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## A REPORT FOR THE CALIFORNIA CHERRY BOARD

## GENERAL ISSUES OF INTEREST TO THE CCB:

### Vietnam Recognizes Two Australian Pest-Free Areas in New Cherry Protocol

- Vietnam has finalized a protocol for Australian cherry imports that recognizes two Australian cherry growing regions as pest-free areas, and allows for irradiation or cold disinfestation treatment for fruit from other parts of the country. The two regions – Tasmania and the Riverland district – were classified as being free from the Queensland fruit fly and the Mediterranean fruit fly.
- Australian growers will be required to undertake standard commercial in-field controls to ensure appropriate pest management for Vietnam's quarantine pests of concern. Additionally, grower and packhouse registration will not be required for this market; however, on-shore cold treatment facilities will be required to register with the Australian Horticulture Exports Program.
- Imports of Australian cherries into Vietnam were halted in January 2015 due to Mediterranean fruit fly concerns; however, it was an emerging market for the industry, and in 2014, Australia exported 256 metric tons (MT) valued at US\$2.97 million of cherries to Vietnam. In 2016, the U.S. was the leading supplier of cherries to Vietnam with US\$4.7 million worth of exports, followed by New Zealand with US\$4 million, and Canada with US\$3.5 million.
- More information regarding Australian cherry import requirements to Vietnam can be found [here](#).

### Update on European Union Draft Criteria for Endocrine Disrupting Chemicals

- Members of the European Parliament (MEPs) on October 4 rejected the adoption of scientific criteria put forward by the European Commission (EC) for defining endocrine disrupting chemicals.
- After failing to reach a qualified majority on previous occasions, on July 4, the European Member States in the European Commission's Standing Committee on Pesticides [voted in favor](#) of the [draft criteria](#) to define endocrine disruptors (EDs) in the area of plant protection products (*BCI Monitor* 7-11-17). The draft criteria required subsequent approval by the European Parliament and European Council before adoption, and the two bodies had three months to vote for the criteria to be officially adopted.
- Following rejection by the European Parliament, the EC has issued a brief [press release](#) on the issue that states that it will now need to reflect on the next steps to take.

### Second Special Session of the U.S.-Korea Free Trade Agreement Concludes

- On October 4, Korean Minister of Trade Hyun-chong Kim and U.S. Trade Representative (USTR) Robert Lighthizer chaired the second special session of the Korea-U.S. Free Trade Agreement (KORUS).
- Neither side specified what changes would be sought to the agreement; however, both sides reached a common understanding on the need to reopen the pact. According to a USTR [press release](#), there will be “intensified engagement with Korea in an expeditious manner to resolve outstanding implementation issues as well as to engage soon on amendments that will lead to fair, reciprocal trade.”
- Korea will start consultations with its legislature and interested stakeholders, and according to media sources, the process is expected to consist of public hearings in Korea and an economic assessment.
- The next meeting between the two nations on KORUS has not yet been announced, but is expected to be scheduled in the next few weeks.

### Senate Confirms Two U.S. Department of Agriculture Nominations

- The Senate has confirmed two key nominations for the U.S. Department of Agriculture (USDA). The confirmed nominees are Steve Censky, nominated by President Trump to be Deputy Secretary, and Ted McKinney, selected by the president for the newly created position of Under Secretary for Trade and Foreign Agricultural Affairs.
- According to a recent USDA [press release](#), Steve Censky will help producers reeling from the effects of multiple hurricanes and offer counsel to Congress regarding the 2018 Farm Bill. Ted McKinney will take charge of the newly created position and focus on trade, and expanding U.S. agricultural products’ presence in foreign markets.
- U.S. Secretary of Agriculture Sonny Perdue praised the Senate for the confirmations, but is awaiting the confirmation two other nominees for sub-cabinet positions within the USDA.

### European Union Transition Period for Electronic Certificates of Inspection for Organic Products Ending Next Week

- The transitional period for the new European Union (EU) system of electronic certificates of inspection for imports of organic products ends on October 19, 2017.
- The electronic certificates have been accessible through the EU’s Trade Control and Expert System (TRACES) since April 19, 2017 and will replace paper based certificates of inspection. During the transitional period both electronic and paper certificates are valid; however as of October 19, only certificates initiated and issued via the electronic system will be valid. TRACES is the existing electronic system for tracking movements of food products across the EU.
- According to the European Commission, the TRACES system has been shown to facilitate trade by enabling trade partners and competent authorities to easily obtain information on the movements of their consignments, and speeding up administrative procedures. It has also facilitated the rapid reaction to health threats by tracing the movements of consignments and facilitating the risk management of rejected consignments.

### European Union-India Summit Reviews Progress in Multiple Areas of the Bilateral Relationship

- The 14<sup>th</sup> annual Summit between India and the European Union (EU) was held in New Delhi on October 6, 2017. The Republic of India was represented by Prime Minister Shri Narendra Modi. The EU was represented by Mr. Donald Tusk, President of the European Council, and Mr. Jean Claude Juncker, President of the European Commission.
- In a [joint statement](#), the leaders expressed satisfaction at the progress made towards implementing the India-EU Agenda for Action 2020 – the roadmap for bilateral cooperation endorsed during the 13<sup>th</sup> India-EU Summit. Both committed to work in a results-oriented and mutually beneficial manner to further strengthen the India-EU Strategic Partnership by deepening their trade cooperation, enhancing investment flows in both directions, and broadening dialogue and engagement on global and regional issues – including climate change, migration, and the refugee crisis – and resolved to further strengthen their bilateral and multilateral cooperation in these areas.
- Summit leaders welcomed the recent launch of the Investment Facilitation Mechanism for EU investments in India, which will facilitate and encourage EU investments by providing support to EU companies intending to invest in India. Additionally, leaders from both nations shared their commitment to strengthening their economic relationship with efforts on both sides to re-engage actively towards a relaunch of the negotiations for a comprehensive free trade agreement.