TAB # 3

Status of Commitments Made in the U.S. - Canada Record of Understanding

To avoid future disruption in bilateral trade, Canada and the United States agreed to the following initiatives with respect to pest control products:

- The USEPA and the PMRA will work with growers and registrants in both countries to accelerate bilateral harmonization using the five year NAI developed by the NAFTA Technical Working Group on Pesticides as the framework. As a result of these efforts, there will be great potential for faster and simultaneous access to a wider range of pest control products for both major and minor crops in both countries. However, the success of this initiative hinges on the full and active participation of growers and registrants in both countries.
 - Status:: Joint Registrations: April 1998 joint registration of cyprodinil fungicide for apples; February 1999 joint registration of diflufenzopyr-herbicide for field corn and the imminent registration of fenhexamid-fungicide for grapes, strawberries, and ornamentals, and pheromone for pine shoot moth.

PMRA and EPA continue to work with commodity groups and industry to identify priorities and coordinate work.

• EPA and PMRA will continue to cooperate with respect to U.S. implementation of the Food Quality Protection Act.

Status:: EPA is routinely sharing information about FQPA with Canada; PMRA is represented at Tolerance Reassessment Advisory Committee meetings; under NAFTA TWG there is a project to facilitate sharing information on FQPA risk assessments.

• EPA and PMRA are committed to work together to develop a harmonized policy for movement of treated seeds by December 1999.

Status:: EPA and PMRA established a working group to develop a harmonized policy in December 1998. The group has examined the legal framework in both

countries and is exploring a number of regulatory and non-regulatory options to facilitate movement of treated seed. A detailed matrix of seed treatment registrations in both countries has been developed and is being analyzed in conjunction with seed trade associations. Joint Canada-U.S. government and stakeholder meeting to solicit input on options and next steps is proposed for June 19999.

- EPA and PMRA will investigate mechanisms to improve links with state/provincial/territorial officials as a way of providing improved information sharing and a heads up mechanism for potential pesticide/trade issues.
 - Status:: Invitations to the NAFTA TWG Meetings are routinely sent to state/provincial representatives. EPA/PMRA routinely holds meetings with state/provincial/territiorial pesticide officials to exchange information. The Federal/Provincial/Territorial Committee on Pest Management and Pesticides meets annually in October. Working groups on particular issues and monthly communications and updates as well as open communications on any issues of interest are the routine approaches in Canada. In the U.S., EPA has regular meetings with the State FIFRA Issues, Research, and Evaluation Group (SFIREG) and the Association of American Pest Control Officials (AAPCO), two key state organizations on pesticide matters. In both fora, there is always the potential to raise issues related to agricultural trade.
- Canadian canola growers have requested Canadian registrants to agree voluntarily to remove canola/rapeseed claims from labels of registered canola seed treatments containing lindane by December 31, 1999. All commercial stocks containing lindane for use on canola and lindane treated canola seed would not be used after July 1, 2001. This is contingent on registrants requesting voluntary removal. EPA, PMRA, growers and registrants will continue to work together to facilitate access to replacement products.
 - Status:: This has been agreed to by the Canadian registrants. In addition, PMRA has announced a special review of lindane. In Canada, all existing uses will be reevaluated, with any use expansions on hold, and existing uses renewed on an annual basis, until the re-evaluation is completed (December 2000). In the U.S., lindane is also under reregistration, with the completion date expected to be September 2000. Both agencies will continue to work with registrants and growers through the North American Free Trade Agreement Technical Working Group on Pesticides' joint review process and worksharing to

facilitate access to replacements for these products. Also, the agencies, in partnership with American and Canadian canola grower groups and other stakeholders, have initiated a project to develop and implement an integrated pest management (IPM) strategy for canola with a projected completion date for the project of December 2000.

- For those specific canola registration reviews undertaken by the EPA on an accelerated basis, EPA and the PMRA will share work on evaluation of pesticide products to the furthest extent possible.
 - Status:: Registrations pending in US Azoxystrobin March 5 registration; Glyphosate March 30; Gluphosinate-amonium June 30; Tebufenozide June 30; Bifenthrin September 30; Ethametsulfuron-methyl Will not be registered because of data gaps. The registrant is not willing to conduct additional tests. Official denial is anticipated by May 1. For Canada, a list of all registered products for canola is contained in the table that is attached with the briefing material in this section. Because of confidentiality provisions, pending registrations other than joint reviews can not be discussed without the registrant's permission.
- EPA and PMRA will request U.S. and Canadian canola associations to prioritize pesticide registration needs from a list of pesticides now available in either country which are pending approval in the other country. The associations, in consultation with pesticide registrants, would also be asked to identify alternatives to pesticides such as organophosphates (OPs) or others with risk concerns. The resulting list will then be a basis for a longer term strategy to assure adequate, reduced risk pest control tools for canola growers and will fit with current NAFTA efforts to promote a coordinated approach to Integrated Pest Management for canola.
 - Status:: EPA and PMRA, through the NAFTA TWG project on IPM for canola are working with the canola growers, registrants, provinces and other stakeholders to develop a canola IPM strategy, as indicated previously. EPA met with canola growers to identify their needs and to prioritize work on alternatives. Canada has been meeting with canola growers from the inception of the IPM project (1997). A table indicating products registered in U.S. and Canada for canola has been developed to facilitate discussion on solutions for differential registrations, as well as to strategize with regards to alternative tools.

- For dry beans (pulses), lentils, and flax (crops grown in rotation with canola), EPA and PMRA will request that growers, in consultation with pesticide registrants in the United States and Canada, identify and prioritize pest control tools and needs for purposes of identifying grower priorities for the agencies. EPA and PMRA will jointly explore efforts to share work on evaluation of pesticide products.
 - Status:: Because of resource constraints, this work is on hold until work on canola, wheat, and barley has progressed. EPA and PMRA are working on a comparison matrix of registered products for these commodities.
- The USDA and AAFC, in conjunction with EPA and PMRA, will convene a high level meeting with Chief Executive Officers of North American pesticide companies to encourage companies to take advantage of the pesticide joint review process and to encourage industry's role in harmonization goals.

Status:: This meeting is scheduled for May 6, 1999.

- USDA and Agriculture and Agri-Food Canada will jointly conduct a study of pesticide price differentials within the United States and Canada to be completed within 6 months.
 - Status:: An update of the study, based primarily on products used on barley, wheat and canola, will be provided at the May 6, 1999 meeting.