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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

GENERAL ISSUES OF INTEREST TO THE CCB:

Mexico to Phase Out Glyphosate by 2025

- On August 12, Mexican President Andres Manuel Lopez Obrador announced the gradual phase out of the herbicide glyphosate by end of the current administration in late 2024.
- The announcement comes two months after Mexico's Secretary of Environment and Natural Resources told the Mexican press the herbicide would be gradually removed from the market.
- The decision to phase out glyphosate has caused alarm within segments of the Mexican agricultural community and those overseas. The U.S. government is also understood to be engaged with the Mexican government on this issue.

USTR Seasonal Produce Hearings Continue

- The [second USTR hearing](#) on seasonal and perishable produce will take place on August 20, 2020 from 9:00 a.m. – 2:30 p.m. EDT (*BCI Monitor 7-21-20, 8-11-20*).
- The schedule for the second hearing predominantly features lawmakers, agricultural groups, growers from Georgia, and groups likely to push back on calls for trade protections against Mexican seasonal produce.
- A livestream of the hearing will be available on the USTR [website](#). Transcripts of the hearing will be made available after the hearings.

Thailand Publishes Regulation for Food Contact Materials in Plastic Food Containers, Utensils

- Thailand [notified the WTO](#) that it has adopted an [Industrial Standard](#) (in Thai) for the use of melamine-formaldehyde (commonly known as melamine resin or melamine), urea-formaldehyde, and melamine-urea-formaldehyde in food contact items. This standard was first proposed in [February 2019](#).
- The new standard specifies definitions, materials, safety requirements, labeling, sampling, and testing requirements for food packaging and utensils made of thermoset plastic with the polymerization of formaldehyde.
- The standard enters into force on December 11, 2020.

USDA Releases Translation of China's Second Draft of *Measures on Supervision and Management of Food Labeling*

- The USDA released a [GAIN Report](#) on the China State Administration for Market Regulation's (SAMR) second draft of revisions to the *Measures of Supervision and Management of Food Labeling*. The revision was published in Chinese on July 27, 2020 (*BCI Monitor 8-11-20*).
- The GAIN report includes an unofficial English translation of the regulation and instructions for comments, due August 26, 2020.
- A first draft revision to the labeling regulation was published in November 2019. The current draft responds to feedback received during a comment period.

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USDA Releases Translation of China's Second Draft of Measures on Supervision and Management of Food Labeling (continued)

- Major updates from the previous draft include:
 - Requiring that the Chinese language labeling be directly attached to, printed on, or marked on the minimum sales package, thus no longer allowing Chinese language labeling to be attached on top of foreign language labeling, such as with stickers.
 - Revised labeling requirements for the quality guarantee date.
 - Prohibiting free-from claims emphasizing substances that are not contained or not added to products, including “non-GMO” or “GMO-free.”

U.S. Announces Minor Modification to EU Airbus Tariffs

- On August 12, the Office of the U.S. Trade Representative (USTR) [announced](#) modifications to the list of European Union (EU) products subject to additional tariffs to remedy EU subsidies to aircraft manufacturer Airbus.
- The changes are modest and the value of [EU products](#) subject to U.S. retaliatory tariffs remains unchanged at \$7.5 billion. USTR left in place a 25 percent tariff on food and beverage products from Europe, including wine, whiskey and cheeses. EU fresh cherries are not included in the retaliatory list.
- In a [statement](#), USTR Lighthizer indicated that the EU remains non-compliant with WTO decisions, but added, without details, that the United States would begin a new dispute resolution process with the EU.
- The WTO is expected to rule on a separate EU case alleging U.S. subsidies to Boeing later this year, at which point the EU is expected to impose its own retaliatory tariffs on [U.S. products](#). Fresh cherries are not targeted in the proposed EU action.

USDA Releases Annual Report on Stone Fruit Exports to Taiwan

- USDA recently released its annual [USDA GAIN Report](#) on stone fruit exports to Taiwan.
- Cherry consumption is expected to be slightly above last year's total, increasing by approximately 800 MT to 12,000 MT.
- During MY 2019/20, U.S. market share rose 5 percent to reach 71 percent.
- USDA predicts that, due to Taiwan's handling of COVID-19 and subsequent modest recovery in consumption, Taiwan will be quite competitive compared to other export destinations.

WTO Releases Report on Impact of COVID-19 on Trade Costs

- On August 12, the WTO released a [new report](#) on the impact of the global pandemic on trade costs.
- The report points to reduction in air cargo capacity as a significant driver of cost increases. The WTO estimates that transport costs account for 15% of all agricultural trade costs.
- The report also identifies the long-term potential of reducing border costs by digitizing customs and regulatory procedures.