



NAPPO

North American Plant Protection Organization
Organización Norteamericana de Protección a las Plantas
MEXICO - USA - CANADA

Letter of Understanding
concerning the North American Plant Protection Organization (NAPPO) and
the United States-Mexico-Canada Agreement (USMCA), or Canada, United States and Mexico
Agreement (CUSMA), or Tratado entre México, Estados Unidos y Canadá (T-MEC)
[Referred to in this document as the New NAFTA]

*This Letter of Understanding - signed by the NAPPO Executive Director on behalf of the members of the NAPPO Executive Committee on **March 30, 2022** – describes ways in which the North American Plant Protection Organization (NAPPO) can contribute to meeting the harmonization of plant health objectives of the New NAFTA and its SPS Chapter. The Letter of Understanding supersedes two earlier documents concerning the role of and relationship between the NAPPO and the original North American Free Trade Agreement (NAFTA). As such, the documents - **NAPPO Position Paper 945-037** and **Terms of Reference for NAPPO in support of the NAFTA SPS Committee** - have been rescinded as of March 30, 2022 and archived in the NAPPO Secretariat.*

NAPPO's Mission. The North American Plant Protection Organization (NAPPO) is the regional plant protection organization (RPPO) for the North American region (Canada, United States and Mexico), and operates according to a 2004 Cooperative Agreement supplementary to the Plant Protection Agreement signed in 1976 - by representatives from all three countries - to promote and secure regional cooperation in the field of plant protection. Article IX of the International Plant Protection Convention (IPPC) provides for the establishment of RPPOs (such as NAPPO) to “cooperate with the IPPC Secretary in achieving the objectives of the Convention and, where appropriate, cooperate with the Secretary and the Commission on Phytosanitary Measures in the development of international standards”. The mission of NAPPO is to provide a forum for collaboration between public and private (industry) sectors in Canada, the United States and Mexico in the regional protection of agricultural, forest, other plant resources, and the environment while facilitating safe trade. Plant protection and trade facilitation are achieved through the development and implementation of science-based regional standards and other plant health documents and activities directed towards preventing the introduction and spread of regulated plant pests. NAPPO's 2004 Cooperative Agreement and 2020 Constitution and By-Laws also highlight the importance of hemispheric and global collaboration in plant protection. The competent Federal Government authorities who are the official members of NAPPO, including within its governance structure, are from the national plant protection organizations (NPPOs) of Canada, the United States, and Mexico. NAPPO is unique among RPPOs for its leadership in integrating private industry input into its decision-making processes.

New North America Free Trade Agreement. In late 2018, the Governments of Canada, the United States and Mexico (the Parties) reached agreement on the renegotiation and modernization of the original NAFTA (which had been in effect since January 1, 1994). Subsequently, the New NAFTA which became effective on July 1, 2020, was renamed as Canada, United States and Mexico Agreement (CUSMA) in Canada, the United States-Mexico-Canada Agreement (USMCA) in the United States, and Tratado entre México, Estados Unidos y Canadá (T-MEC) in Mexico. It preserves key elements of the long-lasting trade relationship between the Parties, incorporates new and updated provisions that address 21st-century trade issues, and promotes additional opportunities for the nearly half a billion people who call North America home. The New NAFTA supports mutually beneficial trade that leads to freer, fairer markets, and

to robust economic growth in the region. The New NAFTA will open new markets and expand safe regional food and agricultural exports.

The New NAFTA Sanitary and Phytosanitary Measures (SPS) Chapter (Chapter 9) specifically addresses food safety and animal and plant health and strengthens the use of science based SPS measures to protect and maintain human, animal, and plant life or health. Chapter 9 addresses transparency in the development and implementation of SPS measures; advancing science-based decision-making; improving processes for negotiation, regionalization, and equivalency determinations; conducting systems-based audits; improving transparency for import checks; and working cooperatively to enhance compatibility of SPS measures.

Addressing Technical Differences. The New NAFTA also establishes a new mechanism for technical consultations to resolve issues between the Parties (See Chapter 9, Article 9.19 for more details.) Under this mechanism, one Party can request consultation with another, and the two Parties must meet within 30 days. The New NAFTA indicates that if the issue of concern is not resolved within 180 days – through technical consultations between “relevant trade representatives and competent authorities” - the issue may then be referred to dispute settlement.

