

Critical Use Exemptions

A Manufacturer's View

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Critical Use Exemptions

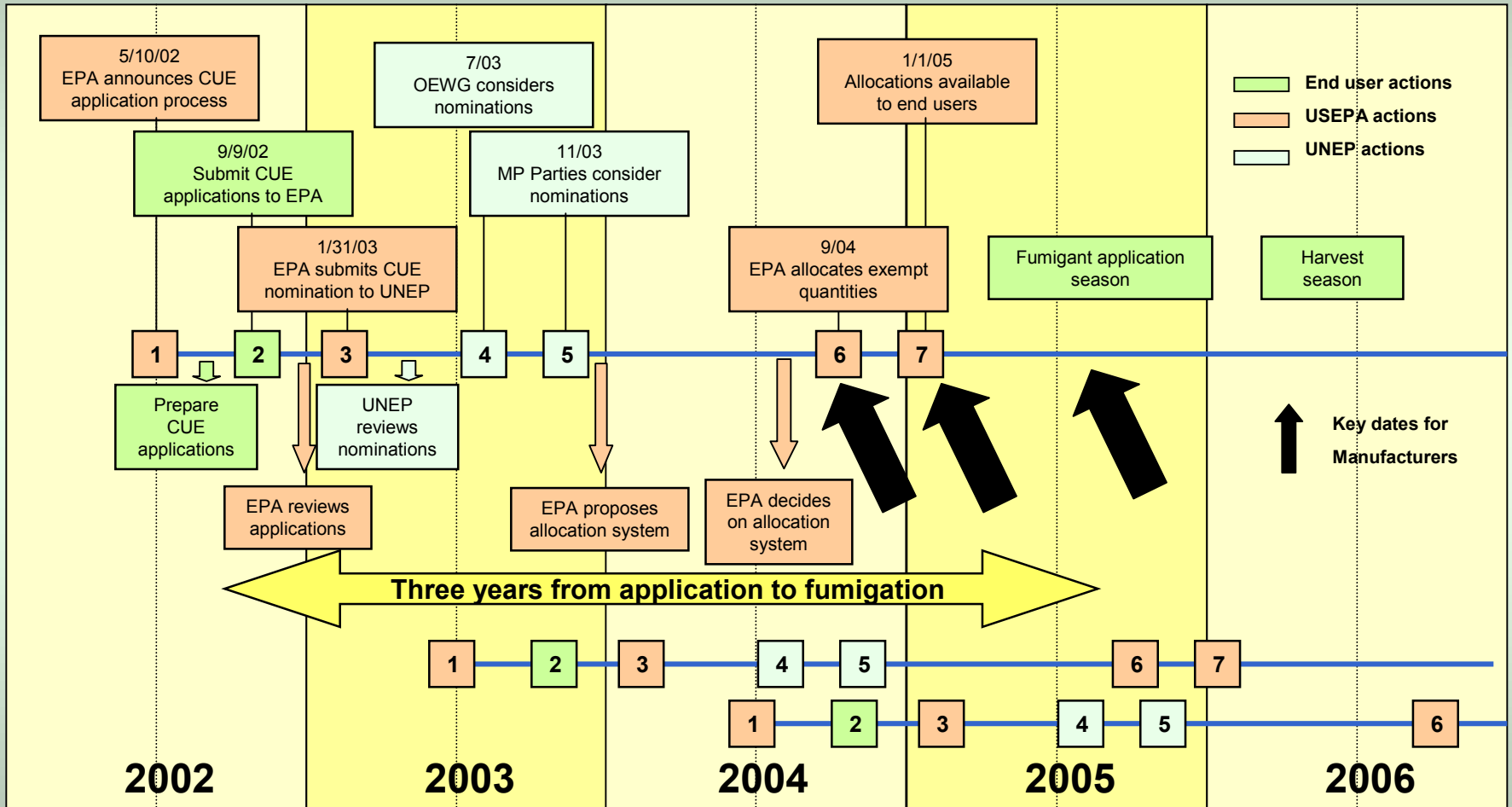
A Manufacturer's View

Outline

- Timing
- Volume Requirements
- Allocation Management
- Remaining Concerns

System is complex - success demands cooperation of manufacturers, users and regulators

