



EU MRL & Trade Policy Ahead of European Elections

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MRL Harmonization Workshop – May 2024

Outline

1 EU Elections Outlook

2 Emerging challenges with EU MRL & Trade Policy

3 Industry views

Conclusions

EU Elections Outlook - Parliament

EU Elections

Date: 6-9 June 2024

720 Members of the European Parliament will be directly elected



Current forecast

A significant **shift to the right?**

- ↗ Far-right & populist parties expected to gain seats
- ↘ Centre left & greens expected to lose seats

EU Elections Outlook - Commission

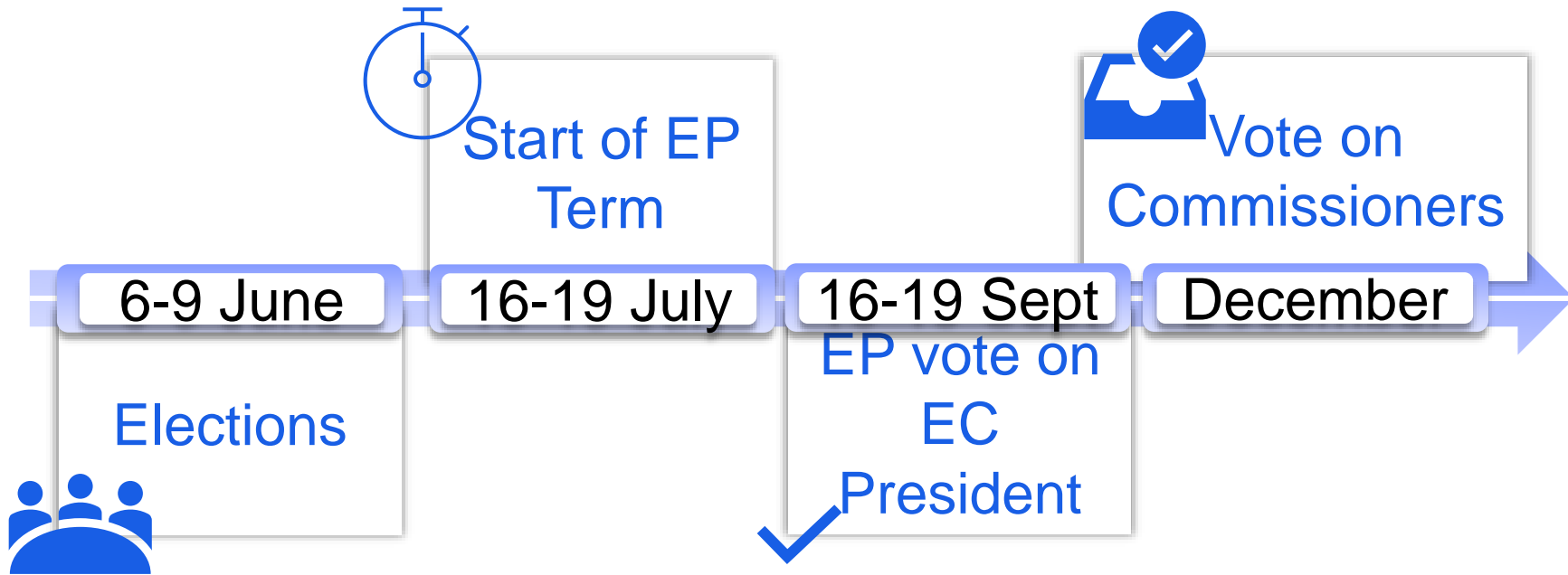
New European Commission President will be designated

- ✓ Nominated by European Council – elected by European Parliament – for 2024-2029
- ✓ **Ursula von der Leyen** is currently front-runner for a second term

Commissioners will also be renewed

- ✓ Expecting **new Commissioners** for Agriculture, and for Health and Food Safety
- ✓ **Working level not directly affected** by elections

EU Elections Outlook - Timelines



➤ New European Commission fully operational in 2025

EU Elections Outlook - Policy

Green Deal: Next Steps?

What about trade?

EU MRL & Trade - Outlook

1. Increased conservatism in risk assessment

2. Unilateral measures

1. Policy approach on environmental factors
2. Member States unilateral decisions on MRLs

3. Political objections

1. Standing Committee dynamics
2. European Parliament veto

EU MRL & Trade – Risk Assessment

On active substances approval and renewal:

- Conservative approach to risk assessment
- Non-renewal and restriction decisions increasing

On MRL reviews:

- Difficulty in maintaining trade-enabling MRLs
- More cases of CXLs rejected

EU MRL & Trade – Environmental Factors

EC Policy Approach to include global environmental factors in MRL setting

- Due to concerns for pollinators safety
- Or environmental persistency

First decision on thiamethoxam and clothianidin MRLs

- Concerns raised by third countries, industry and some EU stakeholders - raised 33 times at WTO
- Expectations on next steps

EU MRL & Trade – National Unilateral Measures

Growing support for “mirror clauses” at national level – spearheaded by France and Spain

Increasing risk of fragmentation on MRLs and unilateral measures from Member States

February 2024: France decision to ban imports of fresh produce treated with thiacloprid