Generally, in plant health, there are several options available to countries wishing to enter a technical dialogue concerning phytosanitary measures taken by another country, including bilateral discussions. Global processes developed by the IPPC and the World Trade Organization (WTO) may be utilized by the North American countries for technical dialogue/consultation and dispute resolution. In this respect, it is worth noting that while the primary focus of NAPPO is to foster regional collaboration and dialogue through harmonization of plant health approaches, there may be instances where two or more NAPPO member countries may want to take advantage of internally developed NAPPO procedures to facilitate discussion in circumstances where there may be differing views on risk assessment or risk management measures proposed or implemented by another member country. These NAPPO (dispute avoidance and resolution) procedures provide a science-focused mechanism for its member countries to address and hopefully resolve their differing points of view.

NAPPO Activities and Support of the New NAFTA. During NAPPO’s over 20 years of regional plant health standard-setting activities, it has directly contributed to harmonization objectives for technically justified, science-based plant health standards. NAPPO will continue these activities in support of the New NAFTA. To date, NAPPO has developed more than 40 regional plant health standards (Regional Standards for Phytosanitary Measures or RSPMs), continuously revises, and updates its regional standards, and has developed several other harmonized technical documents through seamless collaboration between North American plant health regulators and private industry stakeholders.

Regional standard setting activities in NAPPO are closely linked and sometimes inform the development of international plant health standards (or ISPMs) that encourage and promote global harmonization of phytosanitary measures. For example, the first NAPPO Standard for *Pest Free Areas* (RSPM 1) was a key document in the development of ISPM 4 on *Requirements for the establishment of pest free areas*. Similarly, RSPM 11 on *Wood Packaging Materials* was used to develop ISPM 15 on *Regulation of wood packing material in international trade*; RSPM 4 on *Guidelines for the use of Irradiation as a Phytosanitary Treatment* was used to develop ISPM 18 with the same title; and RSPM 36 on *Phytosanitary Guidelines for the Movement of Seed* was the basis for development of ISPM 38 *International Movement of Seeds*.

NAPPO and SPS Chapter Responsibilities. NAPPO will continue to play an important role in the context of the SPS Chapter of the New NAFTA. NAPPO is directly referenced in the New NAFTA as providing support to the SPS Committee. The New NAFTA SPS Chapter specifically notes the following in *Article 9.17.3: Committee on Sanitary and Phytosanitary Measures: The SPS Committee may serve as a forum: (i) to seek,*

to the extent practicable, the assistance of relevant international or regional organizations, such as the North American Plant Protection Organization, to obtain available scientific and technical advice and minimize duplication of effort.

As such, Canada, the United States and Mexico, reconfirm NAPPO's role in support of the New NAFTA and agree that:

1. Upon request, NAPPO will assist the Parties in obtaining available scientific and technical advice and minimize duplication of effort.
2. NAPPO will make available regional plant health standards and other scientific and technical documents as appropriate.
3. Upon request, NAPPO is willing to assist in dispute avoidance or resolution as appropriate.
4. NAPPO's assistance might also include establishing technical working groups to provide recommendations to the New NAFTA SPS Committee; providing names of international experts who might contribute to the resolution of an issue; reviewing pest risk analyses; and any other tasks which may be agreed upon, within the limits of financial resources of both organizations.
5. NAPPO will continue to play a role - within the hemisphere and internationally - in the development and application of phytosanitary measures for the facilitation of global safe trade as stated in their Strategic Plan, Constitution and By-Laws and Annual Work Plan.
6. NAPPO will be prepared to consider and further evaluate other requests from the New NAFTA SPS Committee during their NAPPO governance meetings.
7. The yearly report on the NAPPO Strategic Plan and the NAPPO Annual Work Plan will be available to the New NAFTA SPS Committee upon request or via the NAPPO website.

Signing on behalf of the NAPPO Executive Committee on March 30, 2022



Stephanie Bloem
Executive Director
North American Plant Protection Organization