

EU MRL Policy

Which commodities are potentially exposed?

MRL Harmonization Workshop
California Specialty Crops Council
May 25, 2022

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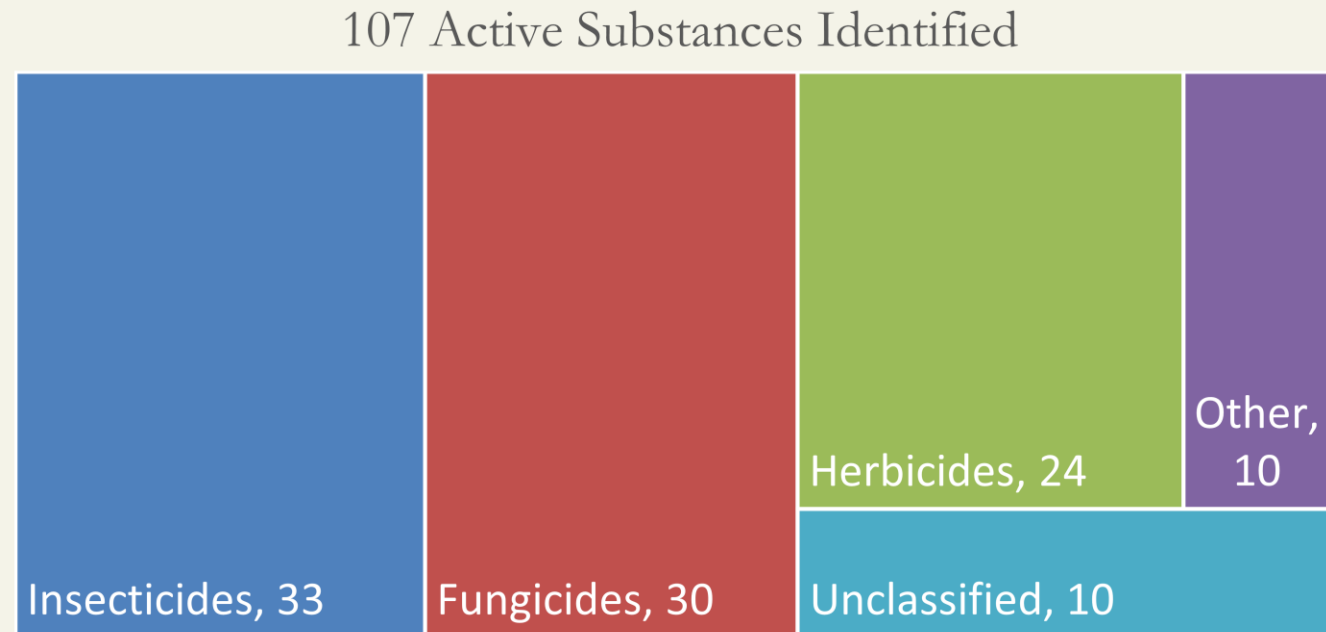


How do we know which commodities might be affected?

- Which active ingredients have been or will be non-renewed or expire due to Regulation 1107/2009?
- Review of implementing regulations published from January 2018 through June 2021
 - Classified as genotoxic, carcinogen, toxic for reproduction, or endocrine disruptor
 - Not renewed based on other concerns or restricted to greenhouses or non-edible crops
 - Registrants have not submitted or withdrawn the application for renewal
 - “Not expected to satisfy approval criteria”

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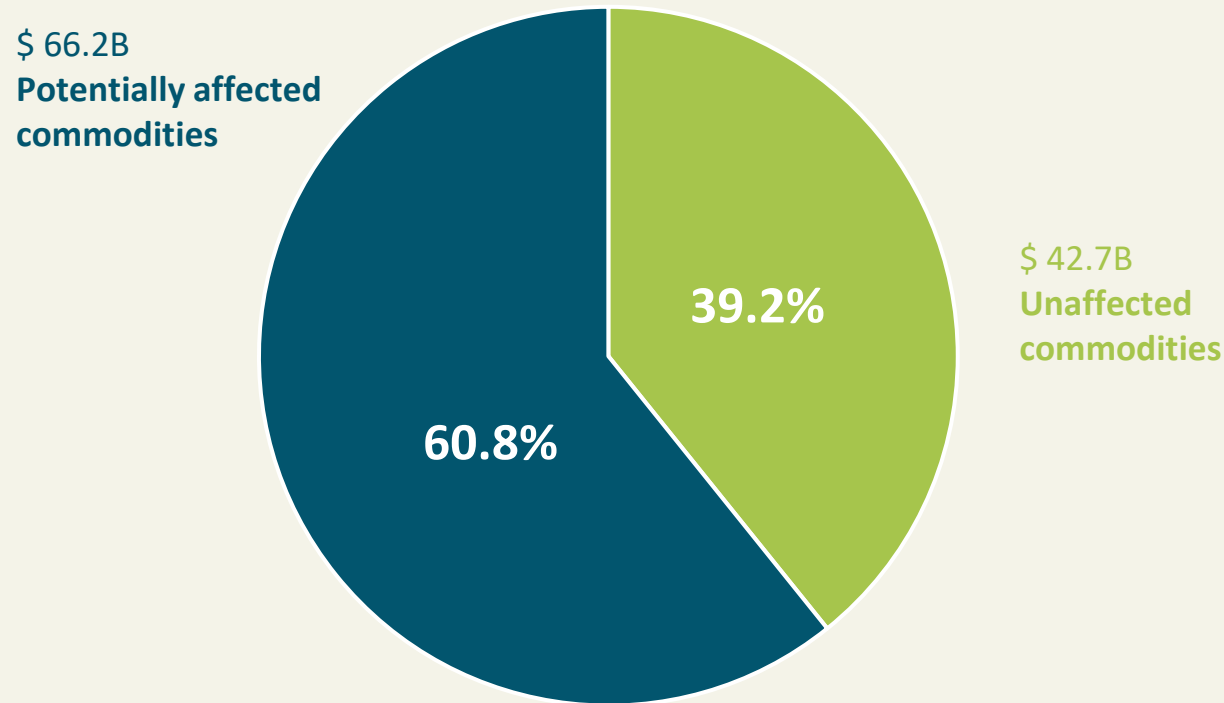
How do we know which commodities might be affected?

