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Ambassador Katherine Tai U.S. Trade Representative Office of the United States Trade Representative 600 17th Street NW Washington, DC 20006

Re: Docket No. USTR-2022-0002 – Request for Comments on the Proposed Fair and Resilient Trade Pillar of an Indo-Pacific Economic Framework, 87 Fed. Reg. 13789 (Office of the United States Trade Representative March 10, 2022)

Dear Ambassador Tai:

CropLife America (CLA) provides this submission in response to the request for comments on a proposed Indo-Pacific Economic Framework (IPEF) put forward by the Office of the U.S. Trade Representative (USTR). CLA, established in 1933, represents the developers, manufacturers, formulators, and distributors of plant science solutions for agriculture and pest management in the United States. CLA's member companies produce, sell, and distribute virtually all the pesticide products used by U.S. farmers, ranchers, and landowners to ensure healthy crops and strong yields.

Together with its members, CLA works to ensure that our companies can provide environmentally sustainable agricultural products that support a safe food supply and reduce the risks posed by destructive pests and plant diseases. Similarly, pesticide products provide benefits to plant nurseries as well as turf protection for areas such as sports fields, golf courses, and lawns. Pesticidal chemicals also prevent public health problems by controlling and repelling harmful disease vectors such as mosquitos and ticks. Pesticides play a crucial role in supporting healthy food, healthy people, and a healthy planet.

U.S. farmers depend on pesticides to grow a healthy and safe food crop as well as other agriculture products including fibers, lumber, and fuel for consumers domestically and around the world. Without modern pesticides, insect pests, weeds, and crop diseases would destroy or reduce crop yields and quality and substantially reduce the availability of U.S.-grown farm and food products. Many U.S.-grown crops are exported to the Indo-Pacific region, so policies that adversely impact trade in this region are of paramount concern to U.S. growers and CLA.

The Indo-Pacific is a vital region for global agricultural production and consumption. Working towards free and open trade among responsible trading partners in this region should be a top priority for USTR. This would enhance food security and create opportunities to thrive for farmers, workers and companies involved in agricultural supply chains across the region.

Pesticides are a necessary part of protecting and growing the supply of food, feed, fiber, and clean energy that is needed in this region and the rest of the world. Pesticides enables safe agricultural production as long as regulations are developed in a manner that is appropriate to the risks and based on scientific evidence. In the United States these products are highly regulated by the U.S. Environmental Protection Agency (EPA) on a risk-based regulatory approach. Unfortunately, many countries' regulatory frameworks for pesticides are not fit for purpose, which has the effect of stifling innovation and reducing tools available to farmers.

CLA's trade policy priorities in this region and elsewhere primarily involve moving towards a more risk-based regulatory framework that is built on a predictable and scientifically sound policy environment. This increases the availability of tools for farmers who need to combat pests, and diminishes the risks of farmers' products ultimately being rejected in foreign markets due to misaligned regulatory measures, and reduces political risk for companies like CLA members that sell pesticides. No one in the agricultural supply chain benefits from an unpredictable regulatory framework, so CLA encourages USTR to use the IPEF negotiations to develop rules that lead to a more predictable agricultural trade environment that is underpinned by sound science and risk-based regulation.

While USTR has indicated the IPEF will not prioritize market access at this time, it can deliver results for the agricultural sector by promoting stronger international rules on sanitary and phytosanitary (SPS) measures, good regulatory practices, and other non-tariff barriers (NTBs). The SPS chapters of the United States—Mexico—Canada Agreement (USMCA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), along with the SPS Agreement of the World Trade Organization (WTO), created important disciplines from which the IPEF members can build an improved policy framework for trade-related SPS measures.

This submission will highlight a few areas where IPEF could advance a trade policy agenda that reduces NTBs, especially through efforts to improve the harmonization of maximum residue levels (MRLs) for pesticide residues in agricultural products. Other relevant NTBs, like unnecessary certificates, redundant licenses, and basing measures on arbitrary pseudo-science, should also be addressed while seeking to discourage factors that contribute to them, like poor risk communication.

Maximum Residue Levels

For pesticides, MRL are a trading standard that must be met before an agricultural product can enter a country's supply chain. Missing MRLs are a growing problem for U.S. agriculture exports and can create food security problems, particularly in developing countries. When countries have regulatory systems that are not responsive to changing technology and usage, this can lead to trade disruptions. Global MRL harmonization and recognition of country or origin's MRL for missing MRLs are needed to avoid unnecessary trade barriers, and IPEF can play a role in advancing towards that goal. IPEF countries should explore ways to reduce these MRL challenges and achieve greater alignment in regulatory approaches, including routinely and systematically updating the harmonization of domestic tolerances with MRLs of Codex and IPEF partners.

