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A REPORT FOR THE CALIFORNIA CHERRY BOARD

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GENERAL ISSUES OF INTEREST TO THE CCB:

China Requesting Comments on New Food Safety Regulation

- China's General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) <u>notified</u> the World Trade Organization (WTO) on September 13 of new measures that will apply to the inspection, quarantine, supervision, and management of foods for import and export.
- The draft "<u>Measures for the Supervision and Administration of Import</u> <u>and Export Food Safety</u>" (in Chinese) contains six chapters and 57 articles that include provisions for the supervision and management of foods for import and export, as well as for risk warnings, legal liability, and supplementary provisions.
- The final date for comments is November 11, 2017.
- In addition to the recent "Measures for the Supervision and Administration of Import and Export Food Safety," AQSIQ <u>notified</u> the WTO in June of new certification requirements for foods imported into China. The certification requirements go into effect October 1, and require that all food products imported into China be accompanied by an official certificate affirming the food is fit for human consumption, and produced under the supervision of the competent authority or the specified institutions of the exporting country (*BCI Monitor* 6-13-17).

President Juncker Unveils Policy Initiatives in State of the Union Address

- On September 13, in his annual State of the Union address, European Commission (EC) President Jean-Claude Juncker unveiled multiple trade policy initiatives for the European Union (EU), according to a EC press release.
- The EC's proposals include fast tracking trade negotiations with Australia and New Zealand, the creation of a European screening framework to ensure that foreign direct investment does not compromise EU strategic interests with regards to security and public order, the establishment of a new advisory group on EU trade agreements to make EU trade policy more transparent and inclusive, and a draft mandate to start negotiations toward the creation of a multilateral investment court.
- The negotiations for trade agreements (FTAs) with Australia and New Zealand would build on the EU's recent success in closing agreements with Canada, Vietnam, Singapore, and Japan. Australia has finished a scoping study into an EU-Australia trade agreement and the New Zealand government has finalized its negotiating mandate for the trade pact. Both Australia and New Zealand hope to start negotiations by the end of the year.

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President Juncker Unveils Policy Initiatives in State of the Union Address

According to media sources, President Juncker is expected to make negotiating proposals for these two
FTAs based on a new model that would involve splitting the deals into two parts. In an agreement, the
sections related to investment would be split from the other chapters. Sections in trade agreements related
to investment require the approval of EU Member States, while the other chapters in trade accords fall
within the purview of the EU government and do not need individual Member States' ratification. The split
would allow for FTAs to be ratified more quickly, and avoid the same barriers the Canada-EU FTA faced
during its ratification process in the EU.

Canada and United Kingdom Establish Working Group for Future Free Trade Agreement

- This week, UK Prime Minister Theresa May traveled to Canada to meet with Prime Minister Justin Trudeau regarding trade relations between the two nations after the UK departs from the European Union (EU). The two leaders announced they will set up a joint working group to prepare for a bilateral trade deal based on the Canada-EU Comprehensive Economic and Trade Agreement (CETA).
- The new working group will be the thirteenth established to handle trade agreements since Britain voted to leave the EU. The UK is asking all the countries with which it currently has a trade deal as a member of the EU to adopt the same terms as it transitions out of the bloc. Within the EU, the UK is Canada's largest trading partner, and a seamless transition is in the interest of both nations. In a joint press conference by Trudeau and May, the Canadian prime minister expressed his confidence that the trade links between the two countries would remain strong.
- CETA itself applies provisionally as of September 21. The Canadian implementing legislation for CETA, Bill C-30, was granted royal assent on May 16, and PM Trudeau along with President of the European Commission Jean-Clade Juncker agreed to the provisional application date in July (*BCI Monitor* 7-11-17).

Canada, ASEAN Agree to Exploratory Discussions

- On September 8, Canada and the representatives of all 10 Association of Southeast Asian Nations (ASEAN) members agreed to launch exploratory discussions to determine the potential for an ASEAN-Canada free trade agreement (FTA), according to a Global Affairs Canada press release.
- A few months prior, Canada and ASEAN launched a joint FTA feasibility study which yielded positive results and led to the exploratory discussions. The study evaluated the potential benefits of a FTA, provided an overview of the ASEAN and Canadian economies, highlighted the key bilateral trends in terms of trade in goods, and examined each party's broader approach to FTA negotiations.
- ASEAN is one of the world's fastest growing economic regions, and the Canada-ASEAN merchandise trade reached a value of \$21.6 billion in 2016.

FSIS Seeks Comments on Codex Standards Under Consideration

- The U.S. Food Safety and Inspection Service (FSIS) recently published a notice in the *Federal Register* informing the public of sanitary and phytosanitary (SPS) standard-setting activities of the Codex Alimentarius Commission (Codex).
- The office of Food Safety publishes this notice annually, and it includes the SPS standards under consideration or planned for consideration. Additionally, for each SPS standard specified, included is a description of the consideration or planned consideration of the standard, whether the United States is participating or plans to participate in the consideration of the standard, the agenda for United States participation, and the agency responsible for representing the United States with respect to the standard.
- The notice is calling for comments on the standards that are currently under consideration or planned consideration, as well as recommendations for new standards. More information regarding proposed standards and how to submit comments can be found <u>here</u>.

Canada Amends Quarantine Pest List

- On September 13, the Canadian Food Inspection Agency <u>notified</u> the World Trade Organization that 27 quarantine pest species will be added to the <u>List of Pests Regulated by Canada</u>.
- Comments regarding this amendment are due by November 11, 2017, and the proposed date of entry into force is June 1, 2017.

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