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**INTERCOUNTRY COOPERATION IN THE INTERNATIONAL
FOOD TRADE—IMPLICATIONS FOR HEALTH AND DEVELOPMENT**

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INTRODUCTION

1. A few weeks ago during a trip to one of the Central American countries, I read a very interesting article that I considered appropriate for the beginning of this presentation, since I perceived it as an example of cooperation in the phytosanitary field.

2. The topic to which I refer is related with the stump of “Carmenère” grape that was carried from Europe to Chile in the XIX Century; this stump got lost in the continent of origin due to a disease that razed the vineyards in the last decade of the XIX century. However, the stumps brought to America survived although they were classified as “Merlot” grapes. A few years ago, they were submitted to a new classification and regained their original name of “Carmenère”. The rescue of this genetic resource has helped to enrich the wine industry, and conducted to the flourishing of a new variety of wine in this continent.

3. The sanitary conclusion that arises from this cooperation, is that a genetic resource can benefit the creation of a new industry within the recipient country, allowing it to establish trade, thanks to a plague that affected the country that granted the resource.

4. As regards topics in this forum, I can comment that since its creation, the World Trade Organization (WTO), has favored the commerce of animals, plants, their products and by-products. However, it also implies the increased risk of propagation of pests and diseases to susceptible populations. That is why the WTO, through its Agreement of Sanitary and Phytosanitary Measures and taking into consideration an economy more and more globalized, requires that the countries establish clear rules for a safe agricultural trade. Nevertheless, in order to be able to reach the appropriate levels of protection in the countries, it is indispensable to count with the cooperation as an instrument for the development and strengthening of the structures that regulate, supervise and certify the cattle production to generate confidence in the commercial partners.

Political decisions and strategies for coordinated actions in international trade

5. The processes of change of the last two decades, have transformed relationships between countries and opened new commercial opportunities. To face the creation of economic blocks and the opening of markets, Central America has assumed a creative attitude and is encouraging the deepening of a regional integration.

6. The countries that form the isthmus perceive themselves, as part of a region. In turn, the group of countries of the European Union, the United States and other important countries consider and treat Central America, as a region.

7. Despite the fact that profound inequalities exist among the seven small states, Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica and Panama, these should decrease and disappear as a condition for regional development.

8. The integration never before had such decisive and strategic importance. For Central America does not exist another route but the increasing integration together with the establishment of mechanisms for intra-regional cooperation to consolidate the integration project.

9. Starting from the second half of the 80s, the Central American Presidents focused on the pursuit of peace and democracy, as necessary prerequisites for the stabilization and development of the region.

10. Starting from the summit of Esquipulas in 1990, and particularly in the summit convened in Antigua Guatemala, the Presidents agreed the reactivation of the integration process, adapting their juridical and institutional frame, in order to energize the process and facilitate its adaptation to the new development strategies and realities of the new international order.

11. The first result of this effort was the subscription in December 1991 of the Protocol of Tegucigalpa through which Honduras commits the reactivation of the Central American Organization of States (ODECA), by means which was created the Central American System of Integration (SICA).

12. Later on, is subscribed the Protocol to the General Treaty of Central American Integration (known as Protocol of Guatemala) that concentrated its agenda on the economic field and has resulted in the restructuring of the old integration scheme of the 60s, generating a radical change of the policies of substitution of imports, promotion of exports, and to associate in a better way, to the new regionalization and globalization trends of economy and market.

13. The main objective of the Treaty, is to promote the economical development of the Central American countries, through their insertion in international market, defining integration like a gradual, complementary and flexible process of approach of wills by means of coordination, harmonization and convergence of economical policies, extra regional commercial negotiations, infrastructure and services.

14. In this context, the process of Central American integration constitutes a regional strategic plan oriented to the creation of conditions for competitiveness at international level originated by the sustained development of international trade, through the definition of an external common tariff, adoption of a Central American policy for foreign commerce and coordination of commercial negotiations with third parties.

