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**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

SPECIFIC ISSUES OF INTEREST TO THE CCB:

Korea May Ease Document Inspection Requirements for Compliant Importers

- Korea's Ministry of Food and Drug Safety (MFDS) has [published draft legislation](#) (in Korean) designed to facilitate imports by relaxing document inspection in certain cases.
- According to informal translation of the proposed changes, standard document inspection will be omitted for importers in consistent compliance with customs requirements. Specifically, document inspection may be omitted for importers in good standing with five or more reports in the past three years. Additionally, information disclosure such as business registration and office location may be changed within 30 days following import and electronic health certificates will be allowed.
- Comments on the proposal are due by September 27, 2021 to the Ministry of Food and Drug Safety, Head of Imported Food Policy Division at fineapril@korea.kr.

EU Lowers Maximum Levels for Cadmium, Lead in Foods

- The EU recently set new maximum levels for [lead](#) (starting page 1) and [cadmium](#) (starting page 13) in a variety of food products. Previous levels are available in a [consolidated annex of Commission Regulation \(EC\) No 1881/2006](#).
- The following products of interest to CCB will see changes in the maximum level (mg/kg wet weight) of cadmium:
 - 3.2.1.1: Citrus fruits, pome fruits, stone fruits, table olives, kiwi fruits, bananas, mangoes, papayas and pineapples, reduced from 0.050 mg/kg to 0.020 mg/kg
- Regulations regarding lead will enter into force on August 30, 2021, and for cadmium on August 31, 2021. Products containing metals beyond the new limits, but entering the EU before entry into force, can be sold until February 28, 2022.

USDA Releases Stone Fruit Annual Reports for Taiwan, Australia, and Japan

- The USDA has released three Stone Fruit Annual Reports this week. Cherries are discussed in the reports for [Japan](#), [Taiwan](#), and [Australia](#).
- Japan:
 - For MY 2021/22, severe frosts in Northern Japan are expected to reduce cherry production to 13,000 MT, a 29 percent decrease from Japan's 5-year average of 18,240 MT.
 - As a result, USDA/FAS in Tokyo projects that Japan's MY 2021/22 cherry imports will increase by 35 percent over MY 2021/22 to 5,800 MT.

(Continued on next page)

USDA Releases Stone Fruit Annual Reports for Taiwan, Australia, and Japan (continued)

- Under the U.S.-Japan Free Trade Agreement (USJTA), implemented on January 1, 2020, the tariff rate on U.S. cherries will fall to 0.8 percent on April 1, 2022, and be tariff-free on April 1, 2023. The base rate for fresh cherries is 8.5 percent.
- Taiwan:
 - In MY 2020/21, U.S. cherry exports to Taiwan fell by nearly 25 percent and market share of U.S. cherries fell from 71 to 51 percent.
 - Overall cherry consumption for the upcoming year is expected to remain stable in Taiwan, at approximately 12,400 MT.
 - In June 2021, Taiwan granted Turkey market access for fresh cherries with a 16-day low temperature quarantine process. As Turkey shares the U.S. harvest season, this could introduce competition for the U.S product.
 - The CIF (cost, insurance, and freight) value of U.S. cherries in Taiwan is 8.2 USD/kg. While the price of Turkish cherries in the Taiwan market is not yet clear, in China and Hong Kong they have CIF values of 3.3 and 4.8 USD/kg, respectively.
- Australia:
 - MY 2021/22 production is expected to increase by 11 percent to 20,000 MT, with expansion predominantly coming from an increase in cherry tree area coming into production and improved varieties.
 - Australian exports are forecasted to increase slightly to 5,500 MT in 2021/22, from 4,700 MT in 2021/22. Australian exporters have received government support through the International Freight Assistance Mechanism (IFAM), which subsidized air freight for select agricultural product exporters, and export primarily to Asia.
 - Cherry imports are forecast at 2,000 MT in MY 2021/22.
- Additional information, including detailed variety production trends, policies, and more, are available in each report.