- Which MRLs would *materially* change?
 - Some already set at DEFAULT
 - Some already set at 0.01 ppm or less
 - Some already set at the level of detection or level of quantification (LOD/LOQ)
 - Some are exempt in the EU
- Which EU imported commodities are subject to these MRLs?
 - Aligned MRL commodities to traded commodities
 - Removed products of animal origin, not for food use, more processed
 - Arrived at 95 four-digit HS codes, 12 parsed to the 6- or 8-digit CN code
 - NOTE: Trade data aggregates the MRL commodity with many other commodities

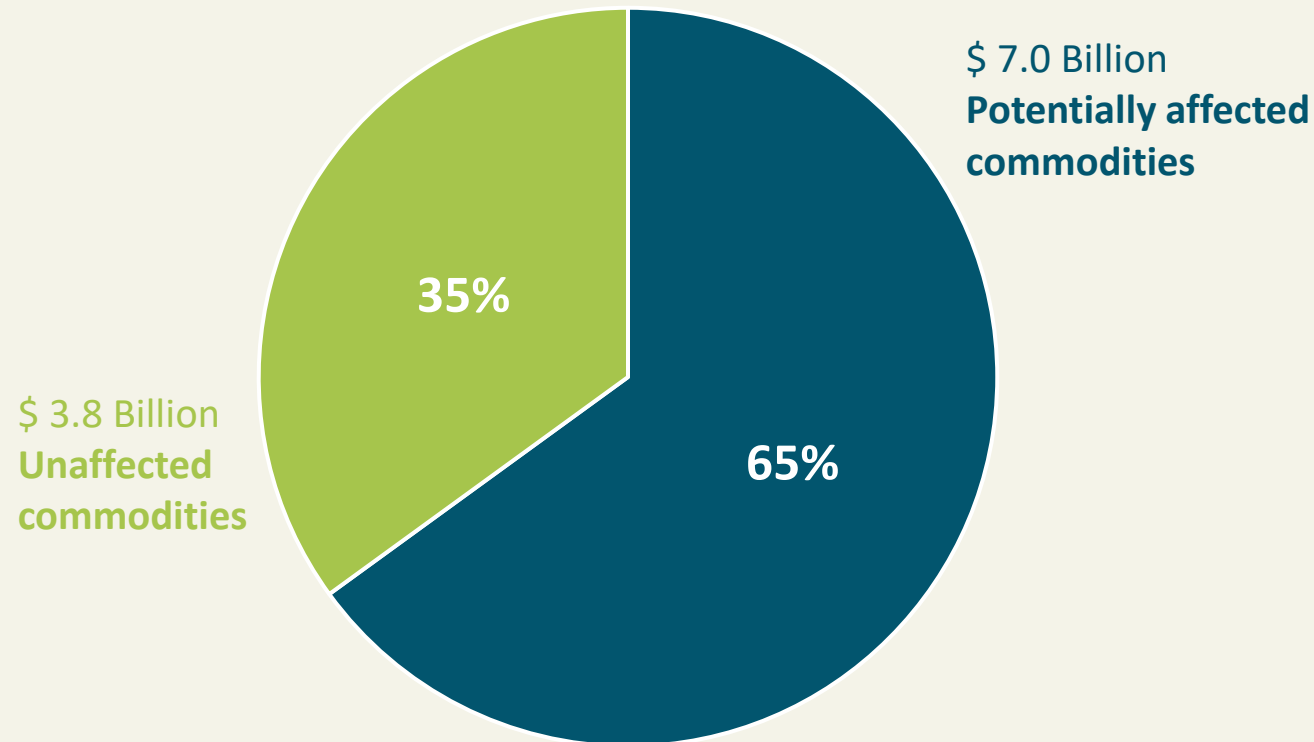
Scope and Limitations of the Study

- Commodities are “potentially affected” if they have *even one* MRL that becomes more stringent
 - We do not know whether the active ingredients (AIs) are registered for use in exporting countries
 - No analysis of *new* MRL disharmonization with specific trade partners
 - We do not know what active substances are *actually used*, or *how*
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- The study does not predict trade disruptions or estimate an economic impact
 - The study identifies the universe of EU agri-food and feed imports that could be affected by more stringent MRLs and reports the value of those trade flows