15. From the Presidential declarations in the different summits, arises the idea that the region should act simultaneously in two (2) fields:

- Improvement of the free trade area.
- Use of the intra-regional trade, to achieve insertion in the world market.

16. The new model of economic integration represents an instrument, and does not mean a goal by itself, to achieve the following strategic objectives:

- Development goals for each country.
- Promotion of mutually beneficial interdependence among the economies.
- Acceleration of modernization of the productive sectors and advance toward a regionally integrated productive structure.
- Progressive promotion of commercial insertion, based on a genuine competitiveness that allows the securing of larger benefits for the Central American nations.
- Improvement in the negotiation capacity with third parties, by means of the definition of common, sound, and scientifically sustained positions.

Status of the agricultural health and food safety in the region.

17. The acceptance of commitments to facilitate world trade, related to the increase of sanitary and phytosanitary measures, started following the social crisis that convulsed several countries and the so-called lost decade, when governments were forced to diminish public expenses, to implement institutional reductions and decentralization of services, all of which increased the gap among the developed and developing countries.

18. Established standards by the end of the XX Century, set forth to protect agricultural and public health, have become more and more strict or have expanded to other areas, due to a series of alarms and alimentary emergencies in the industrialized countries. This over-regulation has affected exports of developing countries, that lack vision for prevention, control and follow-up of all the links of the food chain in the international export markets, and to the little concern to timely incorporate these standards, at least for the export products. At the present time, costs and time to comply with the demands, make foresee another crisis, for lack of exporters' and governmental entities prevision.

19. Opportunities to carry out changes considered by the WTO and the international organizations of reference are in:

- Regional common customs (RCC), for five countries of Central America,
- Plan Puebla Panama (PPP) that integrates eight countries of Meso America;
- Free Trade Agreement with the United States of America (CAFTA), with five countries of Central America to which Panama and the Dominican Republic have adhered,
- Free Trade Agreement Europe–Central America

- Free Trade Agreement of the Americas

20. Agricultural trade among the countries of Central America enjoys a series of advantages that allow them to merchandize their products without tariffs, with some exceptions. Among the most sensitive agricultural products in the region are: rice, yellow and white corn, sorghum, bean, soy bean, sugar, beef, milk, chicken meat, chickens, eggs, pork.

21. As regards composition of the intra-regional trade of food, this is extremely concentrated in relatively few products. In the case of agricultural products, trade is concentrated in vegetables and tubers, meats, dairy and fruits. In the case of agro industrial products, food preparations in different presentations, oils and fats.

22. In connection with participation of the different countries in regional trade, the largest suppliers of agricultural products are: Nicaragua and Guatemala, while the largest suppliers of agro industrial products are Guatemala, El Salvador and Costa Rica. Honduras has been able to sensibly increase its exports to the regional market, but its relative participation is still quite reduced.

23. Without any doubt, the increment of the intra-regional trade of foods, although at the present time only represents 5.3% of the total exports of the region, is responding to the remarkable improvement in business atmosphere in the region, thanks to the efforts of pacification and to the growing liberalization of regional trade, especially trade of agricultural products.

24. Nevertheless, regional trade of foods, especially that of agricultural products, could be strengthened even more, through additional efforts oriented to regional liberalization of trade, by means of a deepening of the integration process that includes the approval of a series of standards and regulations to facilitate trade instead of blocking it.

25. Recently OIRSA has carried out, in its member countries, an evaluation of the prevention systems and control of pests and diseases of plants and animals (Plant Protection Services, Veterinary Services); and at the same an updating study to get to know the problems related to food safety, in order to provide the countries with support in those areas.

26. The detected situation diagnosis will allow the countries to establish a program of institutional strengthening, oriented to satisfy demands of the producers, industrial and exporters, to maintain their products in the market, to improve the quality of the services they render and to comply with subscribed bilateral and multilateral agreements, as well as to assure appropriate protection levels for animals, plants, environment and human population in each country.