The United States and other countries are cooperating on pesticide reviews and the U.S. government should use IPEF discussions to expand this sort of cooperation, as this will benefit farmers across the region. IPEF countries can build on the MRL work already being done in the Asia-Pacific Economic Cooperation (APEC) forum, which seeks to harmonize MRL setting and enforcement across the region. IPEF should reinforce without duplicating APEC activities.

IPEF can be useful in bringing together like-minded countries with an interest in increasing trade in the Indo-Pacific region in a way that heightens cooperation in building towards that goal. Article 3 of the WTO SPS Agreement begins with the objective of "harmoniz[ing] sanitary and phytosanitary measures on as wide a basis as possible," which is still a worthy goal, even though many WTO members have moved in the opposite direction. Moving towards MRL harmonization in the Indo-Pacific – or at least reducing disparities – can help reverse that backtracking and provide tangible results for producers in the region by reducing policy risks to their exports.

Data and Innovation

Protection for regulatory data supporting the registration of pesticide products is an important incentive that enables innovation. The global norm is ten years of protection, but not all countries follow this. The ten-year period allows companies time to recoup their investment in product innovation, which is an extremely risky and expensive process. Ensuring that IPEF members adopt and enforce ten years of regulatory data protection would help boost investment in developing new products and new uses.

Beyond protecting the data, it is also important that countries harmonize data requirements for pesticide registration. Pesticide regulatory programs should be directed towards convergence with other countries with openness to input from stakeholders and responsiveness to marketplace needs. Providing data for registration is expensive and time-consuming. While sound data is critically important for appropriate regulatory decision-making, it is usually unnecessary for regulators to have substantially different data requirements as this contributes to divergence in regulatory programs and unnecessary duplication of studies. IPEF can help encourage convergence on data requirements and other aspects of the pesticide registration process.

The primary international forum for developing subject-matter data guidelines for pesticide registration and harmonizing their use across the world is the Organization for Economic Cooperation and Development (OECD). Likewise, OECD hosts a robust system of Good Laboratory Practice Standards (GLPS) to assure the quality and integrity of regulatory studies supporting pesticide registration. OECD member nations plus participating adherent nations conform to GLPS in their pesticide regulatory programs and agree to the Mutual Acceptance of Data (MAD) from other countries that are conducted according to GLPS. Many Indo-Pacific nations are OECD members or adherents to the MAD program. The U.S. should use framework discussions among Indo-Pacific nations to encourage (a) more widespread and consistent acceptance of those standard data guidelines; (b) acceptance of GLPS; and (c) participation in the MAD program, either formally (through seeking adherent status) or informally (through acceptance of GLPS studies from OECD member and adherent countries).

Agriculture is also undergoing significant disruption with the increase in use of data, artificial intelligence, and robotics. USTR should work with IPEF members to promote advancement of

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technologies like but not limited to automated/remotely piloted equipment use in agricultural production system.

Pesticides & Sustainability

Pesticides play a vital role in achieving U.S. goals for sustainable productivity by making possible reduced/zero tillage agriculture and the use of cover crops. These agronomic practices allow U.S. farmers to reduce greenhouse gas emissions, improve soil quality, and sequester atmospheric carbon dioxide. Increasing production while minimizing environmental impacts and preserving natural resources is the greatest challenge for today's farmers, especially in the face of a changing climate and the pressures on agriculture that come with it. Farmers carefully track which pests and diseases are affecting their crops and which parts of their fields are affected. If they must use pesticides, they carefully select the right pesticide and smallest quantities necessary for each pest and crop at issue. In response to changing methods of farming, pesticide manufacturers are focusing on the farmers' needs by developing more targeted, more selective, and safer solutions to control weeds, diseases, and insects that threaten the food supply. These new pesticide innovations allow farmers to use fewer, more targeted pesticides within an Integrated Pest Management system.

CLA strongly supports Indo-Pacific countries exploring ways to use the framework to make their economies – including agriculture – more sustainable in the face of climate change and the need to ensure food security. Broadly speaking, CLA supports voluntary, market-, and incentive-based approaches that advance science-based outcomes. IPEF should encourage countries to approach sustainability realistically and with a proper appreciation of the magnitude of the challenges facing global agriculture. However, it should avoid one-size-fits-all and overly prescriptive approaches that do not account for the wildly different situations facing agricultural economies across the region and even within individual countries.

Conclusion

CLA appreciates the opportunity to comment on the Biden-Harris Administration's proposed framework. The IPEF could be a pathbreaking approach to economic integration in the Indo-Pacific region that future comprehensive agreements that improve market access and contain enforceable provisions could build upon. IPEF members can benefit their agriculture economies by reducing the costs of innovation and the potential for disruption created by NTBs. CLA supports the administration as it seeks to explore new models of reducing friction in international trade among like-minded countries and stands ready to assist in any way we can.

Sincerely,

Chris Novak

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President & CEO CropLife America