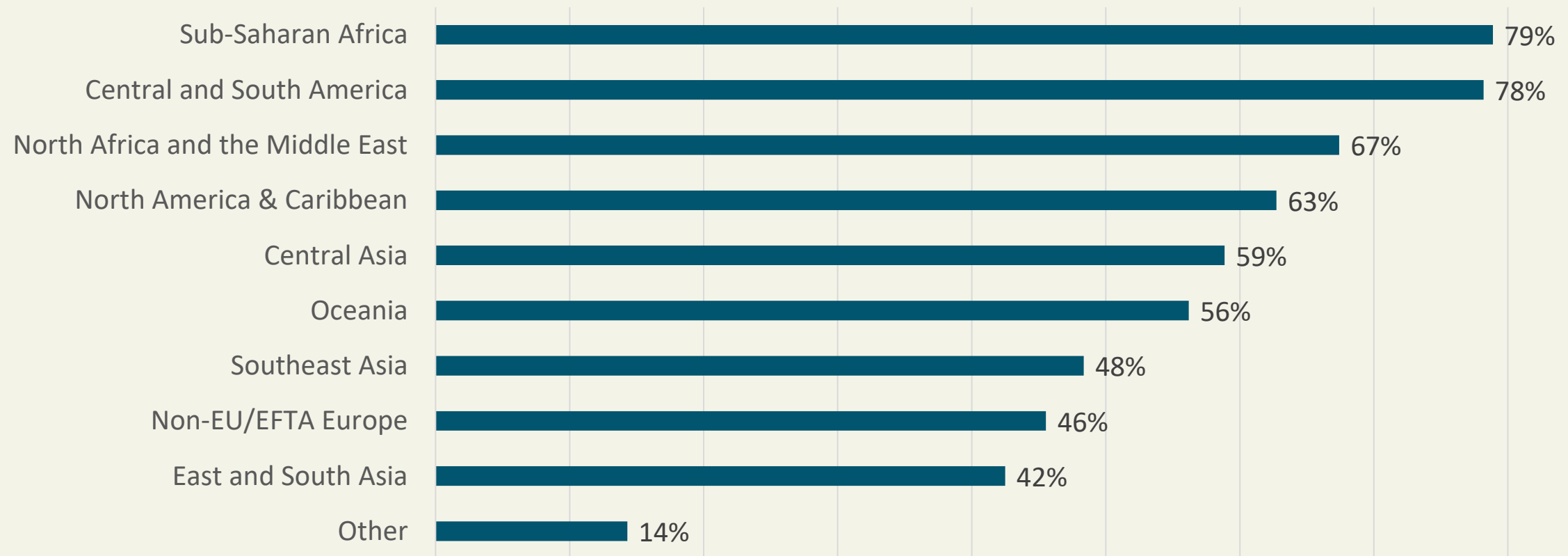
Over 60% of all EU agri-food and feed imports from the world have MRLs that are expected to become more stringent.



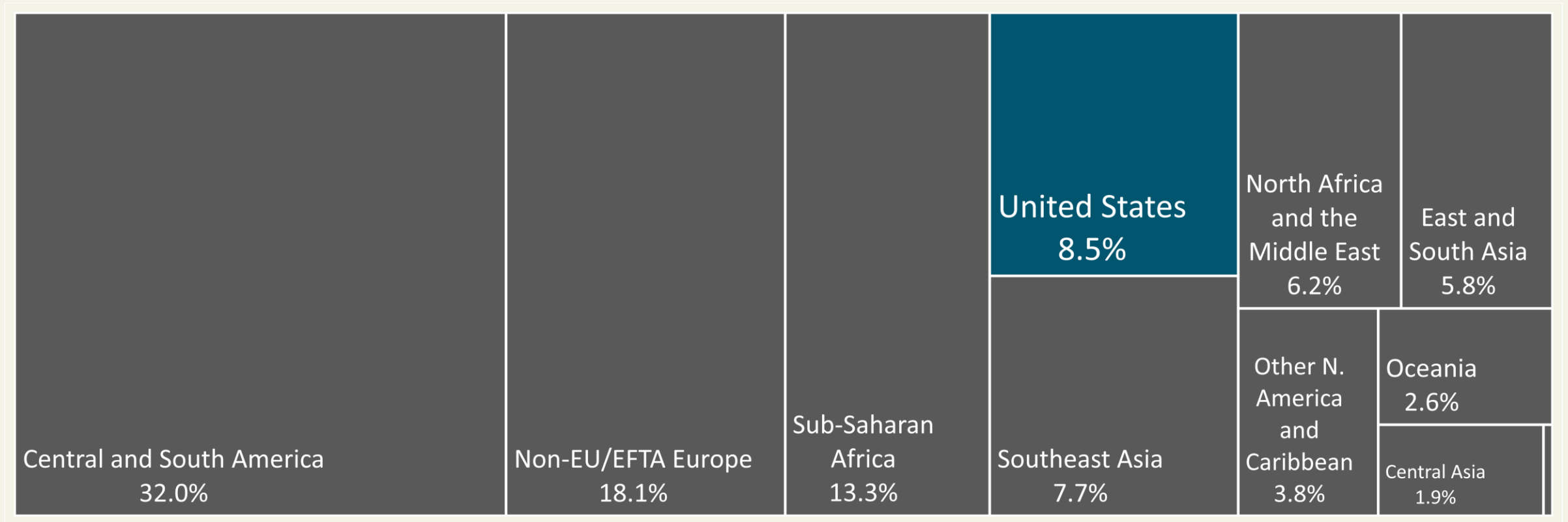
Among U.S. agri-food and feed exports to the EU, 65% by value have MRLs that are expected to become more stringent..



