BCI MONITOR

June 07, 2016

INSIDE THIS ISSUE

- Climate Conditions Cause Decline in Chilean Cherry Exports
- Canada Extends Comment Deadline on Proposed Cancellation of Iprodione Uses and MRLs
- Cuban Minister of Agriculture Visits U.S. to Promote Agricultural Collaboration
- First Round of Negotiations for European Union-Philippines Free Trade Agreement Concludes
- Thirteenth Round of Regional Comprehensive Economic Partnership Negotiations Scheduled for June 12-18 in New Zealand
- FSANZ Publishes Study on Nanotechnology in Food Packaging

SPECIFIC ISSUES OF INTEREST TO THE CCB:

Climate Conditions Cause Decline in Chilean Cherry Exports

- Adverse climatic conditions contributed to a significant decline in Chilean cherry exports during marketing year (MY) 2015/16, according to a recent U.S. Department of Agriculture (USDA) Foreign Agricultural Service GAIN report.
- Higher temperatures in winter, which caused delayed and uneven blooming, were followed by rain during harvest season, leading to reduced quality and volumes. As a result, cherry harvest was delayed approximately 10 days and exports were considerably lower in November and December as compared with the same period in MY 2014/15. Despite an increase in January, Chile's overall export volume in MY 2015/16 represented a 19 percent decline versus MY 2014/15.
- China/Hong Kong remained the key destination for Chilean cherries, accounting for 84 percent of exports during the season. Although volumes were lower due to adverse weather, the diminished supply led to a 15-20 percent increase in prices in China/Hong Kong. Bing and Lapins cherries were the primary varieties exported.

Canada Extends Comment Deadline on Proposed Cancellation of Iprodione Uses and MRLs

- Canada's Pest Management Regulatory Agency (PMRA) recently extended its
 public consultation period regarding its proposed re-evaluation decision to
 cancel all domestic uses and maximum residue levels (MRLs) for iprodione, a
 protectant fungicide used on many field crops, including cherries. The
 deadline for public submissions regarding the proposed cancellation has been
 extended by one month, and is now July 15, 2016.
- PMRA published a <u>summary</u> outlining its scientific evaluation and reasoning for the proposed decision. According to the report, concerns regarding exposure risks in food and drinking water were among the reasons for proposing the cancellation of iprodione domestic uses and MRLs.
- After considering any comments received from the public, PMRA will publish a final re-evaluation decision with its responses to the public comments and a final assessment of iprodione usage.

GENERAL ISSUES OF INTEREST TO THE CCB:

Cuban Minister of Agriculture Visits U.S. to Promote Agricultural Collaboration

- Cuban Minister of Agriculture Gustavo Rodríguez visited the U.S. Chamber of Commerce on June 2 to promote bilateral agricultural cooperation between the U.S. and Cuba, according to media sources.
- The Minister expressed support for a mutually beneficial relationship between
 the two countries, promoting the potential of Cuban organic agriculture while
 also noting that there are opportunities for the U.S. to provide much needed
 credit and equipment for Cuban agriculture. Following the visit, Minister
 Rodríguez traveled to lowa to visit agricultural facilities with U.S. Department
 of Agriculture (USDA) Secretary Tom Vilsack.

(Continues on next page)

A Report for the California Cherry Board

Bryant Christie Inc. – Seattle 500 Union Street, Suite 701 Seattle, WA 98101

Phone: (206) 292-6340 Fax: (206) 292-6341

BCI MONITOR

Cuban Minister of Agriculture Visits U.S. to Promote Agricultural Collaboration

 While there is support for an expansion of agricultural trade between the U.S. and Cuba, U.S. Congress has yet to lift certain trade restrictions that continue to constrain trade with the country. Agricultural trade between the U.S. and Cuba—which imports approximately 80 percent of its food—has fluctuated in recent years.

First Round of Negotiations for European Union-Philippines Free Trade Agreement Concludes

- The first round of negotiations for a free trade agreement (FTA) between the European Union (EU) and the Philippines took place from May 23-27 in Brussels, Belgium.
- According to a <u>report</u>, the primary objective of the first negotiating round was to outline ambitions and expectations for
 the different areas of the agreement. The EU emphasized the need for the provisions of the EU-Philippines FTA to be
 largely consistent with the provisions contained within the EU-Singapore FTA and EU-Vietnam FTA. This consistency
 is important to the EU as it works to facilitate progress toward establishing a region-to-region FTA between the EU
 and the Association of Southeast Asian Nations (ASEAN).
- Collectively, the ten countries that comprise ASEAN represent the eighth-largest economy in the world and the EU's third-largest trading partner outside of Europe, behind the U.S. and China. Bilateral trade in goods between the EU and the Philippines—the second-largest market in ASEAN with a population of over 100 million— reached \$14.7 billion in 2015.

Thirteenth Round of Regional Comprehensive Economic Partnership Negotiations Scheduled for June 12-18 in New Zealand

- The sixteen members of the proposed Regional Comprehensive Economic Partnership (RCEP) agreement will meet in Auckland, New Zealand from June 12-18 for the thirteenth round of negotiations. RCEP includes the ten-member Association of Southeast Asian Nations (ASEAN) as well as Australia, China, India, Japan, South Korea, and New Zealand.
- Discussions are expected to center on reaching a consensus regarding the elimination of tariffs. Japan and China are
 calling for greater tariff liberalization despite some reluctance from India. A key aspect of the debate involves the
 principle of deviation, which would allow members to reduce tariffs at different rates for specific members. China and
 India support this principle while Japan is asserting that tariff reductions should be common for all members after a
 certain number of years.
- With a ministerial meeting scheduled for August, negotiators are hoping to make significant progress during the thirteenth round. RCEP represents a population of more than three billion people and accounts for 27 percent of global trade.

FSANZ Publishes Study on Nanotechnology in Food Packaging

- Recently, Food Standards Australia New Zealand (FSANZ) published the results of <u>two studies</u> it commissioned to examine the potential health risks of nanotechnology in food additives and food packaging, respectively.
- The <u>report</u> on nanotechnology in food packaging focused on the application of nanotechnologies in packaging, the safety of nano-clay and nano-silver use in packaging, and an overview of international regulations regarding nanomaterial in packaging.
- A patent search conducted by the authors of the report led to a conclusion that there is no evidence nanomaterials are being used in food packaging in Australia and New Zealand. However, the authors did find that these substances are two of the most popular nanomaterials used in food packaging applications in other countries.
- The authors of the report concluded that available scientific data suggests that migration of nanoparticles into food simulants is negligible when nanomaterials are used in food packaging. Therefore, these substances have low potential for safety issues.