

## Pesticide Discussion Forum Summary Digest

### Sustainable Financing of Chemical Control and Pesticide Management

Lack of resources is a common challenge when trying to build capacity for sound chemicals (pesticide) management. A lack of resources could mean a lack of competent staff to recruit, a lack of tools for inspection, a lack of analysing capacity and more. Some of these challenges can, however, be handled by raising sufficient long-term funding. In a guidance entitled 'Sustainable Financing of Institutional Capacity for Chemicals Control' [1], the Swedish Chemicals Agency (KemI) provides different solutions and discusses who should bear the cost for different aspects of chemicals management.

#### About the Presenter



**Mr Ule Johansson** held different positions at the Swedish Chemical Agency (KemI) for the past 30 years: five years as a legal advisor, eight years as head of division and for the past 17 years, has worked as an expert in development cooperation.

**DISCLAIMER:** The information below represents the opinions of members participating from different countries expressed during the discussion and shall not necessarily be taken to reflect the official opinion of the DEH, UCT, FAO, SIDA or KemI.

Presented below are the three questions and resulting discussion inputs from participants:

**Question 1:** What should governments do to fund national chemicals control? Are there other options? If yes, list what these could be and give examples of how to implement.

**UGANDA:** Government is responsible for legislation of inspection and enforcement, providing information to the public, and promoting adoption. The chemical industry would be responsible for financing services received from the regulatory body through payments of service fees.

**SOUTH AFRICA:** A challenge with funds is that any fee or tax goes to a central treasury fund and the regulating department may not receive the money for chemicals control.

**ZIMBABWE:** Fees are paid to the government for the registration of pesticides (long-term), importation, and exportation. A pesticide registration fee is always charged to raise funds and inspectors check that pesticides in the formal market are registered.

**JAMAICA:** Fees are collected for registration, training, and importation (how funds are being allocated to sustain programmes is not clear). A collaborative work approach of relevant agencies putting systems in place to complement the disposal of containers or remains from a treatment cycle programme is needed.

**MALAWI:** Government funds chemical control programs through activities like pesticide registration charges, licensing, and certification fees. Other options would be having legislation on imported and manufactured chemicals.

**CARIBBEAN:** Some regulatory authorities in the Caribbean charge import levies on quantities of pesticides imported to fund their work programmes. The remaining depend on government budgetary allocations.

**ESTWATINI:** Industries should pay a fee to register their pesticides. Additionally, money could be generated from pesticide pollution (i.e. an organization responsible for the mismanagement of chemicals should be liable).

**ZAMBIA:** Government can use the licensing regime to collect fees. However, the funds collected should not be put in central treasury as government takes long to disburse funds to departments.

**NIGERIA:** Government can also put direct taxes on pesticide industries, or through customs at the port of entry on pesticide import companies, or through penalty fees of violators of compliance policies.

**CÔTE D'IVOIRE:** A law on sustainable orientation has been enacted that make it mandatory for companies to pay taxes based on the polluter-pay principle. However, we cannot justify if the amount paid is enough to cover the pollution generated, in the same way, we cannot predict if all the taxes paid will be directed in funding chemical control activities.

**EUROPEAN UNION:** Experience from some countries within EU shows that when it is possible to get fees directly to the authorities good work is carried out respecting timelines.

**IRAN:** As an oil-based economy, there is a combination of getting fees and taxes from related companies that import/ and or formulate the pesticide. Due to the oil-based industry, there are many budgets available for registering chemicals.

**TOGO:** Funds are received from pesticide registration and international partners. Taxes could be distributed from importation to empty container management.

**Question 2:** Give examples of where you think the line should be drawn between government and private sector chemical management responsibility? Give clear examples, including is this currently practiced in your country or the place where you work and if not, why not.

**ZIMBABWE:** Monitoring of pesticide registration efficacy trials should be funded by the government and not by the private sector in order to eliminate bias.

**SOUTH AFRICA:** Pesticide companies should pay for the re-assessment of old pesticides, pre-registration and risk assessments. The government should fund public-awareness campaign, education, and capacitation on the adverse effects of chemicals.

**MALAWI:** Pesticide risk assessments, efficacy trials, classifications, and labeling are privately funded. The best route to draw the line between government and the private sector would be to assign tasks to independent experts identified by the regulator but funded by the manufacturers themselves.

**TOGO:** The line is drawn when considering conflict of interest. Additionally, it is important to draw the line between funding and "doing". Civil societies can play a monitoring role, however, as it is a product of risk assessment, the producer must fund this activity.

