

Briefing document

Last updated 27/09/2016

Russian ban on EU pork **WTO case**

Background:

In January 2014, Lithuania notified two cases of African swine fever (ASF) in wild boar. They were followed by notifications from Poland, Latvia and Estonia. Between January and September 2014, a total of 39 outbreaks occurred in pigs and 87 notifications in wild boar in these countries. The disease spread to the EU from the Belarus border. Indeed, in the EU the disease had been successfully confined to the Italian island of Sardinia for several decades.

From January 2014, all restrictions required by EU legislation under [Directive 2002/60/EC](#) were adopted by the European Commission and the Member States to prevent and eradicate the disease: i) Intensified surveillance of wild boars and pigs, ii) Sending samples to the EU Reference laboratory for detailed analysis, iii) Keeping pigs isolated in their holding, unless authorised by the competent authority.

To limit the spread of the disease and protect the domestic pig populations, the Commission also applied regionalisation measures in line with the World Organisation for Animal Health principles. The EU applied control measures differentiated between zones, depending on their level of risk. In this framework, the latest EU regionalisation measures that have been taken with respect to evolution of the ASF are included in [Commission Implementing Decision 2014/709/EU](#) (as latest amended by [Commission Implementing Decision \(EU\) 2016/1441](#)). A map summarising the current regionalisation applied in Poland, Lithuania, Latvia and Estonia is provided [here](#).

Regionalisation would normally allow trade from individual areas of a country/region that are recognised as pest or disease-free, even if the health status in the rest of the country/region is not favourable. But at the end of January 2014, and despite the measures adopted by the EU, Russia imposed a ban on the importation of live pigs and their genetic material, pork and certain pork products from all EU Member States, due to concerns related to EU cases of ASF.

The European Commission tried to find an agreement with the Russian authorities and proposed to provisionally exclude the infected area of the EU from certification of exports of live pigs and pork to Russia, to no avail.

WTO ruling:

In early April 2014, the EU launched a case at the World Trade Organisation (WTO), resorting to the WTO's dispute settlement procedures by requesting formal consultations with Russia. Consultations failed, with Russia refusing to amend the export certificate that would allow trade from the unaffected areas in the EU to resume.

In July 2014, the EU therefore requested the WTO Dispute Settlement Body to establish a panel to rule on the legality of Russia's ban. The European Union challenged the EU-wide ban as being inconsistent with the WTO's Sanitary and Phytosanitary Agreement.

Briefing document

Originally due by the end of 2015, the [final report of the WTO dispute settlement panel](#) was published on August 19, 2016.

The WTO declared illegal the Russian import ban on live pigs, fresh pork and other pig products from the EU, in the light of international trade rules. The panel acknowledged that Russia's refusal to accept imports of certain EU products from ASF-free areas and to adapt EU-Russia import certificates accordingly violates the rules of the WTO SPS Agreement.

The European Commission welcomed the report as a strong signal to Russia and all WTO member states, as regards their obligation to respect international standards, in particular the principle of regionalisation.

EU pig meat exports

Prior to the ban, in 2013, Russia was the main destination of EU pig meat exports, taking 25% of total EU pig meat exported to third countries, for a value of €1.4 billion. By 2015, these exports to Russia had disappeared.

Nevertheless, EU global exports of pig meat have increased substantially over the past two years, particularly in 2016. EU pig meat formerly exported to Russia has been reoriented mainly towards certain Asian countries. The EU's trade balance for pig meat is largely positive, with annual exports worth nearly €6 billion in recent years. The main client for EU exports is now China, followed by Japan, Hong Kong, Philippines and South Korea. Over the 12-months period from August 2015 to July 2016, export values increased for pig meat by €1.1 billion, ie an increase of 29% compared to export values in the 12-month period one year ago.

What's next?

On 23 September, the Russian Federation filed a notice of appeal against the WTO panel's ruling. The appeal can uphold, modify or reverse the panel's legal findings and conclusions. Generally, the Appellate Body has up to 3 months to conclude its report.

When the appeal process is over, and if the ruling is still favourable to the EU, the report will be adopted and Russia will be bound to comply with the recommendation. If it doesn't, the EU will be allowed to take retaliation. The effects of the ruling are therefore unlikely to be seen before 2018.

For most of the products dealt with in this case, trade, however continues to be restricted by the political ban imposed on EU agri-food products by Russia in August 2014, due to EU sanctions against Russia over the annexation of Crimea.

Further Information:

In the first instance contact:

Kathy Roussel, Director of the AHDB Brussels office

Tel: 0032 230 86 68

Email: kathy.roussel@ahdb.org.uk