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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

SPECIFIC ISSUES OF INTEREST TO THE CCB:

EU Publishes 2018 Report on Pesticide Residues in Food

- The European Union recently published its [2018 Report on Pesticide Residues in Food](#).
- The report provides an overview of the official control activities on pesticide residues carried out in the EU Member States, Iceland, and Norway. It summarizes the results of both the EU-coordinated control program (EUCP) and the national control programs (NP).
- The EUCP randomly samples the food products most commonly consumed by EU citizens, giving a statistically representative snapshot of the situation of pesticide residues in those products. Cherries were not among the commodities sampled in 2018. Overall, the EUCP analyzed 11,679 samples of which:
 - 6,770 or 58% were found to be without quantifiable levels of residues (residues < LOQ);
 - 4,743 or 40.6% contained one or more pesticide residues in concentrations above the LOQ and below or equal to the maximum residue levels (MRLs); and
 - 166 or 1.4% contained residue concentrations exceeding the MRLs. However, after controlling for measurement uncertainty, only 101 or 0.9% of the total samples were considered non-compliant.
- Across the EUCP and the national control programs, 91,015 samples were analyzed in 2018. Of these, only 4.5% exceeded the EU MRL. After accounting for measurement uncertainty, only 2.7% of the samples exceeded legal limits, triggering legal sanctions or administrative actions.

Australia Temporarily Accepts Electronic Copies of Paper Phytosanitary Certificates

- Australia's Department of Agriculture, Water and the Environment has [announced](#) that it will begin accepting electronic copies of phytosanitary certificates (PC) from national plant protection organizations (NPPOs) in exporting countries that do not already provide PCs in electronic formats such as ePhyto or eCert. This arrangement in response to the COVID-19 pandemic will be in effect until July 1, 2020.
- Australian inspection officers will access the documents through their Cargo Online Lodgement System (COLS), but may request additional verification via email or the online tool managed by the exporting NPPO.
- To be eligible for this arrangement, the exporter must provide a point of contact or online tool to verify electronic PCs.

Brazil Implements Phytosanitary Certificate Electronic Signature Option

- Brazil's Plant Health Department, as the country's national plant protection organization (NPPO), has [notified](#) the WTO that it will allow electronic signatures of phytosanitary certificates (PC) in light of the COVID-19 outbreak.

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Brazil Implements Phytosanitary Certificate Electronic Signature Option (continued)

- The Plant Health Department will send PCs from Brazil to countries importing Brazilian goods through the length of the outbreak. Instructions regarding the Brazilian PC security and authentication measures can be found in the WTO notification.
- In addition, the Plant Health Department will accept phytosanitary certificates issued by exporting countries' NPPOs and distribute them to entry points for documentary analysis.

South Africa Implements Electronic Phytosanitary Certificate Approval Process

- South Africa has [notified](#) the WTO that it will begin accepting electronic phytosanitary certificates (PCs) from exporting countries' national plant protection organizations (NPPOs).
- Importers of horticultural fresh produce, cut flowers, plants, and other plant-based commodities who are unable to obtain paper PCs can temporarily provide PCs through their exporting NPPO.
- Electronic copies must be provided through the South African contacts listed in the WTO notification.

GENERAL ISSUES OF INTEREST TO THE CCB:

Japan Approves COVID-19 Stimulus

- Japan's Cabinet recently approved a \$990 billion economic package in response to the COVID-19 pandemic. The Ministry of Agriculture, Forestry, and Fisheries (MAFF) is expected to receive a \$5 billion dollar supplementary budget to support the food and agricultural sectors.
- MAFF spending will include support to farmers and food manufactures to help them deal with labor issues and reduced demand. Other spending is designed to facilitate purchases of production and sanitization equipment. The stimulus package is also designed to enhance both domestic and international trade supply chain networks. Full details are outlined in a recent USDA GAIN [report](#).
- A separate USDA GAIN [report](#) outlines the negative impact of the COVID-19 pandemic on Japan's foodservice sales and related industries.

China Publishes Annual Agriculture and Rural Development Policy Document, Broadens Export Rebate Program

- In February, the Chinese government released its 2020 No. 1 Document focused on its key policy priorities for agriculture and rural development in the coming year. The USDA has published an [unofficial translation](#).
- The document largely reports the extension of current government policy into 2020 amid slowing economic growth, the COVID-19 pandemic, and trade conflict with the United States.
- Among the new initiatives detailed in the 2020 No. 1 Document are the government's efforts to rebuild China's swine herds and pork production capacity, as well as continued conversion of farmland to feed grain production.
- In March, the Chinese State Taxation Administration (STA) and the Ministry of Finance (MOF) also [announced](#) (in Chinese) an expansion of the export rebate program to a further 1,464 HS codes, as well as increases in applicable rebate rates from 6 to 9 percent for new HS codes and from 9 to 13 percent for an existing 1,804 tariff lines.

USTR to Consult Congress on Brazil Trade Talks

- On April 10, USTR released a [statement](#) outlining plans to consult with Congress "in the coming weeks" on U.S.-Brazil trade talks. The statement follows the meeting last month between President Trump and Brazilian President Jair Bolsonaro, after which trade officials in both countries were told to intensify "discussions for a bilateral trade package this year."
- USTR Lighthizer this week discussed ways to deepen the U.S.-Brazil trade relationship in a conversation with Brazilian Foreign Affairs Minister Ernesto Araújo and other Brazilian officials.
- USTR has highlighted Brazil's high tariffs and lack of market access for U.S. products among the range of trade irritants.