27. The most sensitive areas in the situation diagnosis correspond to:

- Legislation
- Harmonization
- Training and human resources
- Information systems
- Quarantine
- Epidemiological surveillance
- Phyto- and zoosanitary risk analysis
- Traceability
- Prevention and control of diseases
- Food safety

28. Nowadays, despite of progresses achieved by some countries of the region, the food safety systems in some of them, present a series of deficiencies that limit their capacity to guarantee protection of consumers and prevent them to fully benefit from the world trade system, especially as regards:

- laws, food standards and regulations are outdated or incomplete;
- the different entities charged with the responsibility to control food safety lack well defined authority; sometimes duplicate actions and don't count with the necessary qualified personnel, to carry out the inspection functions in food issues;
- food safety laboratories lack the facilities, equipment, supplies and suitable technical personnel; and, lastly,
- the food industry and other agents of the alimentary sector, require to adjust to the standards in force to guarantee the food safety and quality including application of good practices of hygiene and production and the hazard analysis of critical control points (HACCP).

29. Protection of the region countries against the introduction of exotic animal diseases through the import of animals and its products, is still an issue of concern for all the countries. When dealing with the emergence or occurrence of exotic diseases in countries with which there exists commercial exchange, international standards governing import and export of veterinary products should be respected, considering them as the minimum requirement or as the base for the establishment of common requirements for the region.

30. Technical cooperation among the countries of the region, in the field of animal and plant health, and food safety can take place among those that although not necessarily excel for their technical capacity, are well known not only for their programs and achievements, but for their managerial handling for coordination. It is necessary to consider these aspects to maximize and make more effective the technical cooperation, if impact on efficiency and effectiveness of the same is to be achieved.

31. In the region, the institutional reduction and decentralization processes to which most of the countries have been subjected, make necessary participation of other actors in the technical cooperation, such as universities, professional associations or guilds, regional or municipal governments, besides national programs for prevention and control of specific diseases, or the Ministries of Health, particularly important in frontier projects, among others.

Advances achieved and their implications in health and development.

32. Nowadays, in the developed countries and in the international and regional organizations there exists a high level of knowledge and experience, as regards quality and food safety, of which the region countries can take advantage, through cooperation agreements contained in the different commercial treaties they subscribe.

33. It is clear that compliance with international sanitary and phytosanitary measures, to guarantee security of human health in food trade, is very complex and requires many efforts, as regards legislation, investments, reallocation of public expenses, training, information, etc.; and it is evident that work carried out so far, has not been enough.

34. In all the countries of the region work is being done in the process of updating of laws on agricultural health, pesticide and insecticide use, production and treatment of seeds, manipulation of genetic material and other related laws. To this effect, it is worth to mention the elaboration of a regulation on the application of sanitary and phytosanitary measures and procedures in Central American trade, joint effort made by the Ministries of Foreign Trade, Agriculture and Health of the region.

35. As for institutional reform, projects for modernization of agricultural services have been developed in Nicaragua, Honduras and lately in Panama. Likewise, complementary resources have been allocated in the public sector, although not sufficient, in Costa Rica and Honduras, but not alike in the remaining countries of the area.

36. Some services have been privatized like pre-certification of vegetables for export in Guatemala and the laboratory of residues in meat in Honduras. In El Salvador and Costa Rica inspection services have been credited to private citizens. In Costa Rica, advances have been made based on the law of productive reconversion, for the extension of functions, as regards certification of quality on behalf of the National Council of Production. In Guatemala and Honduras, delegation of the services administration in plant and animal quarantine has been granted to OIRSA, for modernization of the same.

37. Regarding harmonization of sanitary and phytosanitary measures, the process is permanent and well consolidated by the CODEX *Alimentarius*, the World Organization for Animal Health (OIE) and the International Plant Protection Convention (IPPC), but

participation of the countries of the region is limited, and this results in the elaboration of standards and international recommendations that not always represent necessities of the countries in terms of implementation. As concerns indexation of the ISMs with the tariff nomenclature of the harmonized system, the process is slow.

