



ABC GLOBAL UPDATE

September 2020

India Notifies Almond Kernel Standard in Gazette

The Food Safety and Standards Authority of India (FSSAI) has published the *Food Safety and Standards (Food Products Standards and Food Additives) Third Amendment Regulations, 2020*, including a new **Almond Kernel Standard** (pages 15-17). The standard was proposed in November 2017 and will go into effect on July 1, 2021.

The standard includes a number of parameters which are quality factors, such as chipped and scratched, doubles or twins, shell or skin fragments, rancid kernels, gummy or brown spots, etc. There are also parameters for moisture and oil content.

ABC has been engaging with FSSAI over the standards, pointing out the differences between quality and food safety parameters. ABC previously presented to the FSSAI scientific panel, submitting information from a global standards body which reaffirmed the fact that quality parameters are for commercial considerations, not import controls. While FSSAI has indicated that the standards are to apply to the internal market, the concern is that this could be a precedent for future inshell standards.

Additional comments will be submitted to FSSAI. Australia has raised similar concerns as the U.S. and is anticipated to also submit.

FRUCOM to Host Virtual Mycotoxin Summit

On September 29, FRUCOM will host the second conference on Mycotoxins in dried fruits, nuts and peanuts. The

conference titled “*Prevention from Food to Farm*,” will review EU and Codex regulations covering aflatoxins and other mycotoxins. The conference will address prevention efforts in countries of origin, import controls and legislative amendments. GTRA Vice President Julie Adams will participate on the panel to address issues involving almonds.

The first conference, held earlier this summer, focused on scientific opinions, sampling, and statistical distribution. Dr. Tom Whitaker, known globally for his work in sampling plan development, covered aflatoxin heterogeneity, risk, and variability associated with sampling.

Rejections for aflatoxin levels continue to be the main regulatory problem almond consignments face in the EU. ABC has had an ongoing dialogue with EU and member states regarding the need for uniform implementation of EU regulations which specify the less than one percent inspection level for almond consignments arriving in the EU.

The highly successful Pre-Export Check Program (PEC) in which most shippers participate, requires aflatoxin testing and compliance with EU aflatoxin limits prior to almonds being shipped. Almonds continue to be the only U.S. commodity with a PEC program recognized by the EU.

If you are interested in participating in the FRUCOM conference, please register by 23 September:

https://docs.google.com/forms/d/e/1FAIpQLScsrwub1Aer6YTtTswTG_eKkzklf8KbkYH5RuNNyBEYxXY0Q/viewform?vc=0&c=0&w=1&flr=0

China Tensions and Phase 1 Implementation Continue

U.S.-China relations continue to deteriorate. A planned six-month review of China's purchases of U.S. commodities, a requirement of the Phase 1 agreement, was postponed without an indication of a future meeting date.

Adding to the tensions is a recent U.S. Executive Order to ban transactions using WeChat. This has raised broad concerns among U.S. businesses, given the fact that WeChat is so broadly used for communications, promotions, etc. in China. ABC is evaluating the potential impact and providing comments to the U.S. Department of Commerce which is charged with implementing the Executive Order.

Meantime, it has been reported that more Chinese processors/importers are taking advantage of the exclusion process which can reduce tariffs on almonds to 25% (from the current 55%). More information is anticipated following two Chinese industry conferences this month.

Needing to build confidence among consumers, China is still requiring “COVID-free” certificates for imports and has stepped up import inspection procedures. ABC is not aware of any disruptions at a port-level – the focus appears to be around frozen products and meats. Please keep staff advised if you are experiencing any delays.

Facing its own internal economic and food security challenges, China has signaled that it remains open for foreign investment and trade to support domestic economic recovery. In terms of the U.S. election, China has indicated that regardless of the

outcome, they anticipate a prolonged discussion with the next administration.

Korea Publishes Draft Amendment Regulating Registration and Management of Overseas Food Manufacturing

Korea's Ministry of Food and Drug Safety **announced** (in Korean) a draft regulation **amending No. 2017-90, 2017.11.15** (in Korean), overseeing the registration and management of importers and overseas manufacturers involved in the production, manufacturing, processing, and packaging of imported foods.

Based on an informal translation, updates include:

- Elimination of requirement for in-person inspection if there is an in-person inspection within one year of registration or renewal.
- Suspension of in-person inspections if the production of the imported food has been discontinued for more than one year.
- Postponement of in-person inspection in accordance with Korea's Ministry of Foreign Affairs' Travel Warning System.

For more information on facility registration, see the USDA GAIN report: <https://kr.usembassy.gov/wp-content/uploads/sites/75/Korea-Updates-Foreign-Food-Facility-Registration-Portal-Seoul-Korea-Republic-of-05-18-2020.pdf>.

Inquiries can also be sent to USDA Foreign Ag Service in Korea at: agseoul@fas.usda.gov

Second Round of CFAP Announcement Soon

USDA Secretary Sonny Purdue is expected to announce the second round of the Coronavirus Food Assistance Program (CFAP) to assist growers who have suffered losses due to COVID-19. The new program is designed to compensate growers for losses incurred after April 15 through the end of the year.

The deadline for filing an application for the first round of CFAP is today, September 11.

As of September 9, California almond growers have received almost \$90 million in payments. Applications can be filed on line at <http://www.farmers.gov/cfap>

ABC will provide more information about the second round of CFAP as soon as it is available.

Update on Algeria Market Access

ABC had previously reported that the Government of Algeria closed its market to almond imports, effective July 12, 2020. Almonds were on a list of several commodities that had access restricted as part of the government's effort to protect local industry.

Consignments shipped before the July 12 date should still be allowed in, although some handlers have reported buyer inability to pay due to banking restrictions. ABC has been working with the U.S. Embassy in Algiers to help address these on a case by case basis. With these efforts, some consignments have been successfully domiciled and imported.

For questions regarding the import ban or specific consignment problems, please contact: gbogart@almondboard.com. You can also contact the Foreign Ag Service in Algiers: Justina.Torry@fas.usda.gov

Upcoming Travel and Events

The return to "normal" continues to be a slow process.... Most ABC staff continue to work from home, with only a few individuals physically in the office. Meetings continue to be virtual, and non-ABC staff are not allowed in the office at this time.

Since international travel is not possible, we continue to leverage our industry association partners and stakeholders in other markets to maintain our trade relationships and ensure there is limited impact on engagement efforts.

Don't hesitate to reach out if you need assistance with anything – or if you just want to hear a friendly voice!

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