

September 2022**In This Issue:**

- **EU Green Deal and Farm to Fork Strategy**
- **Potential Impact of EU Cut-Off Criteria**
- **EU MRL Updates**
- **Post-Brexit Regulations in the UK**
- **Canada MRLs**
- **New Positive List System in Korea**
- **China MRLs**
- **New MRLs Established in Japan**

A Report for the U.S. Wine Industry**MAXIMUM RESIDUE LEVELS (MRLs)****EU Green Deal and Farm to Fork Strategy**

EU pesticide policies are among the most challenging in the world. Under current policy, when the EU reviews pesticide approvals, they consider certain health and environmental criteria according to a hazard-based methodology. This significantly differs from the U.S., Codex, and many countries that use a risk-based approach which considers exposure in risk assessment in addition to hazard. Instead, if a pesticide is deemed hazardous in the European Union for either human health or environmental issues, it is then cut-off from a full assessment and the compound is withdrawn in the EU. This often affects corresponding EU MRLs.

EU pesticide and MRL policies are still evolving. In 2019, the European Union launched the **European Green Deal**, with the objective of making the EU economy sustainable. The goal is to turn climate and environmental challenges into opportunities across all policy areas and make Europe the first climate-neutral continent by 2050.

The **Farm to Fork Strategy** was released in May 2020 and is the agricultural part of the larger European Green Deal. Its main goal is to make EU food systems more sustainable. The strategy highlights that **“there is an urgent need to reduce dependency on pesticides** and antimicrobials, reduce excess fertilization, increase organic farming, improve animal welfare, and reverse biodiversity loss.”

Among other things, the **Farm to Fork Strategy aims to reduce the overall use and risk of chemical pesticides by 50% and the use of more hazardous pesticides by 50% by 2030**. It also aims to reach at least 25% of the EU’s agricultural land under organic farming by 2030.

In addition to applying these policies within the EU, the Farm to Fork Strategy specifically states the objective of promoting such policies in international forums and third countries as well as enforcing such policies through the EU’s trade agreements.

Further MRL restrictions are expected to take place in the coming years as the EU has begun to withdraw MRLs for substances for which they have identified **environmental concerns**. Up to now, the EU was restricting only MRLs for which its hazard methodology identified **health concerns**. The first MRL restrictions based on environmental concerns, **for clothianidin and thiamethoxam**, were notified to the World Trade Organization (WTO) in July. The restrictions are presented based on the EU’s objective to focus on “substances of global environmental concern.”

By restricting their MRLs, the EU can effectively export their environmental policy to countries around the world. They argue that they are not only concerned about the environmental impact of neonicotinoids in the EU, but in markets that export to the EU as well. These changes are causing great concern among trading partners.

Green New Deal and Farm to Fork Strategy *(continued)*

In June 2022, the European Commission also proposed a new **Sustainable Use of Pesticides Regulation (SUR)**. This regulation seeks to implement the goals established by the Farm to Fork Strategy and will be directly binding in all EU Member States without the need to enact it through national laws. It has two reduction targets to be achieved by 2030:

Target 1: 50% Union-wide reduction of both the use and risk of chemical plant protection products; and

Target 2: 50% Union-wide reduction the use of more hazardous plant protection products.

While the proposed changes are not directly applicable to exporters to the EU, the further restriction of pesticide use in the EU will likely eventually result in additional pesticide MRL reductions. The policy may also be considered in future EU regulations on health and environmental standards that may apply to imported products.

BCI will continue to monitor the EU pesticide and MRL review processes and inform the industry of new developments.

Potential Impact of EU Cut-Off Criteria on Wine Priorities

BCI has analyzed the status of all pesticides under review for re-approval in the EU. The following pesticides have associated wine grape MRLs and labels in the United States, and have either not been renewed, renewed with restrictions, or were proposed for non-renewal in the European Union. As a result, they may have MRLs impacted in 2022 and beyond.

