

Trade Negotiations and Compliance



The U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) works in the United States and abroad to keep agricultural pests and diseases from entering the country.

APHIS' International Services (IS) staff employs more than 300 Americans and host-country nationals in 27 foreign countries on 6 continents to safeguard U.S. plant and animal resources from foreign threats to agricultural health. IS works abroad to identify potential threats to U.S. agriculture and cooperates with foreign countries to initiate management programs that benefit foreign nations while keeping unwanted pests and diseases from crossing U.S. borders.

In addition to protecting America's borders, IS works to foster the free flow of trade and remove any sanitary and phytosanitary (SPS) barriers impeding the exportation of U.S. agricultural commodities. IS plays a major role in ensuring that U.S. agricultural exports are accessible to foreign countries and U.S. producers have global opportunities to market their goods. IS employees discuss trade requirements with foreign agricultural officials, strive to eliminate quarantine barriers for U.S. products, and explain the scientific basis for APHIS' own import requirements.

IS employees have the advantage of being able to meet with foreign agricultural officials face to face to negotiate agreements and share information that is critical to protecting existing markets and opening up new markets for trade.

SPS Issues Management

While IS is APHIS' representative overseas, the agency is also hard at work on the home-front to help ensure the free flow of trade. Plant Protection and Quarantine's (PPQ) Phytosanitary Issues Management (PIM) team and Veterinary Services' (VS) Sanitary Issues Management (SIM) team work from APHIS' headquarters in Riverdale, MD, to negotiate trade agreements. While the SIM team concentrates on animal health issues, the PIM team focuses on plant health issues. These two groups serve as the lead negotiators on most SPS issues because they have in-depth knowledge of each issue.

Made up of scientists, veterinarians, pathologists, and entomologists, the SIM and PIM teams are APHIS' technical experts on pests and diseases. Using scientific principles, the SIM and PIM teams determine whether foreign agricultural commodities are safe for import to the United States or whether they pose too great a risk. As technical experts, the SIM and PIM teams also make the case for U.S. agricultural exports, explaining to foreign officials why U.S. commodities are safe to import. It's this science-based information that helps determine the outcome of negotiations with APHIS' foreign counterparts.

Because of this important role, the SIM and PIM teams have become the bridge between U.S. industries and foreign countries. As U.S. industries turn to the international arena to expand their market opportunities, the SIM and PIM teams are responsible for ensuring that sound scientific principles are the basis for trade agreements and that politics does not stand in the way of U.S. industries looking to export their agricultural commodities.

Trade Support Team

Essential to the success of the SIM and PIM teams is the work of APHIS' Trade Support Team (TST). The TST is APHIS' lead consultant on international standards and a support unit for SIM and PIM. Working within IS, TST personnel provide analytical and strategic guidance to help establish new markets for U.S. exports while protecting our Nation's agricultural resources. The TST was established in 1992, when the United States was in the throes of negotiating the North American Free Trade Agreement (NAFTA) and the General Agreement on Tariffs and Trade Uruguay Round agreements, and trying to manage a growing number of SPS issues with its trading partners.

The TST's mission has changed little since its creation in 1992. The program continues to be the center for ensuring APHIS' compliance with international trade obligations. In addition, the TST tracks pending trade issues and new trade policy initiatives and works to make sure that APHIS' concern for protecting American agriculture is fully considered with each new trade-related endeavor. The TST is APHIS' primary liaison to USDA's Foreign Agricultural Service and the office of the U.S. Trade Representative. This network helps maintain a coordinated, strategic approach to resolving SPS trade-barrier issues and other trade policy challenges facing the agency.

The TST aims to increase the effectiveness of APHIS' technical trade negotiations with other countries by assisting in resolving SPS barrier situations, monitoring and analyzing the implications of emerging issues for the agency, developing strategic approaches to resolve conflict, and assisting in direct negotiations when appropriate. When it comes to opening new markets for U.S. goods and resolving issues that impede trade, the TST is another important link in the APHIS chain.

Trade Discussions

To communicate more effectively with foreign countries, APHIS regularly sends representatives to trade discussions involving multiple countries. Known as multilaterals, these discussions may involve only countries from a certain region or may include countries from all over the globe. Bilaterals are discussions involving the United States and only one other country. The SIM and PIM teams, along with the help of IS and the TST, are instrumental in planning and coordinating many of these meetings, which give APHIS and its foreign counterparts the opportunity to discuss trade disputes, ongoing negotiations, SPS standards, and other issues related to trade. Often, these meetings rejuvenate talks that have reached a stalemate or open new lines of communication to discuss issues that cannot be worked out over the phone.

For example, during a bilateral meeting between the United States and South Africa in February 2000, an agreement was reached to allow U.S. farmers to export corn to that nation. Negotiations had stretched out for more than 5 years and could still be ongoing if not for the face-to-face meeting. The South African market is now estimated to be worth \$75 million annually for U.S. corn producers.

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Signing agreements is not the only reason for multilateral and bilateral meetings, however. In May 2000, the United States and Japan cosponsored a meeting of the Asia–Pacific Economic Cooperation to discuss trade issues related to Asia and the Pacific region as well as alternative quarantine treatments and postharvest handling methods. Representatives from nearly all of the 23 key Asia–Pacific economies were in attendance.

