

July 26, 2016

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GENERAL ISSUES OF INTEREST TO THE CCB:

Korea-Colombia Free Trade Agreement Enters into Force

- On July 15, the Korea-Colombia Free Trade Agreement (FTA) entered into force. Although the agreement was originally signed in 2013, delayed ratification by Colombia postponed entry into force.
- According to a [press release](#) published by Korea's Ministry of Trade, Industry, and Energy (MOTIE), the agreement will eliminate tariffs on nearly 4,400 products and reduce tariffs on an additional 2,800 products.
- Colombia's 15 percent tariff on fresh cherries from Korea will be eliminated immediately upon entry into force of the agreement. Korea's 24 percent tariff on fresh cherries from Colombia will be eliminated in 10 equal annual stages, with products entering duty-free on January 1, 2025.
- Colombia is the third Latin American country to sign an FTA with Korea after Chile and Peru while Korea is Colombia's first Asian FTA partner. Bilateral trade reached approximately \$1.9 billion in 2015.

European Union, Indonesia Launch Free Trade Agreement Negotiations

- On July 18, European Union (EU) Trade Commissioner Cecilia Malmström and Indonesian Minister of Trade Tom Lembong agreed to formally launch negotiations for the Comprehensive Economic Partnership Agreement (CEPA) between the EU and Indonesia, according to a recent European Commission [press release](#).
- The announcement follows the completion of preparatory work in April 2016 (*BCI Monitor* 4-26-16). The first round of negotiations is expected to occur at a later date in 2016.
- Although Indonesia accounts for approximately 40 percent of the gross domestic product (GDP) and population of the 10-member Association of Southeast Asian Nations (ASEAN), it is only the EU's fifth-largest trading partner in the region and thirtieth overall. Bilateral trade in goods surpassed \$27.5 billion in 2015, with Indonesian agricultural exports to the EU accounting for \$4.7 billion.
- The launch of negotiations with Indonesia is part of a larger effort by the EU to establish stronger trade relationships in Southeast Asia. After negotiations for a multilateral trade agreement between the EU and the 10 countries of ASEAN stalled in 2009, the EU has pursued bilateral agreements with ASEAN member states to build toward a framework for a larger deal. Through this strategy, the EU has successfully negotiated free trade agreements with Singapore and Vietnam and is currently negotiating with Malaysia, the Philippines, and Thailand.

European Commission Publishes Report on 2015 Agricultural Trade

- The European Union (EU) was the world's largest exporter of agricultural and food products in 2015, according to a recent European Commission [report](#) on global agri-food trade.

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**A Report for
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European Commission Publishes Report on 2015 Agricultural Trade

- EU agri-food exports reached \$142 billion in 2015, a 5.7 percent increase compared to 2014. The U.S., China, Switzerland, Russia, and Japan represent the EU's top export destinations. Of note, exports to China rose by nearly 40 percent in 2015, accounting for approximately half of the total increase in EU exports. This growth allowed the EU's agri-food market share to expand from 9 percent to 12 percent, while the U.S.—China's leading agri-food supplier—witnessed a decline in market share from 24 percent to 22 percent.
- Agricultural trade between the EU and U.S. expanded significantly in 2015 compared to the relatively slow growth rates of previous years. By value, the U.S. accounts for 15 percent of EU exports and 11 percent of its imports. Overall, U.S. agri-food exports rose to nearly \$141 billion in 2015, a 6 percent increase versus 2014.

U.S. Food and Drug Administration Publishes Final Rule on Food Facility Registration Requirements

- The U.S. Food and Drug Administration (FDA) recently published a [notice](#) in the *Federal Register* regarding amendments to its registration requirements for food facilities.
- The notice is a part of the FDA's implementation of the Food Safety Modernization Act (FSMA) and serves as a final rule regarding the modification of FSMA provisions which require domestic and foreign food facilities that manufacture, pack, or hold food intended for human or animal consumption to register with the FDA.
- The final rule specifies the updates to food facility registration requirements and the modifications the FDA has made to improve the utility of its food facility registration database. It also includes responses to comments received about the FDA's April 2015 proposed rule regarding changes to its food facility registration requirements.

Canada-Ukraine Free Trade Agreement Signed

- On July 11, Canadian Trade Minister Chrystia Freeland and Ukrainian First Vice Prime Minister Stepan Kubiv signed the Canada-Ukraine Free Trade Agreement (CUFTA) in Kiev, Ukraine. The two countries must now complete their respective domestic ratification procedures ahead of the agreement's entry into force.
- CUFTA is focused on trade in goods and does not cover services or investment. Upon entry into force, Ukraine will immediately eliminate tariffs on over 85 percent of Canada's current exports, including all Canadian agricultural products. Canada will immediately eliminate tariffs on over 99 percent of current imports from Ukraine.
- Additional information on CUFTA, including the complete text of the agreement, is available [here](#).