Update on Vietnam Market for Organic Products

- Demand for organic products is rising in Vietnam as a result of its growing middle class and greater consumer interest in food that may provide health benefits, according to a new USDA FAS [report](#).
- Several positive demographic statistics indicate growth opportunities for organic agricultural products in Vietnam. There are an estimated 40 million Vietnamese consumers under the age of 35, with reported openness to new international trends, particularly those related to health and wellness. Additionally, the number of people classified as “middle and affluent” in Vietnam is growing and expected to reach 25 million by 2026. These consumers exhibit a willingness to pay more for high quality and safe food.
- Vietnam’s domestic organic agricultural industry is expanding, with farm area quadrupling to nearly 600,000 acres in the past four years. At the same time, imports of organic food and beverage products have risen significantly. Notably, U.S. organic agriculture exports to Vietnam more than doubled from 2019 to 2020 to reach \$8.5 million, with organic cherries accounting for approximately \$1 million.
- Additional details, including an outline of Vietnam’s organic regulations, are available in the FAS report.

GENERAL ISSUES OF INTEREST TO THE CCB:

Vietnam Publishes Draft Changes to Food Safety and Hygiene Regulations

- Vietnam’s Food Safety Department within the Ministry of Health has [published a draft circular](#) (in Vietnamese) for consultation, which includes changes to previously published food safety and hygiene legislation.
- According to informal translation, the draft circular includes amendments to 1) food safety inspection and sampling procedures; 2) food additive and flavoring provisions to align with updated Codex Alimentarius guidelines; and 3) Appendix 2 which covers the list of substances and food contact materials which will be subject to specialized management by the Ministry of Health.
- Comments on the draft circular are due by October 10, 2021. The changes are scheduled to enter into force in May 2022.

Guidance for U.S. Industry on Submitting Comments on WTO Notifications

- The *BCI Monitor* often reports on World Trade Organization (WTO) notifications of foreign regulatory changes. Based on discussions with U.S. government officials, BCI advises that for U.S. businesses wishing to comment in response to these notifications, all comments should be sent through the appropriate U.S. Inquiry Point for the WTO.
- For matters under the WTO Technical Barriers to Trade (TBT) Committee, the U.S. TBT Inquiry Point can be reached at usatbtep@nist.gov. For matters under the WTO Sanitary and Phytosanitary (SPS) Committee, the U.S. SPS Inquiry Point can be reached at us.spsenquiry@fas.usda.gov.
- For food-related WTO notifications, the U.S. Foreign Agricultural Service (FAS) also encourages comments be sent to the corresponding FAS commodity divisions. If you are unsure of which commodity group your product falls under, contact us.spsenquiry@fas.usda.gov for SPS committee notifications and becxi.sanchez@usda.gov for TBT committee notifications.
- U.S. Inquiry Point staff have noted that WTO members are not obligated to and may choose not to consider comments conveyed through other channels.
- U.S. Inquiry Point staff encourage sending comments on company letterhead as an email attachment and, if possible, at least two days prior to the official comment deadline. Additional details on what to include in comments are provided in [guidance from the Standards Coordination Office of the USA WTO TBT Enquiry Point](#).

UK Publishes Report on International Approaches to Genetically Modified Food

- The United Kingdom (UK) Food Standards Agency (FSA) has [published a report](#) on international approaches to genetically modified (GM) and novel foods.
- The report covers Argentina, Australia, Brazil, Canada, and the U.S. and reviews various aspects of those countries' GM food regulations including production standards, approval processes, and definitions.
- The UK's Department for Environment, Food and Rural Affairs (DEFRA) is expected to publish a related report later this summer covering genetic technologies more broadly.
- Following its separation from the EU, the UK is developing a new legislative framework for the regulation of GM food. Currently, the UK retains EU legislation on GM food, requiring pre-market authorization for such products.