



Wishing you a Happy New Year!

Newsletter

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U.S.-JAPAN TRADE DEAL APPROVED BY JAPAN'S PARLIAMENT

On Wednesday, December 4, 2019, Japan's Parliament officially approved the trade deal that was agreed upon by President Trump and Japanese Prime Minister Shinzo Abe earlier in 2019. It is also important to note that Congress does not have to pass this agreement. This trade deal will eliminate and reduce tariffs between the U.S. and Japan on a number of products, including apples. The agreed upon tariff reductions and eliminations are set to take effect on January 1, 2020. Specifically, the agreement includes the following tariff concessions from Japan on apples:

- **Immediate 25% reduction** on January 1, 2020 of Japan's **17.0% tariff on fresh apples** (HS 08010.00)
- **Additional 10% reduction** of remaining tariff rate on January 1, 2020
- **9 stage tariff elimination phase-out** to follow beginning on April 1, 2021
- Fresh apples to be **duty free** by April 1, 2029

Additionally, the CAC has been working closely with the Animal Plant Health Inspection Service (APHIS) on a systems approach program that would allow for the option of exporting apples to Japan without a cold treatment requirement. This proposal has been submitted to Japan, and we are currently awaiting their response. Once we receive a status update on this request, we will be sure to communicate with the industry. If you have any questions regarding the trade agreement or systems approach program proposal, please do not hesitate to contact the Commission office.

HOUSE PASSES FARM WORKFORCE MODERNIZATION ACT

On December 11, 2019, the U.S. House of Representatives voted to pass the Farm Workforce Modernization Act with a strong bipartisan vote of 260-165. The legislation, introduced by members Zoe Lofgren (D-CA) and Dan Newhouse (R-WA), includes provisions designed to stabilize the current domestic workforce by creating an earned legalization

process, as well as improvements to the current H-2A program, including wage relief.

The Farm Workforce Modernization Act will not head to the U.S. Senate for a vote, and then must be signed by President Trump. Further negotiations are expected to begin after the holiday season, and it has been reported that the bill could be introduced to the Senate as early as March. The CAC will continue to voice support for the passage of this bill in upcoming meetings with CA's Senate representatives. The CAC understands that while this bill is not perfect, it does include many provisions that will help establish a continuous, reliable, and skilled labor force in California. If you have any questions regarding the Farm Workforce Modernization Act, please do not hesitate to contact the Commission office.

USMCA AGREEMENT REACHED

In December, President Trump and House of Representatives Democratic Members have reportedly reached a deal that will allow the much anticipated ratification of the U.S. Mexico Canada Free Trade Agreement (USMCA) by the end of 2019.

According to House Speaker, Nancy Pelosi (D-CA), Democrats have made improvements to the initial agreement made between the U.S., Canada, and Mexico, which was signed last November by the three countries' leaders. Specifically, these changes involve labor, enforcement, and several pharmaceutical provisions contained in the deal. Regardless of these changes, however, USMCA still offers significant improvements over NAFTA, which it will replace following an official vote from the House of Representatives and ratification from all three countries. At this point, Mexico is the only country that has officially passed the USMCA through the appropriate government channels. If you have any questions regarding the USMCA, please do not hesitate to contact the Commission office.

NEW YORK PRODUCE SHOW

On December 11-13, 2019, the Commission attended the New York Produce Show (NYPS) annual convention held at the Javits Center in New York City, NY, hosted by the Eastern Produce Council and Produce Business magazine. The four-day event included networking opportunities, a one-day trade show featuring over 400 companies, retail “thought-leader” breakfast panel hosted by Perishable Pundit Jim Prevor, educational micro-sessions, and tours of the region’s vibrant industry, including local retailers, wholesalers, foodservice distributors, urban farms, and unique eateries. The NYPS provides connections that allow members within the industry to expand business opportunities and increase sales and consumption. If you would like more information, please contact the Commission office.

CAC BOARD MEETING TO BE HELD IN JANUARY

The CAC will be holding a board meeting in January 2020. The date is to be determined, and further 2020 information will be provided shortly.

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APPLE BITES

Spiked Apple Cider Cocktails

Ingredients:

- 1/4 gallon apple cider
- 1/2 cup dark rum
- 1/2 cup cinnamon schnapps
- 1 California Granny Smith apple, peeled, cut into large chunks
- 1/2 cup lemon juice

Directions:

Mix together the cider, rum, and schnapps in a large pitcher. Add the apples to a small bowl and toss them with the lemon juice. Thread the diced apples onto skewers. Pour the spiked cider into glasses filled with ice, then garnish with an apple skewer and serve.

Recipe courtesy of www.foodnetwork.com

CALENDAR OF EVENTS

- CAC Board Meeting
 - January 2020 - TBD
- APHIS Apple Sector Meeting
 - Washington, D.C.
 - January 17, 2020
- 1st Annual Symposium for Sustainable Agriculture
 - January 31, 2020
 - International Agri-Center - Tulare, CA
- Fruit Logistica
 - Berlin
 - February 5-7, 2020



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