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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

SPECIFIC ISSUES OF INTEREST TO THE CCB:

USDA Announces Details of Direct Assistance to Farmers

- USDA has [announced](#) that farmers can begin applying for direct assistance under the [Coronavirus Food Assistance Program](#) on May 26.
- Producers are eligible for up to \$250,000 per person or up to \$750,000 per corporate entity.
- Recipients will obtain 80 percent of their payment upon approval of the application, and the remainder will be paid at a later date as funds remain available.
- Producers must certify that they meet the Adjusted Gross Income limit of \$900,000 unless at least 75 percent of their income is derived from farming, ranching, or forestry.
- Only commodities that suffered a 5% or greater price decline from mid-January to mid-April, 2020 are eligible. Eligible food products include grains, wool, livestock, dairy, and specialty crops such as fruits, vegetables, and nuts. A full list of eligible crops can be found on the Coronavirus Food Assistance Program webpage above. Details on disbursements for specific crop types can be found in the USDA announcement.

UK Announces New Global Tariff System

- The United Kingdom [announced](#) its new national tariff regime which will replace the EU's Common External Tariff (EU CET) as of January 1, 2021.
- The [UK Global Tariff \(UKGT\)](#) will apply to all goods imports into the UK unless a specific exception applies, the goods come from countries that are part of the [Generalized Scheme of Preferences](#), or the exporting country has a trade agreement with the UK. The tariffs do not reflect safeguard measures or other charges such as value-added tax (VAT).
- Fresh sweet cherries will face a simplified tariff of 12% from August 1 – May 31 and 6% from June 1 – July 31. Under the current EU CET, fresh cherries are subject to a minimum tariff of 12%, with additional charges applied based on the quantity of cherries exported.

GENERAL ISSUES OF INTEREST TO THE CCB:

Japan Sets Implementation of Plant Quarantine Requirements

- On May 11, Japan [notified](#) the WTO of implementation dates for the previously notified revisions to the Ordinance for Enforcement of the Plant Protection Act (*BCI Monitor 1-14-20*).
- Deletion of five quarantine pests from Table 1 and 2 in Annex 1, correction of country name in Annex 2, 3, and 4, and addition of 65 non-quarantine pests in Annex 5 were implemented immediately. All other revisions will be implemented in November 2020.

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Japan Sets Implementation of Plant Quarantine Requirements (continued)

- There do not appear to be any changes to the import requirements for California cherries, and none of the pests added to the quarantine pest list are known to affect sweet cherries.
- The revised ordinance and previous notifications regarding the Order can be found in the WTO notification.

USTR Requests Comments on Benefits Under African Growth and Opportunity Act

- USTR has announced its annual review of countries eligible for the African Growth and Opportunity Act (AGOA).
- The program allows the President to designate Sub-Saharan African countries as eligible for duty-free treatment for certain products, as well as preferential treatment for other textile and apparel articles.
- USTR is requesting written comments on eligibility of individual Sub-Saharan African countries for 2021 by June 24. A full list of countries eligible and ineligible in 2020, as well as criteria for eligibility, can be found via the [Federal Register](#).

UK Announces Objectives for Trade Agreement with Japan

- On May 13, the UK [announced](#) its negotiating objectives for a free trade agreement with Japan.
- Talks are reportedly beginning soon, and the new agreement will be based on the existing EU-Japan free trade agreement.
- The full strategy [document](#) reports the UK will seek reduced tariffs and easing of restrictions for food and beverage trade.
- Other objectives include increased trade in textiles, clothing, and professional and financial services.

EU-UK Trade Agreement Talks Yield Little Progress

- The EU and UK recently held a third round of negotiations on their future bilateral relationship. According to [remarks](#) by EU negotiator Michael Barnier, they remain far apart on key issues, including the non-binding Political Declaration, fishing rights, as well as the status of Northern Ireland.
- The next round of talks are set to begin on June 1, and there is a deadline of June 30 for leaders to decide whether to extend the Brexit transition period past December 31, 2020. Prime Minister Boris Johnson has said the UK will not seek to extend the transition period.
- The UK also recently held a first round of talks with the U.S. regarding a bilateral trade agreement. Barring an extension of the Brexit transition period, the UK will be able to sign new trade agreements as of January 1, 2021.

WTO Members Issue Statement in Support of Agricultural & Food Trade

- On behalf of 30 member nations, including the United States, and the European Union, Canada issued a [statement](#) to the WTO on May 13 regarding agricultural trade during the COVID-19 pandemic.
- The statement signatories pledge to promote smooth trade and combat food insecurity by refraining from establishing export restrictions or imposing unjustified trade barriers.
- The statement also notes that current export availability of staple food products are currently more than adequate to meet anticipated demand assuming continued free flows of trade.