RECEIVED
08 JUN 2004
BY:....................

Submission No: 2

HAL

Know-how for Horticulture™

7 June 2004

The Committee Secretary
Joint Standing Committee on Treaties
Department of House of Representatives
Parliament House
Canberra ACT 2600

Dear Sir

Re: The Proposed Free Trade Agreement between Australia and Thailand

On behalf of Horticulture Australia Ltd, I am pleased to present the enclosed submission to JSCOT, which is inquiring and reporting to Parliament on the proposed Free Trade Agreement between Australia and Thailand.

The submission is in essence a review of the proposed FTA which has been undertaken in consultation with Australia's horticultural industries. This document has also been made available to these horticultural industries.

I would be pleased to answer any questions he Committee may have either in writing or through appearance before the Committee where convenient.

Yours sincerely

John Webster
Managing Director

Horticulture Australia Limited
ABN 19 095 566 108
Level 1, 50 Carrington Street
Sydney NSW 2000, Australia

Telephone 61 2 8295 2300
Facsimile 61 2 8295 2399
info@horticulture.com.au
www.horticulture.com.au

HORTICULTURE AUSTRALIA LTD

REVIEW OF THE PROPOSED AUSTRALIA- THAILAND FREE TRADE AGREEMENT

Date 4 June 2004

1. Introduction

This submission on the proposed Australia-Thailand Free Trade Agreement is provided by Horticulture Australia Limited (HAL) to the Joint Standing Committee on Treaties (JSCOT) which is holding a Public Inquiry into the Agreement.

Australia's horticulture industry has a gross value of production of $A6.6 billion (2002) which is third in size among Australia's agricultural industries, behind the grains and meat industries. One in five agriculture employees in rural Australia work within the horticulture industry (65,000 out of a total of 320,000).

HAL was established as a 'not for profit' company in January 2001 to implement an industry and Australian Government Memorandum of Understanding (MOU) to pursue research and development and also marketing and promotion on behalf of the horticulture industry.

HAL is an industry organisation representing growers in Australia's horticulture industries The 29 individual horticulture industries, covering the vegetable, fruit, nut and nursery industries which signed the MOU, are the horticulture industry 'representative grower bodies' or associations which are the members of HAL.

2. The Australia- Thailand Free Trade Agreement

This is the first comprehensive FTA concluded by Thailand and its first with an OECD country. Conclusion of the negotiations were announced by Prime Ministers Howard and Thaksin Shinawatra in Bangkok on 19 October 2003 after more than a year of negotiations. The FTA is expected to be signed when the Thai Prime Minister visits Australia in 2004.

Both the Australian and Thai governments are now completing their domestic approval processes before the Agreement can enter into force. In Australia the text has been referred to the Joint Standing Committee on Treaties (JSCOT). This committee is expected to report to Parliament by 2004.

In addition to parliamentary approvals, necessary implementing legislation or regulations will also need to be passed by the appropriate federal or state legislatures as appropriate. Assuming support through the review and approval processes, the Agreement is expected at the earliest to come into force at the earliest date from 1 January 2005.

This submission provides HAL's perspectives on the outcomes of the Australia Thailand FTA.

3. Overall View

The overall commercial impact of the Australia Thailand FTA outcome as it affects horticulture depends on a number of assumptions and is difficult to estimate with accuracy. Few significant (in trade value terms) horticultural items achieve immediate free trade once the agreement comes into force. Free trade within 5 years is achieved for roughly 50% of the value of currently traded fresh produce (A$5.4 million) and 30% of the value of currently traded processed produce (A$1.9 million). The remainder requires a phasing in of zero tariffs of over 5 years, and up to 15 years in the worst case (fresh potatoes). This remainder consists of 2 each items of category 7 (A$1.8 million, seed and other fresh potatoes), category 8 (A$3.4 million, mandarins and table grapes) and category 20 (A$4.4 million, prepared or preserved potatoes).

Additionally certain horticulture industries which are faced with loss of import tariff of 5% into Australia are expected to experience downside, depending on their circumstances. Although many of the import categories are currently zero tariff and pineapples in particular has a safeguard (see Attachment 4), certain fruit or vegetable juices, prepared and preserved sweetcorn and prepared and preserved other vegetables appear to face stronger competition domestically.

