

# 2014 MRL Harmonization Workshop

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Foreign Agricultural Service Update  
United States Department of Agriculture

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# FAS Role and Mission

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- Lead agricultural trade agency within USDA
- Three Pillars: Trade Policy, Capacity Building, Marketing Programs
- Represent the interests of U.S. agricultural industry overseas



# MRL Trade Policy Outlook

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- Collaborate with U.S. agriculture industry on technical issues (i.e. MRLs) impacting trade
- Support science-based regulations
- Coordinate trade strategy with other Government agencies



# U.S. Government Coordination on MRL Trade Issues

- Environmental Protection Agency (EPA)
- Food and Drug Administration (FDA)
- Agricultural Marketing Service (AMS)
- United States Trade Representative (USTR)



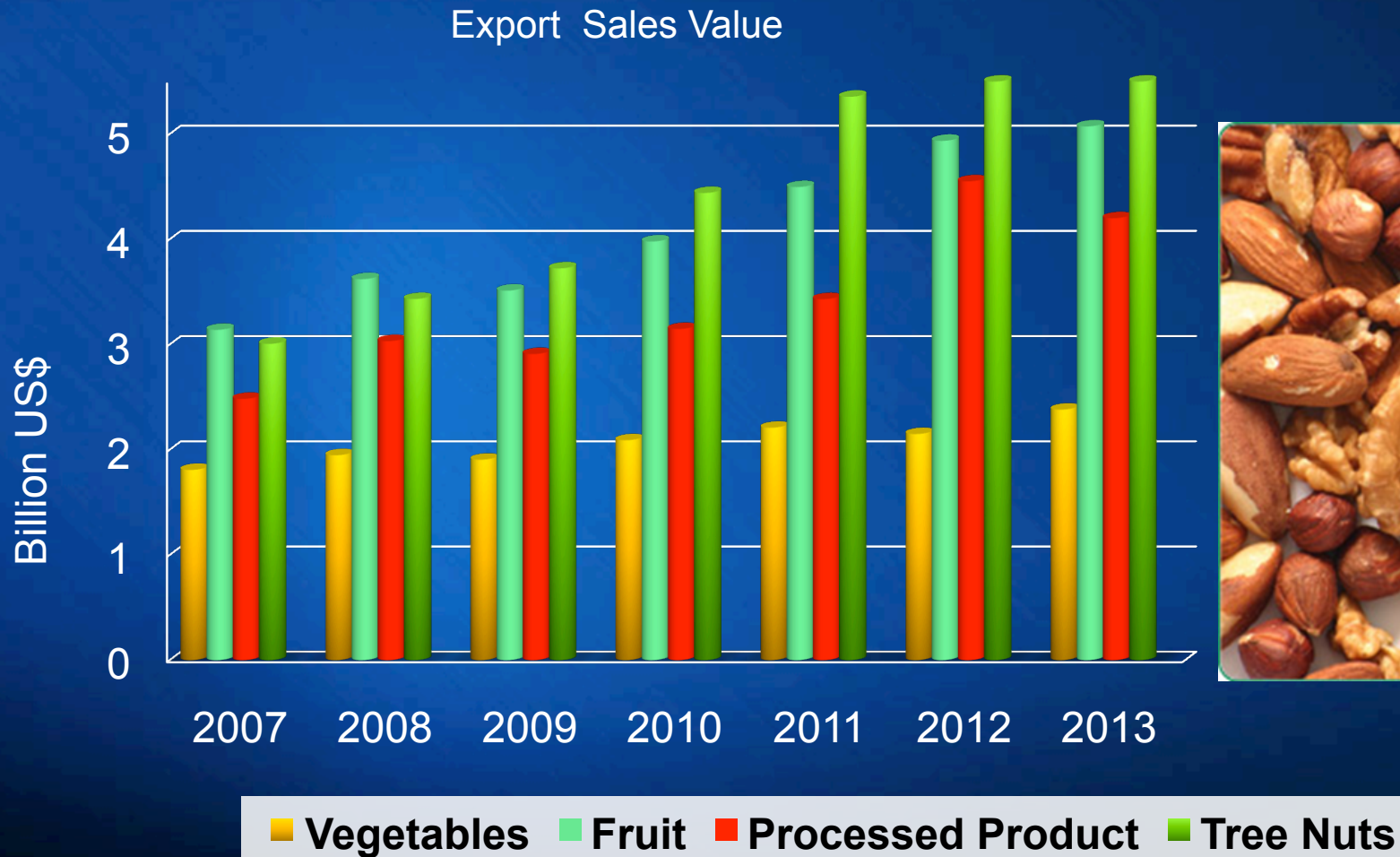
# Top Specialty Crop Export Markets -2013

