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**SPECIFIC ISSUES OF INTEREST TO THE CCB:**

**European Union Amends Trigger Level for Additional Duties on Imported Cherries**

- The European Commission recently implemented [Regulation 2016/674](#), amending the European Union's (EU) trigger levels, at which point additional duties on imports of certain fruits and vegetables, including cherries, would be imposed.
- The trigger level for cherries imported between May 21, 2016 and August 10, 2016 is now 29,166 metric tons (MT), slightly lower than the previous trigger level of 29,831 MT.
- The amendment entered into force on April 30, 2016.

**GENERAL ISSUES OF INTEREST TO THE CCB:**

**Trans-Pacific Partnership Trade Ministers to Meet in Peru on May 17 for Asia-Pacific Economic Cooperation Event**

- Trade ministers from the prospective Trans-Pacific Partnership (TPP) member countries will meet on the sidelines of the Asia-Pacific Economic Cooperation (APEC) trade ministerial to discuss progress on TPP domestic ratification processes, according to Magali Silva, Peru's Minister for Foreign Trade and Tourism.
- The meeting is scheduled to take place May 17-18 in Peru. Notably, this meeting will coincide with the May 18 deadline for the U.S. International Trade Commission (USITC) to publish its comprehensive report on the economic impact of TPP.
- Minister Silva added that the Peruvian government administration is in the process of submitting the final TPP agreement to its congress and that she is hopeful the deal will receive congressional approval in both Peru and the U.S. According to media sources, some countries appear to be delaying their ratification processes until it is clearer whether U.S. Congress will approve the deal. Despite high-level political support for the agreement from U.S. President Barack Obama and U.S. Trade Representative (USTR) Michael Froman, some members of U.S. Congress continue to voice firm opposition to certain aspects of the agreement and doubt whether a vote should take place this year due to the U.S. presidential elections.

**Pacific Alliance Trade Protocol Enters into Force**

- On May 1, the [Additional Protocol to the Framework Agreement of the Pacific Alliance](#) entered into force. The Pacific Alliance includes Chile, Colombia, Mexico, and Peru and is designed to promote regional integration. The protocol immediately eliminated tariffs on approximately 92 percent of goods and will eliminate the remaining 8 percent of tariffs over the next 3 to 17 years.
- Tariffs on cherries (HS 0809.29) were eliminated immediately. While most of these tariffs had already been eliminated through preexisting trade agreements among the Pacific Alliance members, the Protocol does impact exports of cherries between Mexico and Peru. Peruvian cherry exports to Mexico previously faced a 14 percent tariff rate, while Mexican cherry exports to Peru faced a 6 percent tariff rate. However, as a result of the Protocol, both tariff rates are now zero.

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**A Report for  
the California  
Cherry Board**

*Pacific Alliance Trade Protocol Enters into Force*

- The Pacific Alliance is the world's eighth-largest economy, with a GDP surpassing \$5 trillion. The group accounts for nearly 40 percent of Latin America's GDP, 50 percent of regional trade, and one-third of the region's population.

**U.S., Sri Lanka Adopt Joint Action Plan to Boost Trade and Investment**

- U.S. Trade Representative (USTR) Michael Froman and Sri Lankan Minister of Development Strategies and International Trade Malik Samarawickrama met in Washington, D.C. on April 28 for the 12<sup>th</sup> U.S.-Sri Lanka Trade and Investment Framework (TIFA) Council meeting.
- In a [joint statement](#), the two sides adopted a [Joint Action Plan](#) to facilitate a significant increase in trade and investment between the U.S. and Sri Lanka. The objectives of the plan include reforming Sri Lanka's trade regime and improving the competitiveness of Sri Lankan exports, among other goals. The two governments will aim to launch the Action Plan later this year and establish a five-year period to achieve the goals of the plan.
- In 2015, U.S. goods exports to Sri Lanka amounted to \$372 million. Corresponding imports from Sri Lanka reached nearly \$2.9 billion. The two countries have worked to establish closer ties following the January 2015 election of a new government administration in Sri Lanka.

**Korea Proposes Consolidation of Food Labeling Acts to Improve Food Safety and Consumer Protection**

- On May 4, Korea's Ministry of Food and Drug Safety (MFDS) [notified](#) the World Trade Organization (WTO) of its proposed [Food Labeling Act](#) (35 pages, in Korean).
- The proposed act aims to consolidate all labeling and advertising rules prescribed in Korea's Food Sanitation Act, Livestock Products Sanitary Control Act, and Functional Health Foods Act. The consolidation is part of an effort to improve consumer access to information and prevent deceptive labeling and advertising.
- The final date for comments is July 3, 2016. A proposed date of entry into force has not been determined.
- Korea is currently the fifth-largest market for U.S. agricultural exports. Although bilateral trade between the U.S. and Korea has expanded since the implementation of the Korea-U.S. Free Trade Agreement (KORUS FTA) in March 2012, U.S. imports of Korean goods account for much of this growth. However, U.S. cherry exports to Korea have grown from a value of \$40 million in 2011 to \$109 million in 2015.