38. The International Regional Organization for Plant and Animal Health (OIRSA), has been carrying out a series of initiatives as part of the effort of harmonizing phytosanitary standards and procedures in the region. Convened have been not only authorities of each country of the area, but also different guilds and associations of the private sector and specialized technicians. As a result, it has been possible to complete the work of consolidating zoosanitary standards and procedures for bovine, swine, equine, fowl and aquaculture.

39. In the phytosanitary field, work is being carried out for preparation of standardization of pesticides, insecticides and seeds; also, a document has been elaborated with regional guidelines for elaboration of standards and procedures.

40. In the last years, OIRSA, as well as other instances like the Technical Cooperation Program of FAO, has developed within the frame of food safety and consumer protection, a series of activities in the countries of the region, to provide advice on specific technical aspects, and elaboration of standards about this subject, that comprise all the components of a food safety control system. However, this effort should be intensified to assist the increasing demands from the agents in the food chain and trade, since although some of the countries of the region have advanced in the definition of technical standards related to control of food safety and agricultural products, using as main reference the Codex Alimentarius, noticeable weaknesses prevail in the systems of application of the same, with negative consequences in health and public nutrition.

Recommendations:

Political will to overcome challenges and to secure the benefits borne by globalization.

41. In order to consolidate an economic block within the frame of interdependence of the region countries, it is indispensable the determination and political will for the harmonization of sanitary and phytosanitary measures; recognition of equivalent systems, in order to achieve appropriate levels of protection; establishment of reliable traceability systems; regional coordination of efforts; strengthening of the concerned institutions. It should bear in mind the fact that there exist countries of lesser relative that by themselves don't mean a great weight to influence international environment, but have been able to maximize their effectiveness through concerted strategic alliances.

Cooperation, training and applied investigation as means to strengthen the operational capacity of the agrosanitary and food safety services.

42. It is necessary to enlarge cooperation among countries, as well as with sectors of the investigation and teaching fields on food safety and nutrition, to diffuse and apply knowledge and scientific advances on the subject and to involve the diverse sectors of the food chain in the responsibility to reach adequate levels of protection for consumers health and make them conscious of the importance of demanding such protection level.

Strengthening of systems for surveillance, notification and information

43. Collaboration is fundamental in order to reinforce, harmonize and integrate the necessary systems of information for prevention and identification of risks in early stages, as well as to recognize the importance of transparency on findings generated from surveillance, and investigation of diseases, pests and pollutants cases that may have an impact on food safety and put a threaten over the cattle patrimonies of the countries.

Use of the information systems in the definition of strategies for risk management

44. Cooperation among the countries of the region is imperious for the exchange of information and coordination of responses to alerts and emergencies that threaten public health and the agricultural patrimony, by means of the definition of strategic and effective action mechanisms, as well as the increment of institutional capacities of response in the countries.

Interinstitutional communication and cooperation

45. With the purpose of avoiding duplication of activities and waste of resources, cooperation should be intensified among experts, consultative instances at national, regional and international levels, within the field of food safety.

Invigoration of inspection and certification systems

46. To assure consumers with healthy and nutritious foods, government commitment is required for supervision, inspection and certification to guarantee the food safety along the alimentary chain. This requires programs for developing capacities and technical assistance in order to adopt a common approach for risk management within the food safety system, and include all stages from the field (or the sea), to the table.

47. I want to conclude my presentation, with the following thought: Countries of the region should fully understand, the phenomenon of globalization and the increased competition for markets, so as to contribute in the construction of a new regional order that allows to strategically set in place our countries in the global economy, supporting

and stimulating enterprises to adapt to these changes and committing to a proactive action of the governments.

48. Participation of the private sector is fundamental for international cooperation and it should be attentive in negotiations, elaboration of legislation and standards and, mainly, to understand that dynamism of its activities, as well as vision of the markets is essential to accompany the official sector that serves as a regulatory entity and certifier to inspire confidence among commercial partners and especially among consumers.

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