Trade Agreements

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With each trade agreement the United States signs, new market opportunities are created for U.S. producers. One of the most significant agreements signed in 2000 allows U.S. producers in four States to export citrus to China. The agreement was signed only after Chinese agricultural inspectors spent 2 weeks touring U.S. groves with APHIS officials. China's 1.3 billion people represent a huge potential market for U.S. citrus as well as other agricultural goods. In terms of financial gain, industry experts estimate that citrus exports to China could top \$500 million annually once the market becomes established.

While the Philippines represents a much smaller market, the United States also signed agreements with that country in 2000 to export grapefruit, oranges, and tangerines to the island nation. Some markets, however, start out small but then become very lucrative over time. For example, the United States continues to expand its agricultural exports to Taiwan, our fourth largest market. In 1999, the United States began exporting fresh asparagus and Alaskan carrots to Taiwan. Although the Taiwanese market for asparagus and Alaskan carrots is small, overall the United States exports more than \$1.8 billion worth of agricultural products to Taiwan annually.

Citrus remains a popular export, and U.S. grain is also in great demand worldwide. Canada is a major importer of U.S. grain, and Colombia is a major importer of U.S. rice.

APHIS' goal is to increase trade opportunities for U.S. producers in all regions of the world. While many new markets have opened in recent years, many more opportunities await, and it is the job of APHIS to resolve any technical health issues associated with the movement of agricultural commodities both into and from the United States.

Technical Assistance

At the same time the United States is working to expand trade opportunities worldwide, APHIS also has strategic interests to make sure developing countries can learn from our agricultural health programs and successes. In March 1999, the World Trade Organization issued a report stressing the need for enhanced technical assistance and cooperation to developing countries, in particular with regard to human resource development, national capacity building, and the transfer of technology and information, especially through hands-on assistance. With regard to technical assistance, developing countries need help strengthening their plant and animal protection infrastructures, avoiding disputes, updating legislation, and planning for emergency outbreak situations.

APHIS has traveled to foreign countries, hosted foreign leaders, and participated in multilateral symposiums and consortiums designed to offer technical assistance to developing countries. The most prominent assistance has been in the areas of risk-assessment training, biotechnology regulatory and technical training, biological control workshops, SPS consultancies, and funding for foreign officials' participation in international standards-setting meetings.

APHIS has been a singular leader in providing technical assistance related to biotechnology. APHIS has delivered technical presentations and participated in various symposiums in Europe, Turkey, India, and Poland and hosted delegates from foreign countries on numerous occasions to provide a review of U.S. biotech regulatory policy and practices.

APHIS also provides technical assistance in the area of disease control. In 1999, APHIS veterinary officials traveled to Colombia to review its national animal health infrastructure and provide recommendations. APHIS has provided expertise on tuberculosis and brucellosis management to numerous foreign countries and regularly addresses nations' management concerns about foot-and-mouth disease. On the plant side, APHIS is part of the Moscamed team that is working to prevent the spread of the Mediterranean fruit fly from Central America.

Smuggling Interdiction and Trade Compliance

Because foreign countries, including some U.S. trading partners, have plant and animal pests and diseases that could be harmful to U.S. agriculture, APHIS is responsible for regulating agricultural commodities brought into the United States. In response to the growing volume of smuggled agricultural products, APHIS' PPQ unit created the Smuggling Interdiction and Trade Compliance (SITC) Program. The SITC Program works closely with Federal, State, and private organizations, including several other USDA agencies. These SITC officers ensure compliance with U.S. agricultural import laws.

Complementing the work of PPQ inspectors at U.S. ports of entry, SITC officers discover and close the pathways through which prohibited commodities enter the United States. They also examine produce at U.S. markets and trace the source of any smuggled produce found there. Sometimes vendors do not even realize they are selling prohibited items. SITC officers work with vendors to explain Federal regulations and trace the pathway for the illegal importation. The individual or company responsible for importing the smuggled produce is prosecuted.

Tasked with bringing smugglers to justice, SITC officers seize and destroy all prohibited materials at the lawbreaker's expense. If warranted, APHIS also pursues civil or criminal penalties. Efforts have led to grand jury indictments and Federal sentencing, hundreds of thousands of dollars in fines, and seizures of prohibited agricultural products valued at several million dollars.



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Because a large volume of commodities is being smuggled into California and Florida, special State–Federal agricultural units have been established in these States. PPQ teamed with the Florida Department of Agriculture and Consumer Services to form the Florida Interdiction and Smuggling Team (FIST) and with the California Department of Food and Agriculture to form Closing the Los Angeles Area Marketplace Pathway (CLAMP). Both FIST and CLAMP have been successful in reducing the amount of agricultural goods smuggled into major international ports located in California and Florida. In 1999, CLAMP officers seized 407 agricultural imports smuggled into the United States. Officers examined all of the seized goods; 30 were found to be infested with foreign pests. Catching smuggled goods before they make their way into U.S. commerce is just one more way APHIS protects U.S. agriculture from the threat of foreign pests and diseases.

The roles and responsibilities of APHIS have multiplied in recent years along with the expansion of trade. While APHIS seeks to increase trade opportunities for U.S. producers and give more food choices to U.S. consumers, the threat of foreign pests and diseases cannot be overlooked.

Communication with foreign nations makes it easier to protect and promote American agriculture. Face-to-face multilateral meetings have become a vital part of trade negotiations. APHIS sends representatives to meetings all over the world to make sure U.S. interests are protected and sanitary and phytosanitary standards based on science are emphasized. It is these multilateral meetings that will set the stage for future trade relations and policies.

For more information about APHIS programs, visit the APHIS homepage at <http://www.aphis.usda.gov>

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