

WTO cases against EU citrus measures move forward

South Africa has requested the establishment of two panels at the World Trade Organization (WTO) Dispute Settlement Body (DSB) meeting to investigate what it considers unscientific and discriminatory measures imposed by the European Union (EU) on South African citrus imports. This move follows over 20 years of unsuccessful negotiations with the EU to resolve the issue amicably.



Source: ASphotofamily via [Freepik](#)

The initial requests to establish the panels were made on 24 June 2024 and were not accepted by the EU. In line with the WTO Dispute Settlement Understanding, on 26 July 2024, South Africa requested for the second time for the establishment of the panels.

The requests were automatically approved by the Chair of the WTO DSB.



SA advances WTO dispute against EU citrus restrictions

26 Jun 2024

These WTO dispute settlement steps were taken to address the EU's regulations on two separate plant health issues: Citrus Black Spot (CBS) and False Codling Moth (FCM).

The South African government challenges these EU regulations to protect the livelihoods of tens of thousands of people in the local citrus industry. This is also to take a stand against measures that are not based on scientific evidence.

Economic impact

Currently, South African citrus growers are spending approximately R3.7bn per year to comply with CBS and FCM measures. The measures are unscientific and unnecessarily restrictive as South Africa already has an effective world-class risk management system that ensures safe citrus exports.

Emerging citrus growers are especially hit hard with significant implications for livelihoods and jobs. The measures at issue affect not only South Africa, but also other southern African developing and least developed countries that depend on SA's infrastructure for their citrus fruit exports.

The request to establish the two panels is a significant development. This is the first time that South Africa has advanced into the panel stage of the WTO DSB process. The panel phase begins the adjudicative process of the disputes.

In July 2022, South Africa initiated consultations with the EU in the WTO on FCM, but with no satisfactory conclusion. On 15 April 2024, South Africa requested consultations with the EU on the CBS matter, which initiated a process that ended without an amicable solution.

A WTO dispute case can take on average approximately 18 months to be adjudicated and the panel ruling could be appealed to the Appellate Body, which is currently unable to consider cases due to a lack of quorum.

At the DSB meeting, South African representatives reiterated the legal basis of their complaints at the WTO headquarters in Geneva. **The complaints include:**

- The measures are not based on scientific principles and lack sufficient scientific evidence.
- The EU fails to apply the measures uniformly, impartially, and reasonably.
- The measures are more trade-restrictive than necessary, violating the Agreement on the Application of Sanitary and Phytosanitary Measures, of which the EU is a signatory.

The Minister of Trade, Industry and Competition, Parks Tau, further clarified government's actions at the WTO: "South Africa is asking for justified, proportionate and appropriate measures. The WTO process gives us a mechanism with which to potentially solve the problem amicably.

"The WTO dispute mechanism ensures a lasting solution to address our concerns and is utilised by all trading partners to resolve trade disputes and is therefore not an aggressive or confrontational stance by South Africa."

Citrus industry support

"140,000 livelihoods at farm level alone are sustained by the citrus industry," explains Minister of Agriculture, John Steenhuisen. "It is a priority for government to protect these jobs and to make sure citrus can continue to play the essential economic role it does in so many rural communities throughout the country."

"Europe represents over one-third of all our citrus exports. It is a huge market and the very foundation of citrus profitability in SA. Apart from these measures currently threatening the citrus industry's sustainability, if the EU were to intensify them in any way, the consequences would be job losses on a massive scale.

"Making sure appropriate measures are in place is also potentially good news for the European consumer. Their orange prices last summer were at an all-time high. If their supply were to be unfettered, consumers would benefit," says Justin Chadwick, CEO of the Citrus Growers' Association of Southern Africa (CGA).

The South African citrus industry is currently just past its peak export season with especially Valencia oranges heading to the ports. It is estimated that South Africa will export a total of 165.3 million 15kg cartons this year. South Africa is the world's second-largest exporter of citrus, after Spain.

These actions have been initiated to find a lasting solution to the EU's phytosanitary regulations on CBS and FCM, to safeguard the agricultural sector that contributes significantly to the economy and to protect the livelihoods of tens of thousands of people in the local citrus industry.

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