

Voluntary Report – Voluntary - Public Distribution

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Report Name: A November Update on the Ban on Three AIs in Thailand

Country: Thailand

Post: Bangkok

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Report Highlights:

This report is intended to provide an update on the ban on three active ingredients (AI) in Thailand as a follow-up from the last GAIN report titled “Update on the Ban on Three Active Ingredients” (TH2019-0111), dated November 3, 2019.

The Thai Government Has No Clear Solutions at the Moment

Since the National Hazardous Substance Committee (NHSC) determined to ban three active ingredients (AI); i.e., Glyphosate, Paraquat, and Chlorpyrifos, on October 22, 2019, the Thai government has no clear solutions on how to handle the impact of skyrocketing costs for farmers across the country and a possible shutdown of several food and feed chain industries as a result of the ban on three AIs for use and import, and zero MRL determinations for food and feed.

The Ministry of Industry (MOI), through MOAC/DOA, notified to the WTO on November 6, 2019 (G/TBT/N/THA/559), on the MOI's draft notification Re. List of Hazardous Substances B.E. 2556 (2013) dated 28 August B.E. 2556 (2013), to ban these three AIs (by recategorizing them from Category 3 to Category 4). The draft also indicates that the effective date is December 1, 2019, and chemical possessors must abide by this regulation within 30 days after the effective date (Attachment). However, the Minister of Industry reportedly cited that the MOI is waiting for a report from DOA regarding the public hearing on the NHSC agreement to ban these three AIs, which was due on November 8. Once the MOI receives the DOA report, expectedly by November 22, the Minister, as NHSC Chairman, will call for a meeting of the NHSC, expectedly November 27. He also commented that: 1) the DOA should not only report the outcome of the public hearing but also needs to report on the impact on farmers, what new substances would be used as a replacement, and whether/how the new substances are hazardous; 2) If Thai farmers would be seriously affected, it is the responsibility of DOA to propose a package of measures to assist farmers to cope with this situation; and 3) the next step is to wait a final determination at the next NHSC meeting. If the committee agreed to recategorize these three AIs into Category 4, the MOI will submit the proposed ban to the Cabinet for approval before endorsing the MOI Notification.

Meanwhile, the Ministry of Agriculture and Cooperatives (MOAC) flagged its clear position to begin the enforcement of the chemical ban on December 1, 2019, by endorsing the Department of Agriculture (DOA)'s Order, dated October 28, 2019 (published in the Royal Gazette on November 28, 2019) to require anyone who possesses these chemicals to report the amount of chemical stocks by mid-December 2019 and deliver these held stocks to DOA by December 31, 2019.

According to sources, the Thai Food and Drug Administration (TFDA), Ministry of Public Health (MOPH), is drafting its ministerial notification as a preparation for the MOI's official ban notification. Post also confirmed with the TFDA Deputy Secretary General on November 14, 2018, that the TFDA cannot avoid the application of a zero tolerance MRL for these three active ingredients (AIs) in all foods and agricultural products if the ban on these ingredients become officially effective.

In addition, a Director from Department of Livestock Development (DLD) stated that the DLD will scrutinize if the DLD should take step on setting MRLs for imported feed ingredients that might contain or be contaminated with these three substances on November 22, 2019.

Feed and food processing industries are greatly concerned about the impact of the ban. Ten trade associations petitioned to the Thai Chamber of Commerce (TCC) to express their deep concerns to the government on their behalf. In response, the TCC sent a letter to the Prime Minister on November 18, 2019, and requested the government to adopt a few approaches, including the adoption of Codex MRLs

for these chemicals for imported feed and food ingredients. The letter also indicated that the ban will severely jeopardize the food processing industry, the feed and animal production industry, the sugar cane and alternative energy industry, the tapioca production and trade, and the seed industry, with an estimated economic loss of 1.7 trillion baht (approx. US\$ 57 billion). Thai Feed Mill Association (TFMA) also communicated directly to the government expressing its concern over the trade impact when the chemical ban is enforced and asked the government to review the ban. Thus far, the government has not yet replied to these petitions.

A Snapshot on the Development of AI Ban Issues in Mid-November 2019

Below is the development of the ban issues:

- At a workshop where approximately 300 feed and livestock producers were in attendance on November 19, 2019, the Director of Feed Control at DLD told the audience that the Feed Control Committee under the DLD will meet on Friday (Nov 22) to scrutinize if DLD should take steps on setting MRLs for imported feed ingredients which might contain or be contaminated with these three substances;
- On November 18, 2019, the Royal Gazette published the DOA Order endorsed by the DOA Director General on October 29, 2019. The main content of the Order is to define all active ingredients from Glyphosate, Paraquat, and Chlorpyrifos as hazardous substance category 4. The order also requires anyone who possess these substances must report the amount of his/her possessed substance to the DOA within 15 days after the official notification of category 4 substance determination is effective (i.e., December 1, 2019, according to the draft notification which will be endorsed by Minister of Industry). The substance possessor must deliver all stocks of substance to DOA officials within 15 days after reporting the stocks.
- On November 18, Mr. Suriya Juangroongroengkit, Minister of Industry, said to reporters right after the weekly Cabinet meeting that the Ministry is waiting a report from DOA regarding a public hearing on the NHSC agreement on banning these three AIs, which was due on November 8. Once the MOI receives the DOA report, expectedly by November 22, the Minister, as a NHSC Chairman, will call for a meeting of the NHSC. He also commented that: 1) the DOA should not only report the outcome of public hearing but also needs to report what is the impact on farmers, what new substances would be used as a replacement, and whether/how the new substances are hazardous; 2) If Thai farmers would be seriously affected, it is a responsibility of DOA to propose a package of measures to assist farmers to cope with this situation; and 3) the next step is to wait a final determination in the next NHSC meeting. If the committee agreed to recategorize these three AIs into Category 4, this will be submitted to the Cabinet for approval and then the MOI will issue the official ban notification. He also gave his personal view that he disagrees with any measure to destruct the chemicals in the country since it is too costly (approximately 3.0 billion baht or US\$ 100 million);
- On November 17, Deputy Ag Minister Mananya told the media that MOAC is going to begin the enforcement of the chemical ban for use, production, and trade exactly on December 1. On November 22, several media outlets reported that the Deputy Ag Minister met with a group of chemical trade associations. The Deputy Ag Minister said that the amount of the three AI stocks

currently totals 38,855 metric tons (MT), 700 MT of which has been confirmed for export to neighbouring countries, including Singapore and Myanmar. She insisted that the chemical possessors must export all stocks, otherwise the MOAC will not be responsible for destruction of the remaining domestic stocks. Sakol Mongkolthammakul, Advisor Chairman, Plant Protection Association, stated that the association and the other two chemical trade associations disagree with the chemical ban. In addition, the public hearing on the Ministry of Industry's AI ban draft notification revealed that 70 percent of total respondents (including on-line and paper submission) disagree with the ban. He concluded that, if the government wants to enforce the ban, the government, not the private sector, must be responsible for costs of destruction;

- Thai media also reported that Members of Parliament (MPs) met on November 20 to review a report on measures in controlling the use of ag chemicals, which was drafted by a Parliamentary ad hoc committee. Several MPs raised concerns on the impact of the ban on farmers. After two days of debate, all of the MPs (427 to 0) voted to agree with the ad hoc committee's report. [Note: No details about the report were provided.];
- On November 14, 2019, Post was also told by the Deputy Secretary General of TFDA that the TFDA cannot avoid the application of a zero tolerance MRL for these three active ingredients (AIs) in all foods and agricultural products if the ban on these ingredients become officially effective;
- On November 18, in response to a petition from 10 food processing and trading groups, Thai Chamber of Commerce (TCC) sent a letter to the Prime Minister to express the concern on the impact of the chemical ban on several industries which are using imported feed and food ingredients. According to trade sources, TTC in its letter requests the government to: 1) allow an import of raw agricultural commodities for food processing purposes from exporter countries that still use the banned chemicals based on the (FAO-WHO)'s Codex on MRLs; 2) expedite the measures to ease the burden and compensate the affected stakeholders that still have the 3 chemicals in their possession; 3) accelerate research and studies to identify appropriate substitute or alternative substances and develop new technology to improve the productivity and reduce the cost of agricultural production; and 4) support good agricultural practices (GAP) to protect the health of farmers and consumers. The letter also indicated that the ban will severely jeopardize the food processing industry, the feed and animal production industry, the sugar cane and alternative energy industry, the tapioca production and trade, and the seed industry, with an estimated economic loss of 1.7 trillion baht (approx. US\$ 57 billion);
- On November 11, 2019, Thai Feed Mill Association (TFMA) sent a letter to the Prime Minister (PM) and Ministers of Industry, Agriculture, Public health and Commerce expressing its concern over trade impact when the chemical ban is enforced and asked the government to review the ban. TFDA estimated that the ban will severely hit feed and animal production worth of cost 289 billion baht (approx. US\$ 10 billion);
- The Federation of Thai Industries (FTI), led by groups of the chemical industry and the food industry, is in the process of developing its recommendation for the government. Key FTI's recommendations include: 1) reviewing NHSC decision to ban the 3 chemicals, and 2) adopting Codex MRLs for import tolerance. The FTI letter is expected to be delivered to the Office of Prime Minister by November 22, 2019.

End of Report.

Attachments:

[ENG translation Draft Mol notification on reclassifying GLY PQT CPF.docx](#)