Pacific Rim MRL Issues

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Presentation Agenda

I. The Continuing and New MRL Challenges for Growers/Shippers

II. MRL Issues Around the Pacific Basin
   - Japan
   - Taiwan
   - South Korea
   - Hong Kong
   - China
   - Australia/New Zealand
   - ASEAN
   - Codex

III. Conclusion: Asian Pacific MRL Trends
I. Continuing and New MRL Challenges for Growers/Shippers

- **Main Issue:** Growers can be within pesticide tolerances in US and illegal abroad
  - Trend continues to grow

- **New Challenges:**
  - New pest pressures require chemical control
  - New compounds approved in US do not have MRLs abroad
  - Private sector requirements growing
II. MRL Issues in the Pacific Basin

Japan:

Summary:

- Positive MRL List put into place May 29, 2006
- Over 758 pesticides now in Japan
- Exports to Japan must meet standards
II. MRL Issues in the Pacific Basin

Japan Import Testing Policies:

- **Imported Foods Monitoring and Guidance Plan for FY 2010**
  Published on March 29, 2010, Covers April 1, 2010- March 31, 2011
- **15,500 pesticide residue samples on Agricultural foods**
  (Vegetables, fruit, wheat, barley, corn, beans, peanuts, nuts, seeds, and other products)
- **8,000 samples pesticide residue samples on Processed agricultural foods**
  (Frozen products (processed vegetables), processed vegetable products, processed fruit products, spices, instant noodles, and other products)
- **Sampling occurs at Ports; Product sampled from all countries**
- **Sampling Policy Available at**
  [http://www.mhlw.go.jp/topics/yunyu/keikaku/10/english.html](http://www.mhlw.go.jp/topics/yunyu/keikaku/10/english.html)
II. MRL Issues in the Pacific Basin

Japan April-Sept. 2009 MRL Violations:

- ~8,000 fresh product tested, ~4,000 processed
- 39 MRL violations (30 fresh, 9 processed)
  - China: 14 violations   - Thailand: 5   - Vietnam: 2
  - India: 5 violations    - Korea: 4       - US: 2
- China continues to be the largest violator.
- US: violations during the period were for broccoli (flonicamid) and raspberry (bifenazate).
- Violations in previous years have included:
  US strawberries, potatoes, lettuce and others.
II. MRL Issues in the Pacific Basin

Japan: What Happens When You Have a Violation?

– US Embassy in Tokyo informed of violation
– Violation published on MHLW website
– Sanction imposed on shipper and likely industry: 30% test and release.
– Investigation needs to be conducted.
– How did violation occur? Not approved in Japan? Drift? Contamination? Make best explanation, supported with evidence (spray records, labels, field trial data, pre-testing, etc.), Provide to Embassy and USDA’s Foreign Agricultural Service.
– Inform industry of situation, urge caution; may wish to pre-test at MHLW approved labs in US
– Must avoid 2nd violation: 100% test-and-hold for like-products.
– After period of time, normally 60 test results of clean shipments, reinstatement to lower testing levels.
II. MRL Issues in the Pacific Basin

Three Areas of MRL Priorities in Japan:

1) Sanctions Policy
   • MOU Signed in July 2010, but differing interpretations of language
   • In reality, two violations can still result in entire industry having product held at port for testing results, including shippers with clean records.
   • Goal: Seek to avoid punishing entire industry for individual violation

2) Prompt Pesticide Reviews, Especially for New Products
   • New products approved annually in US
   • Registrants know to seek Japan MRLs, but continual delays in Japanese approval process.

3) Post-Harvest Fungicides
   • Pesticides used post-harvest also food additive approval.
   • Significant delays in approval
   • Has prevented market access and usage of needed compounds.
II. MRL Issues in the Pacific Basin

Taiwan:

– Current System:
  • Limited MRL List: Numerous Missing MRLs
  • No deferral to Codex
  • No default tolerance
  • Limited use of crop groups
  • Total Taiwan MRLs in 2010:
    • Newly established MRLs since January 1, 2009:

– Sampling:
  • 2010 guidelines have 200 compounds to test for
  • Increased sampling for pesticide residues in 2009 led to several US commodity violations: cherries, apples, stone fruit
  • No violation since June 2009.
  • All US commodity groups are exposed in Taiwan
II. MRL Issues in the Pacific Basin

Taiwan:

- Industry Visit in May 2009:
  - Told to just adhere to Taiwan MRLs (means not using many products in US)
  - Told will not defer to Codex MRLs due to unique Taiwan diet, despite fact other Asian nations use Codex. (Taiwan is not part of Codex)
  - Explained how MRL approvals occur in Taiwan: Understaffed
  - Reviewed Taiwan residue sampling: Non-political different agency
  - Interest in cooperating with US government to add additional MRLs
  - Staff changes frequent

- Needed to Address Situation in Taiwan:
  - Additional MRLs, despite recent announcements, scores still needed.
  - More efficient way to approve MRLs in Taiwan. Need additional resources.
  - Need to set MRLs on crop groupings to cover as many as possible and to establish as many MRLs as need per compound as opposed to returning to compound again and again.
  - During transition period, need to not take action against imported product if MRL approved in exporting country.
II. MRL Issues in the Pacific Basin

South Korea:

- Major US export market
- Traditionally no MRL issues in market
- Although national Korean MRL list, if MRL does not exist in market, uses a deferral path, which includes Codex MRLs.
- This system sufficient in past to cover US products.
- Recent announcements saying may adjust deferral system and not use Codex MRLs.
- If adopted, Korea could become concern.

Current Area of Work:

1. Work with USDA, US Embassy in Seoul, to encourage Korea to maintain Codex MRLs in its deferral path
II. MRL Issues in the Pacific Basin

Hong Kong:

- Current system: Defer to Codex
- In late, 2007, announced transition to own positive list system within next three years.
- Commodity groups provided comments in January 2008 seeking MRLs harmonized with US or Codex standards.
- No further announcements since. Unclear if transition continuing.
- Shippers should continue to use Codex standards for exports to Hong Kong
II. MRL Issues in the Pacific Basin

China:

- Current system: Outdated MRL list: Rarely announce MRL changes; due for an overhaul.
- Have hosted Codex meeting for last four years.
- May use Codex as arbitration standard if there is a discrepancy, but policy not official.

Current Area of Work

1. Prepare for likely MRL overhaul in future as part of food safety standard updates.
II. MRL Issues in the Pacific Basin

Australia:

- Current system:
  - Limited national MRL List
  - Missing MRLs for imports
  - Some crop group MRLs
  - No default tolerance
  - Does NOT defer to Codex
- First loads rejected in 2009.
- Private sector (buyers) actively involved in MRL issues in 2010.
- California pest issue potential problem due to need to control pest vs. missing MRLs.
- Previously: No effective means of establishing import tolerances, does not defer to Codex: This may be changing.

Current Area of Work:

- Obtain additional MRLs through Aus. government. Recent MRL announcements.
- Discussions on Codex deferral.
II. MRL Issues in the Pacific Basin

New Zealand:

– Current system:
  • Limited MRL List:
  • Does defer to Codex MRLs when MRL does not exist in New Zealand or if NZ MRLs are more restrictive than Codex.

– No MRL issues with US exports to New Zealand.

Current Area of Work
– Seek additional MRLs through Codex system.
III. MRL Issues in the Pacific Basin

ASEAN

Codex MRLs suffice in most of South East Asia:
- National List/Codex deferrals: Singapore, Malaysia, Indonesia
- Codex Deferral: Philippines, Thailand, Vietnam

Indonesia:
- Current System: limited MRL list, mostly based on Codex MRLs
- New food safety system in place, US food safety regulations considered equivalent to Indonesia for two years.
- Codex deferral to be used, but should be confirmed.
- Shippers encouraged to use Codex MRLs.

Thailand:
- Current System: limited MRL list, defer to Codex
- Issue in 2009 with quick testing all products at port and if certain pesticide residues detected, additional tests performed.
- USDA work with Thailand to indefinitely postpone proposal.
III. MRL Issues in the Pacific Basin

Codex:

- International Food Safety Standards, including pesticide MRLs
- Codex important to growers/shippers: countries defer to Codex; also considered objective standard
- Recent improvements means MRLs can be established in less than two years once on the agenda.
- Work with EPA on priorities for Codex, ensure your commodity included in Codex reviews, use IR-4 as resources for data when needed.
III. MRL Conclusions/Trends

- Growers consider MRL harmonization one of the most important and growing issues in international agriculture trade.
- Use of USDA-EPA MRL Database continues to increase. (www.mrldatabase.com)
- Movement in Pacific Basin toward establishing national MRL lists, Some transitions orderly; others not.
- Codex MRLs are useful to growers/shippers.
- Newly established MRLs need international tolerances; older MRLs need import tolerances.
- Private sector concerns and standards becoming increasingly common.
- New pests may increase pressure on MRL issues.