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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**
SPECIFIC ISSUES OF INTEREST TO THE CCB:
Chilean Cherry Industry Adversely Affected by Unfavorable Weather Conditions, Worker Strike

- Chilean cherry producers are reducing production and export forecasts for the upcoming season following unfavorable weather conditions in recent months. According to media sources, freezing temperatures which lasted for multiple days in September caused damage to cherry flowers in certain regions. This was followed by heavy rain in October and November, which resulted in further damage to cherry crops in multiple regions.
- The Chilean cherry harvest typically begins between late October and early November, with exports rising throughout December and peaking in January. As a result, the unfavorable weather conditions are expected to have the greatest impact on early varieties such as Brooks and Royal Dawn cherries.
- Chilean cherry exports may also be adversely affected by an ongoing strike in Chile which has led to a shortage of public workers. Industry sources indicate that the strike, which includes workers at Chile's Agriculture and Livestock Service (SAG), is beginning to cause delays at ports and airfreight facilities. Trade associations are working to find a solution ahead of Chile's peak export season for cherries as the crop must be exported as soon as it is packed due to the fragility of the fruit. The strike has resulted in direct agricultural losses of \$80 million, according to Chile's Minister of Agriculture, Luis Mayol.

GENERAL ISSUES OF INTEREST TO THE CCB:
Japan Ratifies Trans-Pacific Partnership, Future of Deal Uncertain Following U.S. Election Results

- On November 10, the lower house of Japan's national parliament voted to approve the Trans-Pacific Partnership (TPP) and related implementing legislation for the agreement. The decision will become law and enter into effect after 30 days regardless of whether Japan's upper house of parliament also approves the agreement.
- Japan's ratification of the TPP follows nationwide elections in the U.S. on November 8 which led to uncertainty regarding the future of the multilateral free trade agreement. During his campaign, President-elect Donald Trump pledged to withdraw from the TPP and either renegotiate or withdraw from other trade agreements such as the North American Free Trade Agreement (NAFTA).
- Republican congressional leaders in the House of Representatives and Senate signaled after the election that the TPP will not be considered in the lame duck session of Congress due to the President-elect's opposition to it and remaining issues with some of the agreement's provisions. While White House officials acknowledged the position of Republican congressional leaders, they continued to promote the economic and geopolitical value of the TPP agreement.

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Japan Ratifies Trans-Pacific Partnership, Future of Deal Uncertain Following U.S. Election Results

- Japanese Prime Minister Shinzo Abe and U.S. President-elect Donald Trump will meet on November 17 in New York. It is unclear whether the status of the TPP will be discussed during the meeting between the two leaders.

EU Trade Commissioner Expects Pause in TTIP Negotiations with U.S.

- U.S.-European Union (EU) Transatlantic Trade and Investment Partnership (TTIP) negotiations will likely be put on hold for months as U.S. President-elect Donald Trump assembles a new team of trade officials to represent his administration, according to media sources citing comments made by EU Trade Commissioner Cecilia Malmström at a recent press conference following an EU Trade Council meeting.
- Commissioner Malmström stated the EU will be prepared to resume negotiations when the new U.S. administration is ready. That said, some EU officials view the pause as an opportunity for the European Commission to develop a new consensus on EU trade policy. While President-elect Trump has voiced plans to withdraw from the Trans-Pacific Partnership (TPP) and renegotiate the North American Free Trade Agreement (NAFTA), he has not commented specifically on the TTIP negotiations.
- The U.S. and EU have held fifteen rounds of talks since TTIP negotiations were launched in 2013. Though the two sides are not expected to schedule another formal round of talks before the official end of the Obama administration in January 2017, negotiators plan to meet informally in an attempt to safeguard the progress that has already been made toward a final agreement.
- A TTIP Advisory Group meeting is scheduled for November 22, according to a [notice](#) published by the European Commission. Further discussion regarding the status of TTIP negotiations is expected to occur when President Obama travels to Europe from October 17-18 to meet with leaders from EU member states including France, Germany, Italy, Spain, and the United Kingdom.

U.S., China to Hold Joint Commission on Commerce and Trade

- U.S. and Chinese officials will meet from November 21-23 in Washington, D.C. for the 27th session of the U.S.-China Joint Commission on Commerce and Trade (JCCT), according to a recent [press release](#) published by the Office of the U.S. Trade Representative (USTR).
- The JCCT—held annually—is the primary forum for addressing bilateral trade issues between China and the U.S. The U.S. delegation will be led by USTR Ambassador Michael Froman and U.S. Secretary of Commerce Penny Pritzker while the Chinese delegation will be led by Vice Premier of the State Council Wang Yang.
- U.S. Secretary of Agriculture Tom Vilsack will also attend the meeting to take part in discussions centered on agricultural trade between the two countries. The U.S. recently initiated a World Trade Organization (WTO) dispute challenging China's subsidies for certain agricultural products (*BCI Monitor* 9-20-16). Separately, U.S. officials have also expressed concerns regarding China's protracted biotechnology approval process.
- In 2015, China was the third-largest market for U.S. exports of goods and services, with the value of U.S. goods exports to China amounting to \$116 billion.

Singapore, Eurasian Economic Union Launch Feasibility Study for Free Trade Agreement

- At a recent meeting in Moscow, Russia, representatives from Singapore and the Eurasian Economic Union (EAEU) launched a feasibility study for a free trade agreement (FTA) between the two sides. EAEU member states include Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia.
- According to a [press release](#) published by Singapore's Ministry of Trade and Industry, the expansion of free trade is particularly important for Singapore due to its relatively small size and lack of natural resources. According to media sources, bilateral trade between Russia and Singapore has quadrupled in the past decade.
- The EAEU, which entered into existence in January 2015, has concluded one FTA with Vietnam and is pursuing additional agreements with a number of countries throughout the Asia-Pacific region such as South Korea. The trade bloc is currently conducting a feasibility study on the potential of a multilateral FTA between the EAEU and the Association of Southeast Asian Nations (ASEAN), which includes Vietnam and nine other countries in the Asia-Pacific region.