



# IGTC

International Grain Trade Coalition

## **IGTC Policy on Maximum Residue Limit Impacts on the Grain Trade**

**March 2019**

### **Setting the Scene:**

The IGTC's overarching objective is to achieve a market and regulatory environment supportive of trade that minimises disruptions in the international trade of grain, oilseeds, pulses and derived products.

Misalignment in the establishment, maintenance and adoption of Maximum Residue Limits (MRLs) to manage crop protection products in the agri-food value chain at a national and international level is impacting the trade of grains, oilseeds, pulses and derived products with increasing intensity. Zero or near-zero default tolerances, the application of different MRLs in exporting and importing countries, or missing MRLs resulting from misaligned policies impede trade, food security and innovation.

As the global trade of commodities increases, the importance of standard-setting bodies focused on science and risk-based approaches, for example the work of Codex Alimentarius (Codex), also increases. Enabling these bodies to work more effectively will have a direct impact on trade facilitation and on the safety and quality of the international food trade and ultimately promotes trust among importers, exporters and consumers of food products.

### **IGTC Principles Related to Crop Protection Products (CPP):**

1. Missing and misaligned MRLs create significant uncertainty for the global grain trade. Both the government and private sector have a role in developing and implementing trade-enabling solutions.
2. Consumers are the main beneficiaries of improvements in MRL setting, in the implementation of trade-enabling solutions and science-based risk assessments as the basis for regulation.
3. Regulatory coherence across exporting and importing countries is key to supporting grain traded for food, feed and processing and needs to result in manageable MRLs without compromising food safety.
4. Standards, sampling and testing methods as they apply to grain for food, feed and processing must be practical, coherent and provide for least trade distortive measures.
5. To facilitate the commercial trade of grain, governments must have in place clear, predictable and consistent rules. Legal certainty of rules needs to be provided on crop protection product MRL setting and residue management.
6. Information on existing and proposed MRLs for grain for food, feed and processing including the reasons for changes must be available to all stakeholders. Notification of new or changed standards should follow processes as per the WTO SPS system, giving stakeholders adequate time to review and comment.



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7. Regulatory transparency of decisions and sharing of information based on accepted international protocols is fundamental to ensuring regulatory compliance for grain traded internationally. Transparency will also assist in identifying and mitigating against any risks to minimise trade disruption through non-compliance. We encourage countries to share information on existing MRLs for grain for food, feed and processing.

### **IGTC Policy on Trade Enabling Solutions for MRL Related Matters**

1. MRLs encourage correct application of crop protection products and indicate the highest level of a product residue legally tolerated. IGTC supports aligned and robust international standards based on sound science and risk assessments to facilitate trade and improve food security. Regulations should not arbitrarily or unjustifiably discriminate between countries where identical or similar conditions prevail, as this may lead to trade disruption.
2. Where possible IGTC supports all WTO Member countries' use of existing international MRL standards, recommendations and guidelines where they exist to reduce the occurrence of MRL-related matters becoming barriers to trade "without requiring Members to change their appropriate level of protection of human, animal or plant life or health"<sup>1</sup>.
3. To manage cases where an MRL or import tolerance has not been formally established for the commodity in question in an importing country, IGTC encourages all countries to develop an interim MRL policy. This could involve the use of available Codex MRLs until the country in question completes its evaluation process and formally establishes an MRL.
4. Additionally, if there are no MRLs established in importing country or by Codex, this interim measure policy could include countries adopting MRLs as applied in exporting countries until an MRL is formally established by the country in question or by Codex.

### **IGTC Support for Enhancing Codex MRL Development and Review**

IGTC supports enhancing Codex MRL establishment and review processes and recognizes the importance and value of Codex MRLs. We see the need:

1. To continually review and improve processes to address the growing demands upon Codex.
2. To increase the availability of experts to provide scientific advice (i.e., JMPR) and to explore with governments improved funding mechanisms for training and maintaining those experts;
3. To secure adequate and sustainable financing of Codex to support activities such as the provision of scientific advice and to assist all countries participation in Codex. Stable and predictable funding is necessary for this fundamental area of work.
4. For methodology improvements including maximizing the use of electronic tools, standardizing data submission tools and strengthening communication methods in the review processes and advising of their outcomes, as this will

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<sup>1</sup> Ref: The WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) ([link here](#))



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help accelerate the establishment and review of MRLs and increase global harmonization.

5. To reduce unnecessary time delays in the adoption of a Codex MRL where prior assessments by member countries (e.g., global joint reviews) could form the basis of a Codex assessment thereby shortening the timeframe to approval.
6. To consider processes whereby Codex MRLs could be established around the same time or soon after a new active ingredient or use is approved nationally, thereby reducing the risks of non-compliance of these new uses on crops entering the international trading system.