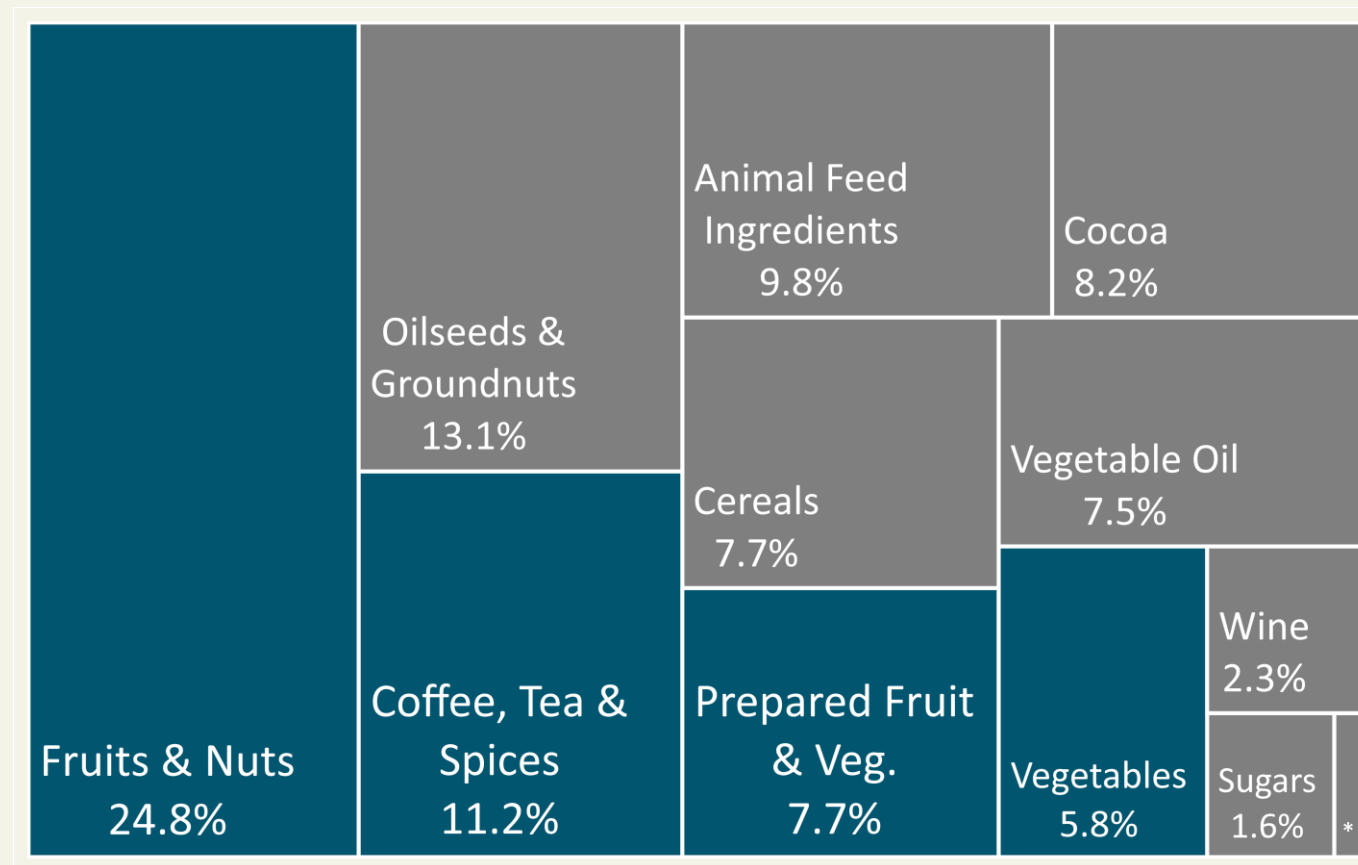
The share of agri-food and feed exports to the EU that could be affected is highest in some lower-income regions.



U.S. exports comprise 8.5% of potentially affected global import value.

