

Voluntary Report – Voluntary - Public Distribution

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Report Name: Thailand Moves Forward with Ban on Paraquat and Chlorpyrifos on 1 June 2020

Country: Thailand

Post: Bangkok

Report Category: Agricultural Situation, FAIRS Export Certificate Report, FAIRS Annual Country Report, FAIRS Subject Report, Food and Agricultural Import Regulations and Standards - Certification, Food and Agricultural Import Regulations and Standards - Narrative, Avocado, Canned Deciduous Fruit, Dried Fruit, Fresh Deciduous Fruit, Fresh Fruit, Kiwifruit, Raisins, Stone Fruit, Strawberries, Grain and Feed, Oilseeds and Products, Sanitary/Phytosanitary/Food Safety, Tree Nuts, Country/Regional FTA's, Trade Policy Incident Report, Trade Policy Monitoring, WTO Notifications, Vegetables

Prepared By: Sakchai Preechajarn, Agricultural Specialist

Approved By: Russell Nicely

Report Highlights:

Thailand's National Hazardous Substance Committee (NHSC) convened on April 30, a month before the WTO comment submission deadline, to reaffirm its previous decision to ban Paraquat and Chlorpyrifos effective June 1, 2020. Post anticipates that a zero-tolerance for residues of these two active ingredients (AIs) in food ingredients and food products will be endorsed by May 30, 2020, which will affect the shipments of U.S. bulk commodities particularly soybeans and wheat hereafter.

Executive Summary:

On April 1, 2020, Thailand notified the WTO of the Ministry of Industry's intention to re-categorize Paraquat and Chlorpyrifos from Category 3 (allowable but subject to permission) to Category 4 (prohibited for production, importation, exportation, and possession) and to enforce the revised list of hazardous substances on June 1, 2020 (G/TBT/N/THA/567).

Although the deadline for comments from WTO country members is May 30, 2020, Thailand's National Hazardous Substance Committee (NHSC) held a meeting on April 30, a month before the WTO comment submission deadline, and agreed on the draft MOI notification to ban Paraquat and Chlorpyrifos effective June 1, 2020. The NHSC's press release is attached.

Based on Post's discussion with responsible Thai authorities and affected industries, Thai Food and Drug Administration (TFDA) must inevitably align with the MOI notification to apply a zero-tolerance maximum residue limit (MRL) for the two substances in food ingredients and food products. When a zero MRL is applied, residues of these two substances cannot be detected in any shipments of imported food ingredients (such as soybeans, wheat, fruits, vegetables, etc.).

However, Post has not received a confirmation from the Thai Department of Livestock Development (DLD) on the likelihood of imposing a zero-tolerance MRL for these two substances in feed ingredients and feed products. According to contacts in the feed mill industry, it is believed that the DLD will not initiate any restriction on the two substances in the near future (at least 6 months).

Post anticipates that the Minister of Industries will officially endorse the MOI's notification to ban the two AIs by May 15, 2020. The next step of the TFDA is to propose a revision of MOPH Notification No. 387 B.E. 2560 (2017) which applies a zero tolerance for residues of Paraquat and Chlorpyrifos to its internal Food Sub-Committee on Policy Management. The Sub-committee is likely to review this proposed rule shortly after the MOI officially endorses its ban notification, and then forward its final draft to TFDA Food Committee. If agreed by the Food Committee, the final draft will be circulated for WTO notification and the public hearing and be submitted to Minister of Public Health for endorsement. Post anticipates that the Minister of Public Health will endorse the zero-tolerance notification by May 30, 2020. However, it is still in question on whether the regulation will have the provision of the grace period of enforcement. Affected industries may raise their concern of trade disruption and propose TFDA to grant a grace period of enforcement through the Sub-committee. [Note: a member of the Sub-committee is a representative from the Thai Federation of Industry (FTI)].

Importers are concerned that the ban could affect the importation of U.S. wheat and soybeans into Thailand as the two substances, especially Paraquat, are still used in the United States. In 2019, U.S. traders exported U.S.\$ 630 million worth of soybeans and wheat into Thailand.

Attachment I

(Unofficial Translation)

Press Release

The Meeting of National Hazardous Substance Committee (NHSC), No. 2-1/2020

Thursday, April 30, 2020

The National Hazardous Substance Committee (NHSC) met on April 30, 2020. 24 of 28 NHSC members attended the meeting.

The meeting today focused on the issue of the recent draft notification of Ministry of Industry (MOI) on Determination of a List of Hazardous Substances (No. ____), B.E. _____, which is under a high public attention, specifically covered two agricultural chemicals including Paraquat and Chlorpyrifos, and is scheduled to be effective on June 1, 2020. In the meeting, the NHSC members has pervasive discussion over many aspects including the impact on human health, environment, farmers, industries, and economic and social impact.

Representatives from both Ministry of Agriculture and Cooperatives (MOAC) and Ministry of Public Health (MOPH) insisted to enforce the ban on June 1, 2020, as determined in the meeting of NHSC on November 27, 2019. Regarding the implication of the revised regulation on the determination of maximum residue limits (MRLs) of the two AIs in food products will be reviewed and determined by MOPH's relevant agency.

All the NHSC members were free to vote in a transparent manner. The result is: 17 members vote to agree with the draft notification (to ban these two substances), 7 vote R²=.426, Adj R²=.426, F(3,14,027=3469.70, p<.001). against the draft notification, and one for no vote. Accordingly, the majority vote to enforce the ban. However, the NHSC asked all responsible agencies that will enforce this regulation to find out the clear action plans to mitigate the impact of the ban.

In addition to the MOI's draft notification, the NHSC discussed other related issues and concluded that:

- Agree on 4 notifications regarding the imports and exports of hazardous substances to align with the current Hazardous Substance Act (No. 4), B.E. 2562.
- Agree to set up 9 ad-hoc sub-committees to collect information, analyze them, and propose comments to the NHSC. These ad-hoc sub-committees are such as Hazardous Substance Registration Sub-committee, Advertising Control Sub-committee, etc.
- The MOAC's draft Ministerial Regulation and Procedures for Production, Imports and Exports, and Possession of Hazardous Substances (Category 4) will be reviewed in the next NHSC's meeting.

End of report.

Attachments:

No Attachments.