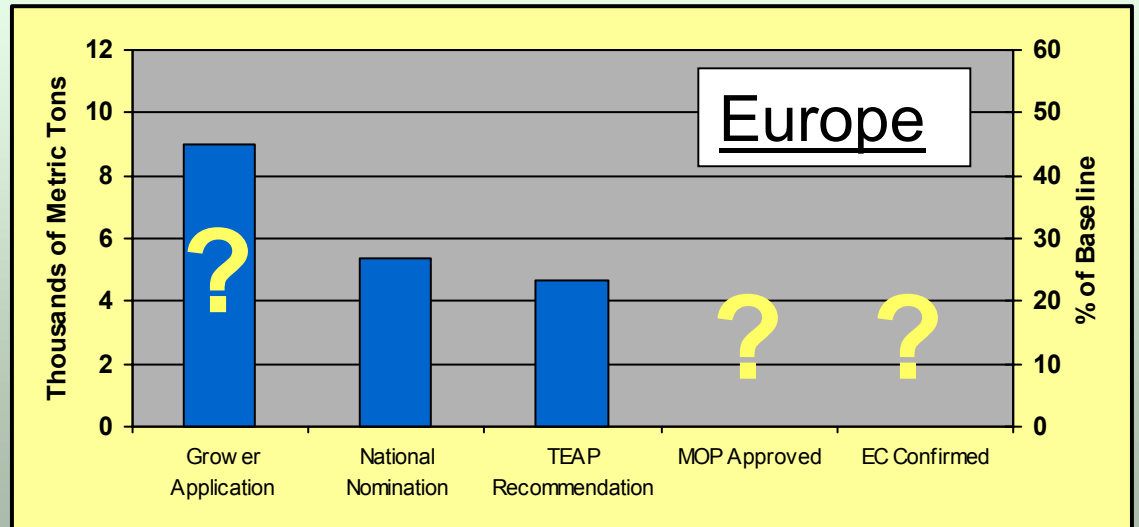
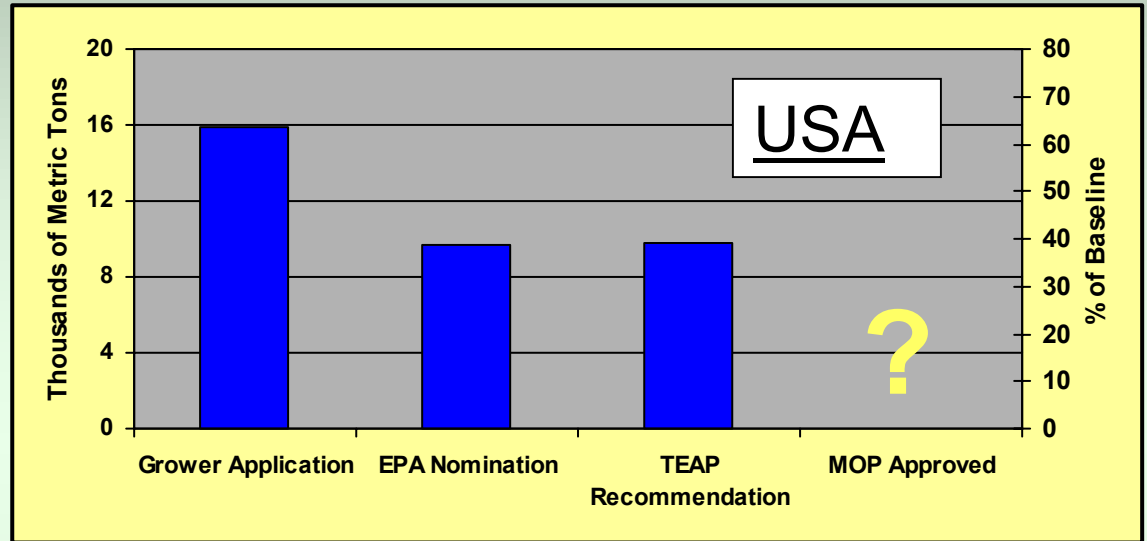
Timeline for U. S. CUE Process



