

**WTO GENERAL COUNCIL, MAY 7-8, 2019**

**SPS Agriculture Issues**

**Statement by Canada**

Thank you Chair, and good day colleagues.

I would like to provide a brief statement regarding agriculture market access and sanitary and phytosanitary (SPS) measures.

I will begin by recalling the WTO's 20th monitoring report on G20 trade measures issued on November 22, 2018.

The report showed that the amount of trade covered by restrictive measures hit a new high during the current reporting period - a proliferation of trade restrictive measures and uncertainty that could place economic recovery in jeopardy.

In response to this report, the Director General called on Members to use all means at their disposal to "de-escalate" the situation and to engage in a 'solution finding mode'.

Agricultural exports are very important to Canada. So we are always in 'solution 'finding mode' when it comes to agricultural market access.

Plant and animal health and food safety are also extremely important to Canada.

And we take the rules-based trading system very seriously.

Canada's view-we think shared by many- is that the SPS Agreement is a very good agreement and that it provides the basis for timely resolution of issues.

Canada's view - again we think shared by many - is that the SPS Agreement strikes the appropriate balance between rights and obligations.

Under the Agreement, WTO members have the right to take SPS measures necessary for the protection of human, animal or plant life or health.

WTO members also have obligations to ensure that SPS measures are applied only to the extent necessary to achieve these goals; that they are based on scientific principles; that they do not arbitrarily or unjustifiably discriminate among members; that they are based on international standards; and that they are not applied in a manner which would constitute a disguised restriction on international trade.

In Canada's view, a stronger commitment by Members to the WTO SPS Agreement could go a long way to addressing what appears - based on the large number of specific trade concerns regularly raised at meetings of the WTO SPS Committee - to be an increasing number of SPS- based market access issues between WTO members.

Canada's most urgent and pressing - and well publicized - SPS concern at this time is with respect to China's recent actions affecting Canadian exports of canola seed.

China is an important market for Canadian canola seed exports. In 2018, Canadian canola seed exports to China were valued at \$2.7 billion, representing Canada's largest export market for canola seed. But also in 2018, Canada exported canola seed to 27 markets, without any SPS concerns raised by any other major trading partner.

In March 2019, China suspended two Canadian establishments from exporting Canadian canola seed on grounds that recent shipments did not meet China's import requirements ; China has also increased inspection of imports of canola seed from other Canadian companies, creating additional uncertainty for both Canadian exporters and Chinese importers.

Regaining full market access for Canadian canola seed is a priority for Canada.

Canada wants to be a good trading partner. If a partner identifies a problem with a Canadian export, we take that very seriously and we want to find a solution.

Canada has been working hard to resolve this issue with China, using every available channel on the ground both in China and in Canada. We have been, and remain, open to working constructively with Chinese counterparts to address their stated concerns.

To do so, however, we need to fully understand the problem. The Canadian Food Inspection Agency tested - and then retested - the shipments from the two Canadian establishments suspended by China and found that they met China's Import requirements .

Canada has repeatedly asked China for the scientific evidence that supports its findings and the measures taken - but China has not been forthcoming in providing this information.

To fully understand China's findings, Canada maintains that we need further technical information: pest risk assessments; sampling and testing methodologies; and access to the specimens detected.

Over the years Canada and China have been able to successfully resolve differences of interpretation regarding import requirements through continued engagement. We seek to do so again.

Open and predictable rules-based international trade is the only way global commerce can succeed.

Cooperation between WTO members - and willingness to engage on issues – is equally important.

Again echoing the words of the Director General in response to rising trade restrictions, Canada asks China to "engage in a solution finding mode".

Canada therefore concludes by asking again for China to provide the scientific evidence that supports its findings.

This is a specific case, but I raise it in this setting because it's an important example of the broader concerns and the trend of increasing trade restrictive measures.

Let's resolve this issue based on our shared overall commitments to the WTO and to the WTO SPS Agreement in particular.

Thank you Chair and colleagues.