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**A REPORT FOR  
THE CALIFORNIA  
CHERRY BOARD**

## GENERAL ISSUES OF INTEREST TO THE CCB:

**Members of the European Parliament Propose Glyphosate Phase-Out**

- The Environment and Public Health Committee within the European Parliament opposes the European Commission's (EC) proposal to renew the glyphosate license for 10 years. Instead, the Committee proposed a resolution on October 19 that called for a complete phase out the substance. With the goal of having a complete ban by December 2020, the resolution starts with an immediate ban on household use and a ban in use for farming when alternatives such as integrated pest management systems exist. The non-binding resolution was approved by 39 votes to nine, with 10 abstentions.
- The EU risk assessment process of renewing the substance's license has been mired in controversy, as the [UN cancer agency](#) on the one side and [EU food safety and chemicals agencies](#) on the other pointed to different conclusions regarding glyphosate's safety.
- The European Parliament will vote on the resolution on October 24, and the EU member states will vote on a EC proposal to renew the marketing authorization for glyphosate the following day. The current authorization expires December 15, 2017, and if no agreement is reach, the sale of glyphosate in the EU could end.

**South Korea Proposes Amendments to Standards and Specifications for Foods**

- On October 18, The Republic of Korea [notified](#) the World Trade Organization (WTO) of proposed amendments to the "Standards and Specifications for Foods" (in Korean).
- In the proposed amendment, the names of food ingredients are revised and duplicated food ingredients are combined for clarification. Additionally, the general test methods have been revised.
- The proposed amendment also establishes and revises the maximum residue limits (MRLs) for pesticides in agricultural products. MRLs for 237 unregistered pesticides are indicated as provisional MRLs, and there are 78 newly revised or newly established MRLs.
- The final date for comments is December 16, 2017.

**Canada Launches Negotiations for Free Trade Agreement with Pacific Alliance**

- The first round of free trade negotiations between Canada and the Pacific Alliance is taking place from October 23-27 in Cali, Colombia. The Pacific Alliance is a trade block which consists of Chile, Colombia, Mexico, and Peru.
- These free trade negotiations seek to confirm Canada as an Associated State of the Pacific Alliance. According to a Global Affairs Canada [press release](#), this is a strategic opportunity for Canada to advance its progressive and diversified trade agenda with key emerging markets, which sends a strong signal to the world on the importance of free trade in increasing growth and prosperity.

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### *Canada Launches Negotiations for Free Trade Agreement with Pacific Alliance*

- Canada, along with New Zealand, Australia, and Singapore will be the first group of countries to become Associate Members. New Zealand and Australia launched free trade negotiations with the Pacific Alliance on July 1, 2017 (*BCI Monitor* 7-04-17).

### **European Union Aims to Conclude Free Trade Agreement with Mercosur by Year's End**

- On October 23, the European Commission (EC) published its [report](#) from the latest round of trade negotiations between the European Union and Mercosur, which took place October 2-6. The Mercosur bloc includes Argentina, Brazil, Paraguay, and Uruguay.
- During the negotiating round, all issues were covered and talks advanced in a number of areas. With regards to market access, the EU fulfilled its commitment by putting on the table the remaining elements of its market access offer with a view of reaching a political agreement by the end of 2017. In an EC [press release](#), the EU reiterated its commitment to reaching a comprehensive, balanced, and ambitious trade agreement with Mercosur.
- The EU and Mercosur began talks two decades ago, but the negotiations stalled until both sides re-launched negotiations in May 2010. Ten negotiation rounds took place, mostly focused on rules, not market access commitments, before negotiations were once again paused in 2012. It was not until May 2016 that the EU and Mercosur exchanged offers for the first time since the re-launch, which was followed by a negotiation round in October 2016.
- Both sides agreed to hold the next round of negotiations in Brasilia, Brazil from November 6-7.

### **The European Union Changes Anti-Dumping and Anti-Subsidy Legislation**

- On October 3, the European Parliament (EU) and the European Council (EC) reached an agreement on the proposal adopted by the EC in November 2016 to change the EU's anti-dumping and anti-subsidy legislation.
- The new legislation introduces a new methodology for calculating dumping margins for imports from third countries in case of significant market distortions, or a pervasive State's influence on the economy. The rules are formulated in a country-neutral way and in full compliance with the EU's World Trade Organization obligations.
- The agreement also includes changes that strengthen the EU anti-subsidy legislation so that, in future cases, any new subsidies revealed in the course of an investigation can be investigated and included in the final duties imposed. The new rules will only apply to cases initiated after the legislation enters into force. The legislation also ensures a transition period during which all anti-dumping measures currently in place as well as ongoing investigations will remain subject to the existing legislation.
- The legislation is expected to enter into force before the end of the year. More information can be found in the following EC [fact sheet](#).

### **European Free Trade Association and Ecuador Conclude Fourth Negotiating Round**

- The European Free Trade Association (EFTA) states and Ecuador held their fourth round of negotiations for a Comprehensive Economic Partnership Agreement (CEPA) from October 9-13 in Geneva, Switzerland. EFTA is a bloc consisting of Iceland, Norway, Liechtenstein, and Switzerland.
- During this round, EFTA and Ecuador pledged to accelerate talks with a view of signing the agreement in 2018, according to an Ecuadorian Ministry of Foreign Trade [press release](#). Working groups focused discussions on draft texts in the areas of trade in goods, trade facilitation, technical barriers to trade, sanitary and phytosanitary measures, and dispute settlement.
- A trade agreement with EFTA will ensure Ecuador's goal of having market access to the entire European content. Ecuador's exports into the EFTA region consists mainly of fruits, cocoa, and cut flowers, and the merchandise trade between the EFTA States and Ecuador reached 275 million USD in 2016.

### **U.S. Treasury Department Declines to Call China a Currency Manipulator**

- In a [report](#) published on October 17, the U.S. Treasury Department did not label any countries as currency manipulators and removed Taiwan from its watchlist.
- There are five countries that remain on the monitoring list including Japan, Korea, China, Germany, and Switzerland.
- By not naming China as a currency manipulator, the Trump administration falls in line with every administration since 1994; however, it is a divergence from the President's promise to reverse that position.
- The next currency report from the Treasury Department will be published in April 2018.