



Global Economic Impact of Missing and Low Pesticide MRLs

Sabina Neumann

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U.S. International Trade Commission



- Independent, nonpartisan, quasi-judicial U.S. federal agency
- Provide analysis of international trade issues to the President and Congress.
- Conduct fact-finding investigations.
- Adjudicate intellectual property and trade disputes.
- Maintain the U.S. harmonized tariff schedule.

U.S. International Trade Commission



“Section 332 Reports”

Fact-finding investigation involving tariffs or international trade, including conditions of competition between U.S. and foreign industries

Global Economic Impact of Missing and Low Pesticide Maximum Residue Levels (332-573)

Seafood Obtained via Illegal, Unreported, and Unregulated Fishing: U.S. Imports and Economic Impact on U.S. Commercial Fisheries (332-575)

Raspberries for Processing: Conditions of Competition between U.S. and Foreign Suppliers, with a Focus on Washington State (332-577)

Request Letter



Volume 1: June 30, 2020

- Overview of role of PPPs and their MRLs in relation to global production, international trade, and food safety; impact of evolving pest and disease pressures
- Describe approaches in setting national and international MRLs; describe-risk based and hazard-based approaches
- Describe processes for setting MRLs in major U.S. agricultural markets and in Codex
- Describe challenges/concerns of meeting import market MRLs; explain why MRLs are missing and low
- Describe the costs and effects of MRL compliance and noncompliance for foreign producers
- Review economic literature on how missing and low MRLs affect production, exports, farmer income and prices



Request Letter

Volume 2: November 2, 2020

- Describe the costs and effects of MRL compliance and noncompliance for U.S. producers, to the extent possible, include effects on U.S. producers of specialty crops
- Assess quantitatively and qualitatively how missing and low MRLs affect production, exports, farmer income, and prices on the national level, and to the extent possible for small and medium size farms



Volume 2: U.S. Case Studies

- Through case studies, describe the **costs and effects of MRL compliance and noncompliance** such as uncertainty in planting decisions, segregation of products, crop protection costs, yield implications, storage issues, product losses, and consequences of MRL violations.
- Include information on **costs of adopting new plant protection products** or those related to **establishing, modifying, or testing for new or existing MRLs in export markets**.

Research



Written Submissions **ongoing**

- 20+ grower trade associations
- Crop protection industry
- U.S. and foreign government agencies
- Other groups

Public Hearing

Fieldwork and Interviews **ongoing**

EDIS: <https://edis.usitc.gov/> (Inv. No. 332-573)

Reported Impacts on Stakeholders



- Registrant
- Grower
- Processor
- Exporter
- Importer
- Retailer
- Others



Reported Issues



Issues with registering/renewing active substances and establishing MRLs

- Complexity of regulatory systems
- Hazard-based approach
- Securing import tolerances
- Data and testing requirements
- Transition times
- Generic pesticides
- Minor crops and crop groupings

Reported Issues - Compliance



- Segregating crops or growing to the lowest MRLs
- Changing farming practices or pesticide use patterns
- Growing conditions (pest and climate changes)
- Industry structure (blended, bulk crops)
- Monitoring MRLs and pre-export testing

Reported Issues – Noncompliance



- Shipment may be seized, delayed, rejected, destroyed, or redirected at the port of arrival
- Increased sampling/testing
- Supply contracts affected
- Impact of MRL violation

Key Dates



Dates	Deadline
File Written Submissions	June 5, 2020
Volume 1 report to USTR	June 30, 2020
<i>Available to public</i>	<i>Likely July 2020</i>
Volume 2 report to USTR	November 2, 2020
<i>Available to public</i>	<i>Likely November 2020</i>



Next Steps

Written submissions – June 5

Interviews / Meetings

USTR Request Letter

Original Federal Register Notice

Federal Register Notice with New Deadline



Thank you for listening.

Sabina.Neumann@usitc.gov

202.205.3000