- Canada.....\$5.2 billion
- European Union.....\$2.7 billion
- Hong Kong.....\$1.7 billion
- Japan.....\$1.5 billion
- Mexico.....\$1.3 billion
- South Korea.....\$833 million
- China.....\$688 million



# Export Sales Value of US Specialty Crops

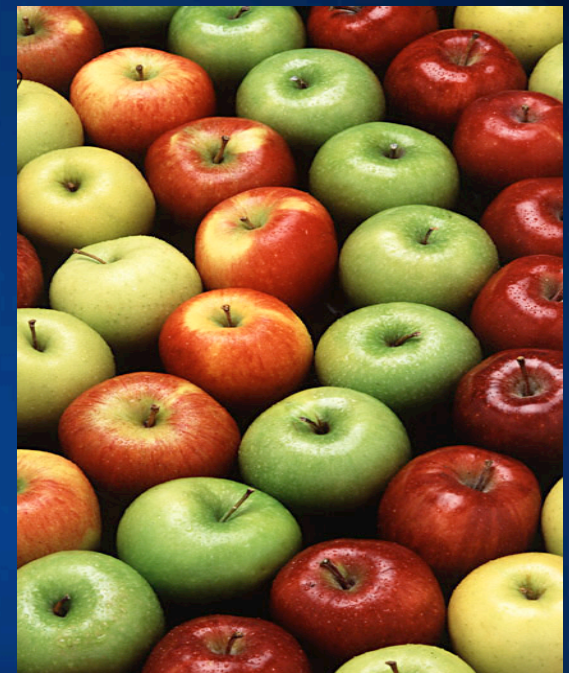
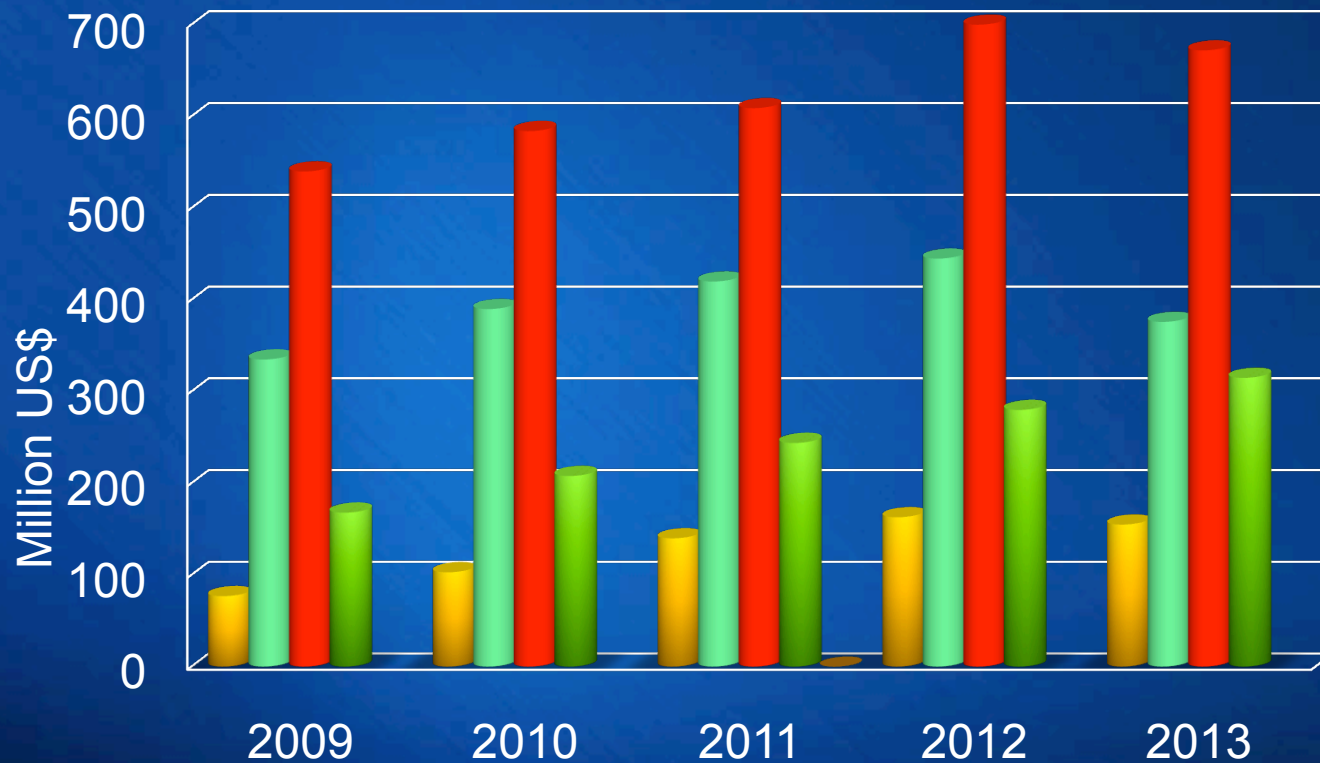
*Tree Nuts Leading Export Gains*



