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Agriculture Outlook '92

New Opportunities for Agriculture

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REREGISTRATION'S IMPACT ON AGRICULTURE

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- * I am pleased to be here today to talk with you about the impact of EPA's reregistration program on U.S. agriculture.
- * The accelerated pesticide reregistration program mandated by the 1988 amendments to the federal pesticide law, FIFRA, is having some noticeable impacts -- on EPA, on the pesticide industry, and on growers and others who use pesticides in earning their living.
- * The change that is affecting agricultural users the most is the decline in the number of pesticide products that are registered by EPA for use in the United States. There are only about half as many pesticide products registered today as there were three years ago, before the FIFRA '88 amendments went into effect.
- * However, the changes in pesticide regulation that are taking place now are not necessarily changes for the worse. In the long run, everyone in our society stands to benefit from the current "culling" process.
- * Although reregistration is leaving us with fewer pesticides, those that remain will likely be the safest and most effective ones. The program should, therefore, help restore public confidence in the safety of the food supply, and reduce the occurrence of individual state legislative initiatives on pesticides.

Impact of FIFRA '88 Reregistration on Registered Pesticides

- * The 1988 amendments to the Federal Insecticide, Fungicide, and Rodenticide Act, known as FIFRA '88, directed EPA to accelerate the reregistration of older pesticides -- those first registered before November 1984.

- FIFRA '88 set deadlines for pesticide registrants to provide updated studies on the human health and environmental effects of their products, and for EPA to review these studies and make reregistration decisions.
- It required registrants to pay one-time reregistration fees, and annual product maintenance fees.
- * Many registrants have responded to the increased costs and time constraints by voluntarily cancelling the registrations of pesticide products or uses that are no longer profitable.
- * We have seen a significant drop in the number of pesticides supported for reregistration.
 - Since late 1988, the number of registered pesticide products has decreased from approximately 45,000 to 20,000.
 - The number of pesticide active ingredients subject to reregistration has dropped by over 40 percent, from 1,153 to approximately 678.
 - About one third of all reregistration "cases" (or groups of related active ingredients) are no longer supported for reregistration. Out of 611 cases, 410 are still supported, and 201 are not.
- * While these numbers appear drastic, it is important to note that the vast majority of the cancellations to date have been for "paper registrations" -- obsolete registrations of products that actually have not been produced for years.
 - We estimate that 77 percent of the nearly 20,000 products cancelled in 1989 were paper registrations, and that their cancellation had no negative impacts.
 - Similarly, 76 percent of the products cancelled in 1990, and 74 percent of the products being cancelled in 1991, are paper registrations only.
- * It's also important to note that the rate of cancellations has declined a great deal, and is stabilizing.
 - Although nearly 20,000 products were cancelled in 1989, about 4,500 were cancelled in 1990, and less than 1,600 are being cancelled in 1991.
- * The other side of the coin is that 20-25 percent of the products cancelled during the past three years were not paper registrations -- that is, they were still being produced, to some extent.

- * However, only a handful of the cancelled products with recent production were the last to contain a particular active ingredient.
 - EPA recognizes that the impact of cancelling the last product containing an active ingredient could be severe. Therefore, we have temporarily deferred cancellation of such registrations for 90 days, and announced them in an FR notice and through extensive notification of outside groups. During this 90-day period, people concerned about the impending loss of an active ingredient mentioned are encouraged to contact the appropriate registrant.

Minor Uses and Reregistration

- * The minor use problem is a long-standing one. It's not always economically attractive for a pesticide producer to register or maintain the registration of a low volume or low revenue pesticide use, especially when the regulatory costs are high. However, the use in question may be essential to certain growers or other pesticide users.
- * FIFRA '88 probably has made the minor use problem worse by mandating the accelerated reregistration program. Necessary studies must be submitted and required fees must be paid by registrants within specific timeframes, or their product registrations ultimately are cancelled.
- * A substantial number of minor uses are being deleted from product labels, or entire products are being voluntarily cancelled, by registrants who do not wish to -- or cannot afford to -- develop the studies required to support their products or uses through reregistration. (Even though certain data requirements and fees can be and are being waived, often that is not enough.)
- * EPA is concerned about minor uses, especially in view of accelerated reregistration. We need a certain amount of information about any pesticide in order to make a reasonable decision concerning its reregistration. However, we understand that we must be flexible in imposing our requirements, and innovative in helping to find ways to deal with the minor use reregistration problem.

EPA Programs to Assist Minor Uses

* Low Volume/Minor Use Data Waivers

- As a matter of policy, EPA is being flexible in imposing data requirements for reregistration of low volume pesticides and low volume uses of major pesticides.
- We have given registrants the opportunity to propose data waivers for these low volume or minor uses.
- So far, for the List B, C and D pesticides, we have received over 11,000 data waiver requests and have granted 38 percent of these, including many low volume/minor use waivers.

* Minor Use Maintenance Fee Waivers

- Under the provisions of the 1990 Farm Bill, FIFRA has been amended to authorize the EPA Administrator to reduce or waive the annual maintenance fee for agricultural pesticide products with minor uses. The maintenance fee is to be waived or reduced when it would be likely to cause a significant impact on the availability of a pesticide for a minor use.
- EPA is working with USDA to develop criteria and procedures. We plan to start implementing this new authority in 1992.

* Public Notice re: Voluntary Cancellations

- During the reregistration process, registrants may elect not to support, or to voluntarily cancel, some of their pesticide registrations. Many of these voluntary cancellations involve minor uses.
- EPA publishes notices of these impending voluntary cancellation actions in the Federal Register, and allows 90 days for the public to respond. Meanwhile, we conduct extensive notification activities working with USDA and the IR-4 Program. We explain how affected people can initiate action to prevent pesticides of interest from being cancelled.

