

**November 6, 2018**

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**General Issues of Interest to the CCB:**

**EU-Japan Trade Agreement Moving Forward**

* On November 6, the Japanese Cabinet approved a bill to ratify the European Union-Japan Economic Partnership Agreement (EU-Japan EPA).
* Japanese President Shinzo Abe hopes to have the Japanese Diet approve the Agreement before December 10, the date on which the Diet’s extraordinary session expires, in order to have the domestic procedures concluded by the end of 2018. If both Japan and the EU can conclude their domestic procedures by the end of the year, the EU-Japan EPA can enter into force in the Spring of 2019.
* The European Commission has proposed to the Council and the European Parliament that they approve the EU-Japan EPA. On November 5, the European Parliaments’ international trade committee voted in favor of clearing the deal for a final vote in the parliament’s full chamber. The full vote is set for December 13, 2018.

**Tariff Reductions in CPTPP**

* On October 30, Australia became the sixth nation to ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the Agreement will enter into force on December 30, 2018.
* The first round of tariff reductions will take place December 30, 2018 and the second round of tariff reductions will take place on January 1, 2019, for all nations except Japan. Japan will have the second round of tariff reductions on April 1, 2019.
* For more information regarding the CPTPP implementation, please see the following [press release](https://www.beehive.govt.nz/release/cptpp-underway-%E2%80%93-tariff-cuts-our-exporters-december-30). Additionally, the full text, including all the nations’ agreed upon tariff schedules, is available [here](https://www.mfat.govt.nz/en/trade/free-trade-agreements/free-trade-agreements-concluded-but-not-in-force/cptpp/comprehensive-and-progressive-agreement-for-trans-pacific-partnership-text/).

**Light Brown Apple Moth Boundary Changes**

* The Light Brown Apple Moth LBAM (*Epiphyas* *postvittana*) quarantine boundaries have changed.
* Effective November 6, a regulated area boundary in Orange County has been expanded and can be found in grids [470](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_470.pdf) and [471](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_471.pdf).
* Effective November 2, the regulated area boundary in Ventura County has been expanded and can be found in grids [436](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_436.pdf), [453](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_453.pdf), and [454](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_454.pdf).
* Effective November 2, a new regulated area boundary has been added in San Diego County and can be found in grids [521](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_521.pdf) and [522](https://maps.cdfa.ca.gov/QuarantineBoundaries/LBAM/LBAM_522.pdf).
* For more information on LBAM, as well as the Southern California, Northern California, and full state quarantine maps, please see the California Department of Food and Agriculture [website](https://www.cdfa.ca.gov/plant/lbam/regulation.html).

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**A REPORT FOR THE CALIFORNIA**

**CHERRY BOARD**

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**Taiwan Amends Quarantine Regulations for Trans-Shipment of Plants and Plant Products**

* On October 30, Taiwan [notified](https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S009-DP.aspx?language=E&CatalogueIdList=249263,249251,249252,249245,249256,249257,249258,249253,249243,249242&CurrentCatalogueIdIndex=0&FullTextHash=371857150&HasEnglishRecord=True&HasFrenchRecord=False&HasSpanishRecord=False) the WTO that its [amendments](https://members.wto.org/crnattachments/2018/SPS/TPKM/18_4020_00_e.pdf) to the “Quarantine Regulations for Trans-Shipment of Plants or Plant Products” entered into force October 15, 2018.
* The amendments change the wording in two articles regarding trans-shipments through countries or districts where designated diseases or pests are known to occur.
* The definition for “designated plant disease or pest infested countries or districts” has been changed to be an area where pests are known to occur and from where the importation of those products are prohibited or managed (instead of “allowed”) under certain quarantine requirements.
* Appropriate quarantine treatments have to be applied if the plants and plant products are trans-shipped from areas known to have designated plant diseases or pests and where the importation is managed (instead of “allowed”) only under certain quarantine requirements.

**India Delays Retaliatory Tariffs**

* India has delayed the implementation of its retaliatory tariffs on U.S. goods until December 17, 2018.The additional tariffs are in response to the U.S. Section 232 steel and aluminum tariffs.
* This is the third time India has delayed imposing the tariffs. The tariffs were set to go into effect November 2, 2018.s
* Agricultural goods such as almonds, fresh apples, chickpeas, and lentils are among the targeted items.
* Simultaneously, the U.S.-India Trade Policy Forum, slated for last week, has been delayed as talks between the two nations have stalled. The U.S. and India were seeking to resolve long-standing issues, including Indian price controls and market access restrictions; however, little progress has been made since the inaugural meeting in September.

**EU Making Progress in Trade Negotiations with Indonesia and New Zealand**

* The European Commission has published two reports summarizing the progress made during the latest negotiating rounds for the [EU-Indonesia](http://trade.ec.europa.eu/doclib/docs/2018/october/tradoc_157477.pdf) and [EU-New Zealand](http://trade.ec.europa.eu/doclib/docs/2018/october/tradoc_157478.pdf) trade agreements.
* The sixth round of negotiations for an EU-Indonesia free trade agreement took place from October 15-19 in Indonesia. Negotiators made progress on customs and trade facilitation, rules related to trade in food, animal and plant products, technical barriers to trade, as well as questions related to sustainable development. The next round is planned for March 11-15, 2019 in Brussels.
* The second round of negotiations for an EU-New Zealand free trade agreement took place in New Zealand from October 8-12. Negotiators discussed almost all chapters of the trade agreement, which allowed for gaps to be bridged between the two parties’ positions. The next round of negotiations is scheduled to take place in Brussels in February 2019.

**Joint Proposal on Transparency at the WTO**

* The U.S., the European Union, Japan, Argentina, and Costa Rica issued a [joint proposal](https://www.dropbox.com/s/tqkix1twx723snl/wto2018_0472.pdf?dl=0) on transparency at the World Trade Organization (WTO).
* The proposal is similar to one the U.S. put forth in 2017 and introduces penalties for nations failing to comply with notification requirements of the WTO. If a member misses a notification deadline by more than a year, resulting penalties could include being required to contribute more to the WTO budget and banning representatives from that nation from nomination to WTO bodies. If a nation misses a notification deadline by more than two years, but less than three, the nation would receive an inactive member designation.
* The U.S. has long been critical of WTO members’ failure to live up to transparency obligations. In the U.S. proposal last year, agriculture and fisheries were singled out as areas where members are not meeting their notification commitments, and this most recent proposal has a similar aim. The WTO Agriculture Committee would be required to review and update its notification requirements based on the report issued by the Working Group on Notification Obligations and Procedures that would report on members’ compliance.