# Japan

## *U.S. Specialty Crops*

Export Sales Value



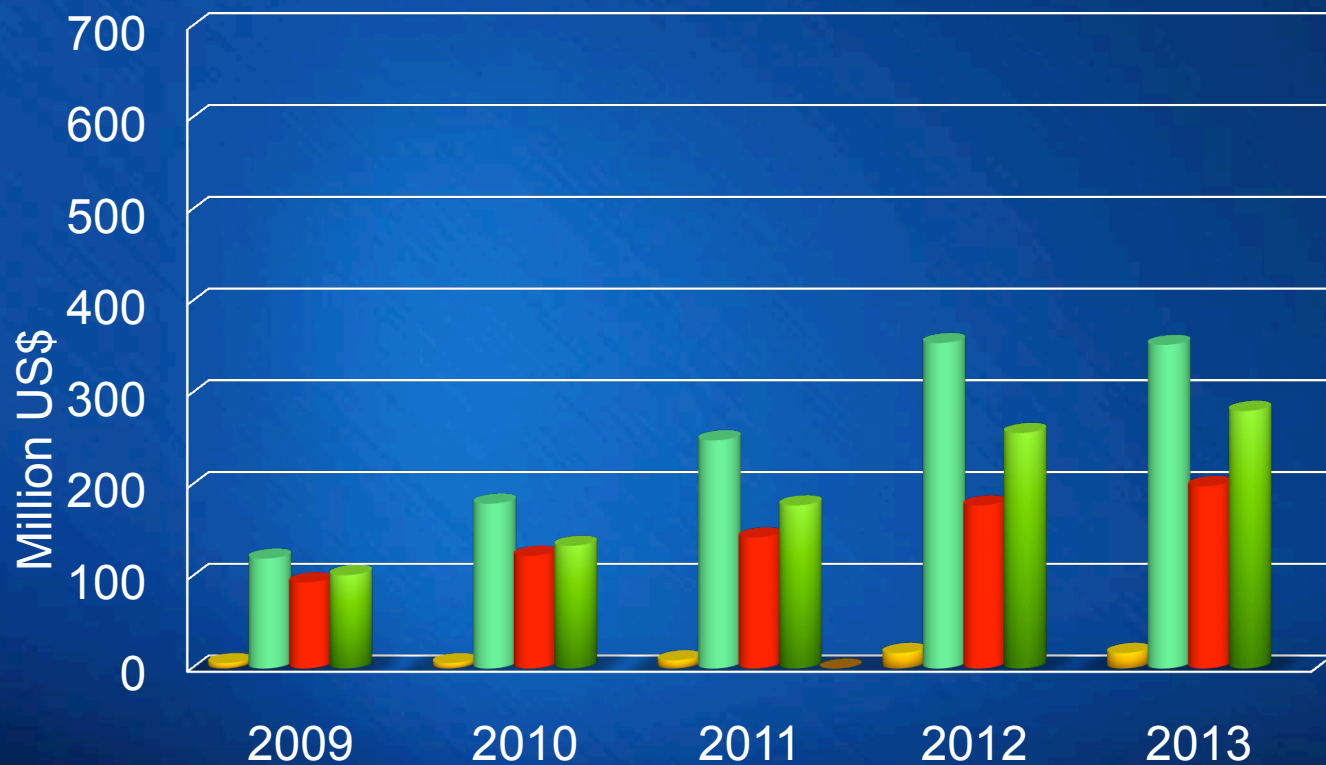
**■ Vegetables ■ Fruit ■ Processed Product ■ Tree Nuts**



