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COUNCIL OF PRODUCERS & DISTRIBUTORS OF AGROTECHNOLOGY
THE BUSINESS COUNCIL FOR AGROTECHNOLOGY

General Trade Priorities for the U.S. Crop Protection Supply Chain

Crop protection products are essential agricultural inputs. Their availability and affordability directly affect farm productivity, crop yields, food costs, and the resilience of the U.S. food system. At the same time, the crop protection supply chain is highly complex. Technical active ingredients, key intermediates, manufacturing-use products, inert ingredients, and finished formulations each raise different trade, economic security, and national security considerations.

For that reason, CPDA believes trade policy should be product-specific and supply-chain-specific. The goal should not be to maximize or minimize tariffs across the entire sector. The goal should be to strengthen U.S. production and formulation capacity, avoid unnecessary costs where no viable alternative supply exists, and ensure that trade policy does not unintentionally encourage offshore manufacturing of products that can be formulated in the United States.

General Trade Priorities

1. Preserve Domestic Formulation Capacity.

Domestic formulation is a core manufacturing function within the agricultural supply chain. It converts technical materials and other inputs into finished products registered and designed for the U.S. market. It also supports U.S. jobs and investment in quality control, regulatory compliance, product stewardship, packaging, warehousing, transportation, and agricultural distribution. Trade policy should preserve the incentive to formulate finished crop protection products in the United States rather than import them.

2. Distinguish Finished Formulations From Technical Inputs.

Finished formulated products and upstream technical inputs should not be treated as though they present the same policy question. In some cases, additional duties on technical active ingredients or key intermediates may increase the cost of U.S. formulation without creating a realistic near-term alternative source of supply. At the same time, favorable treatment for imported finished formulations can weaken domestic formulation and increase long-term reliance on offshore production, particularly where those products may already benefit from foreign-government industrial policies, financial incentives, or other forms of host-country support. USTR should evaluate the full manufacturing chain before making product-specific tariff decisions.

3. Protect Existing And Planned U.S. Production.

Where active ingredients, intermediates, or other critical inputs are produced in the United States, trade policy should not provide favorable treatment to competing imports in a way that undermines existing domestic production or discourages new investment. Domestic production of agricultural inputs is directly tied to food security, economic security, and national security.



4. Avoid Tariff Structures That Penalize U.S. Manufacturing.

CPDA members are concerned about tariff structures that create an effective disincentive to manufacture or formulate in the United States. Where an upstream input faces an equal or greater tariff burden than a downstream finished product, companies may face a commercial incentive to move value-added activity offshore. USTR should evaluate technical active ingredients, key intermediates, manufacturing-use products, and finished formulations as an integrated supply chain.

5. Strengthen Classification, Origin, And Regulatory Integrity.

Effective trade policy depends on accurate product classification, country-of-origin determinations, and enforcement. CPDA supports stronger coordination among USTR, Customs and Border Protection, EPA, and other relevant agencies to verify distinctions among technical-grade active ingredients, manufacturing-use products, and finished end-use formulations. Monitoring should also account for abrupt changes in import classification, source country, entered value, or product form that may indicate circumvention or unintended effects.

6. Provide Predictability For Agricultural Planning.

Crop protection sourcing, formulation, packaging, distribution, and retailer planning occur well before products reach farmers. Abrupt trade policy changes can disrupt commercial planning for an upcoming crop year. USTR should provide sufficient notice, rely on product-specific data, and maintain a process for affected domestic producers and formulators to submit confidential information regarding production, sourcing constraints, tariff impacts, and commercial effects.

Recommended Approach

CPDA respectfully encourages USTR to apply a balanced, product-specific approach that:

- Supports domestic formulation and manufacturing;
- Protects existing and planned U.S. production of critical agricultural inputs;
- Avoids unnecessary cost pressure where no commercially viable alternative supply exists;
- Preserves farmer access to competitive crop protection options;
- Strengthens interagency coordination on classification, origin, and regulatory integrity; and
- Treats crop protection supply-chain resilience as a food security, economic security, and national security priority.

The United States should not allow trade policy to unintentionally encourage offshore formulation of crop protection products that can be manufactured domestically. At the same time, remedies should be calibrated so they do not penalize companies investing in U.S. facilities, U.S. workers, and the agricultural supply chains American farmers rely on. Strengthening this supply chain is not only a matter of farmer access and affordability; it is a national security priority.