

February 11, 2004

INSIDE THIS ISSUE

- US - Israel Trade Agreement Being Finalized
- US - Australia Free Trade Agreement
- Japan and South Africa to Revise Import Regulations for Apples
- Canada to Allow Apples from Brazil
- EU Issues New Standards for Apples and Pears

ISSUES INVOLVING APPLES AND PEARS:

US - Israel Trade Agreement Being Finalized (Apple Quota)

- For the last several years, the Washington Apple Commission and Northwest Fruit Exporters have been trying to eliminate or reduce Israeli trade barriers. This effort successfully ended the reference price that made imported apples cost more than Israeli apples. Since that success, WAC / NFE's efforts have focused on eliminating Israel's quota on US apples.
- The apple quota is one of the few issues that forced the renegotiation of the US-Israeli Free Trade Agreement to fall more than a year behind schedule. Finally, in August 2003, the decision was made to conclude an agreement on the most favorable terms possible at the moment, and then to restart US-Israeli trade negotiations in 2008.
- Both sides are in the very final stages of agreeing upon a new agricultural text. It appears Israel's apple quota will not be eliminated, but it should increase significantly, and continue increasing slightly between 2004-2008.

US - Australia Agree on Free Trade Agreement

- On Sunday, February 8, the US and Australia concluded a comprehensive free trade agreement designed to eliminate and reduce tariffs and other trade barriers.
- All US agricultural exports to Australia (a value greater than \$400 million), will receive immediate duty-free access under the agreement.
- Australian quarantine barriers against US **apples**, pork, citrus, and stone fruit were prioritized for science-based resolution.

Apple Access Talks with Australia

- In January, apart from the free trade agreement negotiations, US and Australian quarantine authorities discussed what additional data was needed to negotiate a phytosanitary agreement on US apples. They discussed the US position on the November 2003 WTO fireblight decision that obligates Japan to revise its fireblight regulations. Since fireblight is one of the primary reasons US apples currently may not be shipped to Australia, how Japan implements the WTO decision will likely influence Australian regulations.



**A Report for
Northwest Fruit
Exporters**

Bryant Christie Inc. – Seattle
1425 Fourth Avenue, Suite 808
Seattle, WA 98101-2218
Phone: 206 292 6340 Fax: 206 292 6341

Bryant Christie Inc. – Sacramento
1521 "I" Street
Sacramento, CA 95814-2016
Phone: 916 492-7062 Fax: 916 492 7061

US - Japan Fireblight Discussions

- US and Japanese officials met in late January to discuss Japan's implementation of the WTO decision on fireblight. Serious talks will begin in Seattle, between both governments, in early March.

South Africa Revising Standards for Northwest Apples

- Based on the United States' WTO - fireblight victory, South Africa has agreed to revise its import regulations for Northwest apples. Talks are underway. South African authorities are to consult with the South African apple industry this month.

Canada to Allow Apples from Brazil

- The Canadian Food Inspection Agency (CFIA) issued a directive this week that outlines the phytosanitary requirements for the importation of fresh **apples** from Brazil. Apples from Brazil will be subject to a trial importation period. According to the CFIA, the trial period is required to verify the absence of quarantine pests through product inspection.

EU Issues New Standards for Apples and Pears

- The European Commission has issued new **apple** standards that will come into force on February 9, 2004 and which will apply until July 31, 2005. The changes to the provisions concerning sizing are as follows:

	Extra	Class I	Class II
Large fruited varieties	70mm	65mm	65mm
Other varieties	60mm	55mm	55mm
Large fruited varieties	140g	110g	110g
Other varieties	90g	80g	80g

- After August 1, 2005 new sizing requirements will apply. These are outlined in the attached [standard](#). To also view the new EU standards for pears, please [click](#) here.