# South Korea

## *U.S. Specialty Crops*

Export Sales Value



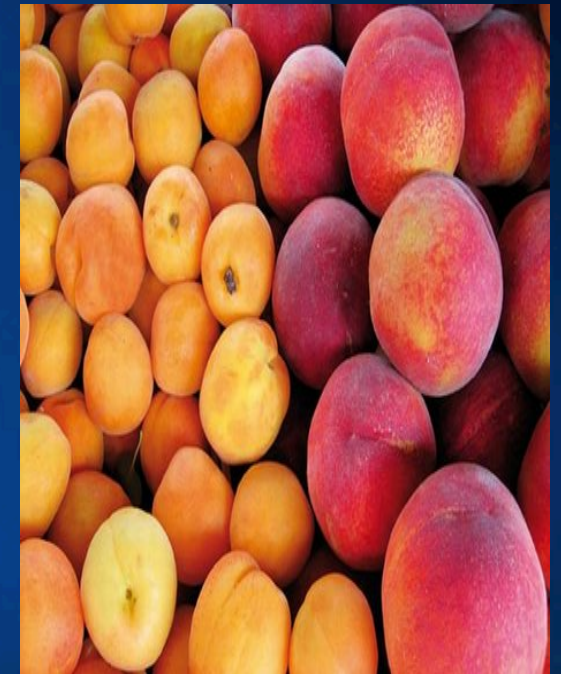
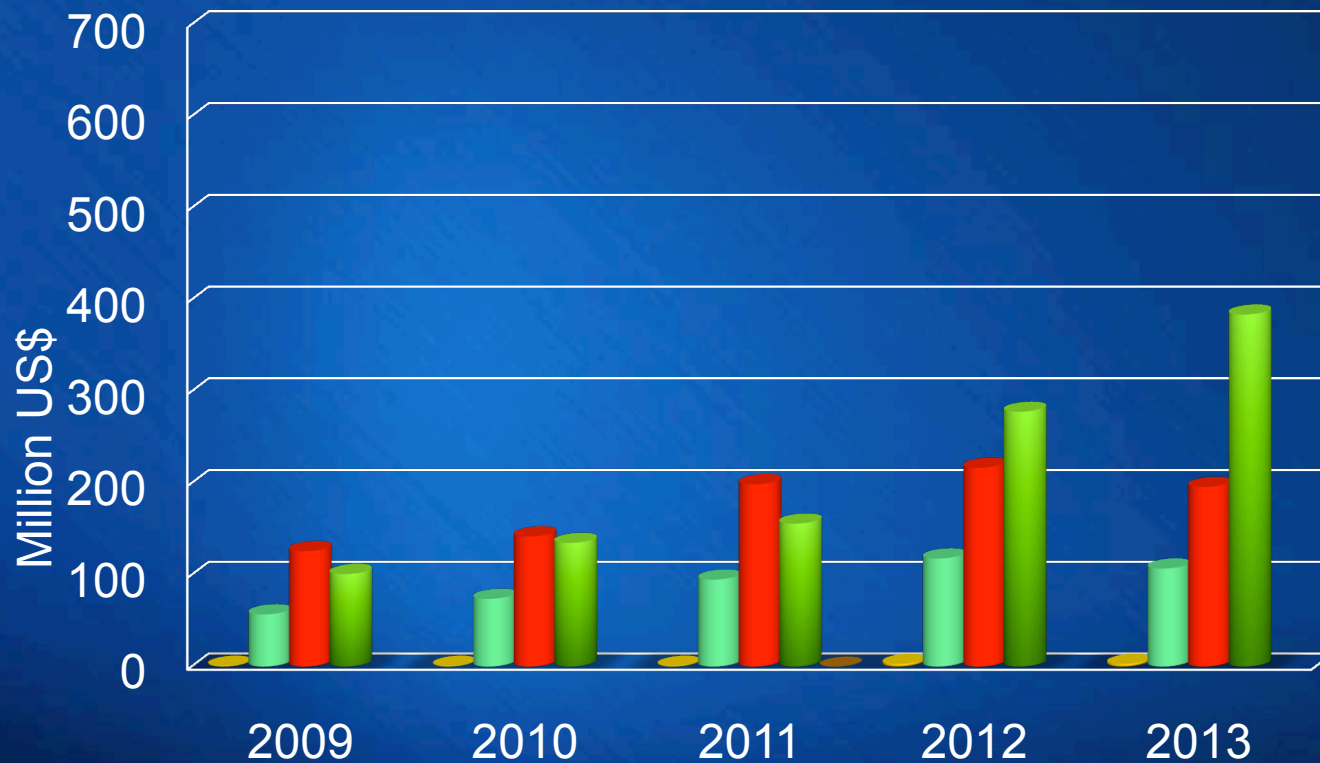
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# China

