

BCI MONITOR

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SPECIFIC ISSUES OF INTEREST TO THE CCB:

Update on Turkey's Cherry Sector

- Turkey is aiming to consolidate its position as a major global producer and exporter of cherries, according to a recent [GAIN report](#) covering Turkey's stone fruit sector published by the U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS).
- Overall cherry production in Turkey is forecast to reach 475,000 metric tons (MT) in marketing year (MY) 2016/17, a 16 percent decline compared with MY 2015/16 production estimates. The decline can largely be attributed to unfavorable weather conditions. Sweet cherries account for approximately 67 percent of total projected production in MY 2016/17, while sour cherries represent the remaining 33 percent.
- Despite fluctuations in production volumes in recent years, Turkey's cherry exports are steadily increasing. MY 2016/17 exports are projected to reach 90,000 MT, a 30 percent increase compared to the previous season. Turkey's leading export markets are the European Union (EU) and Russia. In recent years, government support has helped producers invest in new plantings and varieties to remain competitive in existing export markets and facilitate new export opportunities.

GENERAL ISSUES OF INTEREST TO THE CCB:

Australia Opens Public Consultation Period for Proposed Imported Food Safety Reforms

- Australia's Department of Agriculture and Water Resources recently opened a [public consultation period](#) to evaluate the impact of proposed reforms to its regulations regarding the safety of imported food.
- The *Imported Food Reforms – Consultation Regulation Impact Statement* includes a number of proposals and policy options designed to improve procedures ensuring the safety of food imported into Australia. The document also examines the costs and benefits of the proposed reforms.
- Proposals of particular interest to trading partners are included in Chapter 6 - Trade Implications (pg. 56) and would: 1) revise supply chain assurance measures; 2) broaden emergency powers to allow precautionary action; 3) expand powers to monitor emerging risks; 4) recognize the equivalence of other countries' food safety systems; and 5) align imported food regulations with domestic legislation, where applicable.
- Submissions are due by September 30, 2016. Interested stakeholders should email a completed submission form and any attachments to foodimp@agriculture.gov.au.

Russia Approves Phytosanitary Risk Assessment Regulation

- Russia recently approved Government Resolution No. 770, establishing procedures for phytosanitary risk analysis.
- The analysis of applicable biological and economic data will be conducted by Russia's Federal Service for Veterinary and Phytosanitary Surveillance (VPSS). Once VPSS has determined whether an organism should be considered a quarantine pest, results will be published on the official VPSS website.

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**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

Russia Approves Phytosanitary Risk Assessment Regulation

- VPSS will be able to modify Russia's list of quarantine pests on a regular basis. As of this writing, Russia's quarantine pest list has not been altered since December 2014.
- According to the Eurasian Economic Union's (EAEU) Customs Union Decision on Plant Quarantine, phytosanitary measures for quarantine pests at borders of the EAEU are determined by the appropriate member country's national requirements. The EAEU includes Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia.
- Additional information about Russia's phytosanitary risk assessment regulations is available in the following U.S. Department of Agriculture (USDA) Foreign Agricultural Service (FAS) [GAIN report](#).

U.S. Department of Agriculture Highlights Growth of U.S. Agricultural Trade with Central America

- Agricultural trade between the U.S. and Central America has more than doubled since the entry into force of the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR), according to a [report](#) published by the U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS). CAFTA-DR includes Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and the U.S.
- Between 2005 and 2015, the value of U.S. agricultural exports to the region has grown from \$1.9 billion to \$4.2 billion. Specifically, U.S. exports of high value, consumer-oriented goods have experienced significant growth with the value of U.S. fruit and vegetable exports rising from \$75.4 million to nearly \$250 million over the same period. The U.S. is now the primary supplier of agricultural goods to the region with a 57 percent market share.
- In 2015, the Dominican Republic and Guatemala were the top importers of U.S. agricultural products in the region, with each country's imports valued at approximately \$1.1 billion. The market for U.S. agricultural products in Guatemala is growing particularly quickly as a result of the country's expanding middle class and urban population.

U.S. Trade Representative Requests Comments on Russian and Chinese Compliance with World Trade Organization Commitments

- The U.S. Trade Representative (USTR) recently published two notices in the *Federal Register* related to its assessment of compliance with World Trade Organization (WTO) commitments made by China and Russia. USTR is required to submit an annual report to Congress evaluating each country's compliance with its WTO commitments.
- The first [notice](#) invites public comment on China's compliance with its WTO commitments and announces a public hearing scheduled for October 5, 2016. Comments are due by September 21, 2016. The final report must be submitted to Congress by December 11, 2016.
- The second [notice](#) similarly requests public comment on Russia's implementation of its WTO commitments and announces a public hearing scheduled for September 30, 2016. Comments are due by September 20, 2016. The final report to Congress is due by December 21, 2016.

Fourteenth Negotiating Round for Regional Comprehensive Economic Partnership Concludes

- The fourteenth round of negotiations for the sixteen-member Regional Comprehensive Economic Partnership (RCEP) concluded August 19 in Ho Chi Minh City, Vietnam, according to a [news release](#) published by China's Ministry of Commerce. RCEP includes the ten-member Association of Southeast Asian Nations (ASEAN), Australia, China, India, Japan, New Zealand, and South Korea.
- Despite India's recent acceptance of a single-tier tariff reduction system at the fourth RCEP ministerial meeting (*BCI Monitor* 8-9-16), a number of significant issues remained unresolved at the conclusion of the fourteenth negotiating round. Nirmala Sitharaman, India's Minister of Commerce and Industry, stated negotiations will likely extend into 2017, despite the group's collective goal to conclude talks this year.
- The fifteenth round of RCEP negotiations is scheduled for October 11-22, 2016 in Tianjin, China. A fifth ministerial meeting is tentatively planned for November 2016.

U.S. International Trade Commission Launches Tool to Track Imports

- The U.S. International Trade Commission (USITC) recently launched a [tool](#) designed to allow the public to track imports into the United States. The creation of this tool was required by the 2015 Trade Facilitation and Trade Enforcement Act.
- The online system allows users to track changes in the volume and value of U.S. imports for specific items, categorized through the Harmonized Tariff Schedule (HTS). Users may also observe percentage changes in imports over a certain period of time and view figures by trading partner.
- The tool uses monthly data retrieved from the U.S. Department of Commerce and is updated as quickly as possible after each calendar year quarter. Data for the latest eight quarters will be available in the system.