**NIGERIA:** Pesticide companies should pay and conduct pesticide registration risk assessment. Government should be the one in charge of monitoring risk assessments because the companies will not do it unless it's time for re-registration.

**ESTWATINI:** Manufacturers should be responsible to conduct a risk assessment of chemicals and pesticides and the government should be responsible for efficacy trials and inspections. Enforcement of regulation is important, and the government should oversee it.

**JAMAICA:** Manufacturers must be accountable for ensuring safe use and handling of chemicals and the government should hold them accountable for non-compliance.

**EU:** Work sharing was put forward as good resources. There are a lot of useful data and reports (e.g., EU Commission websites) that could support the risk assessments and risk management's work going on in different countries.

**Question 3: How could your government agencies motivate your Ministry of Finance to provide funding for work in the chemical's management area (including pesticides) and what motivation process is currently in place in your country? What are the barriers?**

<b>SOUTH AFRICA</b>	<ul style="list-style-type: none"> <li>i. Risk assessments need to mitigate environmental risks, human health risks, and "environmental clean ups".</li> <li>ii. Statistics SA should inform how the budget for chemicals management should be allocated.</li> <li>iii. Information on chemical-related incidences and sample runs conducted can be a basis for motivating for funds, however, such information is not readily available due to poor record keeping.</li> <li>iv. Motivating for funds should start with district municipalities (i.e. Environmental Health).</li> </ul>
<b>ZIMBABWE</b>	<ul style="list-style-type: none"> <li>i. Each ministry/department should include chemical management in its annual plan and justify why the area should be funded.</li> <li>ii. Annual reports from should be sent with the benefits associated with activities.</li> <li>iii. Establishing self-sustaining projects.</li> <li>iv. A major barrier is the lack of evidence that chemicals should be well managed.</li> </ul>
<b>MALAWI</b>	i. The Ministry of Finance should be motivated by the fact that crops such as tobacco, tea, cotton, and sugarcane contribute to over 20% of Malawi's GDP and employs approximately 60% of the entire workforce and be given evidence related to use and dangers associated with the use of pesticides.
<b>ESTWATINI</b>	i. The Ministry of Finance should receive a policy brief highlighting issues of environments and health effects.
<b>ZAMBIA</b>	<ul style="list-style-type: none"> <li>i. Chemicals management has potential to contribute to the government treasury and the lack of sound management can cost the government a huge sum of money due to chemical exposure.</li> <li>ii. Add polluter pay charges to importers. Use the money to sensitiations and continuous research.</li> <li>iii. The Ministry of Finance can be motivated by providing them with risk assessments.</li> </ul>
<b>JAMAICA</b>	i. Ministry of Finance should be motivated by the social-economic, ecological, and political implications of underfunding chemical management.
<b>NIGERIA</b>	The pesticide board should send a proposal document to the ministry of finance showing the various chemical management plans they have with the necessary funds.
<b>CÔTE D'IVOIRE</b>	The motivation for inserting Chemicals management in the department's annual plan should be structured on the chemical health hazards, the economic loss/gain from solid risk assessments and the request for solid arbitration.
<b>PRESENTER NOTES</b>	<ul style="list-style-type: none"> <li>i. One option could be that key ministries like agriculture, industry, health, and environment jointly approach the Ministry of Finance.</li> <li>ii. There are a lot of reports about the long-term gain from a proactive government as well as the cost if you do too little (e.g UNEP report cost of inaction).</li> <li>ii. Another argument is that since many of the chemical products are imported and traded between many countries there should be a trade benefit if countries follow the same standards and systems like the GHS.</li> </ul>

**Resources and Further Reading**

1. Sustainable financing of institutional capacity for chemicals control <https://www.kemi.se/en/publications/guidance-on-national-chemicals-control-for-other-countries/sustainable-financing-of-institutional-capacity-for-chemicals-control>
2. Risk reduction of chemicals. <https://www.kemi.se/en/publications/guidance-on-national-chemicals-control-for-other-countries/risk-reduction-of-chemicals>

The Division of Environmental Health (DEH) Pesticide Discussion Forum is a bi-monthly online seminar for pesticide regulators and resource persons, as well as students in the postgraduate Diploma in Pesticide Risk Management (DPRM). Our aim is to provide support for managing pesticide risks and implementing risk reduction strategies. DEH is based in the School of Public Health and Family Medicine at the University of Cape Town (UCT).

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