BCI MONITOR

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INSIDE THIS ISSUE

- Brazil Publishes Stone Fruit Import Requirements to Protect Against Plum Pox Virus
- Russia Ends Temporary Ban on Egyptian Produce
- European Parliament Calls for Better Rules Addressing Safety of Food Contact Material
- Fifteenth Round of U.S.-EU TTIP Negotiations Concludes
- USDA Highlights Agricultural Provisions in Trans-Pacific Partnership
- United Kingdom to Initiate Formal Process for Withdrawal from EU by March 2017
- Argentina to Host 2017 WTO Ministerial Conference

GENERAL ISSUES OF INTEREST TO THE CCB:

Brazil Publishes Stone Fruit Import Requirements to Protect Against Plum Pox Virus

- Brazil's Ministry of Agriculture, Livestock, and Food Supply (MAPA) recently introduced new stone fruit import requirements in an effort to prevent the entry of plum pox virus (PPV). PPV can severely reduce the yield and quality of stone fruit crops such as cherries.
- The regulation (1 page, in Portuguese) requires stone fruit imports from certain countries to include a phytosanitary certificate issued by the country of origin's national plant protection organization stating the consignment is free of PPV. The requirements apply to cherries and other stone fruit imports from the U.S. as well as eight additional countries. The regulation specifies provisions related to inspections at points of entry and notes that Brazil may suspend imports if a consignment is found to contain PPV. The U.S. exported a limited quantity of cherries (HS 0809.29) to Brazil between 2012 and 2014, but did not export cherries to Brazil in 2015.
- The new requirements entered into force on October 3, the date of publication in Brazil's official government gazette.

Russia Ends Temporary Ban on Egyptian Produce

- On September 16, Russia's Federal Service for Veterinary and Phytosanitary Surveillance <u>announced</u> it would ban imports of plant products from Egypt from September 22, 2016 due to phytosanitary risks.
- According to media sources, the announcement was linked to Egypt's recent decision to introduce a zero-tolerance policy for wheat imports containing ergot, a common grain fungus, which resulted in the rejection of a number of Russian wheat shipments.
- Egyptian officials immediately sent a delegation to Russia in order to discuss the ban and develop a plan to reinstate market access to Russia, a key export destination for its domestically produced fruits and vegetables.
- At the meeting, Egyptian officials presented Russian authorities with a pest eradication plan to mitigate phytosanitary risks and stated they would remove Egypt's zero tolerance policy for wheat imports containing ergot. Russia subsequently <u>notified</u> the World Trade Organization (WTO) that the import ban had been withdrawn as of October 1, 2016.

European Parliament Calls for Better Rules Addressing Safety of Food Contact Material

- In a non-binding resolution approved on October 6, members of European Parliament (MEPs) petitioned for comprehensive safety regulations regarding food contact materials (FCMs), according to a recent European Parliament press release.
- MEPs supported the need for a revision of current European Union (EU) rules governing the safety of food contact material, noting the lack of harmonization in current provisions.

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A Report for the California Cherry Board

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European Parliament Calls for Better Rules Addressing Safety of Food Contact Material

The current law governing the safety of FCMs identifies 17 relevant substances. However, only four of these materials
are currently covered by specific EU-wide legislation: plastics, ceramics, regenerated cellulose, and active and
intelligent FCMs. MEPs requested that the European Commission prioritize legislation to harmonize regulations for
additional FCMs such as paper, coatings, metals, and adhesives.

Fifteenth Round of U.S.-EU Transatlantic Trade and Investment Partnership Negotiations Concludes

- The fifteenth round of negotiations for the U.S.-European Union (EU) Transatlantic Trade and Investment Partnership (TTIP) concluded on October 7 in New York City.
- During the round, negotiators focused on consolidating texts and removing differences from existing proposals. According to media sources, the two sides spent less than a day discussing agriculture-related subjects and did not address longstanding issues regarding market access for sensitive agricultural products.
- In a press conference marking the conclusion of the negotiating round, EU Chief Negotiator Ignacio Garcia Bercero stated that progress made during the fifteenth round would be evaluated by EU heads of state at the next European Council meeting—scheduled for October 21-22—and when EU trade ministers meet on November 11, 2016. While some EU trade ministers have called for the suspension of TTIP negotiations due to a lack of progress, Mr. Bercero noted in the concluding press conference that the reasons for continuing the talks are as strong now as they were three years ago when TTIP negotiations began.

U.S. Department of Agriculture Highlights Agricultural Provisions in Trans-Pacific Partnership

- The U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS) recently published a <u>report</u> detailing the agriculture-related provisions of the Trans-Pacific Partnership (TPP).
- The report underscores the various benefits to U.S. agricultural exports provided by the TPP and focuses primarily on enhanced market access opportunities in Japan, Malaysia, and Vietnam. Japan is cited as a particularly important market as it is already the fourth-largest export destination for U.S. agricultural products despite significant market access barriers.
- In Japan, debate regarding TPP ratification is expected to be a primary focus of the country's national parliament, which recently began a special 66-day session. Japanese Prime Minister Shinzo Abe opened the session by noting the TPP is a central aspect of his economic growth policies.
- Even as the merits of the TPP are being questioned in prospective countries such as the U.S. and Japan, a number of countries in Asia are working to implement reforms in an effort to comply with the stipulations of the agreement and potentially join the TPP in the future, according to media sources citing an official at Japan's Ministry of Economy, Trade, and Industry.

United Kingdom to Initiate Formal Process for Withdrawal from EU by March 2017

- On October 2, British Prime Minister Theresa May announced that the Government of the United Kingdom (U.K.) will officially request the start of negotiations for its withdrawal from the European Union (EU) by the end of March 2017.
- In order to initiate the negotiations, the U.K. must formally trigger <u>Article 50</u> of the Treaty of Lisbon, which stipulates the process for a member state to leave the EU. Once Article 50 is invoked, the U.K. and the European Commission—negotiating on behalf of the EU—will have two years to negotiate the terms of the withdrawal. Access to the EU's single market and the movement of citizens between the U.K. and EU will be key issues in the negotiations.
- While European leaders welcomed the announcement, they reiterated: 1) negotiations will not start until Article 50 is officially invoked; and 2) full access to the EU's single market is contingent upon acceptance of the EU's free movement principle, which allows citizens to live and work anywhere within the single market.

Argentina to Host 2017 WTO Ministerial Conference

- At a recent World Trade Organization (WTO) General Council meeting, members agreed to hold the 2017 WTO Ministerial Conference in Buenos Aires, Argentina, according to a WTO <u>news release</u>.
- The biennial conference—tentatively scheduled for December 2017—brings together trade ministers and government officials from each WTO member country and is the organization's foremost decision-making body.
- WTO Director General Roberto Azevêdo urged members to strengthen their engagement and begin discussing priorities and potential outcomes of the conference. At the previous ministerial conference—held in Nairobi, Kenya in December 2015—members agreed on a package of decisions which included the phase-out of a number of agricultural export subsidies.
- Director General Azevêdo also noted that the recent U.S. challenge against China's domestic agricultural subsidies is likely to have a broad impact on WTO negotiations regarding domestic agricultural support, but may help members develop more creative solutions to the longstanding issue.