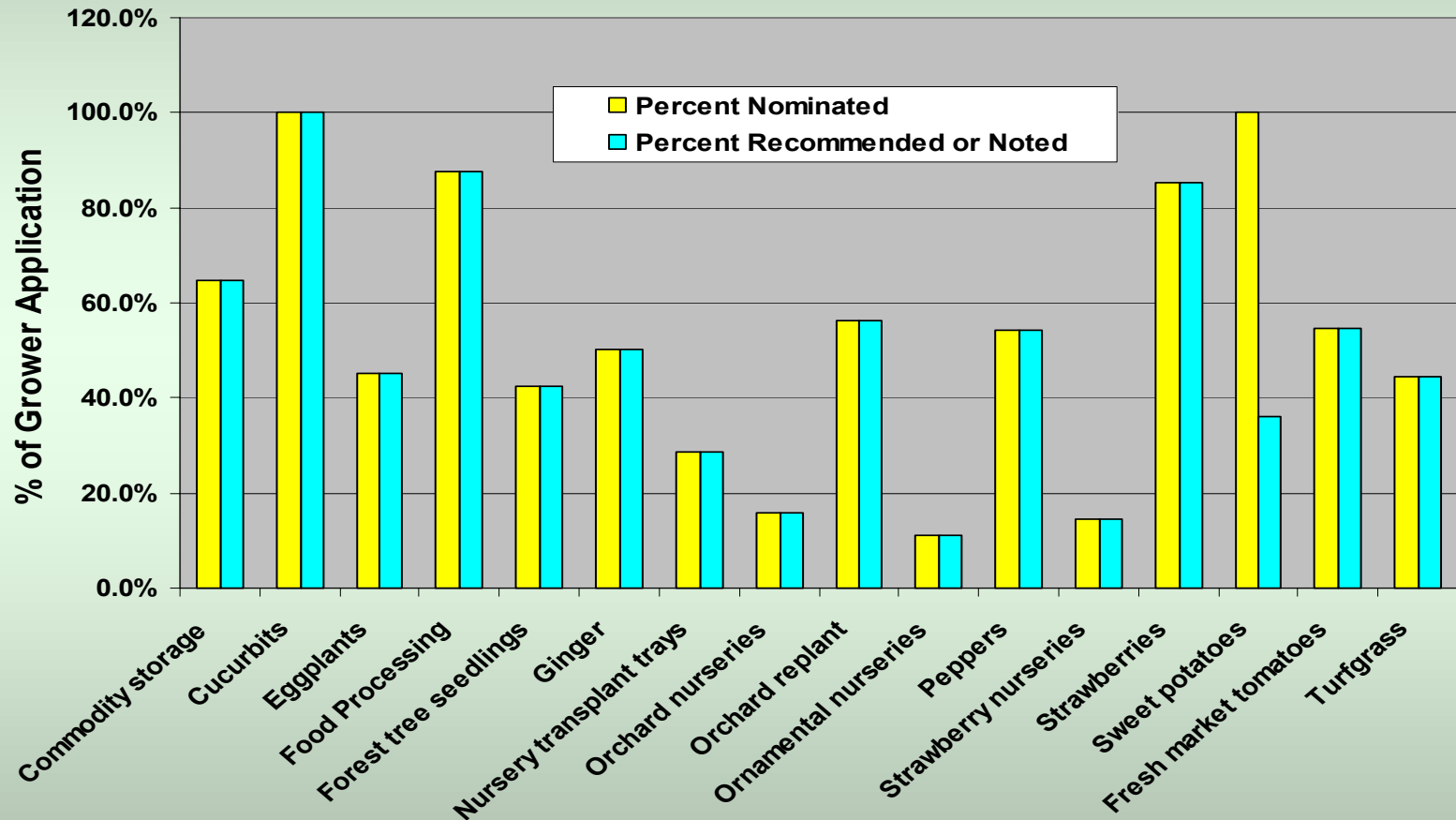
Process must be streamlined for subsequent years

