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### A REPORT FOR THE CALIFORNIA CHERRY BOARD

### GENERAL ISSUES OF INTEREST TO THE CCB:

#### U.S. EPA Denies Petition to Ban Chlorpyrifos

- On March 29, the U.S. Environmental Protection Agency (EPA) denied a petition that sought to ban the use of the insecticide chlorpyrifos.
- In October 2015, the EPA proposed to revoke all tolerances and cancel registrations for chlorpyrifos. This was in response to a petition filed by the Natural Resource Defense Council and Pesticide Action Network North America that had been brought to the EPA by a decision from the Ninth Circuit Court of Appeals.
- According to an EPA [statement](#), that proposal “relied on certain epidemiological study outcomes, whose application is novel and uncertain, to reach its conclusions.” During public consultations, various stakeholders from government, academic, and industry questioned certain data that EPA had relied on to support the proposed revocation.
- In the near term, chlorpyrifos tolerances and registrations are expected to stay in place. EPA is now expected to instead complete a review of chlorpyrifos under its ongoing registration review procedures, which are scheduled to be completed in October 2022.

#### Update on Proposed China Food Safety Regulations

- U.S. trade officials and several other international trading partners have continued to raise questions about China’s proposed safety regulations for imported foods.
- The new regulations, which could be in effect as early as October 2017, would require each shipment of food to have a certificate from a foreign inspector confirming it meets Chinese quality standards. Other countries require certificates for meat, dairy and other perishable items; however, these new regulations would require inspections of even low risk food imports.
- After sending letters of concern to the Chinese product quality agency, the General Administration for Quality Inspection, Supervision and Quarantine (AQSIQ), as well as the Chinese premiere in charge of farming and commerce, China’s trading partners are bringing the top U.N. food standards official to Beijing in hopes of curtailing the proposed regulations.
- According to media sources, during an upcoming seminar in April with Chinese officials, participants plan on proposing alternatives to the proposed regulations such as giving Beijing access to electronic records to make tracking sources of shipments simpler.
- AQSIQ said in a written statement that it will go ahead and submit the new rules for a WTO review but it has yet to do so. Given the nature of Chinese food safety rules, the US Embassy in Beijing recommends shippers continue to work closely with their importers to ensure they have the latest information on how the regulations are being applied in practice.

### Remaining Trans-Pacific Partnership Nations Pursue Free Trade Without the United States

- High Level Representatives from Australia, Brunei, Canada, Chile, Japan, Mexico, New Zealand, Malaysia, Peru, Singapore and Vietnam met in Chile from March 14-15, 2017 to discuss the Trans-Pacific Partnership (TPP), and the path to reviving the agreement after the U.S. pullout.
- In a [joint statement](#), the participating nations reiterated their commitment to liberalizing international markets, to advancing a rules-based trading system, and to continuing discussions. Important aspects such as new rules on digital trade, market access, as well as labor and environment protections are some of the deal's innovations that the participants hope will be kept alive.
- There is strong interest by nations such as Australia, New Zealand, and Peru to eliminate the agreements' dependence on the United States and forge ahead. While some nations such as Malaysia and Vietnam, are no longer interested in joining, the majority hope to at least increase regional integration and cooperation.

### China Publishes 5-Year Plan on Food Safety

- On February 21, China's State Council outlined the steps it plans to take to ensure food safety in the [13th Five-Year Plan on Food Safety](#) (2016-2020).
- According to a USDA FAS GAIN [report](#), the plan sets forth four main objectives which include the enhancement of sample testing for all foods, the improvement of more effective governance of resource contamination, the establishment of a professional inspector team with standardized enforcement procedures, and the alignment of Chinese food safety standards with international standards.
- Regarding the oversight of food imports and exports, a food safety risk alert system will be created. In addition, safety standards developed by CODEX will be established along with a reputation recording mechanism for food importers and exporters.
- The plan states that China will continue improving their food safety standard system by developing and updating national standards, maximum residue limits (MRLs) for pesticides, and residue limits for veterinary drugs. China's Ministry of Agriculture has already issued 2,800 limits for pesticide residues in foods, and an improved list of non-food-use substances that could be illegally added to foods will be created to help prevent food safety violations.

### British Prime Minister Triggers Article 50 to Begin European Union Withdrawal Talks

- On March 29, 2017, United Kingdom (U.K.) Prime Minister Theresa May sent a [letter](#) to the European Council President Donald Tusk triggering Article 50 of the Treaty of Lisbon, thereby initiating the U.K.'s withdrawal process from the European Union. In her letter, May stated that the U.K. wants to minimize uncertainty for businesses and citizens alike as the complicated negotiations begin. She hopes the EU and the UK will strike a deal to prevent the two sides from having to fall back on the World Trade Organization's most-favored nation terms.
- For the European Union, the first step will be the adoption of guidelines for negotiations by the European Council. These guidelines will set out the overall positions and principles for the EU. Negotiators will have two years—or until March 29, 2019—to draw up a deal for the U.K.'s future relationship with the European bloc.
- If the U.K. and EU are unable to reach a deal in the two-year time frame set out in Article 50, it could have a dramatic impact on trans-Atlantic businesses, according to Marjorie Chorlins, the executive director of the U.S.-UK Business Council and Vice President of European Affairs at the U.S. Chamber of Commerce. Already, United States businesses have themselves outlined a [list of priorities](#) for the U.K. to achieve in the negotiations including unobstructed market access to the EU, minimal disruptions in labor movement, and transparent tax policies.
- Additionally, since the EU sets rules regarding agriculture for all of its members, the forthcoming withdrawal may lead to significant changes in the agricultural policies of the U.K. On March 30, the U.K. government published proposals to convert thousands of EU laws and regulations into U.K. law. The proposals will pave the way for lawmakers to begin deciding which laws will be kept, altered, or discarded of the EU statutes that currently apply. A formal bill titled the "Great Repeal Bill" will be formally introduced to parliament later this year to remove the 1972 law which allowed EU laws to be applicable in the U.K., and will transpose existing EU laws into U.K. legislation.