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*A REPORT FOR  
THE CALIFORNIA  
CHERRY BOARD*

### SPECIFIC ISSUES OF INTEREST TO THE CCB:

#### Update on German Cherry Market

- German overall cherry production is estimated to decrease around 43 percent in calendar year (CY) 2017 to approximately 26,000 metric tons (MT). The large production decrease can be attributed to the unseasonably cold temperatures Germany and its neighboring countries experienced during April, which caused major losses to stone fruit crops in Europe.
- Sweet cherries are not typically stocked year-round in German grocery stores, but are quite popular with consumers. Around 90 percent of households purchase sweet cherries during Germany's cherry season (June - July).
- To supplement domestic cherry production, Germany imports between 54 to 68 percent of the cherries consumed. The majority of imports originate from other European Union (EU) member states such as Austria, Italy and Spain for sweet cherries and Hungary, Poland, and the Czech Republic for tart cherries.
- Additional information about Germany's cherry production, consumption, and trade is available in the following U.S. Department of Agriculture (USDA) Foreign Agricultural Service GAIN [report](#).

#### Notice of Availability of Treatment Evaluation Document for Aircraft Treatments for Certain Hitchhiking Pests

- The Animal and Plant Health Inspection Service (APHIS) is [calling for comments](#) regarding adding to the Plant Protection and Quarantine Treatment Manual two new chemical treatments for targeting regulated pests in the cargo holds of aircraft.
- One of the chemical treatments is T409-b-3, an aerosol spray with '1-Shot' treatment containing 2 percent d-phenothrin and 2 percent permethrin to mitigate the risk of Japanese beetle and other hitchhiking pests. The Japanese beetle is known to affect over 300 varieties of trees, shrubs, and non-woody plants including cherry blossom trees.
- Comments are due before October 10, 2017.

### GENERAL ISSUES OF INTEREST TO THE CCB:

#### Taiwan Publishes Amended Provisions for Regulations of Inspection of Imported Foods

- On August 15, Taiwan [notified](#) the World Trade Organization of a proposed partial amendment to the "[Regulations of Inspection of Imported Foods and Related Products](#)."

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#### *Taiwan Publishes Amended Provisions for Regulations of Inspection of Imported Foods*

- The proposed amendment includes: 1) allowing the application for inspection to be provided electronically; 2) removing pre-declaration provisions; 3) adding provisions for the prior release of products; 4) revising the time limit for applying for re-inspection when imported products do not meet regulations; and 5) adding provisions for payment or refund of guarantee bonds.
- Typically, the verification and sampling inspections for imported food products are conducted at the location the products are stored, and require five or more days to complete. Under the proposed amendment, if products are difficult to examine, perishable, or directly loaded by cargo boat, the inspection authority may issue a Notice of Prior Release for customs clearance after the Obligatory Inspection Applicant signs an affidavit of custodial responsibility.
- For products that are declared and/or labeled as organic, the inspection authority may also issue a Notice of Prior release. Imported products designated for batch-by-batch inspection will be retained at the border temporarily.
- The proposed date of adoption for the proposed amendment has yet to be determined.

#### **ASEAN-Hong Kong Free Trade Agreement Set to Be Signed**

- The free trade agreement (FTA) between the Association of Southeast Asian Nations (ASEAN) and Hong Kong will be signed at the 31<sup>st</sup> ASEAN Summit taking place this November in the Philippines, according to Thailand's Department of Trade Negotiations.
- Negotiations regarding the ASEAN-Hong Kong FTA began in 2014, and there have been 10 rounds of negotiations concluded since. Thailand hosted the 10<sup>th</sup> round on July 30-31, where talks were successfully wrapped up in all areas including sanitary and phytosanitary regulations, customs procedures, trade facilitation, and technical barriers to trade. The conclusion of the talks will be declared at the ASEAN Economic Ministers-Hong Kong, China Consultations in September.
- The ASEAN-Hong Kong FTA is expected to establish closer ties between the two markets and to boost trade for ASEAN members as they will be able to use Hong Kong as a gateway into the Chinese market under the Hong Kong-China Economic Partnership Agreement. Both ASEAN and Hong Kong have also cited their interests in developing infrastructure, similar to China's Belt and Road initiative.

#### **Houston and Cuba Port Authorities Sign Cooperation Agreement**

- The National Port Authority of Cuba and the Port of Houston Authority signed a memorandum of friendship and trade cooperation on August 3. The memorandum aims to facilitate and promote trade, create new business, and foster a closer bilateral relationship.
- According to the Port of Houston Authority's chief commercial officer Ricky Kunz, the agreement will enable the Port of Houston to export agri-food products to the island nation and is an opportunity for a continued commercial exchange of farm products between the U.S. and Cuba.
- The agreement is the eighth to be signed between a U.S. Port Authority and the Cuba Maritime Administration. There are cooperation agreements in place with the Port Authorities of Virginia, Louisiana, Lake Charles, New Orleans, Alabama, the Gulf of Mississippi, and Pascagoula.