

JULY 17, 2018

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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

GENERAL ISSUES OF INTEREST TO THE CCB:

EU-Japan Economic Partnership Agreement Signed

- At a July 17 summit, the European Union (EU) and Japan signed the EU-Japan Economic Partnership Agreement.
- Negotiations for a trade agreement between Japan and the EU began in April 2013, the agreement was announced in July of last year, and negotiations were finalized April 17, 2018. The agreement was set to be signed on July 11 at the EU-Japan Summit; however, the event was postponed due to extreme weather conditions in Japan.
- The agreement is now awaiting ratification by the European Parliament and the Japanese Diet following which it could enter into force in 2019.
- The agreement, broken out chapter by chapter, can be found on the European Commission [website](#).

Light Brown Apple Moth Boundary Changes

- Effective July 16, the Light Brown Apple Moth (LBAM) quarantine boundary has expanded for Los Angeles County.
- Changes for Los Angeles county can be found in grids [469](#) and [470](#).
- For 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](#).

Transition Period for Country of Origin Labeling Ends in Australia

- The two-year transition period for Australia's new country of origin labeling (COOL) requirements under the Australia New Zealand Food Standards (FSANZ) *Code to the Country of Origin Food Labelling Information Standard 2016* ended on June 30, 2018.
- All food packaged from July 1, 2018 has to comply with the [Country of Origin Food Labelling Information Standard 2016](#). If food labeling is non-compliant, the products may be subjected to a fine and either be re-labeled, exported, or destroyed.
- Importers are required to ensure that the food labelling contains a country of origin claim within a box so that this information can be easily found by consumers. Food labelling may also show the percentage of Australian-produced content in the imported food, if applicable.
- There have been recent reports that the COOL labeling regulations are being strictly enforced by the Australian government as well as by supermarkets and independent retailers.

U.S. Department of Agriculture Trade Mission to Southern Africa

- The U.S. Department of Agriculture Foreign Agriculture Service (USDA-FAS) is planning a trade mission to Southern Africa from October 29 – November 2, 2018.
- The mission will be based in Johannesburg and Cape Town, but participants will have the opportunity to engage with potential customers in the surrounding countries.
- The application deadline is July 23, 2018. The application and more information are available at the USDA FAS [website](#).

EU Publishes Roadmap for Framework on Endocrine Disruptors

- The European Commission recently published its [roadmap](#) for a more comprehensive framework on endocrine disruptors following concerns from European citizens and other relevant stakeholders.
- The roadmap provides that the Commission will present a Communication outlining the comprehensive framework of EU policies on endocrine disruptors. The Communication will provide a comprehensive picture of the EU's current regulations and scientific knowledge in regard to endocrine disruptors, while also identifying areas where further action will need to be taken in the future. Some future types of action may include:
 - Addressing knowledge gaps
 - Linking science and regulation
 - Global cooperation
- Additional details can be viewed in the roadmap. The Commission is accepting feedback on the roadmap through July 19, 2018.

U.S. Initiates Disputes Against Countries Imposing Retaliatory Tariffs

- The U.S. is challenging the retaliatory tariffs imposed by five trading partners in response to the U.S. Section 232 steel and aluminum tariffs.
- On July 16, the Office of the U.S. Trade Representative (USTR) formally requested five separate dispute settlement consultations with Canada, Mexico, the European Union, Turkey and China.
- USTR, in a recent [press release](#), called the administration's steel and aluminum tariffs "justified under international agreements the United States and its trading partners have approved," likely referencing the national security exception stipulated in the General Agreement on Tariffs and Trade (GATT).
- The consultation requests allege that the retaliatory tariffs violate the GATT most favored nation treatment (Article I:1) that requires a country to extend to every country the same advantage, favor, privilege, or immunity as well as GATT schedules of concessions (Article II:1(a) and (b)) because U.S. products are subject to tariffs higher than the rates countries committed to in their WTO schedule of concessions.

United Kingdom Publishes Plan for Post-Brexit Partnership with the European Union

- On July 12, United Kingdom (UK) Prime Minister Theresa May released a long-awaited [White Paper](#) detailing the UK's plans for a future partnership with the European Union (EU).
- The UK hopes to have an association agreement (like that between the EU and Ukraine) that includes a free-trade area for goods, a closely tied customs relationship, as well as a security partnership.
- The UK would continue to abide by EU rules and standards for goods and would agree in a treaty to ongoing harmonization with the EU on industrial goods and agricultural products. The harmonization is a key component to keeping the border between Ireland and Northern Ireland open – a contentious issue that has stalled the negotiation process. For a more detailed breakdown of the UK's position document, please see the following Bloomberg [article](#).
- The EU has not formally responded to the proposal. The EU's chief negotiator Michel Barnier said he needed to read the paper in its entirety first, and the European Parliament's Brexit steering group welcomed the fact that the UK had outlined its position on a future relationship.