

Regulating Pesticides in the Growing World of eCommerce

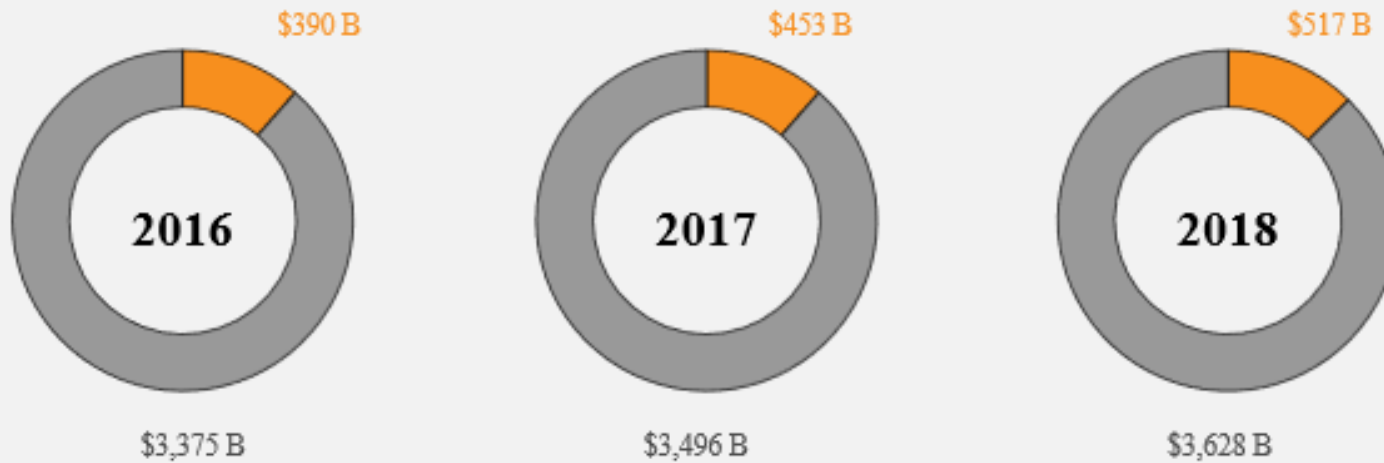


Overview

- The eCommerce Landscape
- Investigatory Challenges
- Enforcement Today/Tomorrow
- Enforcement Highlights

