



**CHEESE IMPORTERS
ASSOCIATION OF AMERICA**

Bulletin 17-30 September 12, 2017

CIAA Bulletin

**An Exclusive CIAA Member
Update**

CIAA Recommends the Elimination of 6.25(b)

The Cheese Importers Association of America (CIAA) has [submitted comments](#) recommending the elimination of 7 CFR §6.25(b) (the rule) because it threatens the business of importing high-quality specialty cheeses. While the Foreign Agricultural Service is not currently actively considering revisions to 6.25(b), these comments were in response to a [notice](#) published in the Federal Register on Monday, July 17, 2017, asking for ideas on how USDA "...can provide better customer service and remove unintended barriers in our programs in ways that least interfere with our customers." This notice follows [Executive Order 13777](#), "Enforcing the Regulatory Reform Agenda" seeking to identify rules that, in part, are "outdated, unnecessary, or ineffective." CIAA took this opportunity to raise 6.25(b) to suggest that the rule meets the test of being outdated, unnecessary, or ineffective, and should be considered as USDA considers its regulatory agenda.

The current rule suspends through quota year 2022, the historical license reduction provision which was set to expire with the beginning of quota year 2016. In this new submission, CIAA repeated points it raised previously in response to proposed extensions of the suspension. CIAA argued that the §6.25(b) license reduction provision erroneously assumes strong demand for dairy imports. Major changes in market conditions have at times prevented historical license holders from using their full license amounts. In prior years, a weak U.S. dollar; reductions in European export subsidies; weather factors in major dairy producing countries, such as Australia, New Zealand, and the EU; and a deteriorating global economy all weighed against dairy imports. Between 2004 and 2011, tonnage of cheese imports subject to licensing requirements dropped 41% - from 125 million kg of cheese to 74 million kg. In the face of this sharp decline, historical license holders struggled to avoid the 50% threshold of §6.25(b) that could have caused permanent reductions in their allotment. These circumstances were unforeseen, and could occur again in the future. In recent years we have seen increases in import volumes, largely due to a strong dollar. However, as currency exchange rates fluctuate, we can just as easily see a drop in imports due to price considerations.

CIAA also cited several examples of how the historical import license system is beneficial because it can also result in domestic production of new types of cheeses that may have previously been unknown or in limited demand by American consumers.

We will continue to keep you informed of any further developments.

DATES TO REMEMBER

September 15, 2017

Last day of licensees applying for reallocated license amounts for 2017

October 2, 2017

Last day to surrender 2017 license amount

October 16, 2017

Last day of 2018 license applications

October 27, 2017

Member Meeting

9:30 am - 11:30 am

Saddle Brook Marriott, Saddle Brook, NJ

October 31, 2017

Deadline for exporting countries that are designating U.S. importers for calendar year 2018 must submit their designations to FAS

December 21, 2017 (approximately)

FAS issues first notice of calendar year 2018 licenses to licensees

December 31, 2017

Last day for licensees to make entries to fulfill the requirement to use 85% of their calendar year 2017 license amount. Last day for which calendar year 2017 licenses are valid

January 21, 2018

CIAA Fancy Food Show Reception

5:00 pm- 7:30 pm

Thirsty Bear Brewery
San Francisco, CA

March 1, 2018 (approximately)

FAS issues final notice of calendar year 2018 licenses to licensees

March 15, 2018

The license fee for each license issued is due and payable in full no later than March 15 of the year for which the license is issued. Licenses issued after March 15 of any quota year are payable in full no later than 10 days from the date of issuance. Fee payments are payable to the Treasurer of the United States and shall be made solely utilizing the electronic software designated for the purpose by the Licensing Authority

July 2, 2018

Last day for an exporting country that is not designating importers for calendar year 2018 to notify FAS

August 31, 2018

Last day to enter dairy products into U.S. Customs territory that may be used to qualify and establish eligibility for a calendar year 2019 license.

* If a deadline date falls on a Saturday, Sunday, or Federal holiday, the deadline will be the next business day (Section 6.36(a) of the Dairy Tariff-Rate Import Quota Licensing Regulation). This does not apply to dates of entry for eligibility.

Cheese Importers Association of America

Ken Olsson

President

email: president@theciaa.org

phone: 202-547-0899

Cheese Importers Association of America
204 E Street, NE
Washington, DC 20002
202-547-0899 Fax: 202-547-6348
Email: info@theciaa.org