



April 11, 2023

## Decree 248 Update

FDA has stopped managing GACC's CIFER portal for U.S. facility registrations creating great uncertainty for those companies waiting to finalize their GACC registrations or for "new" companies waiting to register their facilities so they can also export products to China. USDA, FDA and USTR are currently discussing next steps regarding Decree 248. Until the U.S. government decides which agency will take over the CIFER portal, be sure to confirm that the products being shipped to China are included under your facility's GACC account. If not, GACC is refusing to add "new" products without approval from the US competent authority in the CIFER system. ABC is in touch with both FDA and USDA regarding this issue. 35 of 70 almond facilities have finalized their registrations. If you have not finalized your registration, please upload the mandatory documents and submit on GACC's [cifer.singlewindow.cn](http://cifer.singlewindow.cn) portal for future review after the USG decides how to proceed in sending these "change requests" on to China. For more info, please contact [kschneller@almondboard.com](mailto:kschneller@almondboard.com).

## Transportation Update

On March 24, over 100 agriculture and business groups including the Almond Alliance of California sent a [letter](#) to President Biden calling for intervention to resolve the protracted West Coast port labor negotiations between dockworkers and port facilities owners. In the letter the groups wrote, "It is imperative that the administration work with the parties to quickly reach a new agreement and ensure there is no disruption to port operations and cargo fluidity. Significant cargo flows have shifted away from the West Coast ports because of the uncertainty related to the labor negotiations." The letter which was coordinated by the National Pork Producers Council, further requested the Biden Administration appoint a new administration point person given the departure of Marty Wash from the post of Secretary of Labor. The letter comes on the heels of "job actions" taken by the ILWU which caused a congestion of trucks trying to enter the Ports of LA/LB. Please contact [bdensel@almondboard.com](mailto:bdensel@almondboard.com) for more info.

## The UK is set to join CPTPP

The UK has completed negotiations to accede to the Comprehensive and Progressive Agreement on Trans-Pacific Partnership (CPTPP), which will be a significant step in the development of post-Brexit trade policy. The final accession agreement was signed off by CPTPP trade ministers on March 31 and wraps up more than two years of negotiations. The deal marks the first enlargement of the CPTPP bloc since its creation in 2018 and the UK will become the first country from outside the Indo-Pacific region to accede. British membership is expected to be formally approved this summer and will enter into force after the deal has been ratified by all 11 members.

## Five years into the trade war, China continues its slow decoupling from US exports

In a [recent report](#), Chad Bown from the Peterson Institute for International Economics provides objective analysis on how U.S. trade with China has evolved in recent years and the fact that China is slowly decoupling with US while US agriculture still relies heavily on the China market. He also provides an overview of his research on his ["Trade Talks" podcast](#).

## USTR Hearings on the President's 2023 Trade Policy Agenda

US Trade Representative Katherine Tai testified in front of the [Senate Finance Committee](#) and [House Ways and Means Committee](#) last week. She came under pressure from both parties based on lack of progress in addressing market access issues and her preference to get away from traditional trade agreements that require congressional approval. Tai stated the following in front of the Senate Finance Committee, "*The traditional approach to free trade agreements being comprehensively tariff-liberalizing has led to winners and losers. . . While it has been, in general, very good for our agricultural producers, the other parts of our economy feel like the playing field is not level.*" After the hearings, USTR posted the summaries of tabled negotiating texts [online](#) from the most recent round of IPEF negotiations.

## Food and Ag Activities Accounts for one-fifth of U.S. Economy

As part of the [National Ag Day](#), over 25 food and agriculture groups released an annual report ([Feeding the Economy](#)) on the economic contributions of the food and agriculture value chain to the U.S. economy. Nearly 20% of the country's economic activity, or \$8.6 trillion in economic output is directly supported by the nearly 23 million jobs in the food and agricultural sector, according to the report. With the inclusion of industries indirectly involved with food and agriculture (input suppliers), employment extends to 46 million, or roughly 30% of the entire US workforce.

## China signs protocol allowing almond imports from Spain

After a recent visit to China, the Spanish government announced at the end of March that GACC had finalized a phytosanitary protocol to allow imports of Spanish almonds. According to a Spanish Government press release, the market access request was initiated back in 2017. The press release also estimates that Spanish almond exports to China could reach 50,000 MT by 2025. In CY 2022, Spain exported 111,236 MT of almonds, but only 15,523 MT outside the EU. During the same time, China imported 88,578 MT of almonds mainly from Australia and the US.

## Manufacturers' Letter Encourage Return to FTAs and Multilateral Trade Negotiations

The National Association of Manufacturers sent a [letter](#) to President Biden on March 15 calling for his Administration to end its self-imposed moratorium and pursue new free trade agreements. It specifically recommends launching discussions to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership in order to counter Chinese influence. The letter laments that "Our competitors are actively negotiating new agreements that exclude us, putting manufacturers at a disadvantage."

## Visit to California by Turkish Nut Association

ABC will be working with the California Walnut Commission to host a delegation of the Turkish Nut Association in June. Turkey is one of the countries we are looking at as part of a global trade strategy. The Turkish government lowered tariffs on imported almonds on Jan 1, 2018 from 43% down to 15%;

Turkey then implemented retaliatory tariffs of 20% on US almonds after the US announced Section 232 tariffs on imported steel and aluminum. In 2019, Turkey lowered the retaliatory tariff to 10% that remains today. The current applied tariff for US almonds is 25%. ABC will be providing more information on the delegation visit as it is confirmed. For more information, please contact Keith Schneller at [kschneller@almondboard.com](mailto:kschneller@almondboard.com).

## US Opposes EU MRL Policies at the WTO

The US recently [notified the WTO](#) on its submission concerning the European Union MRLs and pesticide policies – specific trade concern 448, that proposes strict MRLs for several pesticides. This is important since the EU is trying to change the parameters of conventional risk assessments to include non-health related issues such as environmental concerns. The US highlighted the importance of using a science and risk-based enforcement process which facilitates trade in a manner consistent with the SPS Agreement. Unfortunately, the EU's approach injects an unnecessary degree of uncertainty for farmers and trading partners, does not advance shared efforts towards global food security and strengthening the global food supply chain, and appears to be more trade-restrictive than necessary.

## Upcoming Events:

Apr 12-14: China Sweets Show in Chengdu  
Apr 18: TRAC meeting  
Apr 24-27: Almond Alliance Conference  
Apr 28-30: Turkish Nut Conference in Antalya  
May 22-24: INC Congress in London  
May 24-25: MRL Workshop in San Diego

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## Your GTRA Team

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