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A REPORT FOR THE CALIFORNIA CHERRY BOARD

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SPECIFIC ISSUES OF INTEREST TO THE CCB:

China Proposes Amendments to Excessive Food Packaging Standard

- On August 18, China's Standardization Administration <u>published</u> a second amendment to <u>GB 23350-2021 Restriction of Excessive Packaging Requirements for Food and Cosmetics</u> (all links in Chinese) for comments. The current version of <u>GB 23350-2021</u>, released on August 10, 2021, will enter into force on September 1, 2023. USDA FAS has published an <u>unofficial English translation</u> (<u>BCI Monitor 4-26-23</u>).
- Based on machine translation, the second amendment may revise requirements added under the <u>first amendment</u>, which entered into force on August 15, 2022 (*BCI Monitor 3-22-22;* link in Chinese; Amendment as notified to WTO). The proposed second amendment addresses the number of packaging layers, packaging costs, and the k-value. The draft text provides for a transition period of 12 months. A professional translation is recommended for a more detailed analysis.
- Comments can be submitted to KJBZ@miit.gov.cn using the comment form attached to the notice by September 17, 2023. Please consult the instructions in the notice for submitting your comments.

USDA Publishes Annual Stone Fruit Report for Taiwan

- On August 17, the USDA published its annual report on the stone fruit industry for Taiwan.
- In marketing year (MY) 2022/23, Taiwan's consumption of cherries was just over 12,000 metric tons (MT), a significant drop from the expected 20,000 MT.
- Reduced total consumption is attributed to reduced imports from the U.S. due to
 tight supply and a strong U.S. dollar, making U.S. cherries more expensive.
 Imports from Chile, which ships counter-seasonally to the U.S., increased to their
 second-highest historical record at 5,678 MT, driven by higher demand for
 cherries in the winter for Lunar New Year gifting. Chile surpassed the U.S. as the
 largest supplier.
- In MY 2023/24, total cherry imports to Taiwan from the world are expected to remain low at a forecasted 13,000 MT. Increased border inspections on newer agrochemicals have created a lengthy import tolerance review process for exporting countries, contributing to these lower volumes.

USDA Publishes Annual Stone Fruit Report for Chile

- On August 17, the USDA published its annual report on the stone fruit industry for Chile.
- In marketing year (MY) 2022/23 cherry planted area grew by 25.7%, reaching approximately 152,214 acres. In MY 2023/24 cherry planted area is expected to grow to 158,147 acres.
- In MY 2022/23, cherry production reached 469,000 metric tons (MT), a growth of 20.3%. In MY 2023/24, cherry production is expected to reach 500,000 MT, a growth of 6.6%.
- In MY 2022/23, cherry exports totaled 414,064 MT, a 16.5% increase over the previous year. This totaled \$2.2 billion in value. In MY 2023/24 cherry exports are expected to grow by 7.2% to 444,000 MT with regular yields and expanding planted area. This growth in exports parallels growth in production.

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USDA Publishes Annual Stone Fruit Report for Chile (continued)

 As of MY 2020/21 China accounted for 87.6% of Chilean cherry exports, followed distantly by the United States at 4.9%. However, its shipments to the United States and South Korea have grown as Chile has sought to diversify its export markets.

USDA Publishes Annual Stone Fruit Report for Japan

- On August 17 the USDA published its annual report on the stone fruit industry for Japan.
- In marketing year (MY) 2022/23 Japan's cherry cultivation area remained static and is projected to shrink by 0.7% in MY 2023/24 to about 10,380 acres. Aging farmers with a lack of successors are responsible for much of this decline, which has impacted Japanese agriculture more broadly.
- In MY 2022/23, cherry production increased by 22.9% to 16,100 metric tons (MT) due to recovery from frost damage in Yamagata prefecture in the 2021/2022 season and more favorable weather in 2023. Production is projected to increase by 9.3% to 17,600 MT in MY 2023/24. Japan's cherry production is consumed domestically.
- In MY 2022/23, Japanese cherry consumption dropped by 3.3% to 18,463 MT due to lower imports and is forecast to increase by 17% to 21,600 MT in MY 2023/24 as import supply rebounds.
- In MY 2022/23, Japan's imports of cherries decreased by 60% due to lower export volume from the United States. This is expected to increase by 69.3% to 4,000 MT in MY 2023/24 as U.S. production is expected to increase.
- Beginning in April 2023, Japan eliminated tariffs on U.S. sweet cherries. On April 23, 2023, Japan lifted its temporary phytosanitary measures for cherries due to Covid-19 travel restrictions, returning to prepandemic requirements.

CDFA Ends Oriental Fruit Fly Quarantine Area in Orange County

- The California Department of Agriculture (CDFA) notified stakeholders that the Oriental Fruit Fly (OFF;
 Bactrocera dorsalis) quarantine area in the Fountain Valley Area of Orange County has been removed,
 effective August 19, 2023. The quarantine zone was originally established in September 2022 (*BCI Monitor 9-20-22*).
- Information about OFF regulation and quarantine boundaries are provided on the <u>CDFA website</u>.

General Issues of Interest to the CCB:

USTR Requests Comments on China's Compliance with WTO Commitments

- On August 17, the Office of the U.S. Trade Representative (USTR) <u>published a request for comments</u> in the Federal Register ahead of a public hearing regarding China's compliance with WTO commitments regarding import and export regulation and internal policies affecting trade, among others.
- Comments may be submitted via <u>Regulations.gov</u> and are due by September 20, 2023. A public hearing will be held on October 4, 2023.

Thailand Opens Consultation on Draft Revisions to Prepackaged Food Labeling Regulation

- On August 8, Thailand's Food and Drug Administration (Thai FDA) opened a <u>public consultation</u> on draft revisions to <u>Notification of the Ministry of Public Health (No. ..) B.E. Issued Under the Food Act B.E.</u> <u>2522 Regarding the Labeling of Food in Prepackaged Food</u> (both in Thai).
- According to machine translation, revisions of interest to CCB include:
 - o (Article 9) Adding that the expiration/consume by date can be written with English abbreviations.
 - o (Article 6) Requiring that allergen information must be clearly displayed, visible, and readable.
 - o (Article 6) Allowing other statements displaying information on allergens to be used if they have the same meaning as the text "allergens" or "information for food allergies".
- Comments are due by September 30, 2023, and can be submitted via the online form.