



December 13, 2022

Highlights from The Almond Conference

Logistics and Shipping Situation Appraisal

- *Moderator: Brock Densel (ABC)*
- *Speakers: Bill Rooney (Kuehne & Nagel), Stuart McAllister (Terra Nova Trading), Peter Schneider (TGS Logistics).*

This session provided an update and a look forward at the logistical challenges facing the industry from global to local perspectives along the chain. Stuart McAllister spoke about the current environment specifically for exporting almonds and highlighted some of the biggest current challenges. Peter Schneider highlighted some upcoming burdens for the trucking industry resulting from impending regulations. Bill Rooney spoke about the state of sea logistics relating to volume, congestion, and labor negotiations. The panel also forecasted conditions for shipping almonds over the next few months as volumes have declined and resulting blank sailings have increased. For more information, please contact bdensel@almondboard.com.

Almond Exports: What's the 2023 Trade Picture Look Like?

- *Moderator: Julie Adams (ABC)*
- *Speakers: Sara Garcia Figuera (Prospero), Clay Hamilton (USDA FAS), Jonathan Hoff (Monte Vista Farming), Keith Schneller (ABC).*

This panel had a great discussion highlighting potential regulatory obstacles being discussed in the EU that could spread to other trading partners, ranging from limitations on use of different pesticides to new eco-labeling requirements. Clay Hamilton, Associate Administrator of USDA's Foreign Ag Service, provided insights on how the current administration is trying to push forward with new trade opportunities and is working hard to maintain international trading rules – particularly relevant to countering EU efforts to bring non science-based decisions into the regulatory environment governing the use of chemical tools. Attending the Almond Conference was also an opportunity for Clay to meet with industry members about India, as he will be heading up USDA's office in New Delhi starting in summer 2023.

Jonathan tied together the discussions in terms of industry impact and shared his perspective on current market access barriers overseas that keep him up at night. Finally, Keith Schneller provided an update on

China's facility registration requirements that were implemented this past year. While the majority of almond facilities registered with GACC in December 2021, most still need to finalize their registrations. For more information, contact kschneller@almondboard.com

Almond Stewardship 2.0

- *Moderator: Gabriele Ludwig (ABC)*
- *Speakers: Tom Devol (ABC), Eric Harris (SureHarvest), Jesse Roseman (ABC), Miles Dakin (Pollinator Partnership)*

It takes good stewardship to grow and maintain an almond orchard successfully for some 25 years, and the ability to adapt to a changing world. The panelists provided an overview of how growers can leverage the self-assessments under the revamped California Almond Stewardship Platform. The session also highlighted efforts to address stewardship opportunities around pollinators along with incentives. For more information, contact gludwig@almondboard.com

Ag Groups encourage increased engagement at the WTO

In a [letter](#) to USTR Tai on November 8, more than two dozen agriculture groups said that talks are not progressing after 25 years, and that negotiations on agriculture at the WTO need “a fresh start.” They called for “US leadership at the WTO” and urged the Administration to assist progress in talks on a functioning dispute settlement system (rather than continuing to block the appointment of judges). Member nations of the WTO are consistently better off due to global trade.

While reform is desperately needed to restore functionality to the WTO, it must also be acknowledged that the WTO has been indispensable in establishing the “rules of the road” in global trade. Over time, the agreements have brought some degree of clarity and common rules to trade, a nearly impossible feat when balancing the priorities and practices of over 160 countries. These earlier efforts were successful, in part, because of transparency and balance across the agreements and due to the consistent leadership and engagement of major players such as the United States. They wrote that they “would welcome the creation of a forum at the WTO that would facilitate a productive discussion at the WTO, not only of the traditional core issues – market access, domestic support and export competition – but also emerging trade-related issues,

such as the contribution of trade liberalization and innovation-friendly regulatory approaches to agricultural sustainability and climate change mitigation.”

Ag Groups request expedited Senate confirmation of Taylor and McKalip to important Ag Trade Leadership positions

A broad and diverse group of America’s leading food and agriculture organizations [sent a letter](#) on November 29 to Senate Leaders Schumer and McConnell asking them to secure the Senate confirmation before the end of the year for Doug McKalip to serve as Chief Agricultural Negotiator for the Office of the U.S. Trade Representative and Alexis Taylor to serve as USDA Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs. As stated in the letter, “*Despite unanimous support by the committees and widespread and bipartisan support the Senate has yet to confirm these highly skilled candidates. Time is of the essence to confirm these nominees.*”

US Review of China’s WTO Obligations

In its [annual report](#) the US-China Economic and Security Review Commission recommended that Congress and the Administration suspend normal trading relations with China. “*If the report concludes that China has failed to comply with the provisions agreed to for its accession to the WTO,*” the commission wrote, “*Congress should consider legislation to immediately suspend China’s Permanent Normal Trade Relations treatment.*” Suspending normal trading relations would increase tariffs on China’s imports and would likely have other, less predictable effects. To become a member of the World Trade Organization in 1999, China agreed to reform and market-opening measures to modernize its economy.

Dept of Commerce Revokes Russia’s Market Economy Status

The Department of Commerce’s International Trade Administration (ITA) [announced](#) that it will revoke Russia’s market economy status and reclassify the country as a non-market economy, effective at the beginning of November. The move will result in a restructuring of US duties on Russian imports and may lead to higher import duties for Russian goods that are subject to antidumping (AD) investigations. For future cases involving Russian imports, “*Commerce will apply an alternative methodology to calculate the AD duties on imports from Russia, using market-based prices and costs from a country at a comparable level of economic development that produces comparable merchandise,*”

the ITA announcement said. The US has also removed Russia’s status as a “most-favored nation for trade.”

Initial Reports Indicate that the WTO has ruled against US tariffs on steel, aluminum imposed in 2018

According to a notice from Norway’s Foreign Ministry on Dec. 8, the World Trade Organization determined the US violated trade rules when it imposed Section 232 steel and aluminum tariffs that were implemented in 2018 and justified in the name of national security. Such a ruling, which has yet to be confirmed by the WTO, would undermine one of the Trump administration’s most controversial trade decisions. It could also increase pressure on President Biden to reconsider a series of internationally unpopular tariffs aimed at protecting US manufacturing jobs.

The Trump administration moved forward with the tariffs despite a warning from former US Defense Secretary James Mattis that the duties were not necessary for the US to meet its “national defense requirements” and may have a “negative impact” on America’s allies. China, the EU, Turkey and a half-dozen nations (Canada, India, Mexico, Norway, Russia, Switzerland) lodged concurrent disputes at the WTO that argued the measures violated their basic WTO rights. China, India, and Turkey continue to maintain retaliatory tariffs on imports of US almonds.

**Wishing
you the
best for this
Holiday
Season...
see you in
2023!**



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