On balance the Australia Thailand FTA outcome is viewed as mixed for horticulture. The outcomes provide a basis for the development of horticultural produce trade with Thailand which strengthens over time as the trade is fully liberalised. These outcomes are superior to the 'pre-FTA' case. Also through these outcomes market access is likely to be achieved sooner than it could be achieved under the Doha Round, where agreement on an approach to market access has been one of the most difficult issues.

However several horticultural industries feel that these FTA outcomes could have been improved, particularly major horticultural industries which are prominent in exports into Thailand and are faced with safeguards or TRQ (see above and Attachment 3). In the case of four key items namely mandarins, table grapes and prepared/preserved potatoes, these safeguards apply very restrictive volume trigger levels which on low volumes will, by reversing the tariff reduction, negate any reduction in tariff for a particular calendar year. In the case of fresh potatoes a restrictive TRQ applies.

In the case of mandarins, the FTA negotiations have coincided with the trading suspension and review of the Specific Commodity Understanding for Australian citrus exports to Thailand.

4. Summary Observations

By way of summary of the outcomes for horticulture from the Australia Thailand FTA, the following observations appear reasonable to make.

As positive outcomes:

- There are some reduction in tariff outcomes in these results which certain sectors of industry describe as positive in giving improved access which may entail a competitive difference for certain Australian exports compared to the current position.
- Improvement in competitive position will not necessary have to wait until a zero tariff is achieved
- Many of the tariff rates have a significant reduction ('down payment') when the FTA comes into force.
- New trade may eventuate where the tariff is currently, but in the future will not be, prohibitive
- There is an opportunity through additional consultation to progress SPS issues, in a way which complements the existing WTO SPS procedures.

As negative outcomes:

- Although a terminal zero tariff is achieved for all horticulture entries, the industry has to wait, until 2020 in the worst case, until this is the case across the board.
- The 53 entries for which tariff elimination on entry into force has been achieved, represent items on which there is currently negligible trade.
- Items with a phased reduction in tariff over 5 years represent 42% of current horticultural exports over all categories.
- Items which are sensitive and have longer than 5 year term tariff elimination are only 6 out of a total 178 but represent 57% of current horticultural exports.
- 4 of these 6 items, which are primary items among Australia's horticultural exports to Thailand, face very restrictive volume trigger levels, above which the tariff reduction gain is eliminated when the trigger is activated.
- In addition 2 fresh potato lines are subject to a single, volume restrictive TRQ.
- In terms of industry sectors, categories 06 and 07, nursery and vegetables, appear to have achieved a better outcome in having a larger proportion of current exports within a 5 year tariff reduction period at 100% and 67% respectively of value. However this reduces to 30% for category 20, preparations, and 25% for category 08, fruit and nuts, respectively.

5. Australia- Thai Horticulture Trade

The structure of Australia- Thailand horticulture trade can be seen from the following summary of trade statistics in 2002. Table 1 identifies the value of export and import trade by each of the four HS code categories: 06- plants, bulbs, roots and cut flowers; 07- vegetables; 08- fruit and nuts; 20- preparations of vegetables, fruit and nuts.

Table 1: Horticultural Trade between Australia & Thailand (2002)

HS Category	Australian Exports to Thailand (A$m)	Australian Imports from Thailand (A$m)
06 Plants, bulbs, roots & cut flowers	0.1	0.5

07 Vegetables	6.1	4.3
08 Fruit & nuts	4.7	5.9
Subtotal- fresh	**10.9**	**10.7**
20 Preparations of vegetables, fruit & nuts	6.4	28.2
Total	**17.3**	**39.0**

These figures show that :

- Trade in fresh produce in 2002 was fairly evenly balanced it just under A$11 million each way.
- However Thailand is far stronger in prepared/preserved horticultural produce trade, A$28 million to A$6 million.
- As a result the overall balance in horticultural exports is strongly in Thailand's favour, at A$39 million to A$17.3 million.

6. Australia- Thailand Horticulture Trade Tariff Outcomes

6.1 Australian Exports to Thailand

The tariff outcomes with respect to Australian horticultural exports to Thailand are identified in Attachment 1. Details of phased reductions are separately available from enquiry to the HAL. In the following Table 2, the items termed 'sensitive' are those so designated by the Thais and are mostly represented by phased tariff elimination over 10 rather than 5 years. Many of these items have a substantial 'down-payment' tariff reduction in the first year. Items termed 'eliminated' mean a zero tariff upon entry into force of the FTA. There is opportunity of accelerated tariff elimination if 'the general economic situation, and the economic situation of the economic sector concerned, so permit'.

