U.S. / Canada Working Group/ Provincial State Advisory Group
Tri-National Agricultural Accord

April 3, 2003

Honorable Robert Zoellick, USTR
Winder Building
600 17th St. NW
Washington, DC 20506

Honorable Ann Veneman
Secretary of Agriculture
Jamie L. Whitten Building
1400 Pennsylvania Ave. SW
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Honorable Christine Whitman,
Administrator
U.S. Environmental Protection Agency
Waterside Mall
401 M St. SW
Washington, DC 20460

Honorable William H. Frist
Majority Leader
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Washington, D.C. 20510-2403

Honorable Thomas Daschle
Minority Leader
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Honorable Dennis J. Hastert
Speaker
House of Representatives
The Capitol
Washington, DC 20515

Honorable Nancy Pelosi
Minority Leader
2457 Rayburn House Office Building
Washington, DC 20515-0508

Dear Distinguished Officials:

Senior agricultural officials from 9 Mexican states, 15 U.S. states, and 9 Canadian provinces met at the Tri-National Agricultural Accord in Montreal, Canada on April 1 to 3, 2003. This was the thirteenth in a series of rotating annual conferences intended to improve understanding and strengthen collaboration among the agricultural sectors of three neighboring countries. These continuing discussions among the U.S. states, Canadian Provinces and Mexican states are critical to identifying and resolving trade issues.

While progress continues to be made in achieving regulatory harmonization between the United States and Canada—a level of harmonization hardly approached with any other trading partner—nagging problems remain in the agricultural sector. Differences in labeling rules have created segmented U.S. and Canadian markets for agricultural chemicals, which provide agriculture chemical companies opportunity to employ discriminatory pricing practices. Several studies suggest that in some cases the artificially segmented markets result in situations where major cross-border price differences exist for similar or identical crop protection products.

Previous Accord meetings have identified U.S. federal regulatory changes as necessary to achieving cross-border harmonization of agricultural chemicals. The prior Accord supported legislation introduced in the U.S. Congress to allow for such harmonization.

Although that legislation failed to pass a previous U.S. Congress, similar legislation has been again introduced in the current U.S. Congress. This legislation would amend the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) to grant states the authority to issue state registrations for certain Canadian pesticides. The Act will only apply to pesticides whose composition is identical or substantially similar to a U.S. domestically-registered pesticide.

The concepts in this legislation have been supported by the U.S. Environmental Protection Agency, who administers FIFRA. The legislation will not weaken or endanger the current registration process for U.S. domestic pesticides nor will it allow unsafe pesticides to enter U.S. markets.

The Tri-National Accord has identified harmonization of agricultural chemical regulations as an important priority and therefore members of the US-Canada Bilateral Agricultural Accord Working Group urge members of Congress to take steps to end discriminatory pricing practices by pesticide producers.

Sincerely,

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Co-Chair, Working Group/PSAG

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Co-Chair, Working Group/PSAG

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