f. Petersmann (1997b).

62. One challenge facing several countries will be to rapidly incorporate features of the WTO agreements that determine policy into their process of reform, as well as stricter regulations for existing situations and for new contexts of subsequent WTO agreements.

63. The technical and institutional challenges associated with an ambitious process of negotiation such as this means that the countries of the region will require access to assorted technical cooperation, including from international organizations such as the World Bank and FAO, which provided a range of assistance to the LAC countries during the Uruguay Round. Various WTO agreements are directly related to the mandated activities of FAO which is in a position, together with other agencies, to provide information and guidelines that will help countries of the region to participate fully in the negotiations and secure maximum results reflecting their respective requirements.

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## **ANNEXES**

**Table 1: MAIN AGRICULTURAL EXPORTS OF LATIN AMERICA AND THE CARIBBEAN:  
1996-1997 (US\$ million)**

Countries	TOTAL	AGRICULTURAL	Cereals	Fruits and vegetables	Meat	Dairy products	Sugar
Mexico	62.173	5.957	123	2.629	136	24	452
Chile	16.211	2.585	130	1.479	48	32	30
Panama	605	319	2	211	8	8	26
<b>MERCOSUR</b>	-	-	-	-	-	-	-
Brazil	50.374	15.368	102	1.626	1.530	21	1.775
Argentina	25.138	11.005	2.755	1.154	944	262	213
Uruguay	1.896	1.199	181	66	401	141	8
Paraguay	1.022	731	26	4	42	-	3
<b>ANDEAN</b>	-	-	-	-	-	-	-
Bolivia	1.145	383	2	21	2	1	14
Colombia	11.139	3.603	41	522	5	6	290
Ecuador	5.077	1.786	67	1.232	1	1	30
Peru	6.323	682	5	195	-	1	39
Venezuela	22.966	496	37	28	11	5	9
<b>CENTRAL AMERICA</b>	-	-	-	-	-	-	-
Guatemala	2.212	1.386	62	251	3	1	254
Honduras	1.367	500	1	187	7	-	6
Nicaragua	728	349	4	35	42	7	47
El Salvador	2.098	612	12	10	2	4	64
Costa Rica	2.815	1.699	14	472	23	9	29
<b>CARIBBEAN</b>	-	-	-	-	-	-	-
Bahamas	850	57	-	11	-	-	1
Barbados	280	100	6	3	3	-	36
Cuba	1.968	1.157	-	65	-	-	965
Dominica	51	24	-	12	-	-	-
Haiti	115	27	-	7	-	-	-
Jamaica	1.368	304	6	81	1	2	106
Saint Lucia	81	47	-	27	-	-	-
Dominican Republic	849	409	1	50	6	-	151
Suriname	215	46	-	5	-	-	-
Trinidad & Tobago	2.622	209	34	13	2	5	42
<b>TOTAL LAC</b>	<b>221.681</b>	<b>51.033</b>	<b>3.606</b>	<b>10.389</b>	<b>3.212</b>	<b>525</b>	<b>4.586</b>

**Table 2: BOUND TARIFFS IN THE YEAR 2000 AND MAIN NON-TARIFF BARRIERS FOR AGRICULTURAL PRODUCTS OF INTEREST TO THE COUNTRIES OF LATIN AMERICA AND THE CARIBBEAN: 1996-1997 (US million)**

	European Union				Japan				United States			
	Tariff %	TRQ	Licensing	SSG	Tariff %	TRQ	Licensing	SSG	Tariff %	TRQ	Licensing	SSG
Wheat	92.0	Yes	Yes	Yes	171.8	Yes	Yes	Yes	4.0			Yes
Rice	195.5	Yes	Yes			Yes	Yes	Yes	3.0			
Grains	102.8	Yes	Yes		167.5			Yes	2.0			
Sugar	274.0	Yes	Yes	Yes	105.1				164.0	Yes	Yes	Yes
Meat	79.0	Yes	Yes	Yes	38.5			Yes	26.0	Yes	Yes	Yes
Other meats	30.7				48.2	Yes	Yes		3.0			
Coffee	6.2				6.0				0.0			
Cocoa	4.3				1.9				0.0			
Oilseeds	0.0			Yes	0.0			Yes	0.0			Yes
Dairy products	186.2	Yes	Yes	Yes	372.1	Yes	Yes	Yes	107.0	Yes	Yes	Yes
Fruits and vegetables	13.2	Yes	Yes	Yes	13.3	Yes	Yes	Yes	77.0			Yes
Wool	0.0				0.0				4.0			
Cotton	0.0				0.0				26.0	Yes	Yes	
Average	66.4				66.9				28.0			
Standard deviation	88.0				103.0				49.0			

Source: Compiled from data provided in Ingco (1995), IATRC (1994); Elbehri, Ingco, Hertel & Pearson (1999) and WTO.

