Government lodges WTO dispute to address EU measures affecting citrus imports from SA

The South Africa government has lodged a World Trade Organization (WTO) dispute, requesting consultation to address European (EU) measures affecting local citrus imports. According to Justin Chadwick, the chief executive of the Citrus Growers Association (CGA), the Permanent Mission of South Africa to the United Nations and other international organisations wrote to Joao Aguiar Machado, Ambassador of the EU to the WTO in Geneva to request consultations with the EU concerning the new regime governing the importation of citrus fruit from South Africa.

Source: Sheraz Shaikh via [Unsplash]

"In June, the European Union's (EU) Standing Committee on Plant, Animal, Food and Feed (SCOPAFF) published drastic, and arguably misinformed, new regulations requiring the cold treatment for oranges heading to the region as a means to address False Coddling Moth (FCM) interceptions from Southern African orange exports. "Despite numerous objections from several other countries, including European markets that currently import South African oranges, these new regulations were published in the Official Journal of the European Union with an implementation date of 14 July 2022."

"The fact that EU authorities attempted to enforce these new regulations a mere 23 days after publication made it impossible for South African growers to ensure their compliance, and highlights how unjustified and discriminatory this legislation is, with devastating consequences to our local citrus industry," says Chadwick.

WTO agreements

In terms of WTO agreements, members have agreed not to discriminate among imports from different origins, not to impose sanitary and technical barriers to trade that are discriminatory and not based on international standards or on sound scientific evidence. Chadwick says that it is clear that the EU's protectionist FCM import measures against South Africa violate these conditions.

In its request for consultations, South Africa identified 21 inconsistencies in the new proposed phytosanitary measures, against the guidelines of the WTO Agreement, which the EU is obligated to adhere to, says Chadwick. "These transgressions have already impacted an estimated 3.2 million cartons of citrus valued at R605m (€38.4m), with reports of hundreds of containers of South African citrus being detained by authorities in the EU on arrival. Without immediate political intervention, the threat remains that these consignments will be destroyed by EU authorities."

The local industry is still of the view that the cold treatment prescribed within the new regulations is contrary to scientific evidence, making it an arbitrary and unnecessarily trade restrictive measure and accordingly contravenes international requirements for such phytosanitary trade regulations.

WTO consultation

The CGA says that it understands that the Department of Trade, Industry and Competition (DTIC), as well as national government, undertook a number of efforts to resolve this matter over a period of several weeks. "We are aware that the process of seeking a WTO consultation was actioned when it became evident that other avenues would not prove successful to address the issue. The CGA welcomes the move by the DTIC for the lodging of this dispute and elevating it to a multilateral level."

The crisis, says Chadwich, not only threatens the sustainability and profitability of local growers and the 140,000 jobs the industry sustains locally, but will also result in less and more expensive citrus in European supermarkets. "We simply cannot allow, what was clearly nothing more than a politically motivated move by the Spanish, to decimate the businesses of thousands of local growers and the livelihoods they support, while threatening the destruction of millions of cartons of top-quality fruit by EU authorities."