



Foreign Agricultural Service

**GAIN Report**

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## **Australia**

### **Trade Policy Monitoring**

### **The EU Challenges Australia's Quarantine System**

**2003**

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#### **Report Highlights:**

**On March 31, 2003, the European Union announced that it has requested Australia to enter into WTO formal consultations on its quarantine system for imports of agricultural products. If consultations are unsuccessful, the EU would be entitled to ask for a WTO Panel to be set up to rule on the legality of the Australian quarantine system. In particular, the EU has noted delays in outstanding requests for access to the Australian market for fresh pig meat, poultry meat, citrus fruit and tomatoes.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Canberra [AS1], AS

On March 31, 2003, the European Union announced that it has requested Australia to enter into WTO formal consultations on its quarantine system for imports of agricultural products. According to EU Trade Commissioner Pascal Lamay: "Australia has built a quarantine system which is highly efficient at blocking the import of agricultural products into this country. We believe this system flagrantly breaches WTO rules, despite Australia's constant claims to be the only beacon of free agricultural trade. The EU will use WTO procedures to ensure that Australia practices what it preaches on agricultural market access."

The EU considers that the Australian quarantine system breaches WTO rules laid out in the Agreement on Sanitary and Phytosanitary Measures (SPS). Consultations are the first step in the WTO dispute settlement process. If consultations are unsuccessful, the EU would be entitled to ask for a WTO Panel to be set up to rule on the legality of the Australian quarantine system. Australia is known as having one of the most stringent quarantine systems in the world.

Some of the specific SPS market access issues cited by the EU as being problems include:

- outright ban on imports of a range of agricultural products, including fruits and vegetables;
- extremely long and complex risk assessment procedures; and
- extremely restrictive conditions applied to imports, even when access is finally granted.

In particular, the EU has noted delays in outstanding requests for access to the Australian market for fresh pig meat, poultry meat, citrus fruit and tomatoes. According to the EU, the request for access for fresh pig meat is outstanding since 1980. Moreover, despite the EU having gained access into Australia for deboned pig meat, heat treatment of the product in Australia is still required. According to the EU, the heat treatment and the requirement that the procedure be done in Australia limits their access to the market.

Australia's reaction to the EU action has focused on the timing of the announcement, which was on the same day (March 31) of a missed deadline to complete a negotiating framework text in the WTO agricultural negotiations and follows Australia's recent decision to seek a WTO challenge of the EU's sugar regime. Australia and others have criticized the EU as being a major obstacle to world agricultural reform and discussions on agriculture liberalization in the WTO Doha Development Agenda. The Australian government and farming interests have made public announcements that its quarantine system is science-based, transparent and consistent with WTO rules. Australia has also cited concerns about the EU's own quarantine system, notably their ban on beef produced with growth-promoting hormones, which was implemented without the benefit of sound scientific investigation.

Specific measures of Australia's quarantine regime have been challenged in the past. In 1998, the WTO ruled that Australia's quarantine system for salmon violated WTO rules. In 2002, the Philippines, supported by Thailand, requested WTO consultations on Australia's quarantine rules for fresh pineapples and other fresh fruit and vegetables.