## *U.S. Specialty Crops*

Export Sales Value



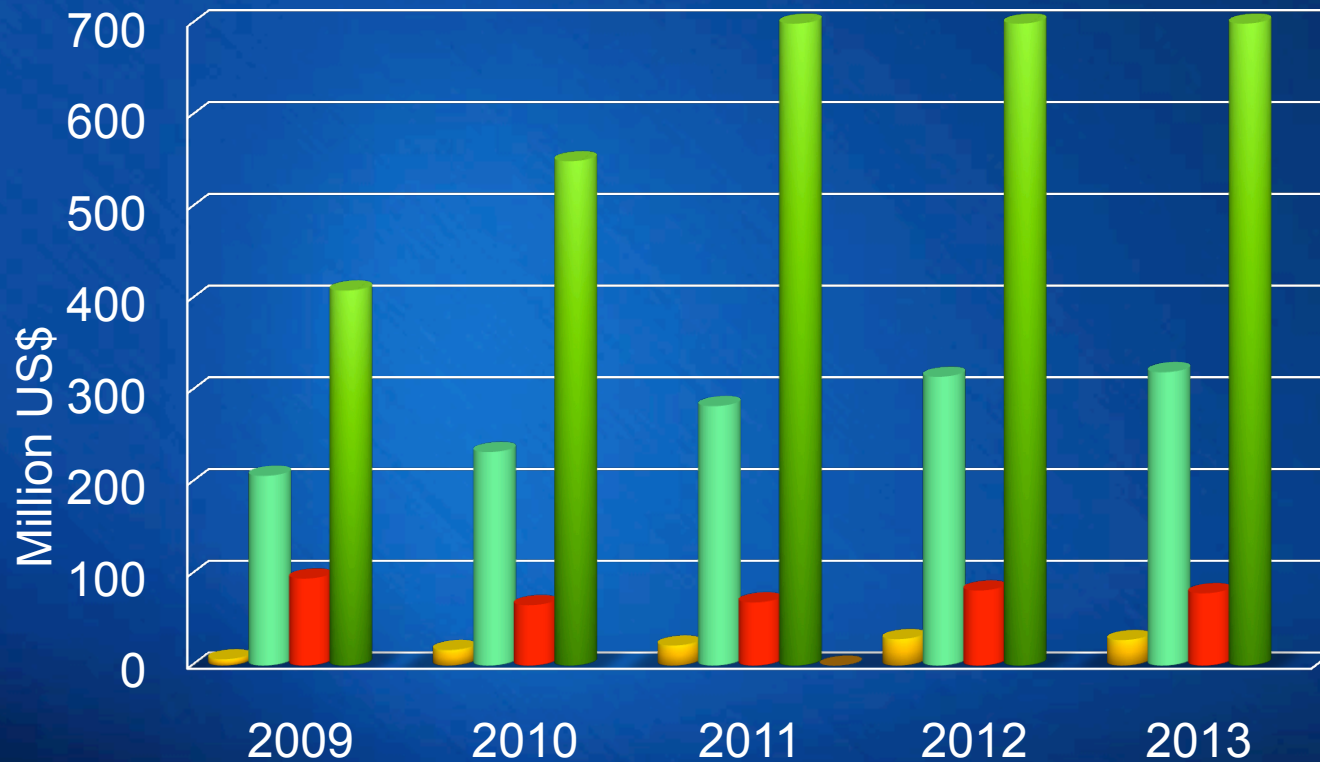
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# Hong Kong

