

BCI MONITOR

August 02, 2016

INSIDE THIS ISSUE

- Update on German Cherry Market
- Vietnam Issues Decree Authorizing Fines for Administrative Import Violations
- U.S. Department of Agriculture Notifies of Comment Period for Draft International Phytosanitary Standards
- International Longshore and Warehouse Union to Consider Early Start to West Coast Port Contract Negotiations
- European Commission Launches Online Consultation Tool to Promote Stakeholder Feedback on Draft Legislation
- World Trade Organization Report Highlights Increase in Trade Restrictive Measures

SPECIFIC ISSUES OF INTEREST TO THE CCB:

Update on German Cherry Market

- Overall cherry production in Germany is estimated to reach 48,088 metric tons (MT) in calendar year (CY) 2016, a one percent decline compared to the previous year. However, this decline is a result of decreasing tart cherry production; sweet cherry production in CY 2016 rose three percent over the past year to reach approximately 32,300 MT.
- German consumers are willing to pay a premium for locally-produced sweet cherries, which are primarily available as seasonal products during the months of July and August. While more than 90 percent of German cherry production remains in the domestic market, production is insufficient to meet local demand.
- Including both sweet and tart varieties, Germany is the third-largest importer of cherries in the world, following China and Russia. In CY 2015, total imports surpassed 60,600 MT. Austria, Italy, and Spain are the leading sweet cherry suppliers to the German market.
- Additional information about Germany's cherry production, consumption, and trade is available in the following U.S. Department of Agriculture (USDA) [GAIN report](#).

Vietnam Issues Decree Authorizing Fines for Administrative Import Violations

- The Government of Vietnam recently implemented Decree 31/2016, stipulating fines for administrative violations of imported plant products.
- The Decree, which entered into force on June 25, 2016, imposes fines for various administrative violations, including the following: 1) importing articles subject to plant quarantine without conducting the proper quarantine check at entry; 2) importing articles subject to plant quarantine without a phytosanitary certificate (unless specifically exempted by Vietnam's Ministry of Agriculture and Rural Development (MARD)); and 3) importing articles subject to plant quarantine without an import permit (unless specifically exempted by MARD).
- The new decree applies for imports of products which are on Vietnam's [list of HS codes](#) for regulated articles subject to plant quarantine provisions as stipulated in MARD Decision 2515. This list includes fresh cherries (HS 0809.29). Additional information, including a translation of Decree 31/2016, is available in the following U.S. Department of Agriculture (USDA) Foreign Agricultural Service (FAS) [GAIN report](#).

GENERAL ISSUES OF INTEREST TO THE CCB:

U.S. Department of Agriculture Notifies of Comment Period for Draft International Phytosanitary Standards

- The U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) is seeking input from U.S. stakeholders on a number of draft international phytosanitary standards recently published by the International Plant Protection Convention (IPPC), according to a recent APHIS [notice](#).

(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

Bryant Christie Inc. – Sacramento
2005 "I" Street, Suite 200
Sacramento, CA 95811
Phone: (916) 492-7062 Fax: (916) 492-7061

U.S. Department of Agriculture Notifies of Comment Period for Draft International Phytosanitary Standards

- IPPC standards, known as International Standards for Phytosanitary Measures (ISPMs) are designed to facilitate trade in plant and plant products and harmonize plant protection policies among trading partners.
- A number of drafts are currently available for public consultation, including: 1) Draft Revision of ISPM 6: National Surveillance Systems; 2) Draft Annex to ISPM 20: Arrangements for Verification of Compliance of Consignments (Formerly “Pre-Clearance”); and 3) Draft ISPM: Requirements for the Use of Temperature Treatments as Phytosanitary Measures.
- Additional information on each of the draft standards as well as instructions for submitting comments are available [here](#). Comments are due by Friday, August 26, 2016.

International Longshore and Warehouse Union to Consider Early Start to West Coast Port Contract Negotiations

- The International Longshore and Warehouse Union (ILWU) will hold a caucus meeting in San Francisco from August 10-12 to consider an early start to contract negotiations with the Pacific Maritime Association (PMA), according to media sources.
- Although the current contract between the ILWU and PMA does not expire until June 30, 2019, industry stakeholders have urged both parties to begin negotiations as early as possible to avoid a repeat of the major disruptions that occurred at West Coast ports during contentious contract negotiations in 2014 and 2015. During the dispute, East and Gulf Coast ports in the U.S., as well as Canadian ports, handled record container volumes as shippers diverted cargo away from West Coast ports.
- An early contract extension would increase confidence in the continued stability and competitiveness of West Coast ports. PMA President James McKenna stated that limited, but focused, talks would likely begin in September if ILWU delegates approve early discussions.

European Commission Launches Online Consultation Tool to Promote Stakeholder Feedback on Draft Legislation

- The European Commission recently launched an online [portal](#) allowing stakeholders to share their views on draft European Union (EU) legislation. The new tool is part of the EU’s effort to increase transparency and facilitate stakeholder consultation on its latest initiatives.
- According to current provisions, the portal grants stakeholders a four-week period to comment on draft acts which either amend or supplement existing laws or set conditions for existing laws to be implemented consistently throughout the EU.
- Although stakeholders wishing to comment must register and comments are publicly accessible, the portal includes the option to comment anonymously. Additional information on the new tool is available in the following U.S. Department of Agriculture (USDA) Foreign Agricultural Service (FAS) [GAIN report](#).

World Trade Organization Report Highlights Increase in Trade Restrictive Measures

- At a recent meeting of the World Trade Organization’s (WTO) Trade Policy Review Body, members discussed the WTO Director General’s mid-year [report](#) covering trade-related developments which underscored a rise in global trade restrictions.
- In a review of developments between mid-October 2015 and mid-May 2016, the trade-monitoring report found that WTO members introduced an average of 22 trade-restrictive measures per month, the highest monthly average since 2011.
- In conjunction with this trend, a recent [report](#) published by the U.S. Department of Agriculture’s (USDA) Economic Research Service (ERS) cites unfavorable global macroeconomic developments as a significant constraint to U.S. agricultural exports. According to the report, although U.S. exports of bulk commodities face challenges due to the relative strength of the U.S. dollar, U.S. exports of consumer-oriented goods appear to be less sensitive to this issue.