Volume Requirements

In both the US and in Europe, the volume of methyl bromide ultimately approved for CUE is likely to be significantly less than the amount certified as necessary by growers



% CUE Approved



Allocation by sector magnifies the complexity

Allocation Management

Criteria

- Fair to all concerned
- Simple to administer
- Retains existing distribution system
- Timely implementation

Success on all criteria is essential

Fair to All Concerned

- Gives preference to participants in the application process
- Equitable geographic distribution
- Does not discriminate against low volume users
- Preserves baseline distribution among producers

Equitable distribution of allocations may be in conflict with simplicity

Simple to Administer

- Minimum paperwork for end users
- Based on existing QPS system
- Record keeping and documentation concentrated at manufacturer's level

Complexity will cause delays in implementation and problems in compliance

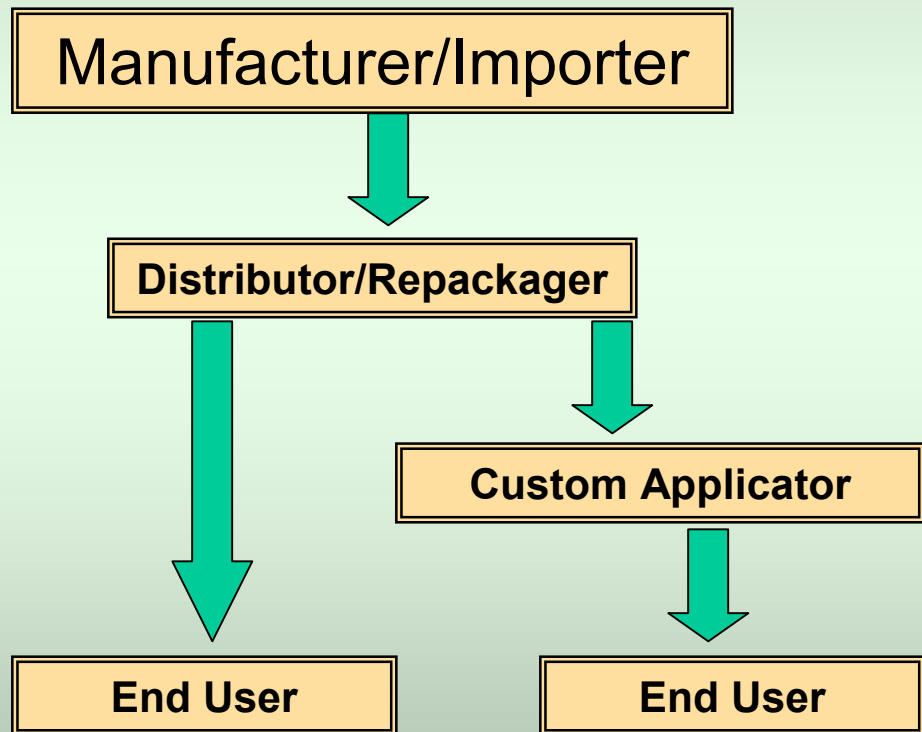
Distribution System

3 major US manufacturers or importers

Distributors/repackagers located near point of application

Custom applicators for both pre-plant and post harvest uses

1000's of end users in US



Each player in the chain has an important role

Timely Implementation

- Must allow for planning by users, distributors, and manufacturers
- Final rule by July 1, 2004
- EPA should have contingency plan in the event of unanticipated delays in final rule.

Timely implementation is critical to success

Remaining Concerns

- Timing
- Precise definition of exempt uses
- Allocation among users
- Carry-over of CUE inventory
- Treatment of pre-existing inventories

Some concerns will remain until publication of final rule

Conclusion

- Look forward to working with all stakeholders to implement CUE process and make it work as smoothly as possible
- Nevertheless, we believe the process will be overly complicated and unnecessary.
- Extension of the phase-out at the 50% level until alternatives are proven would be a much simpler solution.

Critical Use Exemptions are not the best solution