## *U.S. Specialty Crops*

Export Sales Value



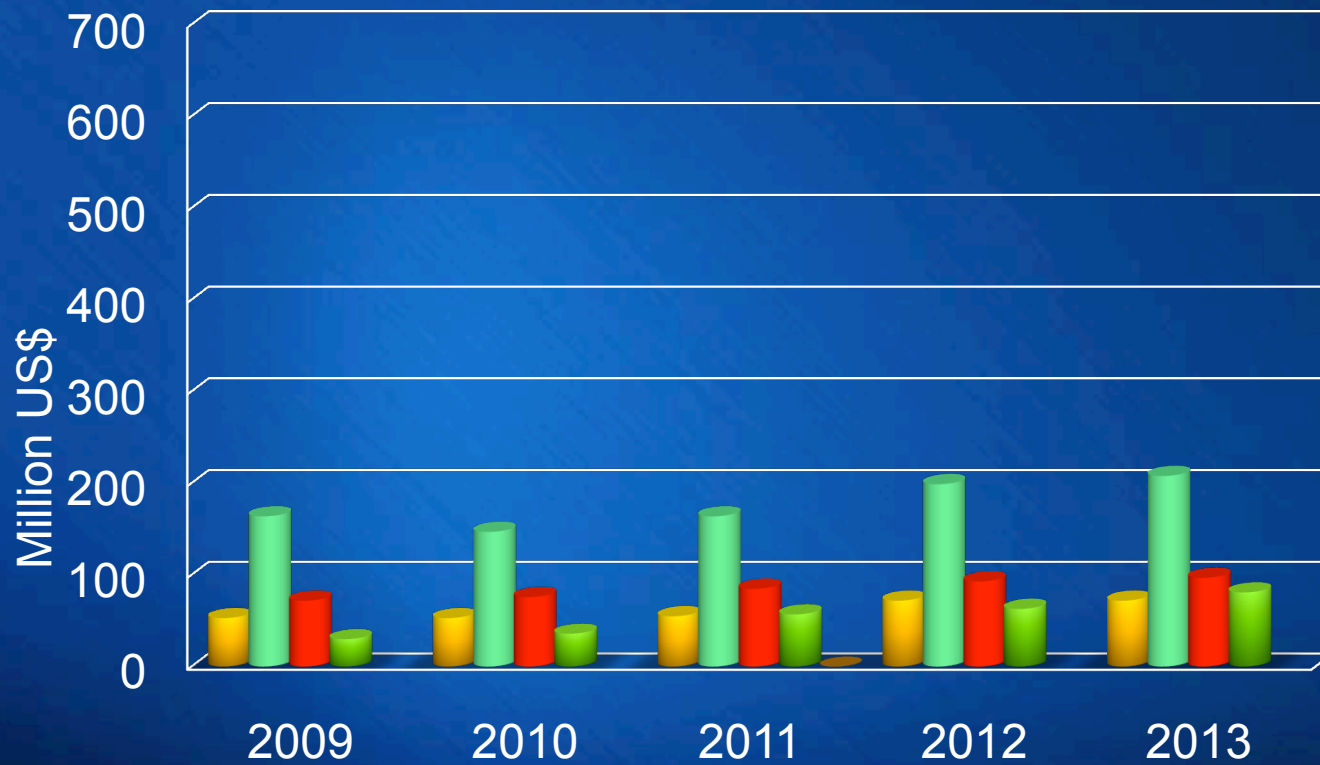
■ Vegetables ■ Fruit ■ Processed Product ■ Tree Nuts