Table 2 summarises the reductions negotiated:

Table 2 Summary of Tariff Outcomes for Australian Exports to Thailand (2002)

	By Commodity Entries (no)	By Commodity Entries (%)	By Value A$K	By Value (%)
Category 06				
Eliminated				
Phased 5 years	12	100	108	100
Sensitive				
Total Category 06	12	100	108	100
Category 07				
Eliminated	9	15	120	2
Phased 5 years	50	82	4,086	67
Sensitive	2	3	1,872	31
Total Category 07	61	100	6,078	100
Category 08				
Eliminated	39	71	58	1
Phased 5 years	14	25	1,186	25
Sensitive	2	4	3,470	74
Total Category 08	55	100	4,714	100

All Fresh Categories				
Eliminated	48	38	178	2
Phased 5 years	76	59	5,380	49
Sensitive	4	3	5,342	49
Categories 06 to 08	128	100	10,900	100
Category 20				
Eliminated	5	10	4	0
Phased 5 years	43	86	1,932	30
Sensitive	2	4	4,441	70
Total Category 20	50	100	6,377	100
All 4 Categories				
Eliminated	53	30	182	1
Phased 5 years	119	67	7,312	42
Sensitive	6	3	9,783	57
Total	178	100	17,277	100

The above tariff reductions give a competitive advantage to Australia against other countries which have not signed a FTA or other form of tariff liberalisation agreement with Thailand. However they may not necessarily offer a blanket advantage as they also need to be assessed in comparison with reductions which Thailand has negotiated under such agreements with other countries. For example in comparison with the agreement negotiated recently between Thailand and China, the Australia-Thailand FTA liberalised rates will be significantly above the rates for some significant traded same HS code categories in either 2005 and 2010. These categories are 'other nuts' (0802.900.903) and 'apples' (0808100603) for 2005 and carrots/turnips (0706100001), mandarins (0805200907) and table grapes (0806100002) for both 2005 and 2010, which are all produce exported to Thailand from both China and Australia.

6.2 Thai Exports to Australia

All Thai horticultural export items achieve a zero tariff into Australia when the agreement comes into force. From this viewpoint:

- The tariff outcomes for horticulture access in to each of Thailand and Australia from the other are far from equally balanced
- However Thai tariff rates on many agrifoods are currently in the range 30-50% while Australian tariffs are currently either zero or 5%. Given this picture, it may not be expected that the Thais would move to a zero regime on the same timetable as Australia
- Possibly there is some consideration of Thailand's status as a developing nation in this outcome.

4. Special Safeguard Measures

Chapter 5 of the FTA document allows for the imposition of special safeguard measures where the volume of imports of a sensitive good exceeds the specified volume trigger for any year. In this event the importing country may increase the rate of duty for the remainder of the calendar year to the current MFN rate or the base rate, whichever is the lower. Additionally, no later than three years following the entry into force of the Agreement, the parties shall review the operation of the measures, including the appropriateness of the list and trigger levels, including the growth factors (see Attachment 3).

4.1 Thai Sensitive Items

It is worthwhile looking at the detail of the 6 items which are described by the Thais as sensitive. The applicable conditions are described in Tables 3 and 4 in Attachment 3.

- These four sensitive items are subject to tariff reductions over 10 years to 2015 while special safeguard trigger mechanisms apply. These are mandarins and grapes (codes 0805.20 and 0806.10) and prepared/preserved potatoes either frozen or not (codes 2004.10 and 2005.20)
- Two of these sensitive items, which are under HS code 0701, fresh including seed potatoes, face a TRQ which is maintained until 2020.

The following comments are made.

Mandarins (0805.20)

- The trigger level at 740t in 2005 compares to Australian mandarin exports to Thailand in 2001 at 684 tonnes. Recent figures are lower due to problems with the SCU.

Table grapes (0806.10)

- The trigger level at 1,000t in 2005 compares to Australian table grape exports to Thailand in 2002 at 1,041 tonnes.

Potatoes, prepared or preserved (2004.10 and 2005.20)

- The trigger level at 1,000t in 2005 compares to Australian exports in these codes at 30 tonnes (2004.10) and 1,053 tonnes (2005.20) in 2002.

