

**FEBRUARY 6, 2018**

## INSIDE THIS ISSUE

- **Second Round of Amendment Talks for the Korea-U.S. Free Trade Agreement**
- **European Parliament Votes to Create Special Committee to Assess Pesticide Approvals**
- **European Union Increasing Funding to Promote Agricultural Products**
- **Dominican Republic Simplifies Sanitary Registration**
- **United States Continues to Block World Trade Organization Appellate Body Appointments**
- **Pacific Alliance and Associate Members Continue Talks**

**A REPORT FOR  
THE CALIFORNIA  
CHERRY BOARD**

## GENERAL ISSUES OF INTEREST TO THE CCB:

### Second Round of Amendment Talks for the Korea-U.S. Free Trade Agreement

- Officials from the United States and the Republic of Korea met in Seoul, Korea on January 31 - February 1 to advance amendment and modification negotiations and other discussions on the U.S.- Korea (KORUS) Free Trade Agreement. According to a [press release](#) from the Office of the U.S. Trade Representative, the discussions were focused on specific proposals, including those related to market access and tariffs.
- South Korea expressed strong concerns over trade remedies on its goods as President Trump chose to levy duties on Korean residential washing machines and solar panels on January 22, and the U.S. focused on ways to reduce the trade deficit in the auto sector.
- South Korea is looking to revise the investor-state dispute settlement (ISDS) clause in KORUS and explore ways to protect its agriculture industry, which it claims has been damaged by the agreement, [reports](#) South Korea's Yonhap News Agency.
- Both sides anticipate setting dates in the near future for further meetings in Washington, DC.

### European Parliament Votes to Create Special Committee to Assess Pesticide Approvals

- During a February 5-8 European Parliament plenary session, Members of the European Parliament (MEPs) [voted](#) on a mandate for a special committee to look into the European Union's authorization procedures for pesticides.
- The special committee is a response to concerns raised about the risk assessment of the herbicide glyphosate (*BCI Monitor* 1-23-18).
- The committee will be composed of 30 MEPs and will have a nine-month mandate.

### European Union Increasing Funding to Promote Agricultural Products

- The European Commission launched a call for proposals for programs to promote European agricultural products throughout the world and within the European Union (EU). According to a EC [press release](#), a total of €169 million is available to co-finance the programs, up from €142 million in 2017.
- Around €110 million is earmarked to promote food in EU target markets such as Japan, South Korea, China, Canada, Mexico, Colombia, Australia and New Zealand. These countries are considered key markets for the European Union due to the Free Trade Agreements (FTAs) in place.

*(Continues on Next Page)*

### *European Union Increasing Funding to Promote Agricultural Products*

- Phil Hogan, European Commissioner for Agriculture and Rural Development announced that through these promotion campaigns, the EU also wants to highlight EU quality schemes and labels such as geographical indications (GIs) and organic products. The EU system for protecting GIs is a potential concern as GIs have the ability to limit exports of a wide variety of U.S. agricultural products, particularly in countries where the EU has negotiated FTAs.

### **Dominican Republic Simplifies Sanitary Registration**

- The Dominican Republic's Ministry of Public Health and Social Welfare (MPH) has issued two Resolutions that aim to simplify the process for obtaining the required Sanitary Registration for food and beverage products.
- Both domestically produced and imported food and beverage products in the Dominican Republic must have a current Sanitary Registration (*Registro Sanitario*). Importers register new products with the Dominican Republic's MPH. Once obtained, the sanitary registration number must be printed on the label of the product or be affixed to the product and is valid for five years.
- The recently issued Resolutions clarify that all U.S. food products authorized by the U.S. Food and Drug Administration (FDA) qualify for the Simplified Procedure to obtain a Sanitary Registration.
- Products that are not authorized by the FDA, but are on the list of products that have been identified as low risk by the MPH, such as fruits and vegetables (packed), are also eligible for the Simplified Procedure for Sanitary Registration.
- More information is available at the following U.S. Department of Agriculture Foreign Agricultural Service [GAIN report](#).

### **United States Continues to Block World Trade Organization Appellate Body Appointments**

- The United States, reiterating concerns about the continued service of two members whose terms have expired, has rejected a proposal from 58 World Trade Organization (WTO) countries to immediately begin the process of filling three vacancies on the WTO Appellate Body, according to media sources.
- Mexico introduced the proposal during a Jan. 22 meeting of the WTO's Dispute Settlement Body. The Appellate Body argues that Rule 15 of its working procedures permit panel members to continue serving on appeals they were assigned before the expiration of their term, but the U.S. maintains that their service violates the WTO's Dispute Settlement Understanding, and says any decision allowing Ramírez-Hernández and Van den Bossche – the two members whose terms have expired – to continue working should have instead been made by WTO members.
- The U.S. has been blocking appointments of new Appellate Body members to address concerns over what it deems as a judicially activist Appellate Body.

### **Pacific Alliance and Associate Members Continue Talks**

- The second round of talks between the Pacific Alliance and its associate candidates - Australia, Canada, New Zealand, and Singapore – was held January 29 to February 2 in Australia.
- The Pacific Alliance is a regional integration initiative created in 2011 by Chile, Colombia, Mexico and Peru. The Alliance's overarching goals are to foster the free movement of goods, services, capital and people and to promote greater competitiveness and economic growth for member countries.
- According to media sources, agreements to allow market access for goods, services and investment, public purchases and the temporary entry of business people were reached.
- The next round of talks between the Pacific Alliance members and the associate candidates is scheduled to be held on March 5 in Chile.