



U.S. Hop Industry Plant Protection Committee

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*A subcommittee of:
Washington Hop Commission ♦ Oregon Hop Commission
Idaho Hop Commission ♦ Hop Growers of America*

April 29, 2013

David Weiner
Deputy Assistant USTR for Europe
Office of the US Trade Representative
Executive Office of the President
600 17th Street NW
Washington, DC 20508

Dear Mr. Weiner:

On behalf of the US hop industry, I am writing in response to the April 1 USTR *Federal Register* notice seeking comments on the upcoming Trans-Atlantic Trade and Investment Partnership (TTIP).

Over 80% of the 2011 US hop crop was exported. Europe is single the largest US export market for hop products, accounting for over 36% of the 2011 US exports, which were valued at over \$90 million for the 2011-12 marketing year (2011 crop). Most of these exports are hop pellets and hop extract. Both are used in the making of beer in the European Union.

Given the important of the EU market, the US hop industry requests that the following two hop industry priorities be considered during the TTIP negotiations.

Tariffs:

Hops are exported to the EU under several tariff lines.

Hop cones in both pellets and powder form are imported in the EU under HS 1210.10 and 1210.20. There are numerous 10 digit EU tariff lines under both categories. The EU tariff applied on US hop products for both HS 1210.10 and HS 1210.20 is 5.8%

Hop extract is imported under the EU HS codes of 1302.13.00.10; 1302.13.00.80; 1302.13.00.90. The EU applies a tariff of 3.2% for all hop extract imports.

The US hop industry respectfully requests that all EU tariffs on hops cones/pellets/powder and extract be immediately eliminated upon implementation of the TTIP.

Pesticide MRLs:

For 20 years, the US hop industry has worked to seek harmonized hop pesticide maximum residue levels between the US and EU. We have cooperated with hop growers in Germany, England, the Czech Republic, and other EU hop producing countries. Although we have had some success, the challenges of obtaining import tolerances in the EU are daunting.

The US has one of the most efficient systems in the world for registering new crop protection compounds. These compounds are often “reduced risk” and provide improved control of pests and diseases that degrade quality and reduce yields. Additional tools in the crop protection program also provide improved management of resistance development, allowing all products to remain effective at low application rates for longer time periods.

Unfortunately, growers frequently cannot use these newly developed products because no EU MRL has been established, or the EU MRL is set at an unacceptably low level. As a result, hop merchants, who buy the hops from growers and export them to brewer customers, issue annual pesticide advisory letters to hop farmers that itemize those products that cannot be used after a certain date, or cannot be used at all. These MRL differences are costly and a trade barrier.

The US hop industry has sought specific import tolerances in the EU through regulatory systems. For one product, bifentazate, we worked for over seven years seeking to provide the required information needed for a European Food Safety Authority review. Even with that effort, we did not succeed in making the submission due to the challenging requirements. Only when Codex established a bifentazate MRL did the EU decide to also adopt that MRL.

The EU import tolerance application system is broken. It is too costly and requires information to be generated that is not required in the US for the domestic MRL. Most grower groups cannot afford to seek EU import tolerances due to these challenges. The hop industry appreciates the option of obtaining EU MRLs through the EU adoption of Codex tolerances, but that system may not cover all needs.

In the TTIP, establishing a way to streamline MRL import tolerances in the EU and harmonizing MRLs with US levels would be greatly appreciated.

Thank you for your consideration of the US hop industry’s priorities for the Trans-Atlantic Trade and Investment Partnership. If I can provide any additional information or answer any questions, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Ann E. George". The signature is written in black ink and is positioned above the typed name.

Ann E. George
Administrator