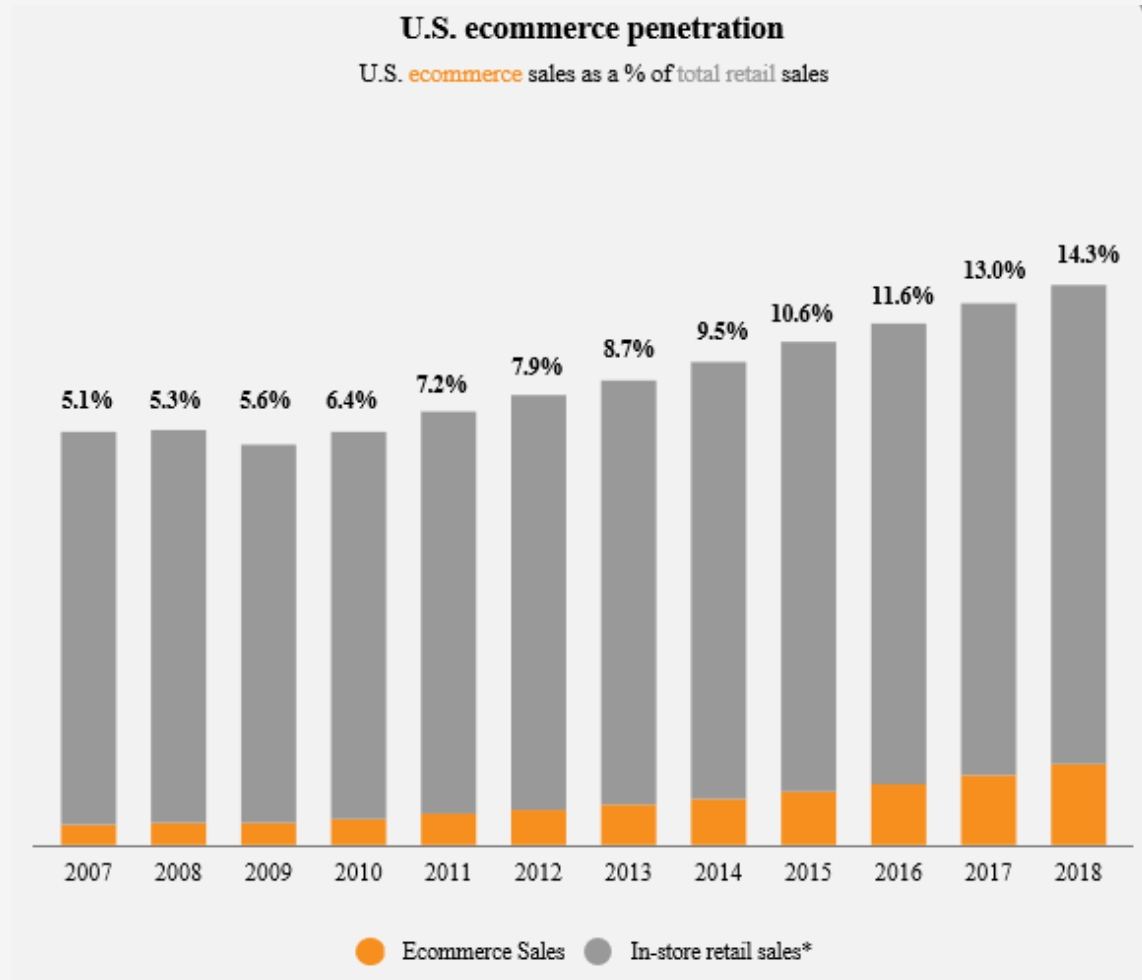
eCommerce Sales Trends

U.S. **ECOMMERCE** VS. TOTAL RETAIL SALES



Source: Internet Retailer, U.S. Commerce Department

eCommerce Sales Trends



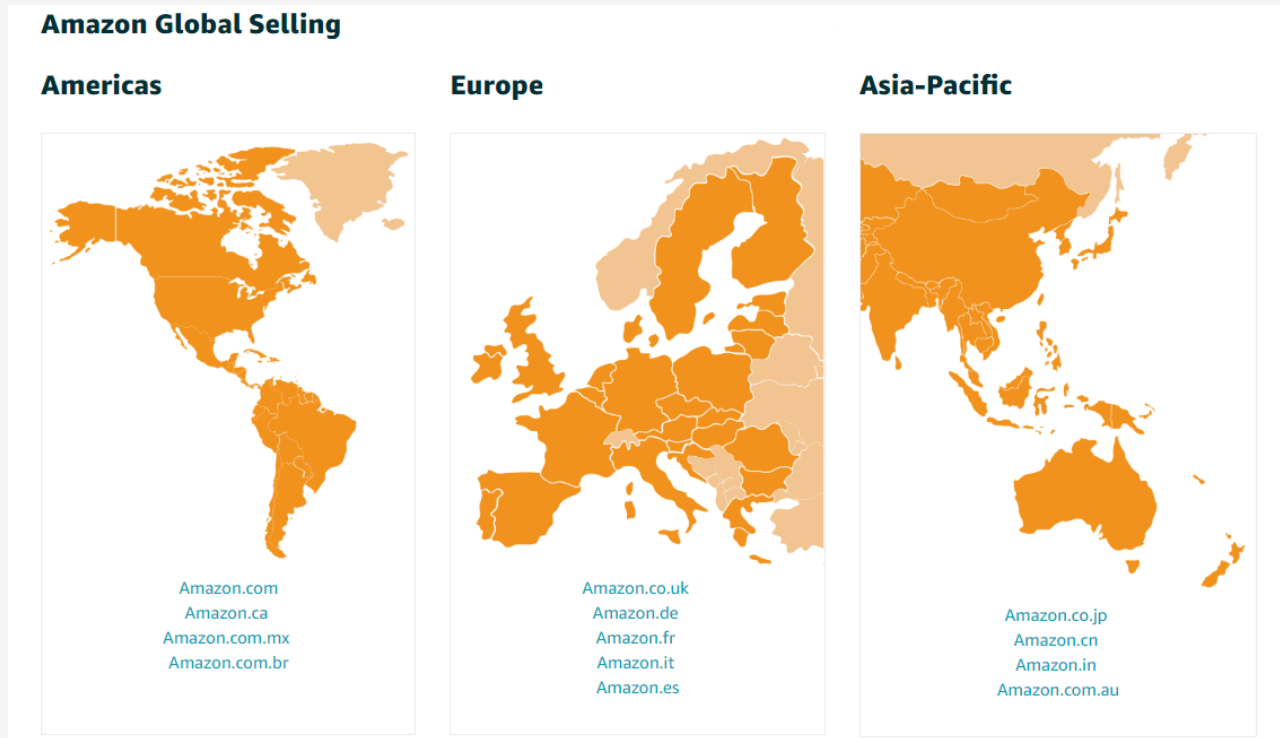
Innovations Driving Growth

- **Personalized Shopping Experiences**
 - Data Mining
 - Artificial Intelligence
 - Chat Bots
- **Community Building**
- **Flash Sales**
- **On-line/Offline Integration**
- **Mobile Optimization**

