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## Remarks

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## REMARKS PREPARED FOR DELIVERY TO THE INTERNATIONAL OFFICE OF EPIZOOTICS BY U.S. SECRETARY OF AGRICULTURE CLAYTON YEUTTER

May 14, 1990 Paris, France

It is a pleasure for me to be with you today at the annual meeting of the International Office of Epizootics. I would first like to congratulate the recipients of your gold and silver awards, which I am sure are well-deserved.

I also want to state how much the United States has appreciated the efforts of Director-General Blajan. Although we have only been a member of OIE since 1978, we have developed great respect for this organization. OIE is held in high regard throughout the world, and the firm and competent leadership of Dr. Blajan has been a major reason for this. We regret that Dr. Blajan has chosen to retire from OIE, but we wish him every success in his future endeavors.

Your annual meeting is occurring at a time of critical importance for international trade. In the Uruguay Round multilateral trade negotiations of the General Agreement on Tariffs and Trade (GATT) we are finding, for the first time, the political will to discuss very fundamental changes in the rules for agricultural trade.

An essential element of these changes must be the strengthening of the GATT approach to sanitary and phytosanitary measures. Animal health, plant health, or food safety should not be used as political weapons to restrict trade. Protecting animal, plant and human health should be done on the basis of unbiased scientific research, carried out through internationally recognized research institutions. In my time with you today, I particularly want to focus on this area of the current negotiations. But improved GATT rules and disciplines for agriculture are also necessary in import access, export competition, and internal agricultural supports, so I would like to touch on each of these as well.

To improve import access, the United States is advocating the conversion of all nontariff measures, including import quotas, variable levies, restrictive licensing and voluntary restraints, to a tariff equivalent beginning

in 1991. All tariffs would then be progressively and substantially reduced over time, just as the GATT has done with industrial tariffs through the years.

In the area of export competition, our objective is to effectively eliminate, over time, all export subsidies and export prohibitions. The United States is proposing that all export subsidies, since they are so enormously trade distortive, be phased out over five years. This might well be the greatest contribution that developed countries can make to developing countries in the Uruguay Round.

Turning to internal agricultural support programs, we propose developing stronger, more effective GATT rules, the objective being to phase out the worst of these trade distorting policies and discipline the others. We do not ask that any nation give up its safety net of income support systems for farmers; we simply ask that safety nets be designed to function in a manner that does not distort, or only minimally distorts, international trade.

In the sanitary and phytosanitary area the GATT members have set a firm direction for the course of the Uruguay Round negotiations. I clearly believe that OIE has an important role to play in this process, and this was formally confirmed by the inclusion of OIE in the Uruguay Round Midterm Review statement issued in Canada in April 1989. The GATT members want to develop a process that will feature unprecedented cooperation between the GATT itself and organizations such as OIE.

Because of the excellent reputation and international preeminence of this organization, the OIE has a splendid opportunity to play a critical role in the GATT now and for many years to come. OIE can gain further prestige and leadership in issues of international animal health by strengthening its involvement with the GATT. As an international community, you can proactively assure the safeguards of animal health worldwide. My hope is that OIE will take advantage of this unique opportunity. By grasping this opportunity, OIE can mutually benefit GATT, animal health, and, at the same time, this most distinguished community.

So far, the U.S. and other GATT nations have been pleased with the attitude of OIE toward building this sort of cooperative working relationship. I have particularly appreciated the enthusiasm of Dr. Blajan in this regard. It is of great importance to the United States and all other GATT nations that the successor to Dr. Blajan be ready to carry on this effort. Whomever you choose to lead OIE, our hope is that he will fully understand that this is a critical moment in the history of both OIE and the GATT. We are involved in an unprecedented attempt to develop sound sanitary and phytosanitary standards for the good of all nations and to implement those standards and resolve disputes in an effective manner.

While it is important in the GATT that we achieve an agreement in the sanitary and phytosanitary area, it is just as important that this be done properly. This means the guidelines should be provided by the appropriate technical organizations, such as OIE in the area of animal health. They should be built on a foundation of good science, not political pressure or irrational emotions.

I am personally interested in and committed to the Uruguay Round sanitary and phytosanitary negotiations. This is why I was most pleased to accept your invitation and come to Europe at this time. For this same reason I made a special effort to attend the biennial conference of the U.N. Food and Agriculture Organization (FAO) last November in Rome.

