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Today's Presentation

- A Tale of Two Trade Deals
 - U.S. VS EU- differing objectives affecting SPS
- Standards by Any Other Name Can Be Influenced
 - China using ISO standards to influence the system





Trade Agreements

U.S.	VS	EU
U.S. Mexico Canada Agreement (USMCA)		EU-Canada Comprehensive Economic and Trade Agreement
U.S China Economic and Trade Agreement (Phase One)		EU-Japan Economic Partnership Agreement

All have an SPS language **BUT** U.S. language emphasizes expanding and enhancing WTO SPS commitments



U.S.

USMCA

- "advance science-based decision making"
- Science-based joint risk assessments
- "encourage the development and adoption of sciencebased international standards"

China- Phase One

- "To ensure mutual trust..."
- "...and recognizing the importance of ensuring that SPS measures are **science-based**..."
- "...science- and risk-based regulatory frameworks and efficient authorization processes..."



EU

EU-Canada Comprehensive Economic and Trade Agreement

- Science-based <u>NOT</u> mentioned
- Information may be exchanged regarding "a risk analysis or scientific opinion that a Party has produced and that is relevant to this Chapter."
- Creates a Joint Management Committee for SPS Measures

EU-Japan Economic Partnership Agreement

- Science-based <u>NOT</u> mentioned
- "...international standards would be ineffective or inappropriate for the fulfilment of legitimate objectives pursued"



EU Global Influence



- EU weakening SPS approach
 - Banning ethoxyquin decision influenced Vietnam and Nicaragua
 - Banning formaldehyde in poultry feed
- Pre-cautionary principle
 - When opinions overtake science





EU Global Effect

Inability to successfully challenge unscientific practices has led to U.S. businesses changing how they operate, increasing costs and in some cases reducing sustainability





International Organization For Standardization (ISO)

- 2014- China submitted proposal to ISO to establish a new technical committee create international standards for feed machinery- ISO/TC 293
- Three standards to be created in the areas of:
 - Terminology
 - Safety
 - Hygiene
- Initiative led by Chinese feed machinery manufacturer
 - Secretariat for ISO/TC 293 is from this company



ISO and China

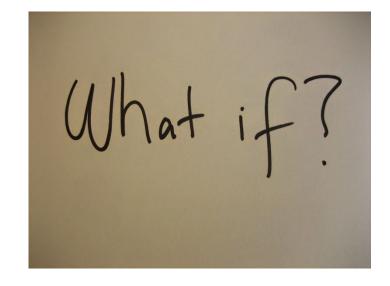
- No inherent need for intl. standards for feed machinery
- Initial lack of engagement globally in ISO process
- Threat of development of ISO standards that favor Chinese industry standards while disadvantaging competition with no safety improvements





What if the U.S. Wasn't Involved?

- We may have had <u>56</u> individual standards to manage
 - 9 Terminology
 - 30 Safety
 - 17 Hygiene
- The Chinese national standards could have become the international standards
- International trade in feed machinery could have been drastically affected





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