

Pre-Export Checks (PEC) Program

On August 1, 2015, the Pre-Export Checks (PEC) program came into effect. PEC built upon and replaced the Voluntary Aflatoxin Sampling Plan (VASP) program.

The PEC program is a systems approach to aflatoxin mitigation, which is based on the handler using established procedures to sample, test, and ship almonds to Europe. The PEC certification is signed by USDA to verify documents are in order. As established in EU legislation, PEC recognition specifies a <1% level of control for almond shipments. PEC is a voluntary program but it is highly recommended that handlers enroll to help improve the free flow of exports to the EU and to ensure that shipments are not subjected to indiscriminate import controls by EU member state authorities.

What does PEC do?

The Pre-Export Checks (PEC) Program:

- California Almond exports to the EU are subject to less than 1% import control with a PEC certificate
- Covers raw products (for human consumption) and specifically only applies to the following tariff codes: 0802.11 (inshell) and 0802.12 (shelled) **see below for a chart of the kind of products that are covered*
- Requires the handler to annually complete an MOU with ABC. Currently, 100% of handlers exporting to the EU are enrolled in the PEC program
- Only almond handlers can be signatories to the MOU, and have access to the electronic PEC system
- Requires an aflatoxin analysis before the consignment ships. The aflatoxin tolerance is for Ready to Eat (RTE) almonds, 10 ppb total / 8 ppb B1.
- Consists of the following 'PEC documents' 1). Annex I details of consignment; 2). Annex II Health Information and SPI signature; and 3). Aflatoxin analysis certificate
- Allows PEC documentation to be submitted up to 7 days after the consignment has left the handler's facility
- Transfers more control to the handler and provides for USDA/AMS (through Shipping Point Inspection) to verify documentation
- Is a voluntary program and highly recommended and promoted to help ensure the smooth flow of exports to the EU
- Requires specific sampling protocol and documentation of procedures
- Without a PEC certificate, shipments are not rejected **but** are subject to controls at the discretion of the EU import authorities
- Requires the use of the ePEC system
- Once shipped, replacement certificate cannot be issued
- Entails a fee for SPI verification of the documents

What Products are Covered under PEC?

- PEC covers products classified under the following Harmonized Tariff Codes (HTC): 0802.11 (inshell almonds) & 0802.12 (shelled almonds); located in Chapter 8 of the Harmonized Tariff Schedule (HTS) under heading 0802 titled “Other nuts, fresh or dried, whether or not shelled or peeled”
- Almonds are no more than 5% serious damage and comply with EU’s aflatoxin tolerances for RTE products.
- Based on discussion with the EU, any product considered ‘raw’ which can be classified under the two tariff codes is covered, which includes blanched, sliced, slivered or diced almonds. Any ‘processed’ (e.g. roasted) products or manufactured (e.g. almond butter) products which are classified elsewhere in the HTS system are not covered by PEC.

Note: this guide was developed based on industry and government feedback, customs determinations and ABC research. The list of products is not exhaustive and some products may be open to interpretation by varying EU customs authorities. **You should make a final determination of what products fall within the codes in close consultation with your customs broker and importer.**

Covered	<u>Not</u> Covered
In-shell Bulk	Roasted/Toasted Almonds
Shelled Bulk	Almond Butter, Paste, Puree, Oil
Sliced, Diced, & Blanched	Almond Beverages
“Raw” or “Whole Natural” Consumer Packaged Products	Almond Flour, Meal
	Animal Feed

Outstanding Issues

- ABC has confirmed that Norway accepts imports of California Almonds under the PEC system; Switzerland does not recognize PEC, therefore import controls are at the discretion of Swiss authorities.