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GENERAL ISSUES OF INTEREST TO THE CCB:

European Parliament Agriculture Committee Endorses New Measures to Prevent Entry of Plant Pests

- On October 13, the European Parliament's Agriculture Committee endorsed new plant health rules designed to protect the European Union (EU) against the influx of plant pests, according to a European Parliament [press release](#).
- The new rules would introduce a variety of preventative measures to mitigate phytosanitary risks posed by plants and plant products entering the EU. The requirements: 1) allow authorities to quickly identify potential pest risks and provisionally restrict the entry of specific plant products from non-EU countries; 2) extend plant health certificate requirements to all plant products from countries outside the EU, regardless of how they are imported; and 3) order EU member states to establish multi-annual survey programs and contingency plans to improve prevention and early detection efforts.
- Members of European Parliament noted the rules were developed in a careful manner to avoid stifling trade in plants and plant products while still allowing EU member states to effectively respond to pest risks.
- The new measures were provisionally recommended by the Agriculture Committee in April 2016 and endorsed by EU ministers in July 2016. Following the October 13 approval of the Agriculture Committee, the rules must be approved by European Parliament as a whole before entry into force. A plenary vote is scheduled to occur during an October 24-27 session of parliament in Strasbourg, France.

U.S. Announces Further Easing of Certain Trade Sanctions Against Cuba

- On October 14, President Barack Obama [announced](#) actions by his administration which will further ease certain trade restrictions between Cuba and the United States. The Presidential Policy Directive issued by the Administration will allow the U.S. Commerce and Treasury Departments to make further policy changes relaxing trade restrictions, building on previous actions over the past two years aimed toward normalizing relations between the two nations.
- This latest action will ease a broad range of restrictions affecting trade, travel, and information sharing. Concerning trade, Cubans will be able to purchase certain U.S. consumer goods directly online from the U.S. for personal use. Additionally, the U.S. is lifting certain restrictions preventing foreign ships from entering a U.S. port to load or unload cargo for 180 days after calling on a Cuban port.
- Notably, however, authorized exports to Cuba of agricultural commodities remain subject to the limited payment and financing terms of cash in advance or third country financing as required under the Trade Sanctions Reform and Export Enhancement Act of 2000.
- While this announcement represents further actions by this Administration to ease decades-old sanctions against Cuba, full normalization and trade access can only occur if Congress moves to revoke the U.S. embargo against Cuba.
- These amendments entered into effect on October 17, upon publication in the *Federal Register*. Additional information is available in the following joint [press release](#) from the U.S. Commerce and Treasury Departments.



**A Report for
the California
Cherry Board**

Canada Provides Update on Plans to Modernize Food Safety Regulatory Framework

- In a recent World Trade Organization (WTO) [notification](#), the Canadian Government provided an update for members regarding its efforts to modernize the country's food safety regulatory framework.
- In the coming months, Canada plans to notify WTO members of its draft *Safe Food for Canadians Regulations* (SFCR), opening a 90-day comment period. The Canadian Government also intends to hold an information session in winter 2017 to provide members with additional information.
- The proposed SFCR would establish revised prevention-focused requirements for imported food, including provisions addressing licensing, traceability, and safety. Notably, the SFCR would consolidate 13 food commodity-based regulations as well as the food-related measures in Canada's Consumer Packaging and Labeling Regulations (CPLR) into a single food regulation.

Japan Requires Bifenthrin Testing for U.S. Celery

- Japan's Ministry of Health, Labor, and Welfare (MHLW) recently imposed an inspection order on imports of celery from the U.S. after two recent consignments were found to have violated Japan's maximum residue level (MRL) requirement for the pesticide bifenthrin.
- Japanese inspectors will hold all U.S. celery imports for testing to ensure shipments do not contain a bifenthrin residue exceeding the country's 0.01 parts per million (ppm) MRL for the pesticide. The inspection order will be rescinded after one year and the import of 300 compliant celery shipments from the U.S. or after two years without a violation.
- Most MHLW inspection orders are imposed to address high-risk food safety concerns, such as E. coli or Listeria. This is the first instance in recent years of MHLW issuing an inspection order that applies to a specific chemical and commodity from the U.S.

Negotiating Round for European Union-Mercosur Free Trade Agreement Concludes

- The latest negotiating round for the free trade agreement (FTA) between the European Union (EU) and Mercosur concluded on October 14, according to a [joint communique](#) published by the European Commission. The Mercosur member states participating in the negotiation include Argentina, Brazil, Paraguay, and Uruguay; Venezuela, though a member of Mercosur, is not currently participating.
- The meeting represented the first formal negotiating round for the EU-Mercosur FTA since 2012 and follows the exchange of new market access offers by the two sides in May 2016. Negotiators reportedly discussed market access issues and made progress on a wide range of negotiating areas.
- The EU is a key export market for Mercosur's agricultural commodities; in 2013, agricultural products accounted for 43 percent of Mercosur's exports to the EU. Overall bilateral trade in goods reached nearly \$105 billion in 2015.
- The next round of negotiations is scheduled to take place in Buenos Aires, Argentina in March 2017.

European Union Trade Agreement with Southern African Countries Enters into Force

- On October 10, the Economic Partnership Agreement (EPA) between the European Union (EU) and five southern African countries—Botswana, Lesotho, Namibia, South Africa and Swaziland—entered into force, according to a European Commission [press release](#). Mozambique remains in the process of ratifying the agreement and will join upon completion of its domestic ratification procedure.
- The EPA will guarantee duty-free access to the EU for Botswana, Lesotho, Mozambique, Namibia, and Swaziland and enhance market access for South Africa. The EU will also benefit from greater market access, although the six countries will reduce barriers asymmetrically.
- The EU is the largest trading partner of the group, importing nearly \$36 billion in goods from the southern African countries in 2015. Bilateral trade in goods between the two sides surpassed \$70 billion in 2015. Additional information about the EU's trade relationship with its EPA partners and the larger Southern African Development Community (SADC) is available [here](#).

U.S., Taiwan Hold Trade and Investment Dialogue

- Trade officials from the U.S. and Taiwan recently concluded the tenth Trade and Investment Framework Agreement (TIFA) Council meeting, according to a U.S. Trade Representative (USTR) [press release](#).
- The TIFA Council meeting is the primary forum for trade-related discussions between the U.S. and Taiwan. At the meeting, U.S. officials called for Taiwan to resolve agricultural trade issues such as its barriers to U.S. beef and pork exports. Representatives noted the removal of this barrier is a prerequisite for any deepening of the trade relationship between the two countries.
- Taiwan is the ninth largest merchandise trading partner of the U.S. and a top-ten export destination for U.S. agricultural and food products. Bilateral trade in goods amounted to nearly \$67 billion in 2015.