

[EXTERNAL] Thailand MRLs - Comments submitted by NAEGA/USSEC/USW

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Attachments: Comments Thailand G.SPS.N.THA.313 MRLs July 2020.pdf (179.76 kB)

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All,

We would like to thank everyone for joining the calls and exchanging information. This is a good example of the importance of public and private sector interface on issues of common interest and extreme importance.

As discussed on our call earlier this week, NAEGA, USSEC, and USW did work together to draft and submit comments to the Thai SPS notification on MRLs. Attached are those comments.

We will continue to follow this issue and as new developments emerge we will reengage the group as needed. Thank you again for the work and continuing efforts.

Best regards,

Roz, Gary and Dalton



17 July 2020

National Bureau of Agricultural Commodity and Food Standards

Re: SPS Notification G/SPS/N/THA/313, 20 May 2020

Dear Colleagues:

The North American Export Grain Association (NAEGA)¹, U.S. Soybean Export Council (USSEC)², and U.S. Wheat Associates (USW)³ humbly and respectfully offer these comments regarding SPS Notification G/SPS/N/THA/313, 20 May 2020 to the WTO Committee on Sanitary and Phytosanitary Measures in the spirit of supporting and informing the interests Thailand.

The U.S. supply chain for grains and oilseeds places product safety first in our ongoing effort to be the most trusted and reliable supply partner to our customers and the people of Thailand. We have concerns about the potential impact the reclassification and subsequent deletion of maximum residue level (MRLs) for Chlorpyrifos, Chlorpyrifos-methyl, Paraquat, Paraquat dichloride, Paraquat [bis (methyl sulphate)] or Paraquat methosulfate, is likely to have on U.S. producers and our Thai customers.

The decision by the Ministry of Public Health (MOPH) to ban these substances, not only suspends the use or sales of these products in Thailand, it also imposes an MRL of zero. We fear that significant and unnecessary uncertainty and added cost in provision of Thailand's grain and oilseed needs may result as tolerances based on sound science are in the best interest of all stakeholders and are compliant with necessary global convention. Moreover, zero or near-zero default tolerances impede trade, food security, affordability and innovation.

Additionally, the notice indicates that the new requirements will go into effect 30 days from when the "notification comes into force" upon publication in the Government Gazette. We note that crops are in production and harvested products are in store in Thailand and globally that utilized these important protection technologies. Until the products produced under the current system have completely moved through the supply-chain, there is considerable unmanageable risk to producers, exporters and importers. We suggest the Thai Government, once it has completed its decision making related to these compounds, consider and clearly articulate a transition period for channels of trade, regardless of reduction or elimination of the existing MRL by which trade is currently operating.

Ultimately a clear and trade-enabling transition policy can help manage risk in trade and ease the movement of commodities between exporter and importer. Regulatory coherence across exporting and importing countries is key to supporting grain traded for food, feed and processing and needs to result in manageable MRLs without compromising food safety. An importing country could adopt an

import tolerance which defers to Codex or to the country of origin or extend an MRL that may already exist domestically. Although there is less global harmonization for Paraquat and Chlorpyrifos, there are reasonable approaches which follow the principles, of a trade-enabled and safe threshold. Currently, trade moves freely from the United States to Thailand, with the existing MRLs in place for the substances. MOPH could consider maintaining these levels or defer to Codex or the U.S. levels for an import tolerance. The United States values the increased market share of the Thai soybean, soybean meal and wheat import market, and therefore, recognizes a zero tolerance of any substance could have considerable impact on the Thai industry as well. According to the U.S. Department of Agriculture, for the most recent marketing years, total trade of these three products has been between US\$750 million and US\$900 million.

MRLs encourage the correct and effective application of a crop protection product and indicate the highest level of a product residue legally tolerated. Used in a rotation of other weed control products, Paraquat is an important tools for U.S. growers to maximize resistance management, reduce the potential presence of weed seeds, increase production practices such as no tillage or minimum tillage, and provide a consistent and quality product to our Thai customers. Paraquat is part of weed control, which can directly impact the overall sustainability of the farm and throughout the value chain – both environmentally and economically. Furthermore, Chlorpyrifos and Chlorpyrifos-methyl are effective management tools to control a number of insect pests which can be devastating to a crop, such as soybean aphids, bean leaf beetles, grasshoppers, spider mites, stink bugs and other storage pests.

We know the U.S. supply chain beginning with crop protection technology providers and including farmers, producers, grain handlers, processors and our governments are committed to the proper use of these substances. Representing the value chain that supplies some of the of soybeans, soybean meal and wheat to the Thai market, we encourage the Government of Thailand to consider possible options that create an import tolerance based on sound science and risk assessment, adhering to international standards, that reduces uncertainty and facilitates trade while meeting consumer expectations for food safety.

Please let us know if we can be of further assistance.

Sincerely,

EXEMPTION 6

Gary Martin, President and CEO
North American Grain Export Association

EXEMPTION 6

Vince Peterson, President and CEO
U.S. Wheat Associates

EXEMPTION 6

Jim Sutter, CEO
U.S. Soybean Export Council

¹ NAEGA works globally to promote and sustain the international trade of grain and oilseeds. Members include private and publicly owned companies and farmer-owned cooperatives serving the bulk grain and oilseed exporting industry and ship and support the vast majority of the safe, highly competitive and fungible North American grain export supply. More information can be found at: www.naega.org

² USSEC represents the interest of U.S. soybean producers, commodity shippers, merchandisers, allied agribusinesses and agricultural organizations in the international markets. More information can be found at: www.ussec.org

³ USW is the export market development organization for the U.S. wheat industry. USW promotes the reliability, quality and value of all six U.S. wheat classes to wheat buyers, millers, bakers, food processors and government officials in more than 100 countries around the world. More information can be found at: www.uswheat.org