# Taiwan

## *U.S. Specialty Crops*

Export Sales Value



■ Vegetables ■ Fruit ■ Processed Product ■ Tree Nuts



# WTO Notification Coordination

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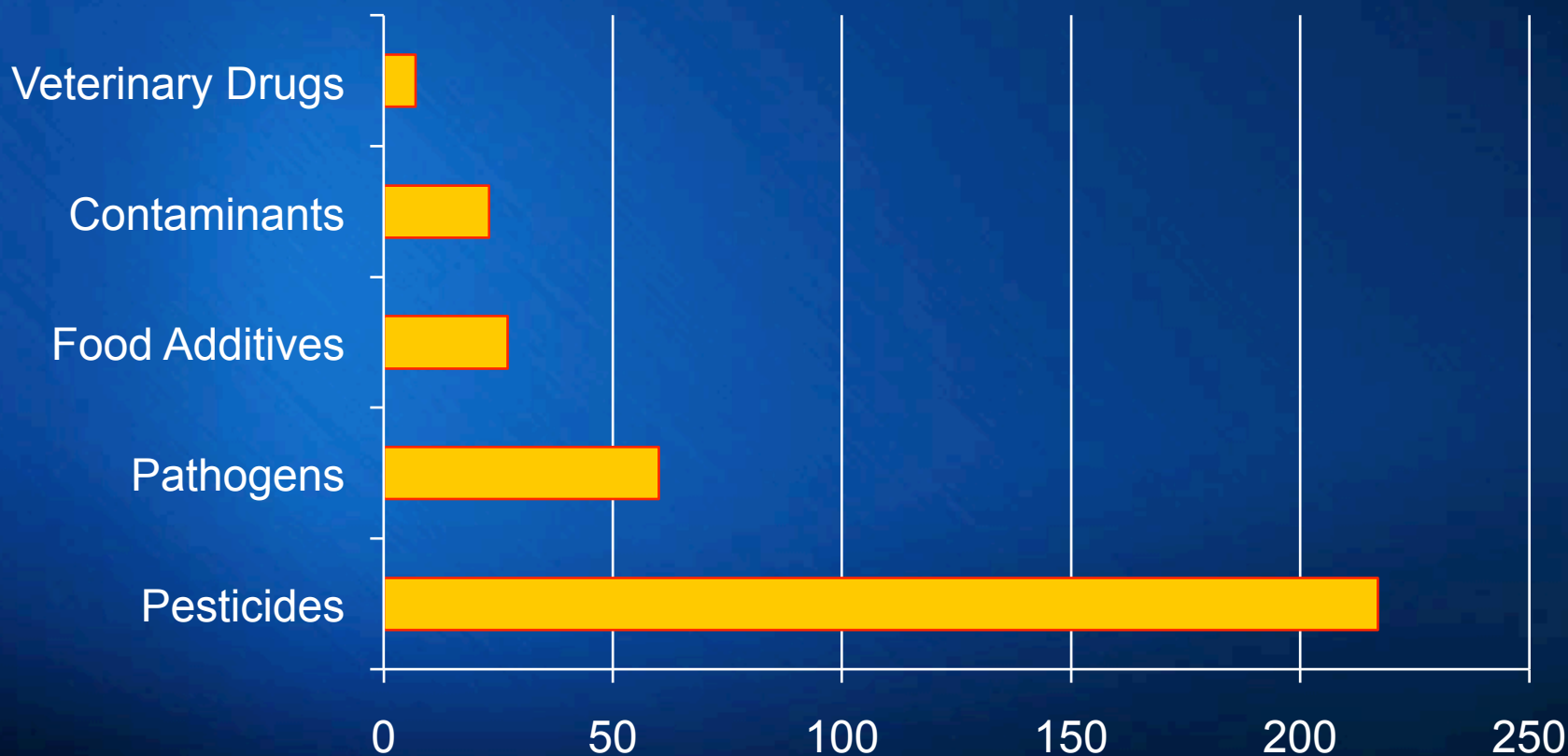
- FAS coordinates US Government's responses to WTO notifications
- Assessment by Federal agencies (EPA, FDA, USTR) and US agricultural industry groups



