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**A REPORT FOR  
THE CALIFORNIA  
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## SPECIFIC ISSUES OF INTEREST TO THE CCB:

**China Implements Coronavirus Inspection of Food Imports**

- China has begun testing imported food for coronavirus following an increase in COVID-19 cases in the country, particularly around Beijing.
- According to an informal translation of a June 22<sup>nd</sup> [announcement](#) (in Chinese) by the China Food and Drug Administration (CFDA), China's General Administration of Customs has written to 42 countries urging them to guarantee food safety by following the guidelines of the United Nations Food and Agriculture Organization (FAO) and the World Health Organization (WHO). Some Chinese importers have begun asking exporters for a letter that references the FAO and WHO guidelines and attests to the safety of the consignment.
- The translation of the announcement suggest that special attention is being placed on unspecified "high-risk regions" exporting seafood, meat, frozen vegetables, and other low-temperature transportation consignments.
- However, a seemingly contradictory [statement](#) (in Chinese) by the Deputy Director of the General Administration of Customs, also published on June 22, acknowledged that the risk of spreading coronavirus through traded foods is extremely low.
- It is not immediately clear if testing is occurring uniformly at all entry points or how noncompliance with the new attestation request will impact trade.

**Gulf Cooperation Council Publishes Draft Updates for Fresh Fruit & Vegetable Packaging Standard**

- The Gulf Cooperation Council (GCC) Standards Projects website has [published](#) proposed updates to its General Requirements for Fresh Fruit and Vegetable Boxes.
- This Gulf Standard outlines requirements for fresh fruit and vegetable packaging made of wood, cardboard, and plastic. According to the GCC notice, the standard needs to be updated to include more details and references.
- Comments on this [draft](#) (in Arabic) are due by June 25, 2020, and can be submitted through the GCC Standards Organization website.

**EU Publishes Updated Regulation Regarding Control of *Xylella Fastidiosa***

- The EU has [notified](#) the WTO of a [draft regulation](#) to implement [Decision 2015/789](#) regarding control measures for *Xylella fastidiosa*.
- The changes include new measures addressing the import of host plants from pest free areas or production sites as well as the conditions required for authorization as a pest free area.
- The [list](#) of regulated host plants includes cherries (*Prunus*).
- The EU intends to adopt the regulation by July 31, 2020 and publish it by August 31, 2020. It will enter into force three days after publication.
- Comments may be submitted to [sps@ec.europa.eu](mailto:sps@ec.europa.eu) by July 12.

### Japan Provides English Language Information Regarding Positive List System for Packaging

- Japan has created an English language [website](#) providing the details of its new positive list system (PLS) for food packaging materials which was implemented on June 1, 2020.
- The website provides an overview of the PLS and includes an English version of the specific list of approved materials with corresponding [CAS registry numbers](#).
- During a five-year transition period, Japan will continue to permit imported packaging materials including substances not approved under the new system. (*BCI Monitor 5-5-20*).

## GENERAL ISSUES OF INTEREST TO THE CCB:

### Thailand Food Contaminant Regulation Enters Into Force in November

- The Thai regulation Maximum Levels for Contaminants and Toxins in Food has been [published](#) (in Thai) in the country's Royal Gazette and will enter into force as of November 16, 2020.
- Details of the regulation were summarized when Thailand [notified](#) the WTO of the draft version in February 2019.

### Canada Requests Authorization to Retaliate Against U.S. in WTO Case

- Canada has [requested](#) authorization from the WTO to retaliate against the U.S. for its failure to implement a recent ruling in [WTO Case DS505](#). The notification does not include a specific figure for retaliation.
- Earlier this year the WTO Appellate Body upheld a finding that the U.S. improperly applied countervailing duties on Canadian imports of supercalendered paper. However, the U.S. does not consider the ruling valid because the Appellate Body no longer has a quorum.
- Canada's request is to be addressed at a WTO Dispute Settlement Body meeting on June 29, 2020.

### U.S. Trade Representative Briefs Congress on Administration's 2020 Trade Policy

- On June 17, U.S. Trade Representative Robert Lighthizer testified to the U.S. House of Representatives Ways & Means Committee on the U.S. 2020 trade policy agenda.
- Although China lags behind on its agreed agricultural purchases under the Phase One trade agreement, Lighthizer testified that China is keeping pace with the agreement and that China has agreed to but not yet executed a significant amount of further purchase orders.
- Lighthizer also reported that the Trump administration does not plan to restart appointments to the World Trade Organization's Appellate Body, arguing instead for a new dispute settlement system.
- In contrast to recent statements by United Kingdom (UK) Trade Commissioner for North America Antony Phillipson, Lighthizer testified that a U.S.-UK trade deal in 2020 would be "unlikely," noting particularly UK hesitation to allow U.S. meat products and the ongoing European Union-UK negotiations.

### China Suspends WTO Suit Over Claim to be Market Economy

- On June 15, China suspended its World Trade Organization dispute with the European Union (EU), in which China sought recognition as a market economy. Both the EU and U.S. oppose this designation, arguing that China's subsidies and state-backed overproduction lead to unfairly low pricing of Chinese goods.
- China initially brought its case against the EU and U.S. in 2016, and in April 2019 the WTO issued an interim ruling that China's 2001 agreement to join the WTO did not automatically grant it the right to be regarded as a market economy.
- The withdrawal allows the EU and the U.S. to continue to apply anti-dumping measures against Chinese goods.

### European Commission Starts EU Trade Policy Review

- On June 16, the European Commission (EC) of the EU [announced](#) a review of its trade policy, including a public consultation seeking input from the European Parliament, member states, civil society, and other stakeholders.
- The review aims to generate a cohesive trade policy for the EU, to support a post-coronavirus economic recovery and pursue a model of “Open Strategic Autonomy”—pursuing the EU’s interests independently and assertively, while continuing to work with partners to address global challenges. Key issues include strengthening Europe’s economic growth and resilience post-COVID, World Trade Organization (WTO) reforms, strengthening trade relationships, and global sustainability.
- Written comments and responses to the questions set out in the EC [consultation note](#) can be submitted until September 15, 2020 to [trade-policy-review-2020@ec.europa.eu](mailto:trade-policy-review-2020@ec.europa.eu).

### UK to Begin Trade Talks with Australia and New Zealand

- On June 17, the United Kingdom (UK) [published](#) its negotiating objectives for upcoming free trade agreements talks with Australia and New Zealand. [Australia](#) and [New Zealand](#) have also published negotiating objectives.
- Trade agreement talks with Australia, New Zealand, and Japan are viewed by the UK Government as a precursor to membership of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).
- Both Australia and New Zealand support the UK joining CPTPP, and trade agreements with them could facilitate the UK’s accession to the agreement. The UK recently [published](#) an update regarding its intent to join the CPTPP.