

OCTOBER 3, 2017

## INSIDE THIS ISSUE

- **China Requesting Comments on Measures for the Supervision and Administration of Import and Export Food Safety**
- **European Commission Publishes Guidelines for Dual Quality Products**
- **Third Round of North American Free Trade Agreement Talks Concludes**
- **Update on European Union – Mexico Trade Negotiations**
- **Third Round of EU-Indonesia Free Trade Agreement Negotiations Takes Place**

**A REPORT FOR  
THE CALIFORNIA  
CHERRY BOARD**

## GENERAL ISSUES OF INTEREST TO THE CCB:

### China Requesting Comments on Measures for the Supervision and Administration of Import and Export Food Safety

- On September 13, China's General Administration of Quality Supervision, Inspection, and Quarantine (AQSIQ) [notified](#) the World Trade Organization (WTO) of the "Measures for the Supervision and Administration of Import and Export Food Safety (draft)" (*BCI Monitor* 9-19-17).
- Recently, the U.S. Department of Agriculture (USDA) Foreign Agriculture Service (FAS) [published](#) an unofficial translation of the draft measures. The measures apply to the inspection, quarantine and safety supervision, and the management of foods intended for import and export. Some of the listed articles in the draft reflect measures that are already implemented, while others are currently under consideration by AQSIQ.
- Major changes include the following: 1) requiring that before exporting foods to China for the first time, the competent authority of the exporting country must submit an application to AQSIQ; 2) requiring importers to conduct review of the overseas exporters and overseas producers in forms of document reviews or site visits; 3) introducing a pre-inspection mechanism; 4) adding measures pertaining to recall of imported foods with noncompliant labels; 5) reducing the labelling contents required on exterior packages for transportation; and 6) removing food additives and food-related products from the scope of application.
- Comments to the WTO are due by November 11, 2017. Additionally, U.S. industry and interested parties are encouraged to offer comments on the draft measures as soon as possible to the USDA FAS Office of Agreements and Scientific Affairs by [email](#), as well as to provide copies of their comments to the U.S. Embassy Office of Agricultural affairs by [email](#).

### European Commission Publishes Guidelines for Dual Quality Products

- The European Commission (EC) on September 26 adopted a [new guidance](#) to help national authorities to make better use of existing European Union (EU) food and consumer legislation to identify and address unjustified dual standards. The guidelines will help national authorities to determine whether a company is breaking EU laws when selling products of dual quality in different countries.

(Continues on Next Page)

### *European Commission Publishes Guidelines for Dual Quality Products*

- The Food Information Regulation requires that consumers are given truthful and sufficient information about a particular food product. For example, food labels must list all of the ingredients contained in a product. The Unfair Commercial Practices directive prohibits unfair commercial practices, such as marketing identically branded products in a way that has the potential to mislead consumers. Based on this legislation, the guidance establishes a step-by-step approach for the national consumer and food authorities to identify whether the producers are in breach of these laws. In case there is a cross-border aspect to a breach, the consumer authorities can address it through the Consumer Protection Cooperation network at the European level.
- In addition to these guidelines, the Commission is working on a methodology to improve food product comparative tests so that Member States can discuss this issue on a sound and shared scientific basis that is the same for all. The Commission has made €1 million available to its Joint Research Centre to develop this methodology.

### **Third Round of North American Free Trade Agreement Talks Concludes**

- In a [trilateral statement](#), Canadian Foreign Affairs Minister Chrystia Freeland, Mexican Secretary of the Economy Ildefonso Guajardo, and United States Trade Representative (USTR) Robert Lighthizer announced the successful conclusion of the third round of the renegotiation and modernization of the North American Free Trade Agreement (NAFTA), which took place September 23-27 in Ottawa, Canada.
- Negotiators have completed one chapter – on small and medium-sized enterprises – and consolidated texts in most areas. Sanitary and phytosanitary measures was one of the areas in which the three sides made significant progress.
- The next round of negotiations is set for October 11-15 in Washington DC.

### **Update on European Union – Mexico Trade Negotiations**

- The European Union (EU) and Mexico have concluded the fifth round of negotiations for a EU-Mexico Free Trade Agreement (FTA).
- In total, 21 negotiating groups met, including on trade in goods, services, technical barriers to trade, and sustainable development. The talks focused on the text proposals for the trade chapter as well as on the market access offers on goods, services, and public procurement that were exchanged in July.
- The EU and Mexico currently have in place a trade deal that was signed almost 20 years ago, but are hoping to sign a new free trade agreement. The objective of the ongoing negotiations is to adapt the existing agreement to today's global trade. The sixth round will take place in Mexico City from November 25 to December 1. The objective remains to conclude a highly ambitious agreement by the end of the year.

### **Third Round of EU-Indonesia Free Trade Agreement Negotiations Takes Place**

- The European Commission recently [published](#) its text proposals following the third round of negotiations of the European Union (EU)-Indonesia Free Trade Agreement (FTA), which took place September 11-15, 2017. The EU and Indonesia first launched negotiations in July 2016, and the first round of talks occurred in September 2016 (*BCI Monitor* 7-26-16).
- During this round, nearly all chapters of the agreement progressed to text-based discussions. The two sides had further exploratory discussions on the liberalization of trade in goods and exchanged ideas on ways to achieve that outcome. Both agreed to work towards a first exchange of offers before the next round. Several more contentious issues such as export duties, state owned enterprises, and sanitary and phytosanitary issues were agreed to be discussed in more detail at further negotiating rounds. Additionally, EU emphasized the need to make progress towards an exchange of offers on services and investment as well as on public procurement.
- The next round of talks will be held in Indonesia at the beginning of 2018.