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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

GENERAL ISSUES OF INTEREST TO THE CCB:

Thailand Proposes Revision to Pesticide Residue Standards for Food

- Thailand's Ministry of Public Health (MOPH) recently published a notification regarding the proposed modification of maximum residue limits (MRLs) for various foods. A [GAIN report](#) published by the U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS) contains an unofficial translation of the MOPH draft standard.
- Among the revisions included in the proposed draft is the introduction of a default MRL standard of 0.01 ppm, as well various revisions to Thailand's current MRL standards. The draft standard also appears to retain Thailand's partial Codex deferral policy.
- Comments on the draft standard are due by March 28, 2017. The original World Trade Organization (WTO) notification from Thailand, which includes the Thai-language draft, is available [here](#).

USTR Publishes Annual Trade Agenda

- On March 1, the Office of the United States Trade Representative (USTR) published the Trump Administration's [2017 Trade Policy Agenda](#). The document outlines four U.S. trade priorities for 2017: 1) promoting U.S. sovereignty; 2) enforcing U.S. trade laws; 3) leveraging American economic strength to expand goods and services exports; and 4) protecting U.S. intellectual property rights.
- The report reassesses the right of the U.S. not to abide by World Trade Organization (WTO) decisions against its trade policies, and signaled that the U.S. will aggressively use trade remedy laws to challenge countries that refuse to open their markets.
- The overarching theme of this administration's trade policy will be to "expand trade in a way that is freer and fairer for all Americans." The administration believes these goals can be achieved by focusing on bilateral negotiations as opposed to multilateral deals, and by renegotiating current trade deals. In regard to the Trans-Pacific Partnership (TPP), the administration notes it will continue engaging in bilateral trade talks with TPP signatories as part of an effort to increase market access for American-made goods and agricultural products.

U.S. to Send Representative to Chile Trade Summit

- The U.S. has confirmed it will send a representative to the March 14-15 trade ministerial meeting in Chile, according to media sources citing comments made by a spokesperson from Chile's Ministry of Foreign Affairs. The [trade summit](#) in Chile was organized following the U.S. decision to withdraw from the Trans-Pacific Partnership (TPP). Invitees include each of the TPP signatories as well as additional countries such as China and South Korea.

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U.S. Intends to Send Representative to Chile Trade Summit

- A White House spokesperson also reportedly reaffirmed the intention of the U.S. to send an official to the upcoming meeting, but noted the U.S. is debating whom to send while the position of U.S. Trade Representative (USTR) remains vacant. Although the Trump Administration recently appointed Stephen Vaughn as general counsel and acting USTR, it is unclear if he will represent the U.S. in Chile. Carol Perez, the U.S. ambassador to Chile, may represent the U.S. at the summit.
- The meeting in Chile is designed to bring Asia-Pacific countries together to discuss potential paths forward regarding regional trade integration efforts. Australian Trade Minister Steven Ciobo also noted many are hoping the summit will provide more clarity about U.S. trade policy under the Trump Administration.

Seventeenth Round of Regional Comprehensive Economic Partnership Negotiations Concludes

- The seventeenth round of Regional Comprehensive Economic Partnership (RCEP) negotiations was held from February 27 through March 3 in Japan. RCEP includes Australia, China, India, Japan, New Zealand, South Korea, and the ten-member Association of Southeast Asian Nations (ASEAN; Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam).
- The potential RCEP agreement has received increased attention as an alternative platform for regional integration now that the U.S. has formally withdrawn from the Trans-Pacific Partnership (TPP).
- According to a Korean Government [press release](#) following the seventeenth round, RCEP members have agreed to accelerate negotiations in the first half of this year. The eighteenth round of talks is scheduled for May in the Philippines. Although their goal is to conclude negotiations by the end of 2017, the talks have proven difficult due to the divergent priorities of the sixteen prospective members.
- Together, the sixteen prospective members of RCEP account for approximately half of the world's population, 30 percent of global gross domestic product (GDP), and over a quarter of global exports.

China Publishes 2017 Agricultural Policy Goals

- China recently published what is referred to as the No. 1 Document, an annual report on the country's policy goals regarding agricultural and rural issues. The document outlines China's main agriculture-related goals for 2017.
- This includes the country's effort to achieve staple grain self-sufficiency, although the focus on this issue has shifted from quantity to quality. Another key policy goal cited in the document is China's intention to utilize and enhance trade remedy measures to investigate questionable agricultural imports. This plan is connected to the government's goal of improving the country's food safety system. In 2017, China is aiming to improve agricultural product quality and safety standards by developing organic fertilizer options and by establishing a comprehensive traceability system. The importance of agricultural technology research and development is emphasized, although the document does not explicitly address goals regarding biotechnology or genetically modified crops.
- An unofficial translation of the No. 1 Document is available in the following U.S. Department of Agriculture (USDA) Foreign Agricultural Service (FAS) [GAIN report](#).

India's Goods and Services Tax to be Implemented Beginning July 1

- India's Goods and Services Tax (GST) is scheduled to be implemented on July 1, 2017, according to media sources citing recent comments made by India's Economic Affairs Secretary Shaktikanta Das. Secretary Das noted this implementation date had been secured following approval by each of the country's states. India's GST is the biggest tax reform since the nation's independence, and it is expected that the new system will greatly boost economic growth.
- India's GST regime is designed to create a more efficient tax system by consolidating central, state, interstate, and local taxes into a single, nationwide, value-added tax on goods and services. By uniting India's 29 states under a single tax system, the government hopes to facilitate the movement of goods and improve the ease of doing business throughout the country.
- The GST Council has finalized a four-tier GST tax structure of 5 percent, 12 percent, 18 percent, and 28 percent, with lower rates for essential items and the highest rates for luxury and demerit goods. The remaining step is to sort specific commodities under the four GST tax blocks.