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**A REPORT FOR  
THE CALIFORNIA  
CHERRY BOARD**

## GENERAL ISSUES OF INTEREST TO THE CCB:

### U.S. Section 301 Tariffs and Chinese Retaliation

- On June 15, USTR [announced](#) two lists of Chinese goods that will be subject to 25 percent tariffs as a result of the Section 301 investigation.
  - The first set contains 818 tariff lines covering around \$34 billion worth of imports from China. U.S. Customs and Border Protection will begin collecting the additional duties on July 6.
  - The second set of 284 proposed tariff lines covers around \$16 billion in Chinese goods and will undergo further review in a public notice and comment process.
- China, also on June 15, announced that it will place additional tariffs of 25 percent on imports from the U.S. worth \$50 billion.
  - The tariffs will be applied in two phases. The first phase, impacting [545 products](#), will become effective July 6, 2018. The implementation date for the remaining 114 tariff lines will be announced at a later time, according to a Chinese Ministry of Finance [press release](#) (in Chinese).
  - **Cherries** (HS 0809.29) are included in the first phase and will be subject to the additional 25 percent tariff.
- On June 19, USTR Robert Lighthizer [announced](#) that President Trump has asked USTR to identify a new list of \$200 billion in Chinese goods for additional 10 percent tariffs.
- The announcement was in response to China's promise to hit the U.S. with tariffs on \$50 billion of goods as mentioned above. USTR will announce the additional tariffs proposed. These will go through the same legal process as the Section 301 tariffs.

### Progress on 2018 Farm Bill

- On June 13, the Senate's version of the 2018 Farm Bill – the [Agriculture Improvement Act of 2018](#) – passed in the Senate Agriculture Committee with a strong bipartisan vote.
- There was one vote against due to eligibility requirements for, and limits on, farm program payments. In the past, the issue has been difficult to sort out, especially on the House and Senate floors where perspectives outside the agriculture sector have more influence.

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### *Progress on 2018 Farm Bill*

- There has also been effort in the House to resolve the immigration issue that contributed to the failure of the Farm Bill on the House floor in May. The final day for reconsideration on the bill in its current form is Friday, June 22. It is expected that the House of Representatives will vote on the bill again before the deadline.
- Both the House and the Senate bills combine trade programs under one umbrella. The House bill would merge the Market Access Program (MAP), the Foreign Market Development Program (FMD) Program, and Technical Assistance for Specialty Crops Program (TASC), and the Emerging Markets Program (EMP) into the “International Market Development Programs.” The Senate version would similarly create a new “Priority Trade Promotion, Development, and Assistance” program. Funding levels remain the same as in current Farm Bill which is set to expire in September.

### **Safe Food for Canadians Regulations**

- The Canadian Food Inspection Agency (CFIA) [notified](#) the World Trade Organization (WTO) that the final [Safe Food for Canadians Regulation](#) (SFCR) was published on June 13, 2018.
- Canada has been working to update its food safety for a number of years in an effort to combine 14 regulations into one. The regulations establish three key food safety elements: licensing, traceability, and safety requirements.
- The SFCR will come into force on January 15, 2019. Some requirements will have to be met immediately upon coming into force, while other requirements will be phased in over a period of 12-30 months based on food commodity, type of activity, and business size.
- For more information, guidance resources, and timelines for when certain provisions become applicable, please see the CFIA SFCR [webpage](#).

### **USDA Extending Comment Period for Identifying Regulatory Reform Initiatives**

- The U.S. Department of Agriculture (USDA) is [extending](#) the comment period a request for information on how the USDA can provide better customer service and remove unintended barriers to participation in regulatory programs.
- The request for comments was [first published](#) the Federal Register on July 17, 2017.
- The extended comment period will conclude July 18, 2019.

### **EFSA Publishes Guidance for the Identification of Endocrine Disruptors**

- On June 7, the European Food Safety Authority (EFSA) and the European Chemicals Agency (ECHA) made available their [guidance](#) on how to identify substances with endocrine disrupting properties in pesticides and biocides.
- The guidance document is intended to provide information to applicants and assessors of competent regulatory authorities on how to identify endocrine disruptors in accordance with endocrine disrupting criteria outlined in [Commission Delegated Regulation \(EU\) No 2017/2100](#) regarding biocidal products and [Commission Regulation \(EU\) No 2018/605](#) regarding plant protection products.
- According to [EFSA](#), the guidance will be used for the assessment of biocides from June 7, 2018, while the guidance will be used for assessments of pesticides scheduled on or after November 10, 2018.
- Additional details can be found in the guidance document and the [endocrine active substances](#) section of EFSA's website.

### **WTO SPS Committee Publishes Report on International Harmonization**

- On June 7, the WTO Committee on Sanitary and Phytosanitary Measures (SPS) published its [annual report](#) on the procedure to monitor the process of international harmonization, following its March 1-2, 2018 meeting.
- New issues in the 2018 annual report are as follows:
  - Non-use of Codex guidelines and principles on official import and export certificates (page 2)
  - Relation of the World Health Organization and the Food and Agriculture Organization to Codex Alimentarius (pages 2-3)
  - Unnecessary delays in adoption of Codex Food Additive Standards (pages 4-5)
- Further discussion also occurred regarding the following issues previously identified:
  - Application of [ISPM 13](#) on notification of non-compliance (pages 5-6)
  - Use of the Codex international standard on glyphosate (pages 6-8)
    - In December 2017, the EU [renewed the approval](#) of glyphosate for only five years.
- Additional details regarding these topics are available in the annual report.