

**Specific Issues of Interest to the CCB:**

**Chinese Retaliatory Tariffs Due July 6**

* China is expected to begin applying the first phase of retaliatory tariffs in response to the U.S. Section 301 tariffs on July 6, 2018. This is also the date when the first phase of the U.S. 301 tariffs is expected to go into effect.
* China will place an additional 25 percent tariff on 545 products, including cherries (HS 0809.29).
* Please note, the 10 percent most favored nation (MFN) tariff rate for cherries was increased to 25 percent on April 3 due to China’s retaliation for the Section 232 tariffs.
* The cumulative tariff rate for cherries will thus be 50 percent beginning July 6.

**General Issues of Interest to the CCB:**

**Los Angeles Medfly Quarantine Ends**

* Effective June 23, 2018, the Mediterranean Fruit Fly (Ceratitis capitate - Medfly) Quarantine in Sun Valley, Los Angeles County has been removed.
* The quarantine area was first established on August 30, 2017 due to detections of three adult Medflies and larvae.
* There remain two active quarantine areas in California – Fairfield, Solano County and Half Moon Bay, San Mateo.
* For state quarantine maps and more information on Medfly, please see the California Department of Food and Agriculture [website](https://www.cdfa.ca.gov/plant/medfly/regulation.html).

**Light Brown Apple Moth Boundary Changes**

* There have been multiple Light Brown Apple Moth (*Epiphyas postvittana* – LBAM) quarantine boundary changes in Southern California in the last two weeks.
* Changes in Los Angeles and Orange Counties are reflected on Grids [456](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_456.pdf), [469](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_469.pdf), [470](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_470.pdf), and [471](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_471.pdf).
* More information on LBAM, as well as the Southern California, Northern California, and full state quarantine maps, please see the California Department of Food and Agriculture [website](https://www.cdfa.ca.gov/plant/lbam/regulation.html).

**Farm Bill Passes in Senate**

* The Senate Farm Bill garnered bipartisan support and passed by an overwhelming margin, 86-11, on June 28, 2018.

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**July 3, 2018**

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**A REPORT FOR THE CALIFORNIA**

**CHERRY BOARD**

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*Farm Bill Passes in Senate*

* Last minute changes to the bill are as follows:
  + Amendment to tighten SNAP work requirements was defeated.
  + Amendment to restrict activities of commodity checkoff programs was also defeated.
  + An amendment was adopted that will allow flexibility for landowners to cut hay and graze livestock on land enrolled in the Conservation Reserve Program.
  + An amendment that would have allowed USDA funding for foreign market development programs to be spent in Cuba was amended to clarify that the funds cannot be spent at businesses owned by the Cuban military.
  + An amendment was added to allow farmers to change their choice of the Agriculture Risk Cover and the Price Loss Coverage program in the 2021 crop year.
* A conference committee will work to reconcile the differences between the Senate and the House versions of the bill throughout July. The most difficult issue to resolve between the two versions of the bill is expected to be the SNAP work requirements.
* The current Farm Bill expires September 30, 2018.

**IPPC Documents and Measures Open for Comments**

* The International Plant Protection Convention (IPPC) recently opened one draft specification document and six draft International Standards for Phytosanitary Measures for review and comments. All comments should be submitted to USDA-APHIS.
* Draft specification open for consultation:
  + [Use of systems approaches in managing the pest risks associated with the movement of wood commodities.](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&102&&&https://www.ippc.int/en/publications/86140/)
* Draft standards available for **first consultation**:
  + [Draft Revision of ISPM 8: Determination of pest status in an area](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&104&&&https://www.ippc.int/en/publications/86142/)
  + [Draft ISPM: Authorization of entities to perform phytosanitary actions](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&105&&&https://www.ippc.int/en/publications/86143/)
  + [Draft ISPM: Requirements for the use of modified atmosphere treatments as phytosanitary measures](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&106&&&https://www.ippc.int/en/publications/86144/)
  + [Draft 2018 Amendments to ISPM 5: Glossary of phytosanitary terms](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&107&&&https://www.ippc.int/en/publications/86141/)
* Draft standards available for second consultation:
  + [Draft 2017 amendments to ISPM 5: Glossary of phytosanitary terms](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&108&&&https://www.ippc.int/en/publications/86145/)
  + [Draft ISPM Requirements for the use of fumigation as a phytosanitary measure](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&109&&&https://www.ippc.int/en/publications/86146/)
* To submit comments, follow the instructions on the [APHIS website](http://links.govdelivery.com:80/track?type=click&enid=ZWFzPTEmbWFpbGluZ2lkPTIwMTgwNzAzLjkyMDU2MTcxJm1lc3NhZ2VpZD1NREItUFJELUJVTC0yMDE4MDcwMy45MjA1NjE3MSZkYXRhYmFzZWlkPTEwMDEmc2VyaWFsPTE3OTg2NDkzJmVtYWlsaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZ1c2VyaWQ9ZGFyaWEubWlraGFsY2hlbmtvQGJyeWFudGNocmlzdGllLmNvbSZmbD0mZXh0cmE9TXVsdGl2YXJpYXRlSWQ9JiYm&&&111&&&https://www.aphis.usda.gov/aphis/ourfocus/planthealth/sa_international/sa_phytostandards/ct_draft_standards). Comments are due to APHIS by August 15, 2018.

**Japan Passes Bills to Ratify CPTPP**

* The Japanese National Diet passed legislation required to ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) on June 29, 2018.
* The move clears the way for Japan to become the second country to ratify the pact. Mexico was the first nation to ratify the agreement (*BCI Monitor* 5-01-18).
* Canada recently introduced legislation to ratify the agreement, and New Zealand is also trying to ratify it by the end of the year. The CPTPP will come into force once six countries have ratified it.
* The U.S. withdrew from the then-titled Trans-Pacific Partnership (TPP) in January 2017 but has expressed interest in a bilateral trade agreement with Japan. On June 27, the Japanese House of Councillors (the upper house of the National Diet) passed a resolution demanding that the Japanese government make no commitments to the U.S. beyond what was negotiated in the TPP, according to media sources.

**Canadian Retaliatory Tariffs Began July 1**

* Canada’s countermeasures for the U.S. Section 232 tariffs went into effect July 1, 2018.
* Canada announced its retaliation on May 31, 2018 and opened a public consultation period requesting comments on the list of goods to be subject to additional tariffs (*BCI Monitor* 6-5-18).
* Steel Products (Table 1) will be subject to an addition 25 percent tariff. Aluminum Products (Table 2) and Other Products (Table 3) will be subject to an additional 10 percent tariff. The [full list of goods](https://www.fin.gc.ca/access/tt-it/cacsap-cmpcaa-1-eng.asp) subject to additional tariffs is available from the Department of Finance Canada.