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# INTERIM COMMISSION ON PHYTOSANITARY MEASURES

## Sixth Session

# Rome, 29 March - 2 April 2004

## **Report by the Chairperson**

## Agenda Item 3 of the Provisional Agenda

### I. Introduction

1. Many of the activities of the ICPM and the IPPC Secretariat can be found in the various reports provided to the ICPM 6. This report aims at identifying specific subjects of importance which have been achieved during the last twelve months and notes several issues which will be discussed in ICPM 6. The report also discusses possible future developments.

### **II. Financial Situation**

2. In 2003, the general situation of the ICPM and its activities was greatly influenced by the financial situation of the organization. Already at ICPM 5 in April 2003 it became apparent that the resources of the IPPC, as allocated by the FAO regular programme budget, were not sufficient to carry out all the activities decided by ICPM 5. The provision of additional resources, through transfers within the Plant Protection Department and the availability or arrears, during the second half of 2003 secured the realization of the work-programme for the intermediate period until ICPM 6.

3. Many of the activities of the ICPM Bureau were focused on the improvement of the financial situation of the IPPC. Members of the ICPM were informed about the ongoing budget discussions in the 125<sup>th</sup> and 126<sup>th</sup> FAO Council in May and November 2003, respectively and the ICPM Bureau encouraged countries to communicate to their delegates in the FAO Council the difficult financial situation of the IPPC and the need to realize the financial implications of the IPPC Business Plan. The ICPM Bureau also informed the WTO/SPS Committee at its meeting in October 2003 about the financial situation of the IPPC and suggested that WTO members would contact their colleagues responsible for FAO matters in order to persuade them about the importance of the IPPC within the global trade framework and its need for an increased budget.

4. The discussions in the relevant Programme and Finance Committees, the FAO Councils and the FAO Conference were very supportive of increasing the budget of the IPPC. In December 2003 the 32<sup>nd</sup> FAO Conference agreed to a budget which substantially increased the IPPC allocation and which meets the financial requirements calculated in the IPPC Business Plan. It should, however, be noted that a considerable part of the IPPC allocation is not a component of the FAO regular programme budget, but from contributions that have become available from

earlier budget periods. The resources from such arrears are available for a two year period and cannot be used for all activities. This leads to the situation that in order to maintain the current budget level the part of the IPPC budget which is now provided from arrears would have to be covered by FAO's regular programme budget in the budget for the biennium 2006-7.

5. The business plan of the IPPC also foresees a significant increase of the IPPC budget for the budget period 2006/7. This means that the ICPM has to undertake major efforts that in the budget negotiations of FAO the importance of the IPPC in securing agricultural production and facilitating world trade is adequately publicised. ICPM Members should be aware that requests for continuous significant increases in the IPPC budget may not receive positive responses over time. In fact, the IPPC budget is critically dependent on the overall priorities of FAO members. At the present time IPPC activities receive a high priority but there is no guarantee that this will continue in the future. The ICPM Bureau and the SPTA therefore thought it necessary to develop long term funding strategies for the ICPM which secure sufficient funding in the future. ICPM members are invited to consider these matters later under agenda item 8.6.

#### **II. Standard Setting**

6. In ICPM 5 it was decided that a Focus Group should be established to make proposals for improving the current standard setting procedure and to consider criteria and procedures for a "fast track" adoption for standards. The Bureau undertook considerable efforts to contribute to the success of this activity. The Focus Group met in July and in a very constructive atmosphere developed an analysis of the current standard setting procedure and proposed a package of recommendations to improve the current standard setting procedure. Also a procedure for a fast track adoption of standards was developed. The recommendations of the Focus Group were provided to and discussed in the 15<sup>th</sup> Technical Consultations among RPPOs, the 3<sup>rd</sup> meeting of the Standards Committee and the 5<sup>th</sup> meeting of the Informal Working Group on Strategic Planning and Technical Assistance. Members of the Bureau were attending each of the meetings dealing with this subject.

