The Foreign Agricultural Service’s Role in Addressing MRL-Related Trade Issues

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April 4, 2019
Agricultural Trade is Important in the United States

The United States is an export powerhouse. All sectors export and most have a trade surplus.

<table>
<thead>
<tr>
<th>U.S. Agricultural Trade, CY 2013-2018</th>
<th>Billion dollars</th>
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<tbody>
<tr>
<td></td>
<td>2013</td>
</tr>
<tr>
<td>Exports</td>
<td>144.4</td>
</tr>
<tr>
<td>Imports</td>
<td>104.2</td>
</tr>
<tr>
<td>Surplus</td>
<td>40.1</td>
</tr>
</tbody>
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Source: FAS OGA/GPAD March 2019

Top 10 U.S. Agricultural Export Markets

Source: FAS OGA/GP
More than 20% of U.S. Ag Production is Exported

Exports are a critical source of income for a wide range of ag products (2017/18).

(1) All Dairy Products: Calendar Year 2017
(2) Pistachios: Marketing Year 2016/2017
(3) Corn & corn used for ethanol, DDGS, and HFCS exports

Source: USDA/FAS/PSD database, marketing year data
U.S. Dairy Export Council
Trade and Foreign Agricultural Affairs

- Created to provide U.S. farmers and ranchers opportunity to compete in the global marketplace
- Department lead and voice on trade policy, domestically and internationally
- Foreign Agricultural Service
- U.S. Codex Office

TFAA Under Secretary
Ted McKinney

FAS Administrator
Ken Isley
Linking U.S. agriculture to the world to enhance export opportunities and promote global food security.

U.S. Agricultural Producers and Exporters

- Trade Policy
- Trade Promotion
- Capacity Building

FAS Headquarters and Overseas Offices
Capacity Building

- Promote alignment of MRL policies and laboratory analytical procedures
- Support residue research to remove MRL trade barriers and reduce U.S. cost burden for generating data
- Encourage the use of Codex and U.S. standards
- Enhance capacity for agricultural development and participation in international trade
Trade Promotion

- Technical Assistance for Specialty Crops (TASC)
- Market Access Program (MAP)
- Emerging Markets Program (EMP)
- Quality Samples Program (QSP)
- Foreign Market Development (Cooperators Program)

https://www.fas.usda.gov/programs/
MRL Violations and Commercial Risk

- Violations can trigger sanctions for entire industry
- Compliance plans require significant resources
- Potential risks may limit use/adoptions of crop protection tools
- Potential losses and cost of compliance deter trade
- Reduced opportunity for U.S. exports
Disharmonized MRLs are like uneven staves on a barrel. The lowest MRL is the limiting factor for exports.
FAS: Linking U.S. agriculture to the world to enhance export opportunities and promote global food security
Interagency Partners
Bilateral and Multilateral Engagement
Application - Examples

- Glyphosate Vietnam
- EU Pesticide Issues
- World Trade Organization Activities
  - SPS Committee
- APEC MRL Work
- Codex Committee on Pesticide Residues
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Thank you!

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