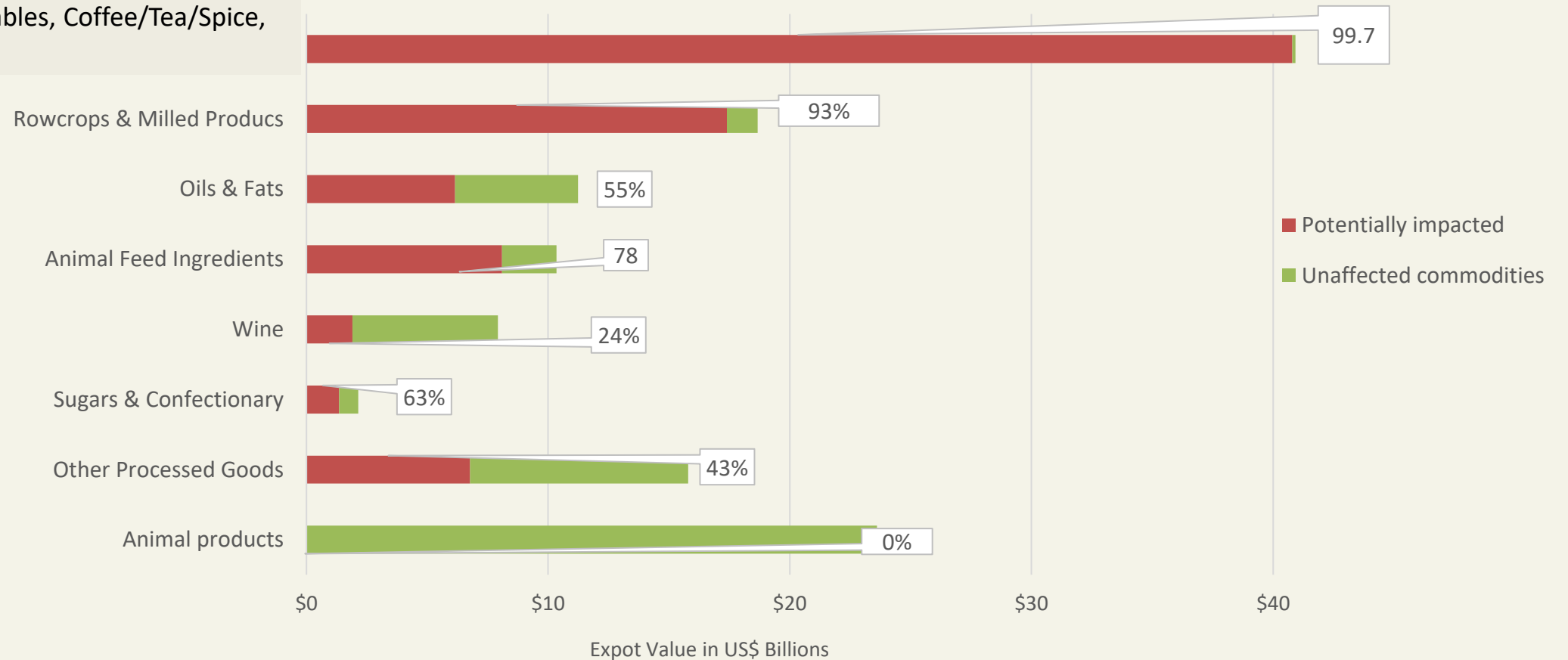


49.5% of potentially affected EU import value is in specialty crops.

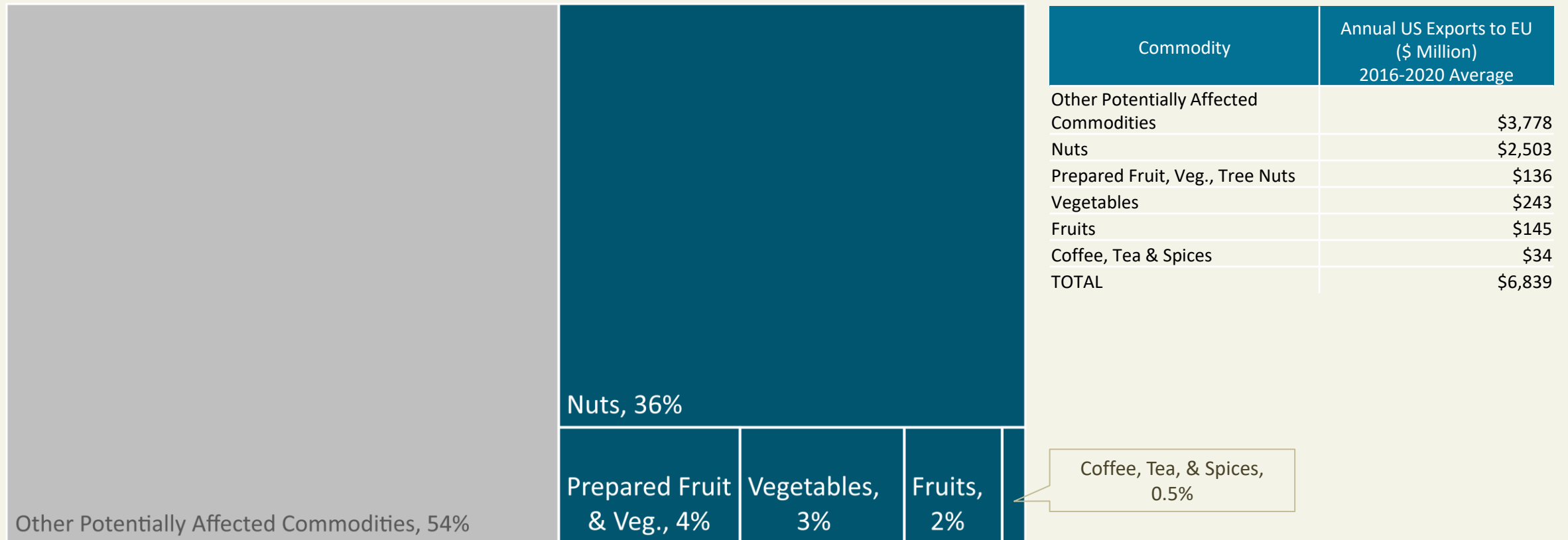


Almost all specialty crops face more stringent MRLs.

