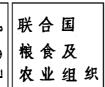|  | 联 合 国<br>粮 食 及<br>农 业 组 织 | Food<br>and<br>Agriculture<br>Organization<br>of<br>the<br>United<br>Nations | Organisation<br>des<br>Nations<br>Unies<br>pour<br>l'alimentation<br>et<br>l'agriculture | Organización<br>de las<br>Naciones<br>Unidas<br>para la<br>Agricultura<br>y la<br>Alimentación |
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## INTERIM COMMISSION ON PHYTOSANITARY MEASURES

## Seventh Session

## Rome, 4 – 8 April 2005

## Electronic Certification

## Agenda item 7.1.4 of the Provisional Agenda

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## I.    *The context*

1.        Issuing phytosanitary certificates electronically offers significant opportunities and benefits in streamlining administration associated with global trade, while maintaining necessary levels of protection for plant health. Figures show that the costs of administering national paper-based certification regimes can run into millions of dollars annually; in return for investment in technology, a proportion of these costs could be saved by moving towards electronic transmission of certificates. Additional benefits are anticipated to include the reduction in cases of fraud, improvement in the traceability of shipments and the reduction in delays in dealing with imported materials at ports of entry.

2.        At its sixth session in April 2004, the ICPM noted that:

> *"With regard to a concept standard on electronic certification, ...a UN group (was)working on certain aspects of electronic certification. The Secretariat was asked to invite a representative from this group to submit a report to ICPM-7 and on the basis of that report consider further work on this subject."* (ICPM-6 report)

The UN group referred to is one of the UN Centre for Trade Facilitation and Electronic Business (UN/CEFACT) working groups.[1] Within this umbrella initiative, one group – part of the Business Process Group of UN/CEFACT - has been working on developing an international standard for data to be exchanged electronically for Sanitary and Phytosanitary

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[1] UN/CEFACT's mission is to "support(s) activities dedicated to improving the ability of business, trade and administrative organizations, from developed, developing and transitional economies, to exchange products and relevant services effectively.  Its principal focus is on facilitating national and international transactions, through the simplification and harmonisation of processes, procedures and information flows, and so contribute to the growth of global commerce.

(SPS) certificates – known as "E-cert"[2]. This working group is addressing the exchange of animal, plant health and food safety information.

3.      A key objective of this work has been to automate the certification system for traded agricultural products *within the guidelines already established by international standard setting bodies and bilateral agreements between trading partners.*

4.      The immediate task addressed by the working group has been to set a minimum standard for information exchange, representing the minimum amount of information required in electronic documents needed by governments to facilitate the export/import of agricultural products.[3]

5.      The E-cert data set is being used in trial trading arrangements - including the creation of the first system prototypes – in Australia, Canada, Jordan, Malaysia, New Zealand, Singapore and the USA. During 2005 it is anticipated that further trials will take place, involving extension to Indonesia, Korea, Mexico, Netherlands (specifically with New Zealand) and the UK (with Australia).

## II.      *The IPPC and electronic certification*

6.      The new revised text of the IPPC (Article V.2) includes provision for electronic certification. The existing standard on phytosanitary certification (ISPM No. 12) includes the following provision for use of electronic certificates:

> *"Alternatively, electronic certification may be used provided that:*
> – *the mode of issue and security is acceptable by the importing countries*
> – *the information provided is consistent with the appropriate model(s)*
> – *the intent of certification under the IPPC is realized*
> – *the identity of the issuing authority can be adequately established."*

As electronic certification evolves through international collaboration, it may be appropriate to update this standard. There are still some open issues – for instance, work is still ongoing through the UN/CEFACT process to resolve the final proviso in the section of ISPM No. 12, to establish adequately the identity of the issuing authority.

7.      Electronic certification was included on the ICPM work programme at ICPM-6, as a topic for standard development. However, it was not given a high priority.

8.      Electronic certification represents a major global opportunity to facilitate trade. At the same time electronic phytosanitary certification raises issues of trade policy and information management capacity.

- **Policy** - where countries have adopted electronic certification, exporting countries need not necessarily require *importers* to have sophisticated systems to receive certificates. For instance, an intermediate option for electronic exchange of data would be for electronic phytosanitary certificates to be made visible through a secure internet site of the exporting country. However, for trade with a country which has invested in electronic certification, over time there is likely to be pressure for its trading partners to move away from paper certificates. The ICPM has a role to help ensure that electronic certification, or lack of capacity to use e-certification, does not become a barrier to trade.
- **Capacity** - for some developing countries, moving towards electronic certification is likely to require some additional external support. This may be seen most clearly in the

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[2] This working group is open to **all** interested parties for participation. A member of the core UN/CEFACT team working on SPS certification has been invited to address a side meeting at ICPM-7 on the details of the work carried out.

[3] The definition of a set of data elements does **not** imply the use of a particular (or proprietary) technology. The standard consists of the data elements and the structure of the message to be transmitted. Certificates complying with this standard can be generated by a range of different systems.

areas of systems implementation and maintenance. In cases where a country needs to develop its underlying capacity to manage phytosanitary procedures, implementing electronic certification may not be immediately appropriate.

9.     In the light of the work already undertaken by the UN, the ICPM is invited to:

   1.  *Encourage* members to participate in the continuing UN/CEFACT process for development of a standard for SPS information exchange. This could involve commenting on the standard when this is made public for comment during 2005, and/or taking an active part in the E-cert working group.

   2.  *Agree* that work on electronic certification be given a high priority and *request* that an expert consultation be convened to develop policy recommendations regarding electronic certification, and prepare a recommendation on ratification of E-cert by ICPM.

   3.  *Request* the IPPC secretariat to seek cooperation with the relevant bodies of OIE and the Codex Alimentarius on the subject of electronic certification.