

OCTOBER 8, 2019

INSIDE THIS ISSUE

- **Japan to Eliminate Tariffs on U.S. Cherries by 2023 Season**
- **Australian Recordkeeping Requirements Change**
- **Japan Changes Phytosanitary Enforcement for Plant Products**
- **UK Government Submits Brexit Proposal to EU**
- **Growth Expected for Argentine Cherry Industry**

**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

SPECIFIC ISSUES OF INTEREST TO THE CCB:

Japan to Eliminate Tariffs on U.S. Cherries by 2023 Season

- On October 7, President Donald Trump signed the [U.S.-Japan Trade Agreement](#).
- The agreement does not require congressional approval in the U.S., but will need to be ratified by the Japanese Diet prior to implementation. [BC/ Monitor: 10-01-2019] The Japanese government plans to introduce the bill in the Diet this month, and it is expected to pass.
- The U.S. and Japan have established a planned implementation date of January 1, 2020.
- [Japan's tariff reduction schedule](#) will reduce tariffs on U.S. fresh cherries to 3.4% upon implementation, followed by annual reductions of 0.85%, reaching zero on April 1, 2023. This assumes that the agreement is implemented on January 1, 2020.
- The Japanese government will set up an inquiry point to handle questions on the tariff reductions.
- The U.S. and Japan plan to continue negotiations on a more comprehensive trade agreement, but no date has been set for the negotiations.

GENERAL ISSUES OF INTEREST TO THE CCB:

Australian Recordkeeping Requirements Change

- On October 4, the Australian Department of Agriculture published [new regulations](#) for recordkeeping requirements, to ensure that food is traceable through the supply chain.
- While these requirements apply specifically to importers, they may also be of interest to CCB.
- Importers are required to keep records of the following for five years:
 - a name or description of the food to indicate its true nature
 - batch or lot identification for the food
 - name of the person, business name, street address and telephone number or email address of the producer of the food
 - name of the person, business name, street address and telephone number or email address of customers that have received the food
 - the date the food was received and the date when it was dispatched to customers
 - the volume or quantity of the food involved in each transaction.
- The regulation takes effect immediately.

Japan Changes Phytosanitary Enforcement for Plant Products

- Japan [notified the WTO](#) of changes to phytosanitary certificate [regulations](#) for plant products. (Continued on next page.)

- Among other changes, Japan will no longer allow some products without the required phytosanitary certificate to enter the country upon passing an inspection. This leniency is ended in response to reports of quarantine pests entering Japan.
- The regulation will go into effect on December 2, 2019. Comments are due on the same date to enquiry@mofa.go.jp

UK Government Submits Brexit Proposal to EU

- On October 2, UK Prime Minister Boris Johnson submitted a [proposed Brexit deal](#) to the EU, under which the UK would leave the EU on October 31 and establish a new protocol for Northern Ireland.
- In order to avoid a hard border between Ireland and Northern Ireland, the two would be required to maintain the same phytosanitary standards, effectively binding Northern Ireland to EU standards.
- Northern Ireland would remain part of the UK customs union. Customs checks would be applied to goods crossing the border between Northern Ireland and the rest of the UK, but not between Ireland and Northern Ireland.
- The EU must now decide whether to accept the proposal. Negotiations are expected to continue through October 18. Under a law passed by Parliament, the UK Prime Minister has until October 19 to obtain a Brexit deal or an extension until 2020 [*BCI Monitor*: 09-03-2019].

Growth Expected for Argentine Cherry Industry

- According to the Argentina Chamber of Cherry Producers, Argentine cherry exports are expected to rise to 5,000 MT in the upcoming season, up from 4,600 MT last season.
- The growth is driven by strong production and the recent opening of new markets.
- Argentina's largest export markets for cherries are China and Hong Kong, Canada, and the UK. The industry has also recently expanded into Southeast Asia.
- The decline of the Argentine peso will also increase exports, as the cheaper currency makes Argentine cherries more affordable for foreign consumers.