* Third Party Workshop

- EPA and the National Agricultural Chemicals Association (NACA) sponsored a workshop this past summer, to explore possibilities for third party registration of minor uses. (A "third party" is anyone other than the registrant or EPA.)
- A third party registration can be used to retain a minor use by shifting liability from the registrant to the user or grower group. That is, a grower group can assume responsibility for crop losses through a contractual arrangement with the registrant.
- Discussion at the workshop focused on different options for addressing the product liability concerns of the registrant.

* Evaluation of Crop Grouping Scheme

- EPA created a crop grouping system years ago, to assist minor uses. Under this scheme, tolerances may be established for a group of crops, based on residue data developed only for certain representative crops in the group.
- Although crop groupings can be a useful tool, they have not been widely used. Only about 10 percent of all tolerance petitions submitted to EPA involve crop grouping proposals.
- We are evaluating our crop grouping scheme, with input from IR-4, NACA and other groups. By fixing problems they have encountered in trying to use this scheme, we hope to make crop grouping a more useful tool.

IR-4 and Reregistration

- * The IR-4 Program, a cooperative effort supported by USDA, EPA, Rutgers University and several others, serves as the national coordination point for identifying minor use needs and developing data to support minor uses.
- * IR-4 has about 1,200 requests for new minor uses in its system or queue. They anticipate that as many as 1,000 additional minor use assistance requests could come in during the FIFRA '88 reregistration program. So, a total of 2,200 minor uses may require IR-4's attention during reregistration.

- * Prioritizing these requests is an issue, at present. So far, prioritizing has been done informally, at a big annual meeting sponsored by EPA and attended by State representatives and local experts, as well as IR-4 staff. Now a move is afoot to formalize the prioritization process.
- * Funding also is a problem. IR-4 now estimates that they will need \$14 million a year during 1992-1997, to keep up with the expanded workload created by FIFRA '88 reregistration. However, they received only about \$3 million in FY-91, and are not likely to receive much more than that amount in FY-92. IR-4 has a big job to do, and EPA supported the Administration's Farm Bill proposal for increased funding of IR-4. EPA provides about \$500,000 a year in support of IR-4.
- * EPA waives all tolerance fees for petitions submitted by IR-4.
- * We also are working with IR-4 to develop data submission schedules for reregistration that will more fully utilize IR-4 resources. EPA will allow IR-4 to provide residue studies based on the last due date for the major studies that are to be submitted by the manufacturer.
- * We also are sending IR-4 Data Call-In notices of interest, as well as advance notices of voluntary cancellations and use deletions, prior to Federal Register publication.

Joint Government/Industry Programs

- * During the past year, a Minor Use Workgroup consisting of representatives from EPA, USDA, the IR-4 Program, NACA, and a number of grower groups has been meeting on a regular basis. Their mission is to develop ways to minimize the impact of reregistration on the minor use community.
- * One of the results of this Workgroup has been the development of two Notification Networks for growers and grower groups.
 - o One is sponsored by USDA. When USDA receives word from EPA or the pesticide industry that a registrant has decided not to support a pesticide or use through the reregistration process, they pass this information along to grower groups, giving the growers time to act if they will be adversely affected by a voluntary cancellation.

- Similarly, NACA has developed a Notification Network, to communicate voluntary cancellation decisions made by its member companies.
- * EPA, USDA, IR-4 and NACA each have designated telephone lines to answer questions about pesticides and reregistration.
 - EPA's toll-free number is 1-800-552-8879.
 - USDA's toll-free number is 1-800-262-0216.
 - IR-4's number is 908-932-9575.
 - NACA's number is 202-296-1585.
- * EPA, USDA, IR-4 and NACA jointly produced and have widely distributed an information bulletin or fact sheet, Minor Use and Pesticide Reregistration--How Growers Can Participate. We advise growers to do the following:
 - Develop a list of pest control needs.
 - Join or form a grower group to share information.
 - Get information about the status of pesticides that are vital to the production of their crops.
 - If an important use is in jeopardy, contact the registrant.
 - Be prepared to act with other growers to fund needed studies, petition for a crop group or regional tolerance, or obtain a third party registration.
 - Be prepared to seek alternatives if it's too late, too costly and/or too difficult to help support a needed pesticide use.

Private Initiatives: The Malathion Coalition

- * A coalition of about 40 registrants has been organized to support some of the approximately 90 uses of malathion voluntarily cancelled by the basic manufacturers.
- * The coalition is actively deciding which uses they will commit to support.
- * For more information, contact Warren Stickle, President of the Consumer Products and Distributors Association (CPDA).

Conclusion

- * In summary, with accelerated reregistration, the "day of reckoning" has arrived for older pesticides. Many won't make it through the reregistration process. But those that do and are reregistered will be ones that we can all feel better about, because we'll know that they meet current standards and can be used without posing undue risks to people or the environment.
- * The loss of many of the old, conventional chemical pesticides need not have a devastating effect on the production of either major or specialty crops. The attention of government, industry and users alike is focused on the problem of minor uses and reregistration, and some important initiatives are underway.
 - EPA is issuing data waivers for minor uses, and will soon be issuing maintenance fee waivers, as well.
 - We are providing public notice of impending voluntary cancellations.
 - EPA advocates third party registrations, crop grouping, and regional tolerances for minor uses.
 - We actively support and work closely with the IR-4 Program, waiving their tolerance petition fees and maintaining flexibility in scheduling due dates for submission of their residue studies.
 - EPA is participating in joint government/industry efforts such as the User Notification Network sponsored by USDA.
 - We cooperate with private initiatives like the Malathion Coalition.
- * These things help, but they aren't enough.
- * In short, there are no easy answers to the minor use problem. The impacts of accelerated reregistration on minor use pesticides won't just go away and leave us alone.