Note: simple averages

SSG: special safeguards for prices or volume.

Not all tariff lines within the categories are subject to tariff quotas and therefore to import licensing. Not all tariff lines have special safeguards (SSG).

**Table 3: LEVEL OF APPLICATION OF TARIFF QUOTAS: 1996 (PERCENTAGE)**

<b>Products</b>	<b>US</b>	<b>EU</b>	<b>Japan</b>	<b>Canada</b>
Sugar	97	100		
Dairy products	77	99	93	100
Wheat		21	109	27
Grains		74	109	5
Meat	67	100		124
Fruits and vegetables		78		

Source: Elbehri, Ingco, Hertel, and Pearson (1999)

**Table 4: TARIFF ESCALATION FOR SELECTED COMMODITIES  
(AVERAGE BOUND TARIFFS IN THE YEAR 2000)**

Country/ Bloc	Item	Tariff %		Tariff %		Tariff %
	Vegetables		Fruits		Coffee	
European Union	Fresh and frozen Preserved/processed	15.0 15.0	Fresh and frozen Fruit juices Preserved/processe d	16.2 42.7 17.9	Raw Instant	Roasted 0.0 7.5 11.5
Japan	Fresh and frozen Preserved/processed	3.4 18.0	Fresh and frozen Fruit juices Preserved/processe d	7.4 21.9 15.3	Raw Instant	Roasted 0.0 12.0 8.8
United States	Fresh and frozen Preserved/processed	6.9 5.5	Fresh and frozen Fruit juices Preserved/processe d	4.5 11.0 9.0	Raw Instant	Roasted 0.0 0.0 0.0
Country/ Bloc	Item	Tariff %	Tariff %	Tariff %		Tariff %
	<b>Meats</b>	<b>Meat</b>	<b>Pigmeat</b>	<b>Poultry</b>	<b>Wheat and pasta</b>	
European Union	Whole	125.0	30.3	21.5	Wheat	85.1
	Boneless/cut	91.0	33.8	24.1	Flour	37.8
	Processed	23.0	32.7	14.6	Pasta	38.3
Japan	Whole	50.0	--	11.9	Wheat	194.6
	Boneless/cut	50.0	--	11.9	Flour	139.6
	Processed	29.1	--	6.0	Pasta	33.7
United States	Whole	26.4	0.0	4.0	Wheat	3.6
	Boneless/cut	26.4	0.25	8.0	Flour	1.6
	Processed	2.1	2.60	6.4	Pasta	0.0

Source: OECD (1997)

**Table 5: INVESTIGATIONS AND ANTI-DUMPING MEASURES AGAINST AND BY LATIN AMERICA AND THE CARIBBEAN**

Countries	Measures adopted against LAC exports				Measures adopted by LAC			
	Investigations		Definitive measures		Investigations		Definitive measures	
	Agricultural	Total	Agricultural	Total	Agricultural	Total	Agricultural	Total
Argentina	1	20	1	7	2	123	0	48
Bolivia	1	1	0	0				
Brazil	1	105	2	65	13	97	1	32
Chile	3	8	1	3	2	9	1	5
Colombia	1	8	2	3	2	20	0	8
Costa Rica					3	5	0	0
Cuba	0	2	0	0				
Ecuador	1	1	2	2				
Guatemala	1	1	0	0	0	1	0	0
Mexico	3	35	3	21	35	188	0	96
Nicaragua	1	1	0	0				
Paraguay	0	2	0	1				
Peru	0	1	0	0	3	14	1	6
Trinidad & Tobago	0	4	0	1				
Uruguay	0	2	0	1				
Venezuela	0	0	0	17	0	12	0	4
Total	13	191	11	121	60	469	3	199

Source: Miranda, J., R. Torres & M. Ruiz (1998): "The International Use of Anti-dumping: 1987-1997", Journal of World Trade, Vol. 32, N°5, October 1998.

