

NAFTA nations vow to fight pork restrictions

Thu May 7, 2009 2:39pm EDT

By David Ljunggren

OTTAWA (Reuters) - The United States, Canada and Mexico vowed on Thursday to fight what they called unjustified bans on pork products in the wake of a H1N1 flu outbreak that started in Mexico.

Around 20 countries -- most notably Russia and China -- have imposed widespread import restrictions on pork and pork products from major U.S., Canadian and Mexican agricultural regions, amid fears over the disease, originally called swine flu.

Experts say the flu is spread though the air and is not food-borne. The World Health Organization reiterated on Thursday that eating pork is "not a danger in terms of getting this infection" and that normal sanitary and health precautions were enough to safeguard the food supply.

In a joint statement, the three NAFTA nations called for an end to "unscientific bans on pork imports" over the outbreak.

"We urge our trading partners to remove these restrictions on our products immediately. We will continue to follow this situation closely, and will take any steps to prevent the enforcement of unjustified measures against our exports, as appropriate," the NAFTA partners said.

Canadian Trade Minister Stockwell Day said those steps might include challenges at the World Trade Organization -- which can often entail a long, drawn-out process.

"That's right. We're not going to rule anything out and appropriate steps means using the dispute settlement mechanisms that are in place with various countries," he told reporters on a conference call when asked whether the joint statement referred to the WTO.

He said WTO guidelines were quite clear that bans on exports had to be scientifically based.

Jeffrey Schott, a senior fellow at the Institute for International Economics in Washington, said it was significant that the three countries were taking a joint stand.

"This is meant to give a clear signal that ... officials want to consult with foreign governments who have instituted or are considering instituting a ban so that they recognize their actions are unnecessary and could provoke litigation," he told Reuters.

Global trade in pork is worth about \$26 billion a year. Leading exporters include the three NAFTA nations as well as the European Union and Brazil.

The European Union said on Monday it had written to Moscow to contest a Russian ban imposed on imports from some member nations.

Russia is not a WTO member and could therefore be subject to bilateral sanctions.

"That goes against the interest of all three countries in trying to accelerate the pace of Russian accession to the WTO," noted Schott.

When pressed about possible NAFTA sanctions on Russia, Day said it was too early to say what might happen.

The three NAFTA partners said the import bans were inconsistent with the international obligations of the countries in question.

"These unjustified restrictions will likely result in serious trade disruptions without cause and result in significant economic damage," the statement said.

(Additional reporting by Doug Palmer in Washington; Editing by Frank McGurty)