Active ingredients with approvals that have expired, been restricted or non-renewed in the EU:

- **Bifenazate** (Acramite)
- **Clothianidin** (Belay/Clutch)
- **Dinotefuran** (Certador/Scorpion/Venom)
- **Etoxazole** (Zeal)
- **Flutriafof** (Rhyme/Topguard)
- **Glufosinate-ammonium** (Rely/InFlame)
- **Imidacloprid** (Admire/Confidor/Provado)
- **Methoxyfenozide** (Acora/Inspirato/Intrepid)
- **Myclobutanyl** (Eagle/Rally 40/Sonoma)
- **Oxyfluorfen** (Collide/Galigan/Goal)
- **Quinoxifen** (Fortress/Quintec)
- **Sethoxydim** (Poast/Segment)
- **Thiamethoxam** (Actara/Platinum)
- **Thiophanate-methyl** (Incognito/Spectro)

Specific EU Wine Grape MRL Updates

The following list includes newly established EU MRLs since January 2022 and any proposed EU MRL on wine grapes:

Established:

- **Acequinocyl** (Kanemite): U.S. MRL 0.1 ppm; current EU MRL 0.3 ppm; pending EU MRL 0.05 ppm (*effective February 25, 2023*)
- **Cymoxanil** (Tanos): U.S. MRL 1.6 ppm; current EU MRL 0.3 ppm; pending EU MRL 0.8 ppm (*effective February 22, 2023*)

Proposed:

- **Cyfluthrin & Beta-cyfluthrin** (Baythroid/Leverage/Sultrus/Tombstone): U.S. MRL 1 ppm; current EU MRL 0.3 ppm; proposed EU MRL 0.01 ppm
- **Clothianidin** (Belay/Clutch): U.S. MRL 0.6 ppm; current EU MRL 0.7 ppm; proposed EU MRL 0.01 ppm
- **Thiamethoxam** (Actara, Agri-Flex, Platinum, Voliam): U.S. MRL 0.2 ppm; current EU MRL 0.4 ppm; proposed EU MRL 0.01 ppm

Specific EU Wine Grape MRL Updates *(continued)*

- **Isoxaben** (Gallery/Snapshot/Trellis): U.S. MRL 0.01 ppm; current EU MRL 0.05 ppm; proposed EU MRL 0.01 ppm
- **Tetraconazole** (Andiamo/Mettle/Perissim): U.S. MRL 0.2 ppm; current EU MRL 0.5 ppm; proposed EU MRL 0.07 ppm

UK's Pesticide and MRL Regulation post Brexit

The United Kingdom (UK) departed the European Union on January 1, 2021 and is currently in the process of establishing its own regulatory review systems and standards. Due to the challenges of leaving the Union, new regulations will only apply to Great Britain (England, Wales, and Scotland) and not to Northern Ireland, which will continue to follow EU regulations.

Great Britain (GB) is operating a new independent pesticide regulatory regime with its own MRLs, but for the time being, most of those MRLs are the same as current EU MRLs. Prior to the transition, Great Britain adopted all EU MRLs and are currently using them as their own. These MRLs will be reviewed in the future and adjustments may be made if necessary. There is public pressure to not diverge too far from EU MRLs as the EU remains a major export market for Great Britain products and differing MRLs could cause challenges when exporting. The separate system does, however, allow for differences in MRLs moving ahead. Especially if an import tolerance application is made. Great Britain officials have not stated whether they will follow the EU hazard-based approach for pesticide reviews.

The basics of the GB MRL system are:

- All substances approved for use in the EU as of January 1, 2021, have been brought into the GB system and will remain valid until GB carries out its own review.
- GB's pesticide review program continues to be developed. Meanwhile, all substance approvals that are due to expire before December 2023, will be automatically extended for three years to allow time to plan and implement the GB review program.
- From now on, any EU pesticide (non)approval / (non)renewal related changes will not be applicable to GB.
- A MRL review program should be established by 2024.

While a MRL review schedule has not yet been developed, GB has however, taken some MRL actions since the transition. Great Britain has established **one** wine grape MRL, and proposed **one** wine grape MRL:

Established:

- **Tolfenpyrad** (Bexar): U.S. MRL 2 ppm; newly established GB MRL 0.01 ppm

Proposed:

- **Fenamidone** (Reason): U.S. MRL 1 ppm; current GB MRL 0.6 ppm; proposed GB MRL 0.01 ppm

BCI will continue to closely monitor this new system and any changes that may occur as Great Britain continues to work through the policy development process.

Canada MRLs

Canada applies a default MRL of 0.1 ppm. The default tolerance applies to any substance not listed in their national MRL system. This default level is higher than most countries' default tolerances and helps prevent potential trade issues caused by restrictive MRLs.

Canada MRLs *(continued)*

Currently, there are **100** Canadian MRLs established on wine grapes with corresponding U.S. MRLs. This year, Canada has proposed **one** wine grape MRL and established **four** new wine grape MRLs.