7. Under agenda item 8.7 of ICPM 6 the ICPM is asked to consider the proposals for improving the standard setting procedure and for a fast track adoption procedure. Members should consider that this is perhaps the most broadly prepared proposal in ICPM history. Members may also consider that the standard setting capabilities of the ICPM are of vital importance to the IPPC. The further liberization of world trade demands an increased number of international phytosanitary standards to make this trade safe and fair. The proposals put before the ICPM 6 on the standard setting procedure and the fast track adoption procedure may help to increase the number of standards without restricting the rights of ICPM members.

#### **IV. IPPC Workshops**

8. In 2003 a remarkable event took place in Braunschweig, Germany. With the generous support of the German Government the IPPC organized a workshop on "*Invasive Alien Species and the International Plant Protection Convention*". 110 participants, most of them coming from developing countries, came to Braunschweig to discuss how the IPPC and its ISPMs may help in the management of invasive alien species. The workshop and its "hands on" sessions were especially valuable for developing country participants. The workshop developed a number of recommendations which should be considered in the future. The proceedings of the workshop are planned to be published as a handbook by the IPPC Secretariat.

9. The overwhelming success of the Braunschweig workshop may raise the thought that such workshops could perhaps be organized on a regular basis. IPPC Workshops on new developments or the application of ISPMs, such as the implementation of ISPM 15, could not only assist countries in the understanding and implementation of the IPPC and its standards, but could also develop a dynamism which may have positive impact on the work of the organization in general.

#### V. Cooperation with other International Organizations

10. The cooperation between the IPPC Secretariat and the CBD has been discussed earlier in the ICPM. For the moment, the last step in this cooperation is the establishment of a "Memorandum of Cooperation" between FAO and the Secretariat of the CBD on cooperation between the Secretariats of the IPPC and the CBD. The main aims of this memorandum of cooperation are to promote synergy, to avoid overlaps and unnecessary duplication as well as to ensure effective cooperation in joint activities.

11. At the IPPC Workshop on "*Invasive Alien Species and the International Plant Protection Convention*" recommendations were also made in relation to the cooperation between the IPPC and the CBD which include the consideration of developing joint work plans between the two organizations. Such a close cooperation may not only be limited to the secretarial levels of both conventions, but may also include joint activities of the relevant governing bodies.

12. Members of the Bureau regularly attended meetings of the SPS Committee of WTO. The developments in the SPS Committee have a great influence on the activities of the IPPC. During recent years the SPS Committee has more and more engaged in the development of clarifications on certain articles of the SPS Agreement. Most recently the clarifications on the principle of equivalence as well as the just started work on the principle of regionalization may have profound impacts on the IPPC, its standards and its work-programme. Depending on how specific such clarifications on regionalization or other principles may be the danger exists that the trade oriented considerations of the SPS Committee may restrict the room for phytosanitary considerations of the IPPC when dealing with the same subjects.

13. The three standard setting organizations under the SPS Agreement namely the Codex Alimentarius Commission, the OIE and the IPPC are in similar positions. Specific clarifications of the SPS Committee may affect all three organizations equally. It may be considered that the three standard setting organizations cooperate closer in its activities on general issues which may be of importance to the SPS Agreement, as in many national structures were animal and plant health and food safety authorities are moving closer together. In order to promote synergy and to avoid overlaps it might be important for the three sisters to investigate possible future joint activities.

#### **VI. Special Trust Fund**

14. ICPM 5 decided that a special trust fund be established under the IPPC and that this special trust fund would be for the benefit of developing countries. The special trust fund was formally established by the IPPC Secretariat and is now active and ready for contributions. Currently only two countries, New Zealand and Canada, have contributed to the special trust fund. At the SPS Committee meeting in March 2004 the Bureau made a statement and invited potential donor countries, organizations or agencies to contribute to the Special Trust Fund of the IPPC.

15. The ICPM Bureau would also like to extend this invitation to contribute to the Special Trust Fund to the ICPM Members and IPPC observer organizations. Members should consider that the effective participation of developing countries in the activities of the ICPM will raise the understanding and application of the IPPC and its ISPM provisions and consequently lead to better phytosanitary situation in developed and developing countries.