# U.S. Responses to MRL-Related WTO Notifications

USDA Reviewed over 1,000 WTO Notifications in 2012

## MRL Concerns by Type



# MRI Dis-Harmonization

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- National MRLs, Codex MRLs, Default Tolerances, Deferral to Export Country MRLs
- Different methodologies for assessing and evaluating risk
- Crop production and pest control techniques may vary
- Lack of economic incentives to establish MRLs in export markets
- Registration data requirements can be cost

# MRL Violations and Commercial Risks

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- MRL violations in export markets can trigger sanctions imposed on an entire industry
- Potential losses of export sales can be significant and a deterrent to trade
- Compliance plans are time consuming and require significant resources to develop



# Compliance Plan Actions

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- Inform trade association of non-compliance
- Alert exporters/producers of affected industry
- Isolate the source of non-compliance
- Identify the cause of the violation
- Specify corrective actions taken to address the violation
- Communicate plan to foreign regulators



# Outreach Efforts to Avoid MRL Violations

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- Check the MRL Database for latest tolerance status (<http://www.mrldatabase.com>) in export markets
- Reference Pesticide Database Program (<http://www.ams.usda.gov/amsv1.0/pdp>)
- Follow Good Agricultural Practices (GAP)
- Review pesticide spray records prior to shipping



# Technical Assistance for Specialty Crops (TASC)

## Program

- Funds projects that address trade barriers to US specialty crops
- 2014 Farm Bill amended regulation to include technical barriers to trade (TBT) in addition to SPS trade barriers
- Program budget \$9 million annually through FY18
- Over \$6 million allocated to fund MRL trade-related projects since 2002
- Projects: MRL databases, technical visits, MRL research
- Goal is to develop and share information to remove unnecessary barriers to trade



# Current FAS Activities Related to MRLs

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- Transatlantic Trade and Investment Partnership (TTIP) – Address MRL disparities with EU
- Trans-Pacific Partnership (TPP) – Japan Post Harvest Fungicides
- Asia-Pacific Economic Cooperation (APEC) – MRL harmonization effort with 21 countries underway
- Technical visits by Taiwan and Japan
- Support the development of MRL priority lists
- Global Joint Residue Project with IR4



# Questions!



# Regulatory Panel Discussion Remarks

- FAS is a trade agency representing US agricultural interests overseas
- EPA's role in MRL international harmonization is critical to FAS mission
- FAS fully supports EPA's harmonization efforts and science-based regulations
- FAS identifies opportunities to facilitate EPA dialogue with foreign regulatory counterparts
- FAS supports Codex and has provided funding to JMPR and other Codex expert committees

