

## RE: ARL memo for CropLife

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**From:** "Callahan, Julie E. EOP/USTR" <julie\_e\_callahan@ustr.eop.gov>  
**To:** "Dickson, Krista B. EOP/USTR" <krista.b.dickson@ustr.eop.gov>  
**Date:** Thu, 24 Sep 2020 22:42:28 -0400  
**Attachments** CLA Board Meeting\_2020March22.docx (19.07 kB); 2019-08-014 ITC Pesticide Study - 8.29.19.pdf (2.36 MB)

I thought they were coming in to talk about MX...The attached is very general, informal background that we gave to Gregg before he addressed the CLA board in March. It is pretty dated at this point but provides some background on where we were with CLA at that time. Also the decision memo from last year on ITC report. Julia has most of the detailed background on EU MRLs from SPS Committee instructions, but not sure the memo needs to get into a lot of specifics on EU.

Are you adding to an existing memo? I haven't seen anything.

Also in case Trey hasn't mentioned, ARL does not want talking points. Just the facts, without interpretation, and with numbers as much as possible to back up any language referencing effects on trade or market access.

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**From:** Dickson, Krista B. EOP/USTR <Krista.B.Dickson@ustr.eop.gov>  
**Sent:** Thursday, September 24, 2020 10:06 PM  
**To:** Callahan, Julie E. EOP/USTR <Julie\_E\_Callahan@ustr.eop.gov>  
**Subject:** ARL memo for CropLife

Do you have a previous memo, or background summary document on EU MRL issues? I am struggling since I have not found any background documents on sharepoint to help me figure out status prior to a month ago.

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## BACKGROUND FOR ADDRESS TO CROP LIFE AMERICA BOARD

**ISSUE:** Pesticide manufacturers regularly reach out to the USTR Agriculture Office for assistance in addressing concerns with pesticide regulations in foreign countries. Some pesticide industry concerns align with those of U.S. agricultural producers while some do not.

### **BACKGROUND:**

The USTR Agriculture Office engages bilaterally with countries regarding pesticide policies that may hamper U.S. agricultural exports – principally where countries withdraw or lower maximum residue levels of compounds used by U.S. farmers. For example, EU pesticide policy involves lowering of MRLs to 0.01ppm for substances triggering hazard cutoff criteria. The policy is likely to disrupt U.S. agricultural exports to the EU, from row crops to specialty crops.

Many domestic and EU-headquartered pesticide manufacturers rely heavily on USTR to engage with the European Commission and other countries to defend their products. When the EU is considering bans of pesticides used by U.S. producers, the work of USTR to press the EU to maintain its MRLs in order to avoid U.S. agricultural producers losing market access also meets the objectives of the pesticide manufacturers.

Pesticide manufacturers often convey their concerns regarding EU pesticide policy in terms of requests for action by the U.S. government, as they are often unwilling or unable to engage with the European Commission directly.

USTR has met frequently with Crop Life America, Crop Life International, and individual pesticide manufacturers to discuss challenges with EU pesticide policy. USTR has conveyed to the companies and organizations the need to gather information to help USTR to defend U.S. interests bilaterally and in the WTO. USTR has conveyed repeatedly that the challenge with the EU is not a bilateral, U.S.-EU issue but a challenge for all countries that export agricultural products to the EU. **EXEMPTION 5**

Representatives of pesticide manufacturing companies have requested assistance from USTR on issues that may not affect U.S. agricultural exports directly, such as:

- Production or sale of counterfeit pesticides in foreign countries;
- Foreign bans on pesticides that are not allowed for use in the United States;
- Foreign bans on pesticide ingredients used for the manufacture of pesticides in foreign countries.

### *Import tolerances*

U.S. agricultural producers have raised to USTR the concern that they have been told that pesticide manufacturers do not intend to apply for import tolerances for pesticides that are ultimately banned in the EU. Pesticide industry representatives have told USTR that applying for import tolerances is a business decision, to be decided on a case-by-case basis. Further, some

industry representatives have indicated informally EXEMPTION 5

### *Glyphosate*

Within the past year, a growing number of countries have moved to ban or restrict the use of glyphosate domestically (Mexico, Vietnam, Bangladesh, and several EU Member States). It is unclear but likely EXEMPTION 5

in order for U.S. producers that use glyphosate on crops to maintain market access, pesticide manufacturers would have to apply for import tolerances for each of the crops on which glyphosate is used.

## **POINTS FOR INCLUSION IN SPEECH**

### **EU Pesticide Policy**

- USTR has engaged actively with the EU bilaterally on pesticide issues. However, this is not a bilateral issue.
- While many groups in Europe try to portray this as a U.S.-EU issue, the reality is that over a hundred countries raised concern with EU pesticide policy at the WTO Council on Trade in Goods in 2019.
- The EU pesticide challenges extend beyond the EU hazard cutoffs that you all know so well. We also face the uphill battle of defending glyphosate in the EU, which doesn't even trigger any hazard cutoffs. Glyphosate is a critical product for U.S. producers that has become a political hot potato in the EU and elsewhere.
- Some of what we are hearing from the European Commission simply does not comport with the stark reality facing our farmers. That "alternatives" exist, and that perhaps beer, milk, or vinegar could be used to eliminate pests. Experts like yourselves can help us to set that record straight with the Commission.
- I would be interested in hearing more about what you are doing to defend your products in Europe.

### **Mexico**

- USTR officials are pressing Mexico on glyphosate, as is USDA.
- We will continue to fight for our farmers' ability to use this critical substance – and that means if a country bans domestic use, we want to make sure they maintain import tolerances.

### **Import Tolerances**

- For any substance that may have its registration revoked in an export market, if U.S. producers rely on it, we want to ensure that import tolerances are in place.

- We rely on you, the registrants, to submit the data for this to happen.
- We have heard from some of our growers that pesticide manufacturers may not be willing to submit applications for import tolerances, particularly for specialty crops.
- I understand this is a business decision for you.
- But I implore you – Do not leave U.S. farmers and farmers around the world - your customers - hanging out to dry.

**Broad Pesticide Strategy**

- I would be interested in hearing how you're working with CLA and each other on a strategy, and how you are engaging with other countries to defend your products.
- I'm also interested in how you are engaging with American farmers who rely on your products.
- We are defending your products. We want to work with you and welcome your active engagement.