

16 October 2020

Original: English

(20-7138) Page: 1/1

Committee on Sanitary and Phytosanitary Measures

US INTERNATIONAL TRADE COMMISSION (USITC) REPORT, "GLOBAL ECONOMIC IMPACT OF MISSING AND LOW PESTICIDE MAXIMUM RESIDUE LEVELS (MRLS), VOL. 1"

SUBMISSION BY THE UNITED STATES OF AMERICA

The following document, received on 14 October 2020, is being circulated at the request of the Delegation of the <u>United States of America</u>.

- 1.1. The United States would like to call attention to the first volume of the recently released US International Trade Commission (USITC) report entitled, "Global Economic Impact of Missing and Low Pesticide Maximum Residue Levels (MRLs)". The Office of the United States Trade Representative (USTR) requested this assessment to gain a greater understanding of existing and emerging challenges to the current international and country-specific frameworks for MRLs and determine whether current frameworks provide adequate support for agricultural trade.
- 1.2. Many Members of this Committee have shared their concerns about how unnecessarily low or missing MRLs negatively affect international trade. Following the Workshop on Pesticide MRLs held in October 2016 for WTO SPS Committee Members, Argentina, Australia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Japan, Kenya, Madagascar, New Zealand, Panama, Paraguay, Peru, Uganda, United States, and Uruguay submitted G/SPS/W/292/Rev.4, which identified possible next steps for consideration by the SPS Committee.
- 1.3. The document co-sponsors noted the important role of the Committee in increasing coordination and harmonization around MRLs, and Members have continued to engage in the Committee around this timely, relevant issue, seeking to identify ways to reduce unnecessary barriers to trade.
- 1.4. These discussions culminated with a recommendation in the recently adopted Fifth Review of the operation and implementation of the SPS Agreement (G/SPS/64) that Members promote transparency and predictability worldwide on MRLs. The Review further notes that improved harmonization to Codex MRLs, as well as to regional MRLs, where no Codex standards exist, may facilitate trade.
- 1.5. The United States views the USITC report as an important contribution to the Committee's ongoing discussions around MRLs. The report examines current and emerging challenges to global agricultural production from existing and evolving pest and disease pressures in different climates and regions, and compares national and international policies for establishing pesticide standards. It also explores the effect of these policies on international agricultural trade.
- 1.6. Volume two of the report, which will focus on the costs and effects of MRL policies on US producers, as well as on the global impact of MRLs, is expected to be released in February 2021.
- 1.7. USITC is an independent, non-partisan federal agency in the United States. The full report and news release can be found on USITC's website, https://www.usitc.gov/publications/332/pub5071.pdf.

1.8. An informal virtual SPS side event, "Farmers' Perspectives on SPS Challenges for Sustainable Food Production and Trade", will be held on Monday, 2 November 2020, at 10:30 AM CET, during which the USITC report on missing and low pesticide MRLs will be presented.