Fruit, Nut, Vegetables, Coffee/Tea/Spice, & Preparations

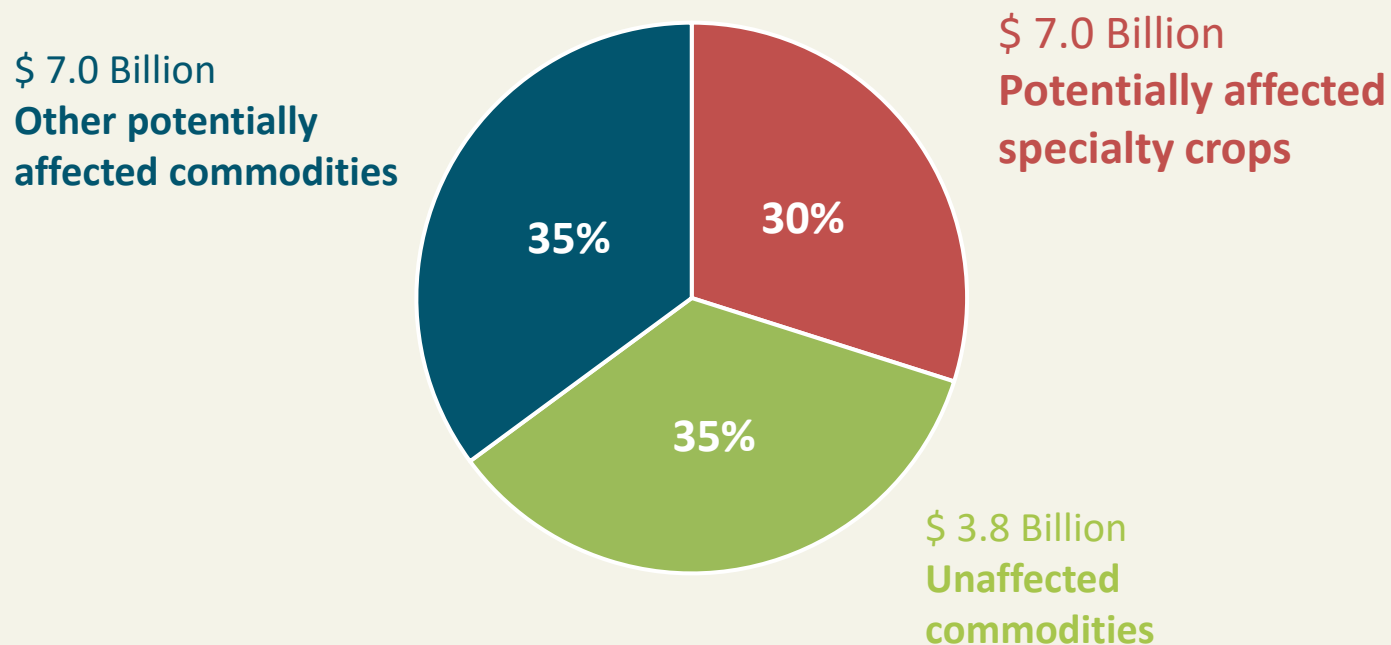


Within U.S. exports, 46% of the potentially affected value is in specialty crops.



Specialty Crops are important, exposed agri-food exports to the EU.

EU MRL policy matters for U.S. Specialty Crops.

