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SPECIFIC ISSUES OF INTEREST TO THE CCB:

Russian Prime Minister Proposes Extension of Agricultural Import Ban

- Russian Prime Minister Dmitry Medvedev recently announced that the government is preparing a proposal to extend Russia’s partial food import ban until the end of 2017, according to media sources. The measures were scheduled to expire in August 2016.
- The ban, which applies to various agricultural food products from several countries including the U.S. and European Union (EU), was originally enacted in August 2014 in response to similar sanctions imposed by the U.S. and EU to denounce Russia’s involvement in the crisis in Ukraine.
- Cherries, among many other fruits under Chapter 8 of the Harmonized System, are subject to this import ban.
- The announcement by Prime Minister Medvedev occurs as some EU representatives are questioning the effectiveness of the EU’s sanctions. Despite some internal resistance, EU High Representative for Foreign Affairs Federica Mogherini recently stated she expects the EU to extend its own sanctions against Russia; currently, the sanctions are scheduled to expire in July 2016.

GENERAL ISSUES OF INTEREST TO THE CCB:

Leaders Reaffirm Support for Free Trade at G7 Summit in Japan

- Following their meeting from May 26-27 in Ise-Shima, Japan, G7 leaders issued a [joint statement](#) highlighting their commitment to rules-based trade liberalization. The G7 summit brings together leaders from seven of the world’s foremost economies— Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.
- As part of an effort to promote global growth, the leaders called for swift progress on regional trade agreements such as the 12-nation Trans-Pacific Partnership (TPP) and the U.S.-EU Transatlantic Trade and Investment Partnership (TTIP) as well as the Canada-EU Comprehensive Trade and Economic Agreement (CETA) and the Japan-EU Economic Partnership Agreement (EPA).
- The high-level endorsement occurs as domestic politics in respective countries slow momentum on each of these trade agreements. Forthcoming elections in the U.S. and Japan are causing each country’s national legislature to delay a TPP ratification vote while internal divergences among EU member states are similarly slowing progress on trade agreements involving the EU.

European Union, Japan Aim to Complete Free Trade Agreement Negotiations in 2016

- On the sidelines of the G7 Summit in Japan, European Union (EU) leaders and Japanese Prime Minister Shinzo Abe published a [joint statement](#) emphasizing their commitment to concluding the Japan-EU Economic Partnership Agreement (EPA) negotiations as soon as possible.

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**A Report for
the California
Cherry Board**

European Union, Japan Aim to Complete Free Trade Agreement Negotiations in 2016

- The sixteenth round of negotiations took place in April in Tokyo. A recently published European Commission [report](#) on the sixteenth round indicates that agricultural market access remains a significant issue. According to media sources, Japan may be unwilling to accept EU demands that exceed the commitments it made in the Trans-Pacific Partnership (TPP) agreement.
- Following the latest round, Prime Minister Abe visited European Council President Donald Tusk and European Commission President Jean-Claude Juncker in Brussels to assess progress on the negotiations, which began over three years ago.
- Japan is the EU's second-largest trading partner in Asia after China. Together, the two sides account for more than a third of global gross domestic product (GDP). Bilateral trade in goods surpassed \$120 billion in 2014.

European Union, Mexico to Modernize Trade Agreement

- The European Commission will renegotiate a modernization of the European Union (EU)-Mexico Global Agreement, according to a recent European Commission [press release](#). The first round of negotiations is scheduled for mid-June 2016.
- The EU-Mexico Global Agreement, which entered into force in 2000, provided for partial trade liberalization and political coordination. The new agreement is expected to facilitate a further expansion of trade and investment between the two sides, especially in the area of market access for agriculture and food products. With the EU already in the process of finalizing comprehensive free trade agreements with Canada and the U.S., the timing of the modernization effort is particularly important for Mexico.
- Trade between the EU and Mexico has nearly tripled since the original agreement entered into force with bilateral trade surpassing \$59 billion in 2015. The EU is Mexico's third-largest trading partner, while Mexico is the EU's fifteenth-largest trading partner.

U.S. to Reevaluate Trade Relationship with African Nations

- Ahead of a June 29 deadline for a congressionally-mandated report on U.S.-Africa trade relations, U.S. Trade Representative (USTR) Michael Froman traveled to Rwanda from May 11-13 to attend the World Economic Forum's annual African summit.
- At the event, Ambassador Froman discussed the future of trade relations between Africa and the U.S. He noted that although the ten-year renewal of the African Growth and Opportunity Act (AGOA) was approved by U.S. Congress in June 2015, it is time for both sides to begin considering future opportunities to expand trade.
- The forthcoming Obama administration report on trade relations is expected to include a list of African countries that have expressed interest in negotiating a free trade agreement (FTA) with the U.S. While AGOA currently allows many African countries to export a wide variety of products to the U.S. duty-free, many members of U.S. Congress are interested in negotiating new agreements with African countries that would establish preferential market access for U.S. products as well.
- Further discussion regarding the expansion of trade between the U.S. and African continent will take place when the U.S. hosts the annual AGOA trade forum later this year. Although African nations have made significant improvements to support trade in recent years and are aiming to complete a Continental Free Trade Area (CFTA) in 2017, overall trade volumes remain relatively limited. Bilateral trade between the U.S. and sub-Saharan Africa amounted to \$63 billion in 2013, with U.S. exports totaling \$24 billion and imports totaling \$39 billion.