

NOVEMBER 1, 2022

INSIDE THIS ISSUE

- **Chilean Cherry Industry Forecasts 25% Increase in Exports Next Season**
- **USTR Declines to Open Section 301 Investigation on Seasonal Fruit from Mexico**
- **Mexico Extends, Expands Tariff Suspensions on Numerous Basic Food Products**
- **Brazil Opens Consultation on Draft Extended Producer Responsibility Decree**

SPECIFIC ISSUES OF INTEREST TO THE CCB:

Chilean Cherry Industry Forecasts 25% Increase in Exports Next Season

- The Cherries Committee of the Chilean Association of Fruit Exporters (ASOEX) [released](#) (in Spanish) its first estimate of the cherry 2022-2023 export season, and has estimated a 25% increase in total shipments compared to the previous season. Exports will likely begin in mid-October (week 43) of 2022 and continue until mid-February (week 7) of 2023, reaching an estimated total of 446,769 MT.
- China is the largest importer of Chilean cherries, importing 313,237 MT - almost 88% of Chile's total export volume – last season.
- Exports are being driven by good quality fruit due to good weather conditions, improved logistics chains, export priority, and dialog with Chinese officials to improve shipments.
- The 2022-2023 season is to receive strong Chilean promotional programming, especially in China but also in the U.S., Korea, Thailand, India, and Vietnam.

USTR Declines to Open Section 301 Investigation on Seasonal Fruit from Mexico

- The Office of the U.S. Trade Representative (USTR) has declined to open an investigation into seasonal fruit from Mexico in response to a [September 8, 2022 petition](#) from Florida congressmen. The decision was [announced](#) online and published in the [Federal Register](#).
- While not opening an investigation, USTR and the U.S. Department of Agriculture committed to establishing a private-sector industry advisory panel to recommend measures to promote the competitiveness of produce producers from the southeastern U.S.
- Mexico is not a significant producer or exporter of sweet cherries. However, in 2021 the U.S. reported exporting 5,238 MT of sweet cherries to Mexico accounting for 7.1% of U.S. exports. If the investigation had been started and tariffs levied, it would have opened the door to retaliation on U.S. products.

GENERAL ISSUES OF INTEREST TO THE CCB:

Mexico Extends, Expands Tariff Suspensions on Numerous Basic Food Products

- On October 19, Mexico [gazetted](#) an extension until February 28, 2023 of import tariff suspensions on 66 HS codes of staple food items and commodities for food processing. Mexico also expanded the list to include 12 new HS codes. The new HS codes are not in scope for the CCB. The tariff suspensions were originally announced in May to combat food inflation (*BCI Monitor 5-24-22*).
- The validity of the tariff suspensions can be extended through December 31, 2023 if the importer can show that it has entered into a contract for the goods prior to the February 28 expiration.
- The original HS list does not include cherries, however it does include other fresh fruits including apples, oranges, lemons, and limes.

**A REPORT FOR
THE CALIFORNIA
CHERRY BOARD**

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Brazil Opens Consultation on Draft Extended Producer Responsibility Decree

- Brazil's Ministry of Environment [opened public consultation](#) on a [draft decree](#) (in Portuguese) regarding an extended producer responsibility (EPR) scheme for plastic packaging waste, to be implemented independently from the public solid waste management system.
- Articles 36 and 37 detail the obligations of importers of products in plastic packaging. To obtain an import license, Article 37 requires participation in an EPR scheme and declaration of the person responsible for the EPR scheme.
- Article 5(1) allows for two types of schemes: 1) a collective model and 2) individual model. The collective model requires a legal entity to be created for the purpose of structuring and managing the members' responsibilities under this decree. The individual model allows a company to implement its own scheme or to hire a third party.
- Article 51 sets out national and regional recycling targets, which will increase from 27.25% in 2023 to 40% in 2032 at the national level. Article 52 pertains to the national minimum recycled content targets, increasing from 21% in 2023 to 30% in 2032, in line with *Decree No. 11.043* related to the [National Solid Waste Plan](#) (in Portuguese).
- Article 63 requires the use of materials suitable for recycling or re-use according to Article 32 of *Law No. 12.305*. Article 63(1)(I) prohibits excessive packaging of products, without defining parameters or thresholds of excessive packaging.
- The decree is proposed to enter into force upon publication, with a 2-phase implementation. Phase 1, beginning at entry into force, is a preparation period for all actors. Phase 2, beginning 180 days after entry into force, will see implementation of the new plastic packaging waste collection, recycling, and disposal scheme.
- Comments can be submitted via [Brazil's consultation portal](#) until November 4, 2022