**Table 6: INVESTIGATIONS AND COUNTERVAILING DUTIES APPLIED PER  
CATEGORY OF PRODUCT: 1995-99**

<b>Sector according to Harmonized System</b>	<b>Initiation (1)</b>	<b>Definitive measures (2)</b>	<b>Without definitive measures (3)</b>
I- Livestock and livestock products	4	1	2
II- Plant products	1	1	0
III- Oils	1	1	0
IV- Agroindustries	16	8	5
IX- Timber	1	0	1
VI- Chemicals	3	1	2
VII- Plastic	4	0	1
XI- Textiles	7	0	2
XIII- Ceramics, glass	1	0	1
XV- Metals	26	2	5
XVI- Machinery and equipment	2	0	1
XVII- Vehicles	1	0	1
<b>Total</b>	<b>67</b>	<b>14</b>	<b>21</b>

Source: Compiled from WTO data.

**Table 7a: SPECIAL AGRICULTURAL PRICE SAFEGUARDS: 1995-1998**

	<b>1995</b>		<b>1996</b>		<b>1997</b>		<b>1998</b>
<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>
European Union	Frozen deboned poultry cuts of <i>Gallus domesticus</i>	European Communities	Frozen deboned poultry cuts of <i>Gallus domesticus</i>	Poland	Cut roses from 21-31 December 1997	Poland	Cut roses: a) 31 June to 31 October; b) 1 November to 31 May
	Dried egg yolk		Deboned turkey cuts		Chrysanthemum cuts from 22 to 31 December 1997		Chrysanthemum cuts: a) from 1 June to 31 October; b) from 1 November to 31 May
	Cane or beet sugar and chemically pure sucrose, in solid form		Other uncooked turkey preparations		White sugar from 22 to 31 December 1997		Common grade wheat
	Other sugars		Cane or beet sugar and chemically pure sucrose, in solid form				
	Sugar molasses (treacle)		Other sugars				
	Other molasses		Cane sugar molasses (treacle)				
<b>Japan</b>	Milk powder with sugar and fat content not exceeding 5% by weight		Other molasses				
	Milk whey and modified whey with fat content not exceeding 5% by weight	<b>Japan</b>	Small red beans (AZUKI), 2 December 1996				
	Other starches (eg. sago starches)	<b>Korea</b>	Buckwheat from 22 January to 27 February 1996				
<b>Korea</b>	Buckwheat		Wheat flour from 25 January to 24 December 1996				
	Groundnuts (with shell)		Sweet potato starch from 30 January to 29 November 1996				
	Groundnuts (with shell)		Groundnuts (with shell) from 8 January				

	<b>1995</b>		<b>1996</b>		<b>1997</b>		<b>1998</b>
<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>
			to 30 December 1996				
<b>United States</b>	Dried sweetened milk		Groundnuts (without shell) from 3 January to 19 December 1996				
	Butter	<b>Poland</b>	Cut roses from 24 to 31 October 1996				
	Fresh cheese		Cut roses from 1 November to 31 December 1996				
	Fresh cheese Edam/Gouda cheese						
	Italian type fresh cheese						
	Processed cheese, NSPF						
	Other American type cheese composites						
	Other American type cheese composites						
	Other cheese composites Gruyere						
	Other cheese composites, NSPF						
	Other cheese composites, NSPF						
	Other cheese composites, NSPF						
	Other cheese composites, NSPF						
	Other groundnuts, with shell, above the quota						
	Raw sugar, above the quota						
	Refined sugar						
	Cocoa powder with more than 10% sugar						
	Cocoa powder with more than 10%						

	<b>1995</b>		<b>1996</b>		<b>1997</b>		<b>1998</b>
<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>	<i>Member</i>	<i>Item</i>
	sugar						
	Bulk cocoa powder with more than 65% sugar						
	Other cocoa preparations with more than 10% sugar						
	Doughs with more than 65% sugar, less than 25% milkfat						
	Coffee preparations with more than 10% sugar						
	Other syrups with more than 10% milk						
	Milk-based beverages						

Source: WTO Secretariat.

