

APRIL 21, 2020

INSIDE THIS ISSUE

- **USDA Announces Stimulus Plan to Support Agricultural Industry**
- **Philippines Accepting Electronic Copies of Customs Documents**
- **Taiwan Accepting Scanned Copies of Import Documents**
- **Philippines Notifies WTO of Implementation of Customs Procedures for Plant-Based Food**
- **European Union Takes Measures to Mitigate Disruption in Trade, Logistics Amid COVID-19 Outbreak**
- **EU to Expand Tariffs on U.S. Goods in Ongoing Section 232 Dispute**
- **World Trade Organization Publishes Trade Outlook Amid COVID-19 Pandemic**

**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

SPECIFIC ISSUES OF INTEREST TO THE CCB:

USDA Announces Stimulus Plan to Support Agricultural Industry

- The U.S. Department of Agriculture (USDA) recently [announced](#) a \$19 billion Coronavirus Food Assistance Program (CFAP) to support farmers and consumers during the COVID-19 crisis.
- The CFAP includes \$16 billion in direct support to farmers and ranchers based on losses related to COVID-19 and \$3 billion in food purchases for distribution.
- Food purchases include \$100 million per month in each of the following categories: 1) fresh fruits and vegetables; 2) dairy products; and 3) meat products. USDA intends to work with wholesalers and distributors to provide products to food banks and other organizations serving consumers in need.
- According to a [statement](#) shared by Senator John Hoeven, chairman of the Senate Agriculture Appropriations Committee, the direct support to farmers includes \$9.6 billion for the livestock industry, \$3.9 billion for row crop producers, \$2.1 billion for specialty crop producers, and \$500 million for other unspecified crops.
- Compensation will cover 85% of price losses occurring between January 1 and April 15, 2020, and 30% of losses from April 15 through the next two quarters. In order to qualify, the commodity must have experienced a 5% decline in price between January and April. The limit is \$125,000 per commodity and \$250,000 per individual or entity. The application process is expected to be activated in early May, with payments delivered by the end of May or early June.
- Additional emergency USDA funding has also been secured in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, with an extra \$14 billion in USDA spending to be available in July.

Philippines Accepting Electronic Copies of Customs Documents

- On April 16, the Philippines [notified](#) the WTO that its Bureau of Plant Industry (BPI) is accepting electronic copies of important customs documents such as phytosanitary certificates. Scanned copies may be sent to the email address listed in the WTO notification.

Taiwan Accepting Scanned Copies of Import Documents

- On March 31, Taiwan [announced](#) (in Chinese) that it would begin accepting electronic copies of veterinary and phytosanitary certificates to mitigate the impact of the COVID-19 pandemic on imports.
- Taiwan's Bureau of Animal and Plant Health Inspection and Quarantine (BAPHIQ) will accept scanned copies of certificates sent by the exporting country's competent authority or by the representative office in the Separate Customs Territories of Taiwan, Penghu, Kinmen, and Matsu, or by Taiwan's representative office in the exporting country.

(Continues on next page)

Taiwan Accepting Scanned Copies of Import Documents (continued)

- Certificates with QR codes or certificates available on a competent authority's website can be exempted from electronic delivery requirements.
- Importers must later submit the original certificate to temporarily fulfill the quarantine requirements. This arrangement will be in place until June 30, 2020 unless adjusted by BAPHIQ.

Philippines Notifies WTO of Implementation of Customs Procedures for Plant-Based Food

- The Philippines have notified the WTO of new customs legislation titled [Rules and Regulations Governing Importation and Exportation of Plant Food](#).
- The new regulations cover import processes of plant food products to the Philippines, food safety restrictions, border clearance procedures, exports of plant food products, and sanctions and penalties.
- The new regulations also repeal or modify Articles II, III, IV, VI, VIII and IX of the previous Philippine Department of Agriculture DC 4 regulations from 2016.
- The new circular is dated March 20, 2020 and took effect 15 days after its complete publication in two newspapers of general circulation and submission of copies to the National Administrative Register of the UP Law Center.

GENERAL ISSUES OF INTEREST TO THE CCB:

European Union Takes Measures to Mitigate Disruption in Trade, Logistics Amid COVID-19 Outbreak

- Amid the global coronavirus outbreak, logistics systems and supply chains within the European Union have come under strain, according to US Embassy [reporting](#), as a result of the partial suspension of border-free travel within the Schengen Area.
- To mitigate delays at border crossings, the EU has introduced the [Green Lanes](#) program for critical and perishable products. Germany will also [partially repeal](#) its border closing for seasonal agricultural workers.
- Across the EU, retail sales of food products remain strong, with some grocery stores reporting surges in demand and hoarding behaviors. However, restaurants, hotels, and service sectors [report](#) sharp [declines](#) in sales. Poland, the EU's largest poultry producer, has also [indicated](#) some decreased demand for its beef and poultry exports.

EU to Expand Tariffs on U.S. Goods in Ongoing Section 232 Dispute

- The European Union [announced](#) plans to impose tariffs on specific non-agricultural products from the U.S. in response to the Trump administration's February decision to widen the scope of the U.S. Section 232 steel and aluminum tariffs.
- A European Commission spokesperson noted the measures were designed to be proportionate and limited in scope and that the current crisis illustrated the importance of maintaining open trade and supply chains.
- Other countries including India, Japan, and Turkey also notified the WTO of their right to place additional tariffs on U.S. goods but did not immediately specify certain products.

World Trade Organization Publishes Trade Outlook Amid COVID-19 Pandemic

- On April 8, the World Trade Organization (WTO) published an outlook [report](#) regarding international trade during the COVID-19 pandemic.
- Global merchandise trade is expected to decline by 13% to 32% as efforts to combat the disease result in shocks to supply and demand. North America and Asia are the two regions that would be hardest hit according to the projections.
- The report promotes international cooperation, as well as effective virus containment and fiscal stimulus as necessary to successfully mitigate economic and trade damage related to the pandemic.
- Earlier in the week, the WTO and World Health Organization (WHO) issues a [joint statement](#) pledging to work together to facilitate trade in goods such as food and to minimize supply chain disruptions.