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EU-27

Agricultural Situation

Political agreement on new pesticide proposal

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Report Highlights:

The Council has reached a political agreement on a common position concerning the placing on the market of plant protection products on the market at this month's Agricultural Council meeting. One of the main outstanding issues preventing a political agreement to be reached at last month's Council were the so called "cut-off criteria" for approving substances with possible hazardous properties and moving the approval and authorization procedure from a risk-based assessment to a hazard-based assessment.

> Includes PSD Changes: No Includes Trade Matrix: No Annual Report Brussels USEU [BE2] [E4]

Introduction

A political agreement was reached at the June Agricultural Council on the Draft proposal for the new Plant Protection Products (PPPs) authorization rules, which will replace the existing legislation Council Directive 91/414/EEC. The main aim of the new proposal is to facilitate the current approval and authorization procedures and to increase harmonization while maintaining a high level of protection for humans, animals and the environment.

Background

The EU is developing a new Regulation regarding the marketing and use of Plant Protection Products (PPPs). The initial Commission proposal for this new legislation was submitted to the Council and the European Parliament in July 2006. The European Parliament completed its first reading in October 2007, and the Commission issued an amended proposal on March 11, 2008. The Council was expected to produce a common position at either the Council of May or June 2008, but no political agreement was reached at the May Council on the Draft proposal. The Council therefore instructed the Permanent Representatives Committee to find a solution to the outstanding issues in order to reach a political agreement on a common position in June. Britain, Hungary, Ireland and Romania abstained on Monday's vote, but the remaining 23 countries voted in favor. Ministers should adopt a common position on the text in autumn 2008, so that it can be transmitted to the Parliament for its second reading.

Particular issues of the proposal

The proposal is intended to replace the existing legislation in this area, <u>Council Directive</u> <u>91/414/EEC</u>. One of the most critical issues to be resolved was the establishment of so called 'cut-off criteria'. These criteria do not allow a risk evaluation based on the use of the product and focus only on the potential hazard of the active substances included in the products. The Council text does allow derogation for certain products but this provision is very restricted and with a transitional period of not more than five years. Additionally, it will no longer be allowed to grant provisional authorization to products still in the process of registration unless the EU-level assessment lasts longer than two and a half years.

Some Member States and the EU crop protection industry believe that the proposal will lead to the loss of important crop protection solutions. Director-General Friedhelm Schmider of the European Crop Protection Association (ECPA) stated that "at a time when the global population is worried about high food prices, the current proposal will make it more difficult for European farmers to continue producing high quality food at affordable prices". According to ECPA, the proposal will negatively impact overall agricultural productivity and the ability of farmers to implement integrated pest management programmes.

EU countries would be divided into three zones – north, centre and south – and pesticides could be approved for a region rather than an individual country, which is the case at present.

Ongoing review of current Directive 91/414

The current Directive 91/414, on the marketing and use of PPPs is still under review. Active substances are being reviewed and can only be used in PPPs when they are included in a positive EU list. Once a substance is included in the positive list, the use of products containing them can be authorized. With the new proposal, it will no longer be possible to grant provisional authorization to products still in the process of registration

The ongoing review of active substances under <u>Council Directive 91/414/EEC</u> has already moved EU policy in the direction of the newly proposed legislation. Lower reference values used in an extremely conservative dietary risk assessment result in overestimated exposure levels. This is reflected in the new harmonized EU Maximum Residue Limits (MRLs). The Commission conducted a harmonization of all MRLs within the EU, and these EU-MRLs will be fully applicable as of September 2008. These new MRLs might disrupt trade with countries that use the PPPs in question if they are significantly lower than they used to be. Exporting countries may have difficulties in achieving these new MRLs and other standards produced by the new legislation (see also GAIN E48060).

In general, the new pesticide proposal could also have an effect on producers outside the EU, since it would force them to either abandon the EU market or switch to other substances in order to ensure their marketing opportunities.

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