Table 7b: SPECIAL AGRICULTURAL VOLUME SAFEGUARDS: 1996-1998

		1996		1997				1998
Member	Item	Import volume	Member	Item	Import volume	Member	Item	Import volume
<i>European Union</i>	Tomatoes: from 1 September to 31 December 1996		<b>Japan</b>	Live pigs. Pigmeat and other preparations or preserved pigmeat.	544 523 tonnes from 1 January to 31 March 1997*	<i>Japan</i>	Condensed milk	10 280 tonnes from 1 June 1998 to 31 March 1999*
	Cucumbers: from 1 September to 31 October 1996			Non-concentrated milk and cream without sugar content or other sweeteners.  - Fat content by weight exceeds 6%. Sterilized, frozen or preserved. Other cream with fat content by weight of 13% or more (other than sterilized, frozen or preserved).	7 970 tonnes from 1 December 1997 to 1 March 1998*	<i>United States of America**</i>	Lamb meat	10 865 669 tonnes from 1 January to 2 August 1998
	Oranges: from 1 December 1996 to 31 May 1997			Evaporated milk	230 tonnes from 1 to 31 March 1997*			
	Clementines: from 1 November 1996 to end of February			Condensed milk	8 090 tonnes from 1 December 1997 to 31 March 1998*			

		1996		1997				1998
Member	Item	Import volume	Member	Item	Import volume	Member	Item	Import volume
	1997							
	Mandarins, including tangerines, satsumas (other type of mandarins), grapefruit and other like citrus hybrids: from November 1996 to end February 1997.			Inulin	18 400 tonnes from 1 October 1997 to 31 March 1998*			
	Lemons: from 1 September 1996 to 31 May 1997			Raw silk	1 777 tonnes from 1 January to 31 March 1997*			
	Apples: from 1 September 1996 to 30 June 1997.		<i>Poland</i>	Prepared or preserved tomatoes, either in vinegar or oleic acid.	27 300 tonnes from 22 to 31 December 1997*			
	Pears: from 1 September 1996 to 30 April 1997		<i>Republic of Slovenia</i>	<i>Ice-creams or other edible ices with or without cocoa</i>	3 504 tonnes from 17 August to 31 December 1997*			

		1996		1997				1998
Member	Item	Import volume	Member	Item	Import volume	Member	Item	Import volume
<i>Japan</i>	<p>Non-concentrated milk and cream without sugar content or other sweeteners</p> <p>– With fat content by weight exceeding 1% but not 6%. Sterilized, frozen or preserved.</p> <p>- With fat content by weight exceeding 6%. Sterilized, frozen or preserved (other type of cream with fat content by weight of 13% or more (other than sterilized, frozen or preserved).</p>	<p>1.2 tonnes from 1 October 1996 to 31 March 1997**</p> <p>0.4 tonnes from 1 October 1996 to 31 March 1997**</p>						

Source: WTO Secretariat

**Table 8:**

**TYPES OF NON-COMPLIANCE CITED BY THE US FDA  
FOR LATIN AMERICAN AND CARIBBEAN EXPORTS  
(JULY 1996 – JUNE 1997)**

<b>A</b>	<b>PR</b>	<b>HM</b>	<b>Mould</b>	<b>MC</b>	<b>D</b>	<b>F</b>	<b>CFLA</b>	<b>L</b>	<b>Other</b>	<b>Total</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>	<b>(8)</b>	<b>(9)</b>	<b>(10)</b>	<b>(11)</b>
57	821	426	475	246	206	1253	142	201	68	3.895
1.5%	21.1%	10.9%	12.2%	6.3%	5.3%	32.2%	3.6%	5.2%	1.7%	100%

Source: FAO (1999)

**Note:** Column (1): Food additives; (2): Pesticide residues; (3): Heavy metals; (5): Microbiological contamination; (6): Decomposition; (7): Filth; (8): Low-acid canned foods; (9): Labelling.

**Table 9: STANDARDS AND REGULATIONS APPLIED BY THE UNITED STATES TO SELECTED AGRICULTURAL PRODUCTS OF LATIN AMERICA AND THE CARIBBEAN**

Products	Sanitary and Phytosanitary Measures	Regulations
Avocados	Subject to multiple sanitary regulations, including inspections of packing sites and ports of entry	
Fruits	Most fresh fruit exports are subject to strict sanitary and phytosanitary standards calling for costly treatment for export (cold treatments) and long processes of certification (eg. papayas from Brazil, 5 Years). Many of these exports are also subject to licensing.	The Department of Agriculture can determine grading, size, quality or state of ripeness requisites for certain products (marketing orders). Such requirements currently affect avocados, dates, grapes, table grapes, kiwis, lemons, olives, onions, oranges and other products.
Meats	Strict regulations regarding foot-and-mouth disease. In contrast to the European Union which permits the import of non-processed meat, the United States applies a criterion of "zero risk" which prohibits the import of meat from countries with recent cases. It has recently begun to apply the criteria accepted by the SPS Agreement of recognition of free trade areas.	

