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**A REPORT FOR  
THE CALIFORNIA  
CHERRY BOARD**

## SPECIFIC ISSUES OF INTEREST TO THE CCB:

**USDA Publishes Report on China Diversifying Agricultural Imports**

- The USDA Foreign Agricultural Service released a [GAIN report](#) on China's efforts to diversify its sources of agricultural imports. According to the report, U.S. agricultural products in China will continue to see increasing competition from other countries and Chinese domestic production.
- In 2019 and 2020, China approved market access for at least 100 new agricultural products, including cherries from Argentina and Uzbekistan.
- Over the past 20 years, U.S. cherries have seen increased competition in China. In 2000, only the U.S. and Kyrgyzstan had at least 1 percent market share. Since then, Chile, Australia, Canada, New Zealand, and Turkey have gained market access and captured market shares of at least 1 percent.
- The report advises U.S. exporters to consider differentiating their products from the mainstream, promoting the superior quality, safety, and sustainability of U.S. products.

**Vietnam Temporarily Suspends Australia's Riverland Pest Free Area Status**

- According to the Australian Department of Agriculture, Water, and the Environment, Vietnam has [temporarily suspended](#) recognition of Australia's Riverland Pest Free Area (PFA) for Queensland fruit fly (*Bactrocera tyroni*) and Mediterranean fruit fly (*Ceratitis capitata*) for fruit exported from February 1, 2021. The Riverland PFA is in South Australia.
- Fruit exported outside of Australia's recognized PFAs must undergo irradiation or cold treatment to enter Vietnam.
- Australian cherries lost market access to Vietnam in January 2015 over concerns surrounding the Mediterranean Fruit Fly. Since regaining market access, Australian fresh cherry exports to Vietnam have increased from 2,296 MT in 2017 to 7,044 MT in 2019 according to the International Trade Centre.

## GENERAL ISSUES OF INTEREST TO THE CCB:

**Canada Conducting Consultation on Food Labeling Policy**

- The Canadian Food Inspection Agency (CFIA) is conducting a [consultation](#) on food labeling implementation policy. The [Draft Joint Policy Statement – Food Labelling Coordination](#), obtained by BCI, outlines proposed changes.
- CFIA plans to implement fixed compliance dates for all regulatory amendments under the *Food and Drugs Act* or the *Safe Food for Canadians Act* that directly or indirectly mandate a food label change. The fixed compliance dates will be aligned with U.S. FDA compliance dates on a two-year interval, beginning January 1, 2026.

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### *Canada Conducting Consultation on Food Labeling Policy (continued)*

- Unlike the U.S. fixed compliance date policy for food labeling, which bases transition periods of one to three years on the publication date of regulations, Canada will tailor transition periods for each regulation based on consultation with stakeholders.
- The policy aims to improve coordination and reduce the economic burden associated with multiple, sequential food label changes.
- The consultation will be open until April 3, 2021.

### **Update on Mexico Front-of-Pack Requirements for Endorsed Products**

- On April 1, 2021, a new phase of the Mexico front-of-pack warning labels will enter into force that regulates endorsements and claims by associations that affix their seal on product packaging.
- On January 27, Mexico's Consumer Protection Office (PROFECO) [published updated requirements](#) (in Spanish) in the Official Gazette stipulating that the inclusion of seals and recommendation legends endorsed by organizations and associations must be approved by PROFECO.
- Organizations and associations seeking to include their seals or nutritional recommendations on processed foods or non-alcoholic beverages must prove the scientific and objective evidence for all claims and be registered. The registry will be accredited by PROFECO and must be renewed annually.
- More information is available in a recent [USDA GAIN report](#).

### **South Korea Proposes Amendment on Non-GMO Labels**

- Korea's Ministry of Food and Drug Safety published a [draft amendment](#) (in Korean) which will allow "Non-GMO" labels for foods with 0.9 percent or less GMO ingredients. Dietary supplements and livestock products are exempted from the "GMO" labels.
- Currently, foods are only allowed to be labeled as "Non-GMO" or "GMO-free" in Korea if they contain no traces of GMO materials (zero tolerance) and at least 50 percent of its ingredients are subject to biotech labeling.
- Comments on the proposal are due by March 29, 2021.

### **Kenya Releases Updated Regulations on Extended Producer Responsibility**

- Kenya's Ministry of Environment and Forestry released a revised draft of the [Environmental Management and Coordination \(Extended Producer Responsibility\) Regulations, 2020](#).
- The regulations will require companies that manufacture, import, or sell products with plastic, aluminum, glass, paper, or carton packaging, to be responsible for the products and packaging in all phases of the product's life cycle, including post-consumption.
- Companies must obtain producer responsibility registration prior to introducing packaging, listed in the First Schedule into the country. Companies must also create an individual or collective compliance scheme or join a Producer Responsibility Organization (PRO).
- To meet the Extended Producer Responsibility (EPR) requirements, companies must:
  - Establish post-consumer collection and take back scheme, which may include a deposit refund system
  - Create individual or collective compliance schemes
  - Register and provide updates on the status of their EPR obligations and plans
  - Design products and packaging materials that minimize waste, facilitate reuse, recycling, recovery, and use of secondary raw materials where possible
  - Provide updated information on quantities of products introduced, recyclability and reusability, interpretation of packaging labels, and market traceability mechanisms
  - Provide consumers with information on their role in reuse, return, and take back points, meaning of recycling and recovery labels and symbols on the products
  - Carry out product life cycle assessments for enhancing environmental sustainability
  - Raise awareness on the management of post-consumer products they introduce to market
  - Put in place circular economy initiatives and other measures to reduce impact of their product on health and environment
  - Fund research and development programs on emerging technologies to improve material recovery
- These requirements are more extensive than those in the draft regulations introduced for public comment during May 2020. It is unclear when the regulations will be implemented if adopted.