Established:

- **Flazasulfuron** (Mission): U.S. MRL is harmonized with new Canadian MRL at 0.01 ppm
- **Fluensulfone** (Nimitz): U.S. MRL is harmonized with new Canadian MRL at 0.8 ppm
- **Flutianil** (Gatten): U.S. MRL is harmonized with new Canadian MRL at 0.7 ppm
- **Tiafenacil** (Gamma): U.S. MRL is harmonized with new Canadian MRL at 0.01 ppm

Proposed:

- **Fenazaquin** (Magister): U.S. MRL is harmonized with proposed Canadian MRL at 0.7 ppm

Korea MRLs (New Positive List System in Place)

Korea implemented its new MRL system in 2019 and many temporary MRLs were then put in place to allow additional time for import tolerances to be established. The transition period ended and, as of January 1, 2022, the temporary MRLs have been withdrawn. Only the permanent national Korean MRLs are in effect. If no Korean MRL exists, a 0.01 ppm default tolerance applies.

As of September 28, 2022, there are **102** wine grape MRLs with corresponding US MRLs. Since January, **three** wine grape MRLs have been proposed:

- **Meptyldinocap**: U.S. MRL 0.2 ppm; current Korean MRL 0.1 ppm; proposed Korean MRL 0.15 ppm
- **Pyrethrins** (Azero, BotaniGard, Evergreen, others): U.S. MRL 1 ppm; current Korean MRL 1 ppm (*temporary*); proposed Korean MRL 0.4 ppm
- **Sulfur dioxide** (Sea Fresh): U.S. MRL is harmonized with proposed Korean MRL at 10 ppm

China MRLs

China has its own MRL system in place. Despite hosting the annual Codex Committee on Pesticide Residues (CCPR), China does not automatically defer to Codex MRL and does not apply a default MRL in the absence of a Chinese MRL.

While there are **91** wine grape MRLs in China with corresponding U.S. MRLs, there are many Chinese MRLs missing for all U.S. commodities. This gap in MRLs is correlated with the absence of China's long-promised import tolerance system, which would allow foreign industries to seek import tolerances in China. The implementation of this system was expected in 2020, but it was not announced. Currently, all MRLs in China must go through a full registration process including field trials in China.

This year China proposed **three** new wine grape MRLs:

- **Azoxystrobin** (A-Zox/Abound/Acadia/others): 2 ppm, harmonized with U.S. and Codex MRLs
- **Propargite** (Omite): 7 ppm, harmonized with Codex; more restrictive than U.S. MRL (10 ppm)
- **Pydiflumetofen** (Miravis Prime): 1.5 ppm, harmonized with U.S. and Codex MRLs

Japan MRLs (New MRLs established)

Japan has a well-established MRL system, which applies a 0.01 ppm default MRL in the absence of a Japanese tolerance. The Ministry of Health, Labour and Welfare (MHLW) often collaborates with foreign governments when reviewing and establishing MRLs, which provides a unique opportunity for U.S. industries to provide input early on in the review process. This year, Japan established **seven** new MRLs on wine grapes, three of which are pending:

Established:

- **Fenazaquin** (Magister): harmonized with U.S. MRL at 0.7 ppm
- **Pyriofenone** (Prolivo 300SC): US MRL 0.8 ppm; new Japanese MRL 4 ppm

Japan MRLs *(continued)*

- **Sulfoxaflor** (Closer/Sequoia/Transform): U.S. MRL 2 ppm; new Japanese MRL 4 ppm
- **Zeta-cypermethrin** (Mustang/Gladiator): U.S. MRL 2 ppm; new Japanese MRL 3 ppm

Pending (future effective date):

- **Pendimethalin** (Prowl): U.S. and current Japanese MRLs 0.1 ppm; pending Japanese MRL 0.05 ppm (*effective May 19, 2023*)
- **Permethrin** (Pounce/Viper): U.S. MRL 2 ppm; current Japanese MRL 8 ppm; pending Japanese MRL 7 ppm (*effective August 30, 2023*)
- **Pyraflufen-ethyl** (Venue): current Japanese MRL 0.02 ppm; pending Japanese MRL is harmonized with U.S. MRL 0.01 ppm (*effective August 10, 2023*)

Hong Kong MRLs

Hong Kong implemented its positive MRL list in 2014, which has **99** wine grape MRLs, but has since not established any wine grape MRLs. Since implementation, Hong Kong officials have tested against official Hong Kong MRLs, but not against compounds that do not have a Hong Kong MRL.

Disclaimer:

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