Source: ECLAC (1997).

**Table 10: DISPUTES OVER AGRICULTURAL PRODUCTS: 1995-1999**

<b>Defendant</b>	<b>Complainant</b>	<b>Case</b>	<b>Status</b>	<b>Agreement</b>	
<b>Philippines</b>	United States	(a) Measures affecting pigmeat and poultry;	Resolved without recourse to settlement of disputes	Agriculture	
<b>European Union</b>	United States; Canada	(b) Duties on cereals			
<b>European Union</b>	Thailand and Uruguay	(c) Duties on rice			
<b>Hungary</b>	Argentina; Australia; Canada; New Zealand; Thailand; United States	(d) Subsidies for agricultural exports			Agricultural subsidies
<b>United States</b>	Mexico	(e) Investigation into anti-dumping duties on fresh and chilled tomatoes			Anti-dumping
<b>Korea</b>	United States	(f) Measures relating to shell life of products			Sanitary and Phytosanitary
<b>Czech Republic</b>	Hungary	(g) Measure affecting import duties on wheat from Hungary.	Consultations	Agriculture	
<b>European Union</b>	India	(h) Measures affecting import duties on rice			
<b>Slovak Republic</b>	Switzerland	(i) Measures on the importation of dairy products			
<b>United States</b>	Argentina	(j) Tariff quota for groundnut imports			
<b>European Union</b>	United States	(k) Measures on the export of processed cheese			
<b>United States</b>	European Union	(l) Measures affecting imports of poultry products			

Defendant	Complainant	Case	Status	Agreement
<b>Japan</b>	European Union	(m) Measures on imports of pigmeat		Subsidies
<b>Argentina</b>	European Union	(n) Countervailing duties on imports of wheat gluten.		GATT 1994
<b>European Union</b>	Brazil	(o) Measures affecting special, differential and favourable treatment of coffee		
<b>United States</b>	Australia and New Zealand	(p) Safeguard measures against the import of fresh, chilled or frozen lamb meat.		Safeguard
<b>United States</b>	Canada	(q) Specific measures affecting the import of beef cattle, pigs and cereals		
<b>Korea</b>	United States	(r) Measures on testing and inspection of agricultural products.		Sanitary and Phytosanitary
<b>United States</b>	Canada	(s) Inspection of countervailing duties for cattle on the hoof.		Subsidies
<b>United States</b>	Colombia	(t) Safeguard against the import of sorghum brooms.		Safeguard
<b>European Union</b>	United States	(u) Protection of manufacture and geographical specifications for agricultural and food products.		TRIPS
<b>European Union</b>	New Zealand	(a) European Communities: measures affecting certain butter products	Panel	Agriculture
<b>Korea</b>	United States and Australia	(b) Measures affecting imports of fresh, chilled and frozen beef		Agricultura
<b>Korea</b>	European Union	(c) Definitive safeguard measures imposed on imports of specific dairy products		Safeguard
		(d) Definitive safeguard measures imposed on		

<b>Defendant</b>	<b>Complainant</b>	<b>Case</b>	<b>Status</b>	<b>Agreement</b>
<b>United States</b> <b>Mexico</b> <b>Argentina</b>	European Union United States European Union	imports of wheat gluten (e) Anti-dumping investigation into maize syrup with high concentration of fructose (f) Measures affecting the export of cattle skins and the import of hides		Safeguard Antidumping GATT 1994
<b>Canada</b> <b>Chile</b>	United States; New Zealand European Union	(a) Measures affecting the exports of dairy products b) Duty on alcoholic beverages	Appeal	Agriculture GATT 1994
<b>Japan</b> <b>European Union</b> <b>European Union</b> <b>Korea</b> <b>Brazil</b> <b>European Union</b> <b>Japan</b>	European Union; Canada; United States Ecuador; United States; Guatemala; Honduras; Mexico Brazil European Union and United States Philippines United States and Canada Canada and United States	(c) Duty on alcoholic beverages (d) European Communities: regime of importation, sale and distribution of bananas (e) Measures affecting the import of specific poultry products (f) Duty on alcoholic beverages (g) Measures affecting dried coconut (h) Measures affecting meat and meat products (i) Measures affecting agricultural products	Definitive ruling	GATT 1994 GATT 1994 Agriculture; GATS; Licensing GATT 1994 Subsidies Sanitary and Phytosanitary

Source: Compiled on the basis of the WTO data.