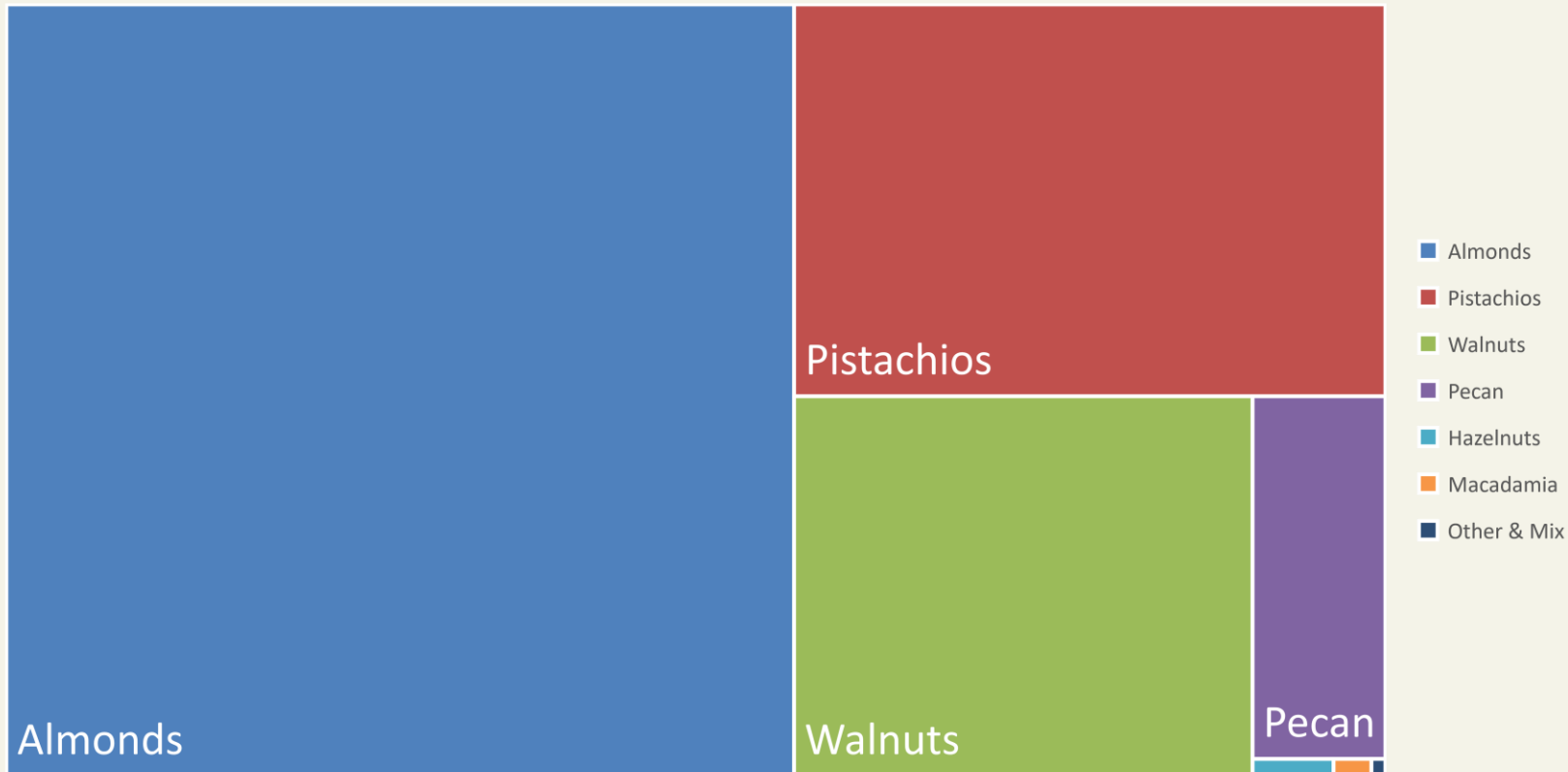


Thank you!

Please contact BCI if we may be of assistance.

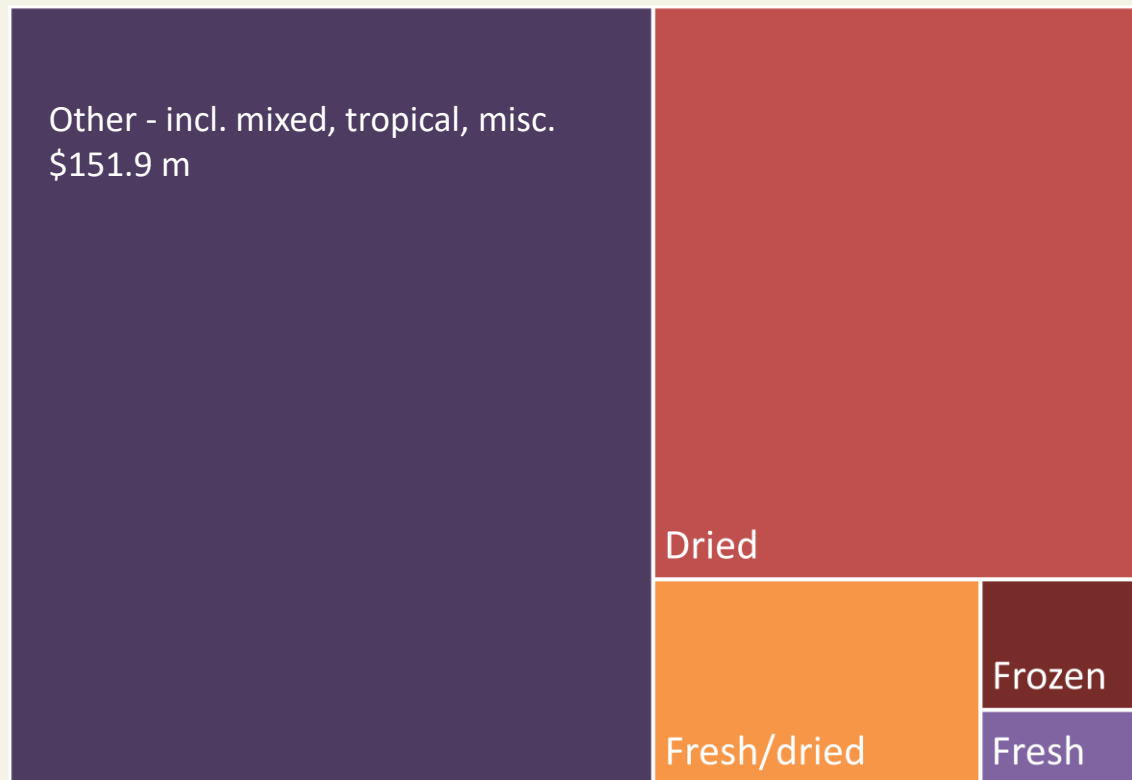
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Tree nuts make up 36% of the value of potentially affected U.S. commodities.



| Commodity | Annual US Exports to EU (\$ Million) 2016-2020 Average |
|--------------|---|
| Almonds | \$1,429 |
| Pistachios | \$545 |
| Walnuts | \$409 |
| Pecan | \$113 |
| Hazelnuts | \$3 |
| Macadamia | \$2 |
| Other | \$0.5 |
| TOTAL | \$2,503 |

Fruits and vegetables – fresh, frozen, and dried – make up 5% of the value of potentially affected U.S. commodities