FAO has already taken solid steps to advance the participation in the GATT process of the Codex Alimentarius Commission and the International Plant Protection Convention. Both of these organizations are administered by the FAO and have also been named as participatory bodies in the Uruguay Round Midterm Review statement on sanitary and phytosanitary measures.

In developing new GATT rules, the U.S. obviously sees OIE as having an indispensable role in providing guidelines in the animal health area. While the OIE itself does not have a large staff, we believe the appropriate experts from your various member countries should be able to meet together under the auspices of OIE to develop guidelines necessary for the

GATT process. It's my understanding that OIE has already done much that may be appropriate for this purpose, particularly through its work on the International Animal Health Code.

I also want to emphasize the importance which the GATT member countries are placing on the participation of OIE in this area. Last month the Chairman of the Uruguay Round Negotiating Group on Agriculture, Mr. Aart de Zeeuw, sent a letter to Dr. Blajan on this subject.

In that letter, Mr. de Zeeuw referred to the "unquestioned status of OIE with respect to animal diseases ...." He then went on to request, in the name of the Negotiating Group on Agriculture, that OIE update and develop guidelines for evaluating the appropriateness of foot-and-mouth disease import restrictions, with a special focus on the concept of an acceptable level of zoosanitary risk. It was further requested that OIE report on the results of its efforts at the earliest possible date.

This letter is a clear indication of how important it is to the GATT countries that OIE play an active role in the Uruguay Round process.

Regarding this particular request, I believe you all know that foot-and-mouth disease is an important and sensitive issue to the United States. We are, however, fully supportive of the GATT approach to OIE on this matter. We continue to believe that all policies which affect agricultural trade, including delicate sanitary and phytosanitary measures, should be discussed as part of the Uruguay Round process.

We support Mr. Zeeuw's request to OIE because it would mean that the technical guidelines needed for foot-and-mouth disease would be developed where they should be, by you and your colleagues under the auspices of OIE -- not at the GATT negotiating table or in off-the-scene deal-making sessions conducted by folks unfamiliar with agriculture. With the great effect that foot-and-mouth disease has on international trade, we believe this would be an excellent place to start the OIE work for the new GATT process.

I would like to clarify certain other issues regarding the role of OIE in the Uruguay Round.



We envision the new cooperative process, only the GATT itself would be involved in the formal resolution of disputes. OIE would not be expected to make any judgments on compliance or noncompliance with GATT rules or guidelines.

OIE guidelines may, however, be used by the GATT in evaluating the legitimacy of any phytosanitary or sanitary measure perceived as unjustified by another country.

Furthermore, each GATT member nation would continue to have the responsibility for doing its own sanitary and phytosanitary risk assessment concerning imports into its territory. No Uruguay Round agreement will -- or should -- change that. On the other hand, we must achieve a GATT agreement which brings international discipline and accountability to the use of sanitary and phytosanitary measures.

On another point, the Uruguay Round sanitary and phytosanitary negotiations are often referred to as the harmonization effort.

Harmonization is certainly a laudable goal, but harmonization in the literal sense of the word, meaning regulations which are identical across countries,

may not always be feasible. Differences in legal procedures, regulatory systems -- and also the livestock and disease situations of our various countries -- will mean that it may be difficult for all nations to have uniform regulations governing the animal health aspects of international trade.

But even though the regulations of all member nations may not be identical, we <u>can agree</u> that sound scientific evidence should be the basis for these regulations, and that there should be recognition of the principle of equivalency. Furthermore, this harmonized approach should include a set of general criteria for risk assessment which individual countries can apply to their own circumstances.

There is, of course, another important harmonization effort taking place at the present time - the internal harmonization of the European Community as part of the 1992 single-market exercise. We are watching with great interest the actions of the Community in attempting to harmonize the animal health regulations of its member states. This is an ambitious and worthy effort. We do think it is very important, however, that in its 1992

harmonization, the Community should keep closely in mind the similar work which is being conducted on animal health as part of the Uruguay Round process.

The Uruguay Round will bring about important changes which may affect the course of agricultural trade for decades to come. My hope is that OIE will perform the role envisioned for it, and that you will thereby help the world achieve an effective and scientifically well-founded agreement for the animal health sector of the Uruguay Round negotiations.

I look forward to continue working with OIE as we all seek to make international commerce and trade between nations more effective, and more beneficial to all the world's peoples. Thank you.