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Committee on Sanitary and Phytosanitary Measures

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TRADE FACILITATIVE APPROACHES TO PESTICIDE MRLS

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AND THE UNITED STATES OF AMERICA

Revision

The following document, received on 11 June 2022, is being circulated at the request of the Delegations of Australia, Canada, Colombia, Paraguay and the United States of America.

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1. In March 2022 the SPS Committee held a thematic session on the topic of 'Trade facilitative approaches to pesticide MRLs, including substances not approved for use in an import market'. The thematic session was based on a proposal submitted by Australia, Colombia, Paraguay, and the United States. The final programme for the session is contained in document [G/SPS/GEN/1989/Rev.1](#) and the Chair's Summary and the final presentations are available at https://www.wto.org/english/tratop_e/sps_e/thematicsession220322_e.htm.
 2. This paper seeks to highlight both the insights gained from the March 2022 thematic session and the importance of trade-facilitative approaches to pesticide MRLs and proposes a series of issues for further consideration to strengthen the focus of the SPS Committee in this important area.
 3. The thematic session explored various issues associated with pesticide MRLs and provided an opportunity for Members and private sector groups to share their experiences and best practices with regard to facilitating safe trade. It was clear from the thematic session that trade-facilitative approaches to pesticide MRLs are a priority issue for many Members and that there was also broad agreement on key issues, particularly the need to ensure safe and affordable food supply while facilitating trade.
 4. The thematic session highlighted the importance of MRLs being risk-based and based on international standards, guidelines or recommendations and the specific food safety risks associated with pesticide use. It also highlighted, through both government and industry presentations, that solutions appropriate to local or regional conditions are required to manage the unique pest, disease and climate pressures of each production region. We also heard that farmers, researchers and regulators are all focused on producing safe food in their own unique environment consistent with specific production needs and food safety requirements.
 5. Establishing appropriate MRLs that reflect these unique conditions and are in line with international standards, guidelines or recommendations will only become more important in the future given changing climactic conditions that will affect the distribution and evolution of plant and animal pests and diseases at the same time as global population, agricultural demand and trade in agricultural products are all increasing. The thematic session highlighted the differences amongst MRL policies that are affecting trade through high compliance costs for trade, difficulty adapting to rapidly changing MRLs, increased food waste from the destruction of food shipments due to non-compliance with MRL settings in the importing countries, and increased business risks for producers.

6. The WTO Secretariat also highlighted the significance of MRL issues for Members of the SPS Committee, with almost 20 percent of all SPS Committee notifications over the last two decades relating to MRLs. The majority of these trade concerns relate to the lack of conformity with Codex standards, and approximately eight percent of all STCs (42 in total) brought to the Committee are also related to MRLs. The Secretariat drew attention to the significant number of provisions within the SPS Agreement which relate to the proper setting of pesticide MRLs, including the principles of non-discrimination against imported products (Article 2.3), transparency (Article 7 and Annex B), the necessity of scientific justification and use of international standards (Article 2, Article 3, Article 5), and trade-facilitative control, inspection and approval procedures (Annex C).

7. It is therefore important that the SPS Committee focus its efforts to fully engage to more deeply examine the issues raised in the thematic session, given the adverse impact on trade and food security arising from misaligned or missing MRLs or application of lower/default MRLs that are not in line with international standards, guidelines or recommendations (for example, Codex MRLs). It is important that the Committee further consider these issues and those effective trade facilitative approaches to address them, whether through promoting the importance of establishment of import MRL systems by WTO Members, continued international harmonization with Codex MRLs, encouraging the development of international guidance on appropriate transition periods for lowered MRLs, or through the role of channels of trade provisions.

Proposed Focus for Discussion

8. The sponsors of this paper therefore propose that the SPS Committee further consider and discuss the following potential areas of focus to foster trade facilitative approaches to pesticide MRLs, including for substances not approved for use in an import market:

- Consider approaches in which further international harmonization of MRLs can be encouraged in line with Codex MRLs, including whether it may be appropriate to encourage Codex to explore ways in which MRLs may be developed more quickly.
- Consider whether it is appropriate to suggest that international guidance be developed on transition periods when import MRLs are modified.
- Consider what further international efforts can be taken to support the establishment of import MRL systems in line with international standards, guidelines or recommendations.
- Consider the role that international channels of trade provisions can provide in facilitating safe trade and whether it is appropriate to suggest that international guidance to be developed.

9. It is suggested that a working group be established to address these issues, with progress reports to be made at each Committee meeting. However, proposals for alternative mechanisms are welcome.
