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A REPORT FOR THE CALIFORNIA CHERRY BOARD

GENERAL ISSUES OF INTEREST TO THE CCB:

Farm Bill Listening Session for International Market Development Programs

- The U.S. Department of Agriculture's Foreign Agricultural Service (USDA-FAS) will host a listening session Friday, March 22, to solicit input from stakeholders with an interest in FAS programs authorized under the Trade Title of the 2018 Farm Bill.
- Individuals interested in [commenting](#) on FAS export market development programs should submit written comments to the FAS Office of Trade Programs by 5 p.m. EDT on Friday, March 22.
- More information is available at the following USDA [press release](#).

APHIS Updates Area Coverage List for Phytosanitary Issues Management

- The U.S. Department of Agriculture Animal and Plant Health Inspection Service (USDA-APHIS) updated its [coverage area list](#) for Plant Health Trade Directors.
- Plant Health Trade Directors work with importers and exporters to develop work plans that ensure imported foreign agricultural commodities and U.S. agricultural exports are free from potentially harmful plant pests and diseases. They are part of APHIS' Phytosanitary Issues Management (PIM) team.
- More information about PIM is available at the APHIS [website](#).

China Passes Forced Technology Transfer Law

- On March 15, China approved a foreign investment law aiming to prevent forced technology transfers and illegal government intervention into foreign business practices.
- Foreign companies will no longer be required to transfer their technology to their Chinese business partners. The law will take effect January 1, 2020.
- Forced technology transfer practices in China have been a key complaint of the Trump Administration as well as a main tenant in the Section 301 investigation that resulted in the U.S. placing tariffs on \$200 billion worth of Chinese goods, and China retaliating in kind.
- The new Chinese law could ease U.S. concerns and move the ongoing U.S.-China talks forward.
- The White House reports that the U.S.-China talks remain constructive. Trade Secretary Steve Mnuchin said during a March 14 House Ways & Means Committee hearing that negotiators were "working diligently" on an agreement and expect a resolution in the near future
- USTR Lighthizer and Secretary Mnuchin are scheduled to travel to Beijing next week to continue trade talks.

Thailand Publishes Draft Notification Regarding Premium Food Labels

- On March 19, Thailand [notified](#) the World Trade Organization (WTO) of a [draft Ministry of Public Health \(MOPH\) Notification](#) (in Thai) regarding the requirements for the term “premium” on food product labels.
- The Thai Food and Drug Administration (Thai FDA) must authorize the use of a premium label or a premium message on food products. Premium is defined as a label that shows a product’s quality, standard, or special features as superior to the same type of food.
- Foods with a premium label must be in compliance with the quality and standards of the relevant MOPH regulations and have a traceability system to verify production processes and storage conditions.
- Additionally, food products must meet one of the following criteria: 1) Organic certification from an authorized agency or body; 2) Geographical indication registration from the Ministry of Commerce; or 3) Have a standard, quality, or specific characteristic that is superior to the same type of food as set by the Thai FDA Food Committee.
- Food producers and importers who display a premium label or message on food labels will have two years from the date the MOPH Notification comes into force. The MOPH Notification will come into force the day after it is published in the Thai Government Gazette.
- Final date for comments is 60 days from the WTO notification.

United Kingdom Prime Minister to Ask for Brexit Delay

- After the United Kingdom (UK) Parliament rejected Prime Minister Theresa May’s Brexit withdrawal deal for the second time on March 12, the UK Parliament voted the following day to rule out leaving the EU on March 29 without a deal.
- The motion passed by a narrow margin of 321 to 278. The UK Government continued to prepare for a no-deal Brexit scenario, [publishing details](#) of a 12-month temporary tariff that will be applied only if the UK leaves the EU without a deal.
- On March 14, Members of Parliament overwhelmingly supported a motion for PM May to ask the EU for a delay to Brexit. According to media sources, PM May is writing to the EU to formally ask for Brexit to be postponed.

European Parliament Will Make No Recommendations on U.S.-EU Negotiating Mandates

- On March 14, the European Parliament failed to pass a resolution outlining its recommendations to the European Commission and European Union member states on trade negotiations with the United States.
- Although Parliament must approve the final trade deal, it is not required to make recommendations on trade negotiations or negotiating mandates because it acts as an advisory body throughout the talks.
- Member states were waiting to decide on the draft negotiating mandates until after Parliament made a recommendation. Responsibility for adopting the negotiating mandates now falls solely on said member states, represented by the European Council.
- According to media sources, new condition for the trade talks with the U.S. could be added to the negotiating mandates. Provisions on climate change and the Paris Agreement as well as the revocation of Transatlantic Trade and Investment Partnership (TTIP) mandates could be considered.
- European member states are expected to decide on the negotiating mandates for a U.S.-EU trade agreement in the coming weeks.

President Trump and Brazilian President Jair Bolsonaro Meet

- Brazilian President Jair Bolsonaro met with President Donald Trump on March 19, 2019 in Washington DC.
- In a [joint statement](#) from the two leaders, President Trump noted his support for Brazil’s accession to the Organization of Economic Cooperation and Development (OECD), and in return, President Bolsonaro said Brazil would forgo seeking special and differential treatment in World Trade Organization (WTO) negotiations.
- President Trump’s position breaks from the U.S.’s previous stance on Brazil’s accession to the OECD. In the past, USTR has not been supportive of accession due to concerns over Brazil’s high tariffs and lack of an enforceable dispute settlement mechanism at the OECD.
- The two leaders also made a number of trade-related commitments. President Bolsonaro announced that Brazil will implement a tariff rate quota, allowing for the annual importation of 750 thousand tons of American wheat at a zero-tariff rate. In addition, the U.S. and Brazil agreed to science-based conditions to allow for the importation of U.S. pork.