Pesticides in the eMarketplace

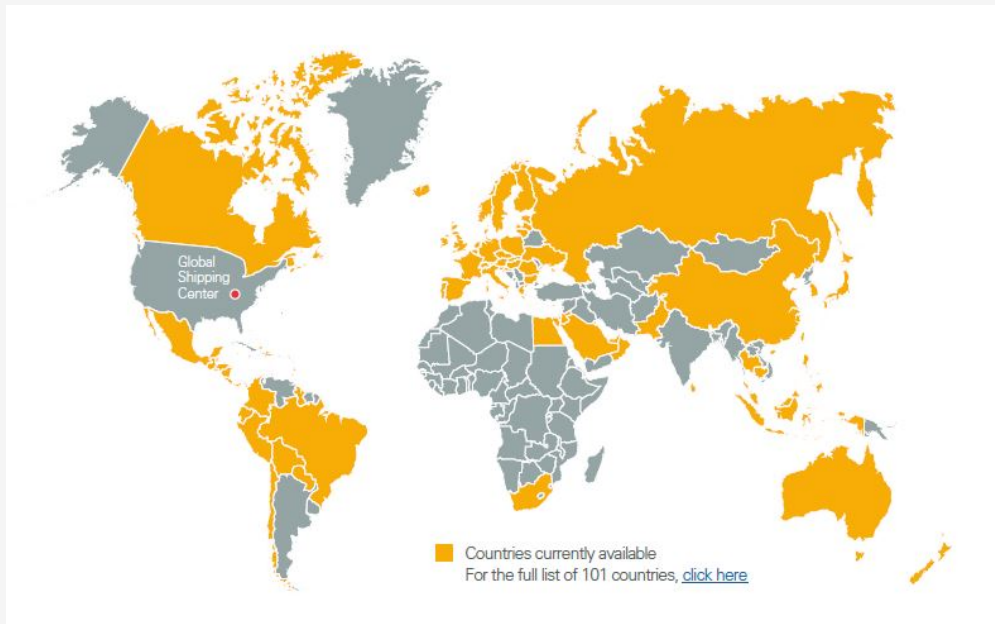
	Pesticide	Roach Killer	Insecticide	Herbicide
Amazon	10,000	873	>10,000	>3,000
eBay	4,173	2,550	4,516	1,473
Alibaba	104,029	543	64,435	24,142

Amazon



eBay

- eBay Global Shipping Program (GSP):
 - Global Shipping Center in Kentucky



GROWTH FROM
2013 TO 2015

229%
ORDERS

190%
GSP
SELLERS

133%
LISTINGS

ebay.com

eCommerce Challenges

- Vastness of the eCommerce Landscape
 - Rising Number of Declared Shipments
 - Staggering Increase in Express Consignments/International Mail
- Adaptation
 - Multiple Seller Profiles
 - Ability to Counterfeit
- Limited Product Information

FIFRA Enforcement Today

- **Cases of national significance (environmental impact and penalty)**

- **Deterrence**
 - Long-term industry/corporate behavioral impacts
 - Robust partnerships on the federal/state levels

- **Setting Priorities**
 - Environmental and public health risks
 - Product Integrity
 - Border Compliance/eCommerce
 - Fumigants & Fumigation
 - *National Program Managers Guidance (NPMG)*
 - Coordination with OPP
 - National meetings with EPA regions/states
 - High-risk products
 - Patterns/trends of noncompliance
 - Tips and complaints

National Results

<u>Results</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Enforcement Actions	132 FAPOs* 24 ACOs*** 156 EDs	156 FAPOs* 24 ACOs*** 291 EDs	107 FAPOs* 469 ACOs**	164 FAPOs 95 ACOs 4 NODs	145 FAPOs 99 ACOs 2 NODs
Penalties	\$9,250,053	\$2,340,808	\$2,978,966	\$3,581,448	\$9,207,235
Environmental Benefits <i>(Pounds of non-compliant products addressed)</i>	90,345,612 lbs	13,318,63 lbs	21,461,109 lbs	21,086,734 lbs	49,575,302 lbs

*FAPOs include CAFOs and Expedited Settlement Agreements (ESAs)

**2014 through 2016 ACOs represents the number of SSUROs and Entry Denials issued

***2017 and 2018 ACOs represent SSUROs issued only. Entry Denials are tracked separately than previous years.

*Includes impacts of NOWs

Draft NPG for FY2020-21

- Continue Our *Priority* Enforcement Work On:
 - *Review of product compliance (**Product Integrity**)*
 - *Reviewing chemicals before they enter commerce (**Border Compliance**)*
 - *Addressing risks to potentially exposed or susceptible subpopulations (**Worker Protection**)*
 - **E-Commerce**

Amazon Case

- *“The agreement settles allegations that Amazon **committed nearly four thousand violations** of the “Federal Insecticide, Fungicide and Rodenticide Act” (FIFRA) – dating back to 2013 – for selling and distributing imported pesticide products that were not licensed for sale in the United States.”*
- Distribution of unregistered pesticide products via the Fulfilled-by-Amazon (FBA) construct
 - HUA Highly Effective Cockroach Killer Bait Powder
 - RBTZ Safe Highly Effective Roach Killer Bait Powder Indoor
 - Green Leaf Powder Fly Killing Bait
 - Miraculous Insecticide Chalk
 - 3pcs Cockroach Bugs Ants Roach Kills Chalk

Amazon Case

- Civil penalty: \$1,215,700
- SEP: \$1,523,654
 - Development of an online training course available to the public and available in Chinese, Spanish, and English
 - Successful completion of training mandatory for all entities planning to sell pesticides on Amazon.com

Questions?