Potatoes, fresh (0701.10 and 0701.90)

- Potatoes is the only item on which a TRQ has been placed and Australia will hold the only country specific quota for potatoes. As this quota is above the current WTO general country quota, Australia can supply under both.
- Thailand's current WTO quota on this item at 302 tonnes looks extremely punitive in terms of an out of quota tariff, bearing in mind that Thailand's imports in 2002 under 0701.10 (seed potatoes) were 5,015 tonnes and under 0701.90 (fresh or chilled potatoes) were 2,137 tonnes. Also while the Australian quota is 30.2 tonnes in 2005, Australian exports to Thailand in these items in 2002 were 2,025 tonnes under 0701.10 and 179 tonnes under 0701.90.
- Retention of a duty on the Australian quota for fresh potatoes which includes seed potatoes is puzzling as these potatoes are used by Thai farmers as planting material to support their industry..
- There is some suggestion that Thailand is in any case now significantly raising its WTO quota allowing much more tonnage to enter at the in quota

tariff rate of 27%. This might be expected to flow on to the Australian quota which is set at 10% of Thailand TRQ commitments under WTO and increasing by 10% annually.

- Completely free trade in potatoes will be a long way off at 2020. This is the longest time line to zero of any Australian horticultural item.

4.2 Australian Sensitive Items

Australian sensitive items are described in the Agreement as pineapples otherwise prepared or preserved, either canned or not canned (2008.20.00) and pineapple juice, unfermented and not containing added spirit (2009.41.00 and 2009.49.00). For detail see Attachment 4. For these items Australia's tariff is eliminated immediately on the FTA entering into force. However Australia's retains access to the special safeguards until the end of 2008. If there is a trigger, Australia is able to reinsert the 5% tariff which is the MFN rate.

5 Rules of Origin

Chapter 4 of the agreement sets out rules for determining which goods are originating and therefore eligible for preferential treatment under the agreement. Originating goods are those that are wholly obtained or produced entirely in the country, or produced in the country wholly from originating materials, or are produced in the country partly from non-originating materials. In the latter case the non-originating materials must meet the requirements of the origin rules. Basically the rules require that sufficient transformation has occurred to justify the claim that the good is a legitimate product of the country.

Also, if all inputs which fail the ROO test for a particular product account in total for less than 10 percent of the value of the product, the final product will still be considered an originating product.

Registration of exporters is required to identify exporters of originating goods. Accompanying this is the issuance of Certificates of Origin.

Failure to follow the ROO will entail snap-back of the tariff rate to the MFN rate. This will continue to apply where the preferential tariff is above zero and the MFN rate will be higher, and also where the tariff is already zero and the MFN rate is higher than zero.

6. SPS Details

The FTA reconfirms the WTO SPS rights and obligations of Australia and Thailand. Chapter 6 of the document describes the major additional feature which is the establishment of an Expert Group on Sanitary and Phytosanitary Measures and Food Standards. The establishment of this Expert Group provides a consultative forum with its own work program and working procedures. Its initial phase will be completed and reviewed within 2 years of signature to the agreement. Attachment 4 to this document describes the aims of the Working Group. These aims appear worthy of support. However the Australian priority products listed in Annex 6.1 are likely to need referral to the Horticultural Market Access Committee for formal applications, where needed, and endorsement that they are all part of the access process and are the industry's priorities.

7. Enquiries

Please direct any enquiries regarding this submission to John Webster, Managing Director of HAL on 02.8295 2300.

Attachments:

1 Australian Horticultural Exports to Thailand 2002
2 Thai Horticultural Exports to Australia
3 Thai Sensitive Products List
4 Australian Sensitive Products List
5 Aims of the Expert Group for SPS Measures and Food Standards

ATTACHMENT 1: AUSTRALIAN HORTICULTURE EXPORTS TO THAILAND- 2002 (HS CATEGORIES 06, 07, 08 & 20)