The “Mirror Clauses” Concept

Started in Council discussions in 2022 by France

Reciprocity of standards between EU and third countries

“Level playing field” argument to support farmers competitiveness

➤ Fosters protectionism and unilateral actions

EU MRL & Trade – Objections in SCoPAFF

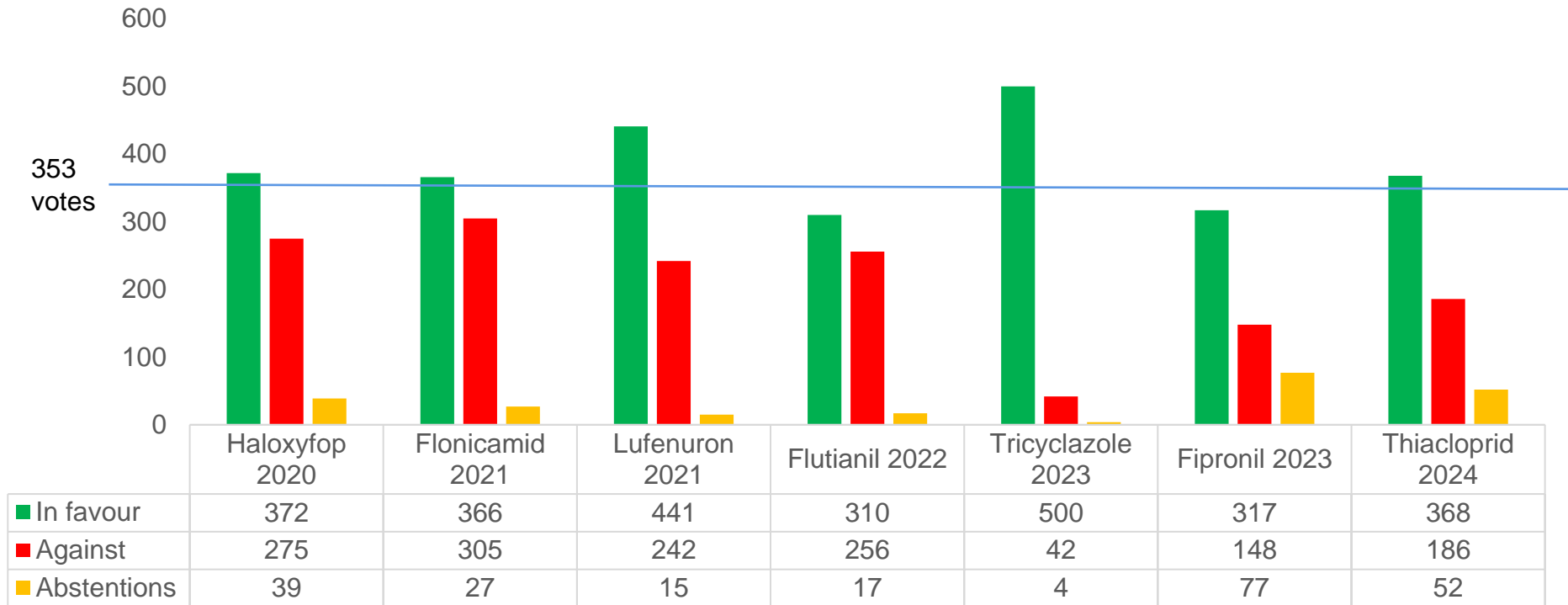
- ✓ **Favorable EFSA conclusions > EC proposal > Adoption in Standing Committee (SCoPAFF)**
- **Tricyclazole import tolerance:** First time no qualified majority in SCoPAFF (May 2023) – 8 Member States against

Rationale: An increasing number of Member States are adopting a general approach not to support maintaining MRLs for non-approved active substances – mainly on protectionist grounds and despite favorable EFSA opinions

EU MRL & Trade – Veto in EP

- ✓ **European Parliament can effectively veto MRL regulations**
- ✓ **Veto used for the first time in March 2019** – import tolerance for clothianidin on potatoes
- ✓ **Used several times since** - trend could continue considering broad political support for protectionism
- ✓ **Case-by-case outcome** – depending on crops and other factors

EU MRL & Trade – EP Veto Trends



■ In favour ■ Against ■ Abstentions

Corteva Views – Specialty Crops & MRLs

1. Minor Uses = Major Value

- Specialty crops: high economic value for agri-food chain
- Supporting minor uses is essential

2. Transparency and information sharing

- Proactive and transparent communication on MRLs
- Collaboration on supporting minor uses

3. Trade-enabling policies for growers success

- Supporting all growers with innovative solutions
- Advocating for policies enabling market access

EU MRL & Trade – Key Messages

Trade-enabling policies on MRLs create a **win-win for agri-food competitiveness**

Difference in CP approval and marketing around the world as **all regions have different needs**

Compliance with WTO and international rules and **reliance on Codex MRLs** whenever possible

Conclusions

1. EU MRL policy remains **multifaceted** and **increasingly challenging** for global trade
2. Rise in political **support for protectionism** in EU and globally is a significant risk for farmers market access
3. Collaboration between all **agri-food chain stakeholders** is key to encourage trade-enabling policies and outcomes