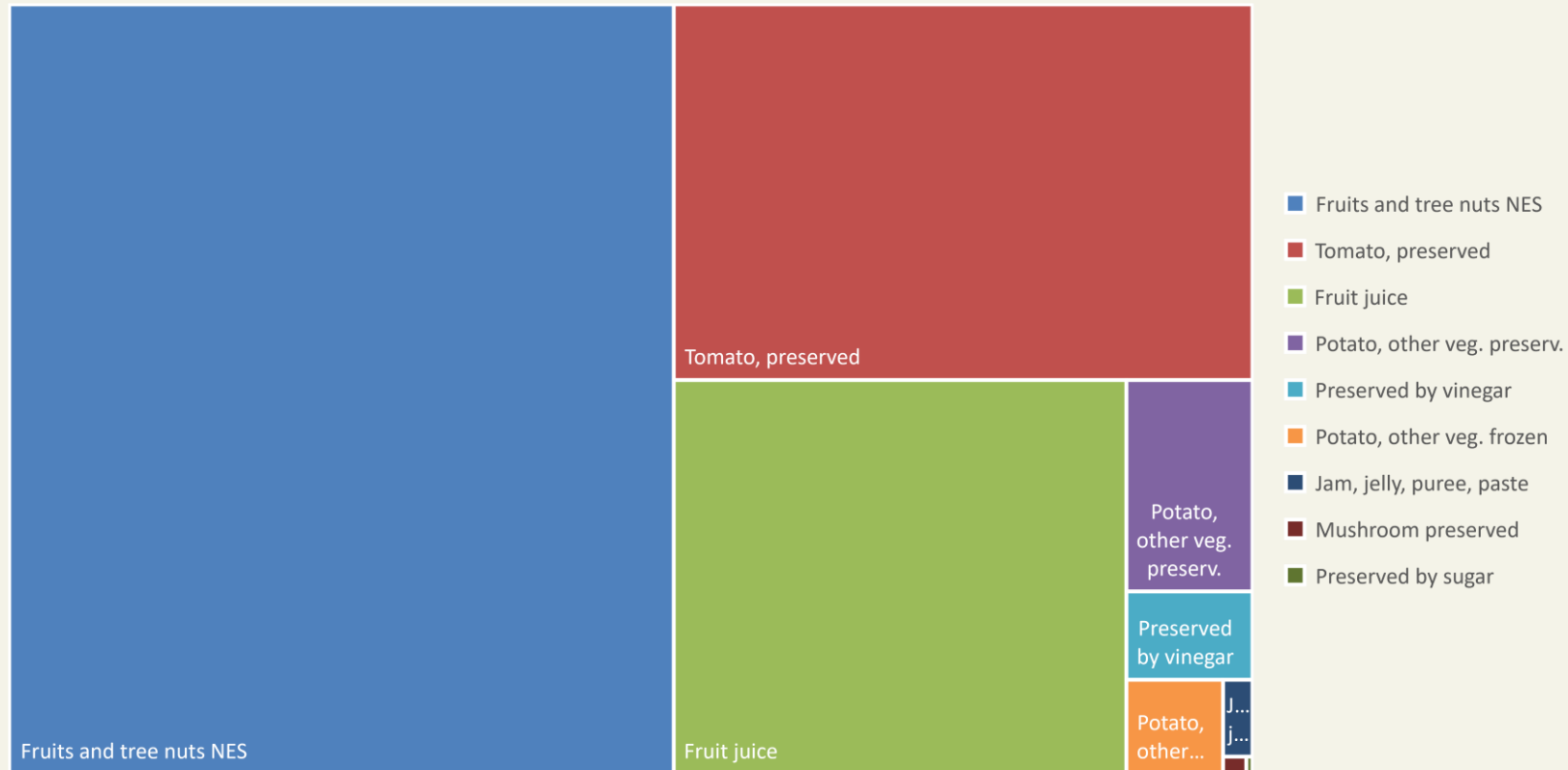
| Dried fruit | \$85.2 m |
|--|----------|
| Prunes | \$43.4 m |
| Grapes, currants, sultana | \$41.8 m |
| + Apples, Peaches, Nectarines, Apricots, Pears | |

| Fresh/dried | \$13.7 m |
|----------------------------|----------|
| Mango, guava | \$10.8 m |
| Dates | \$2.1 m |
| Avocados | \$0.7 m |
| + Fig, Melon, Pineapple | |

| Frozen fruit | \$6.5 m |
|-----------------|---------|
| Genus vaccinium | \$4.9 m |
| Cherries, sour | \$1.3 m |
| Cherries, sweet | \$0.2 m |
| + Berries | |

| Fresh fruit | \$3.7 m |
|----------------------------|---------|
| Genus vaccinium | \$1.1 m |
| Grapes | \$1.0 m |
| Cherries | \$0.8 m |
| Raspberries | \$0.4 m |
| Strawberries | \$0.4 m |
| + Apples, Pears, Papaya | \$1.2 m |

Prepared fruit and vegetable products comprise an additional 4% of the value of potentially affected U.S. commodities.



| Product | U.S. Exports to EU (\$ Million) 2016-2020 Average |
|------------------------------|---|
| Fruits and tree nuts NES | \$135.9 |
| Tomato, preserved | \$57.8 |
| Fruit juice | \$47.4 |
| Potato, other veg. preserved | \$7.1 |
| Preserved by vinegar | \$3.0 |
| Potato, other veg. frozen | \$2.4 |
| Jam, jelly, puree, paste | \$0.6 |
| Mushroom preserved | \$0.1 |
| Preserved by sugar | \$0.03 |