	Vol T.	Val A$K	Code 6D	Base Rate	Category	Tariff e.i.f.	End date Zero	Other Observations
Other veg prepared/ preserved, not fr.: potatoes	1,053	4,418	**2005.20**	30	Sen	30	2015	Special safeguards apply
Carrots & turnips, fresh or chilled	5,584	3,804	**0706.10**	42	Phs	30	2010	
Grapes, fresh	1,041	3,055	**0806.10**	33	Phs	30	2015	Special safeguards apply
Seed potatoes, fresh or chilled	2,025	1,748	**0701.10**	60	Sen	60	2020	TRQ applies to 2020
Fruit prepared/ preserved: pears	399	517	**2008.40**	30	Phs	24	2010	
Apples, fresh	256	443	**0808.10**	10	Phs	6	2009	
Mandarins inc. tangerines & satsumas, fresh	460	415	**0805.20**	42	Phs	30	2015	Special safeguards apply
Other nuts, fresh or dried	22	284	**0802.90**	10	Phs	6	2009	
Juices of any other fruit or veg, mixtures	212	277	**2009.19**	30	Phs	24	2010	
Juice of any other citrus fruit, over 20 brix	260	273	**2009.39**	30	Phs	24	2010	
Cherries, fresh	32	242	**0809.20**	42	Phs	30	2010	
Fruit prep/ preserved: peaches inc nectarines	180	231	**2008.70**	30	Phs	24	2010	
Apple juice, over 20 brix	165	209	**2009.79**	30	Phs	24	2010	
Other potatoes, fresh or chilled	179	123	**0701.90**	60	Sen	60	2020	TRQ applies to 2020
Other vegetables, fresh or chilled	51	123	**0709.90**	42	Phs	30	2010	
Grape juice, brix not exceeding 30	30	103	**2009.61**	30	Phs	24	2010	
Subtotal, Export items over A$100,000		16,265						
Other Export Items		1,014						
Total All Items		**17,279**						

Note: sen: 'sensitive'; phs: 'phased'; eif: 'entry into force'

ATTACHMENT 2: THAI HORTICULTURE EXPORTS TO AUSTRALIA- 2002 (HS CATEGORIES 06, 07, 08, 20)

	Vol T.	Val A$K	Code 6D	Base Rate	Category
Fruit, otherwise prepared or preserved*1	2,944	8,881	**2008.99**	Free	Elim
Pineapples, otherwise prepared or preserved	4,725	4,592	**2008.20**	Free	Elim
Fruit or vegetable juices	3,192	4,565	**2009.49**	5%	Elim
Fruits, uncooked or cooked, frozen *2	1,746	3,608	**0811.90**	Free	Elim
Other vegetables, prepared or preserved *3	5,975	3,387	**2005.90**	5%	Elim
Sweetcorn, prepared or preserved	422	3,116	**2005.80**	5%	Elim
Asparagus, fresh or chilled	N/a	1,384	**0709.20**	Free	Elim
Other vegetables, fresh or chilled *3	603	1,373	**0709.90**	Free	Elim
Pineapples, dried	142	966	**0804.30**	Free	Elim
Veg & fruit, prep./pres. in acetic acid/vinegar	166	829	**2001.90**	5%	Elim
Juice of any other single fruit or veg	1,204	798	**2009.80**	5%	Elim
Mixtures of fruits, otherwise prep. or pres.	435	727	**2008.92**	Free	Elim
Sweetcorn, uncooked or cooked, frozen	381	671	**0710.40**	5%	Elim
Mangoes, fresh or dried	46	476	**0804.50**	Free	Elim
Other fruit, dried *4	278	466	**0813.40**	5%	Elim
Other live plants, including roots, cuttings & slips	N/a	310	**0602.90**	Free	Elim
Coconuts, brazil & cashew nuts, fresh or dried	85	235	**0801.19**	Free	Elim
Ground nuts, otherwise prepared or preserved	69	233	**2008.11**	Free	Elim
Tomatoes, whole or pieces, otherwise prep/pres	244	229	**2002.10**	5%	Elim
Other vegetables, uncooked or cooked, frozen	75	194	**0710.80**	5%	Elim
Other fruits, preserved by sugar	N/a	191	**2006.00**	Free/5%	Elim
Mung or golden beans, dried	149	144	**0713.31**	Free	Elim
Nut mixtures, otherwise prepared or preserved	N/a	139	**2008.19**	5%	Elim
Taro, fresh, chilled frozen or dried	98	137	**0714.90**	5%/Free	Elim
Cut natural orchids, fresh	N/a	134	**0603.10**	Free	Elim
Subtotal, Export items over A$100,000		37,785			
Other Export Items		1,227			
Total All Items		**39,012**			

Note: eif: 'entry into force'

*1 mango, rambutan, lychee, papaya, longan, guava & others in cans

*2 durian, pineapple, other

*3 young corn, bamboo shoots, other

*4 tamarinds, longans, other

ATTACHMENT 3:

Table 3: Thai sensitive product subject to tariff only: Tariff eliminations in 2015 with special safeguards

