



Government of Canada  
Mission of Canada to  
the European Union

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de l'Union européenne

Canada



Consultation on Regulations Identifying  
Criteria for

# Endocrine Disruptors

Potential Trade Impacts: Canada

# Summary of Canadian Comments

1. Overview of international and Canadian context.
2. Key concerns of decision based solely on hazard rather than risk analysis.
3. Potential impacts on setting of MRLs and setting of precedents.
4. Potential impacts on Canada-EU trade.
5. Decision-making based on internationally-accepted standards and consistent with EU's WTO obligations.

# International Context

- Proposed criteria based solely on hazard rather than risk analysis.
- Inconsistent with internationally accepted **risk-based** assessment practices.
- Commitment to the World Trade Organization and the multilateral trading system as well as participation in international standard setting bodies (i.e. Codex).
- Most international governments utilize a risk-based approach.

# Endocrine Disruptors

## Canadian Approach to Assessment

- Risk-based rather than hazard-based approach to assess pesticide safety.
- Takes into account both the hazard and exposure under specific use conditions, including any potential endocrine-specific effect.
- Risk assessment informs whether a product may be registered.
- A product may be registered if the level of human exposure for both dietary and non-dietary scenarios is of no health risk concern, and the exposure to organisms and the environment is of no environmental risk concern.

# Risk = Hazard x Exposure

- E.g. Myclobutanil
  - Hazard included reproductive toxicity in animals
  - Level of human exposure is far below the amount that would result in harmful effects based on hazard testing
  - No health or environmental risk of concern identified -> therefore registration continued
- E.g. Lindane
  - Hazard included:
    - altered hormonal levels in developing animals
    - developmental & reproductive effects in fish & wildlife
  - Exposure levels:
    - estimated human exposure not sufficiently below amount causing harmful effects in animals
    - relevant environmental concentrations within levels for potential effects in fish & wildlife
  - Both health and environmental risks of concern identified -> therefore de-registered

# Potential Impacts: Maximum Residue Limits

- Regulation 1107/2009
  - Hazard-based criteria for approval of pesticides
- Regulation 396/2005
  - Establishes MRLs for food/feed
- Relationship between regulations could negatively impact how MRLs are established/renewed.
  - Regulation 1107/2009 references default MRL values of Regulation 396/2005

# Canadian Context

- Canada a world export leader of
  - Pulses (\$3.18 billion), Wheat (\$7.95 billion), Corn (\$491.8 million), Soybeans (\$1.97 billion), Rapeseed (\$5.19 billion)
- Supplies many EU processors with high quality inputs
  - E.g. Italy uses our durum wheat to make pasta
  - E.g. Corn for EU animal feed
  - E.g. Soybeans and Pulses used in value-added agri-food products such as soy milk, hummus.
- Canada has strong regulatory oversight, with pre- & post-market processes in place that ensures a life-cycle approach to pesticide regulation.
- Consistent with internationally-accepted practices using risk-based assessment ensures
  - a predictable trading environment
  - high quality and safe foods
  - environmental protection and human health and safety

# Potential Impacts: Canada & the EU

- Strong bilateral agriculture and agri-food trade relationship.
  - EU agricultural exports to Canada: €3.11 billion (CDN\$4.56 billion)
  - EU agricultural imports from Canada: €2.24 billion (CDN\$3.28 billion)
- EU Imports from Canada
  - Used as inputs in many industries (processing, feed for livestock).
  - Potential to unnecessarily disrupt bilateral trade in agriculture and agri-food and feed products on which chemicals containing endocrine disrupting properties are safely used.

EU Imports 2014	From Canada (Canadian Dollars)	Quantity (tonnes)
Wheat and Durum	\$1 Billion	2.5 Billion
Soybeans	\$455.7 Million	1.25 Million
Corn	\$356.3 Million	1.4 Billion
Pulse	\$305.6 Million	303,929
Rapeseed	\$38 Million	64,846
Cranberries/Blueberries	\$3 Million	697
Fresh Cherries	\$7.2 Million	1,050

# Potential Impacts: EU Context

- The EU is world's biggest ag exporter...
- ... But is also largest importer
  - Depends on third-country supply to meet demands of internal market.
- Potential negative impacts...
  - Restricted access to certain products.
  - Increasing costs for shipping, testing, inspections.
  - Competitiveness of EU processing industry and feed and livestock sectors.

# Potential Impacts:

## Global Trade & Multilateral Institutions

- Shared commitment to multilateral rules-based system (WTO, Codex, etc...).
- Obligation to base SPS measures on an assessment of risk, taking into account international risk assessment techniques.
  - The proposed options do not include a risk-based approach.
- WTO Members shall not adopt measures that are more trade restrictive than necessary to fulfill the legitimate objective.
  - Potential to unnecessarily disrupt trade in food, feed and agricultural products.
- Concern with global impact and precedent of any decision.

# Conclusion

- Canada and the EU are both global traders with a strong history of bilateral trade.
- We are all interested in having high quality and safe food, ensuring environmental and human health is protected.
- We also wish to see trade continue to occur in an open, fair and consistent manner.
- Measures establishing MRLs for any plant protection product should be based on science-based risk assessment and consistent with international trade obligations.