

Own-Use Import Program

Pest Management Advisory Council
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Background

- ▶ In 1993, the federal government put in place the current Own-Use Import (OUI) program as a price discipline mechanism for the Canadian pesticide industry.
- ▶ During the first 12 years the program operated, only three products were eligible for import and virtually no product crossed the border.
- ▶ On March 17, 2005, ClearOut™ 41 Plus, a generic glyphosate herbicide, was accepted into the OUI program.
- ▶ This resulted in the importation of 5.75 million litres of ClearOut™ 41 Plus during the 2005 growing season.
- ▶ It was never anticipated that this volume of product would be imported through the OUI program.

Formation of a Task Force

- ▶ In November 2005, Health Canada assembled a stakeholder task force to consider issues raised by various stakeholders, including government, industry and some grower groups as well as to identify possible solutions.
- ▶ Membership on the task force included representation from the federal and provincial governments, the pesticide industry, agricultural producers and NGOs.
- ▶ A number of interested stakeholders and experts were invited to submit their views on the OUI program to the task force.

Pivotal Issues

- ▶ Issues were identified and analyzed by the task force resulting in the following short list of pivotal issues that various task force members felt must be addressed:
 - ◆ Container Disposal
 - ◆ Post-Registration Controls - Provincial Regulations
 - ◆ Equivalency
 - ◆ Impact on New Registrations/Investment in Canada
 - ◆ Data Compensation/Intellectual Property Rights
 - ◆ Lower Input Costs for Farmers
 - ◆ 3rd party facilitation

Task Force Observations

- ▶ The OUI review highlighted two separate crop protection challenges facing the Canadian agriculture sector
 - ◆ Lack of **access** to a full range of pesticides in Canada compared to the US
 - ◆ Desire for an effective **price discipline** mechanism in the Canadian pesticide market
- ▶ The OUI program was originally established to address pricing differentials between Canadian-registered and US-registered products, however, the program is currently being used to import a lower cost generic pesticide.
- ▶ This is seen by some as a great new tool that provides an economic benefit to farmers, whereas others see it as circumventing the generic registration process and creating an un-level playing field for the pesticide industry.

Task Force Status

- ▶ The OUI Task Force members are presently considering the draft final report.
- ▶ The final report of the Task Force will be posted on the PMRA website and widely distributed once it is finalized.
- ▶ Health Canada will carefully consider the recommendations delivered by the Task Force prior to making any changes to the OUI program.

OUI 2006

- ▶ The current OUI program is continuing in 2006.
- ▶ Some minor changes have been made to the application form and import label for 2006, primarily to address some immediate concerns raised relating to container disposal.
- ▶ As of May 16, a total of 2112 permits have been issued to growers out of 2219 received by the Pest Management Regulatory Agency.

Questions?