HS Code	Description	Base Rate (ie Applied Rate)	Tariff Reductions[1]		Special Safeguards[2]	
			2005	2015	2005	End Date 2015
			Tariff %	Tariff %	Trigger (Metric Ton)	Trigger (Metric Ton)
0805.20	Fresh or dried mandarins (incl. Tangerines and satsumas), clementines, wilkings and similar citrus hybrids	42	30	0	740.00	1,205.38
0806.10	Fresh grapes	33	30	0	1,000.00	1,628.89
2004.10	Potatoes, prepared or preserved, frozen	30	30	0	1,000.00	1,628.89
2005.20	Potatoes, prepared or preserved, not frozen					

[1]Tariffs will reduce in equal instalments to zero over 10 years (2005-2015).
[2]Special safeguards shall be applicable during transitional period 2005-2015. Trigger level in 2005 shall be increased by 5% annually. Once imports reach the trigger level in a given year, the current MFN rate or the base rate, whichever is lower, shall be applied for the remainder of that calendar year.
Note: the current MFN rate means the rate the Thais apply for all trading partners that do not have access to any preferential rate.

Table 4: Thai sensitive products under TRQ system: Specific quotas for Australia with 10% annual growth

HS Code	Description	WTO Commitments 2004			Outcome				
		Tariffs (%)			In-quota Tariffs[1]		Quotas for Australia[2] (Metric Ton)		Out-quota Tariffs
		In-quota	Out-quota	Quotas (Metric Ton)	2005	2020	2005	2020	
0701	Potatoes, fresh, or chilled	27	125	302	27	0	30.2	Free	WTO rate less MOP 10%

[1] In-quota tariffs shall reduce in equal instalments to zero in 2020.
[2] Specific quotas for Australia shall initially be determined as 10% of Thailand's TRQ commitments under WTO. The quota will increase by 10% annually to 114.6 tonnes in 2019. It will be eliminated in 2020. MOP is margin of preference

ATTACHMENT 4:

Table 3: Australian sensitive product subject to tariff only: Tariff eliminations in on entry into effect with special safeguards

HS Code	Description	Base Rate (ie Applied Rate)	Tariff Reductions[1]		Special Safeguards[2]	
			2005	2010	2005	End Date 2008
			Tariff %	Tariff %	Trigger	Trigger
2008.20.00	Pineapples, otherwise prepared or preserved, canned	5	0	0	6,083,197 litres	7,042,061 litres
2008.20.00	Pineapples, otherwise prepared or preserved, not canned	5	0	0	2,137,189 kilograms	2,474,063 kilograms
2009.41.00 2009.49.00	Pineapple juice, unfermented and not containing added spirit	5	0	0	2,080,116 litres	2,407,994 litres

[1]Tariffs will be eliminated on entry into force of the agreement.

[2]Special safeguards shall be applicable during transitional period 2005-2008. Trigger level in 2005 shall be increased by 5% annually to 2008. Once imports reach the trigger level in a given year, the current MFN rate shall be applied for the remainder of that year. Note: the current MFN rate means the 5% rate.

ATTACHMENT 5

Aims of the Expert Group for Sanitary and Phytosanitary Measures and Food Standards

Australia and Thailand have agreed to establish an Expert Group on SPS and food standards to strengthen cooperation in this area. The Expert Group will implement a work program over a 2-year period from entry into force of the agreement with the aim of:

- Reviewing progress and monitoring implementation of the Chapter on SPS Measures and Food Standards on an ongoing basis

- Enhancing mutual understanding of each other's SPS measures, agricultural and food standards, and related regulatory processes

- Consulting on matters related to the development or application of SPS measures and other agricultural and food standards that affect or may affect trade between the Parties

- Reviewing and assessing progress of both countries' priority market access interests (which are listed in the agreement)

- Consulting on requests for recognition of equivalence of SPS measures or other agricultural and food standards

- Consulting on matters relating to the harmonization of standards

- Consulting or coordinating positions on matters relating to meetings of the WTO SPS Committee, the Codex Alimentarius Commission, the Office Internationale des Epizooties, the International Plant Protection Convention or other forums dealing with human, plant or animal health

- Coordinating and prioritising capacity-building and technical cooperation programs related to SPS measures and other relevant agricultural and food standards, and

- Progressing resolution of disputes that arise in connection with matters covered by the Chapter.