



April 11, 2024

UK suspends tariffs on raw almonds beginning April 11, 2024

For the second time since Brexit, applications were submitted to the UK government last summer to consider tariff suspensions on inputs used in local production. ABC has worked closely with the UK's Nut and Dried Fruit Trade Association (NDFTA) for a number of years. Last year, as NDFTA was considering an application to request duty suspension on several commodities, ABC worked with them to provide factual information and trade data so the application could include almonds. We were pleased to see that the UK's decision to suspend tariffs on almonds was included in the [approved list](#) of items published on March 18, 2024. The list includes all imports of almonds under HS 080211 and HS 080212 which also covers blanched, sliced and slivered almonds.

Please note the suspensions apply to **all origins**. The tariffs – 4% on inshell almonds and 2% on raw kernels – have been in place since the UK left the European Union in 2021 with Brexit. Estimates put the savings of the suspended tariffs to UK importers at about \$3 million a year. The suspension will allow UK importers to offer a more competitive price on raw California almonds to UK processors, and ultimately to consumers. UK duties of 8-10% still remain on roasted almonds (which includes flavored almonds), 8% on marzipan and almond flour, and 20% on almond paste. ABC will be monitoring the opportunity to extend the raw almond suspensions before they are scheduled to expire on June 30, 2026 as well as opportunities to apply for further suspensions. For more info, contact Keith at kschneller@almondboard.com.

Proposed French Legislation on Endocrine Disruptors

France has established two decrees - n°2020-105, Article 13 – II and the decree n°2021-110 - pertaining to endocrine disruptor substances and related reporting obligations for businesses. ABC became aware that shippers were being requested to provide information on the presence of specific defined substances with endocrine disruptor properties mentioned in the above decrees

whenever their concentration exceeded 0.1% by mass. Upon reviewing the lists, ABC determined that most of the substances were not pesticides or other agricultural inputs. Further, based on our annual residue testing program, it was determined that the few pest control compounds in the list have not been detected on almonds. For more information, contact Abhi Kulkarni at akulkarni@almondboard.com

FDA Is Moving “New” Facility Applications to China

ABC has been closely working with FDA and almond shippers in navigating China's food facility registration process, which had been stalled for several months. FDA recently started moving CIFER applications again, many of which have been waiting “in the cloud” for many months, to China's Custom Authorities (GACC) for final review and issuance of a GACC approval number. According to China's Decree 248 implemented on Jan 1, 2022, all foreign food facilities must be registered and receive an approval number from GACC before exporting food products to China. While more than 60 almond handlers successfully finalized their GACC online registrations in June 2023, ABC is aware of at least 8 or 9 almond handlers that missed the fast-track deadline in December 2021. ABC is continuing to work with industry members on these requirements. If your facility still needs to register for exports to China, contact Keith at kschneller@almondboard.com

ERS Report on U.S. Export Competitiveness

USDA's Economic Research Service (ERS) published a comprehensive report last month called [U.S. Export Competitiveness in Select Crop Markets](#) that provided analysis on current U.S. agricultural trade policy covering five major commodity groups including tree nuts. The report broadly discusses U.S. competitiveness, current trade agreements, and world events that impacted global markets. It also includes a graph showing U.S. exports of these five commodity groups in the context of retaliatory tariffs and the U.S.-China Phase One agreement. The report concludes that, *“the lack of U.S. free trade agreements between 2012 through 2020 is potentially limiting U.S. export opportunities in some emerging markets while other*

competitors signed multiple FTAs during that same period.” On March 27, ERS published a supplemental infographic titled, [Cracking Open the Global Tree Nut Market](#). The report highlights that, “The global tree nut market has grown exponentially during the past 20 years. The United States exported more of its tree nuts than other major producers, with almonds leading the pack in popularity.”

ABC Closely Following Aflatoxin Notifications

Aflatoxin rejections in Europe and Japan have been closely monitored. Unfortunately, there have been additional rejections in both markets over the past two months. While some European consignments were cleared upon retesting, that option does not exist for consignments shipped to Japan. ABC is keeping USDA/FAS and government authorities apprised of the situation. In addition, efforts are underway with USDA/AMS and FDA to streamline Goods Return procedures, to minimize delays – and costs – associated with returning consignments to the U.S. For more information, contact Abhi at akulkarni@almondboard.com.

Senators Express Concern over Growing U.S. Agricultural Trade Deficit.

On March 13, twenty-two Republican Senators sent a [letter](#) to USTR Ambassador Tai and USDA Secretary Vilsack expressing concern about “the continued erosion of critical market access for U.S. agricultural exports” and increasingly large U.S. agricultural trade deficit. The senators highlighted the importance of the U.S. government’s previous work to negotiate free trade agreements, remove nontariff barriers, and enforce trade agreements. The letter concludes asking the Administration to take action to ensure a further decline in ag exports does not become a long-term trend.

House Agriculture Committee focuses on China

The House Agriculture Committee held a [hearing on March 20](#) on the “threats” that the China Communist Party (CCP) presents for U.S. agriculture. Concerns raised included CCP purchases of U.S. farmland, security of data systems used by U.S. farmers and agri-businesses, and the need to “near-shore” the production of crop

protection chemistries and nutrients away from China. One witness called for Congress to reject legislative attempts to withdraw permanent normal trade relations (PNTR) with China as that would invite swift retaliatory tariffs on U.S. agricultural products.

USTR releases 2024 Trade Policy Agenda and 2023 Annual Report

On March 1, USTR [released its annual Trade Policy Agenda and Annual Report for 2023](#). The report states that supporting US agriculture is one of four components of advancing a worker-centric trade policy. It states, “The Administration will continue expanding market access opportunities in foreign markets through the negotiation of agreements that include provisions intended to eliminate or reduce nontariff barriers that can hamper market access for U.S. agricultural products. The Administration will seek to include in these agreements enforceable provisions that build on WTO obligations, including provisions to ensure that sanitary and phytosanitary (SPS) measures are science-based, developed through transparent, predictable process, and implemented in a nondiscriminatory manner.”

Upcoming Events:

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| Apr 15-26 | Julie in India for AIFPA meetings and USDA ag delegation |
| Apr 26-27 | Keith attending Tunksiad Conference and industry meetings in Turkey |
| May 7-10 | 2024 INC Congress in Vancouver |
| May 13-29 | Abhi in Europe for UNECE meetings and industry visits |
| May 22-24 | MRL Workshop in San Diego |
| May 20-23 | AgTC Conference Tacoma |
| Jul 10-12 | USAEDC/Attache Conference in DC |

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| Your GTRA | Julie | jadams@almondboard.com |
| | Gabriele | gludwig@almondboard.com |
| | Keith | kschneller@almondboard.com |
| | Abhijeet | akulkarni@almondboard.com |
| | Brock | bdensel@almondboard.com |

The Global Update is a publication by the Almond Board of California. For more information, please contact the Almond Board at 209-549-8262 or regulatoryissues@almondboard.com. The information reported in this document is correct to the best of our knowledge. The Almond Board of California welcomes the participation of all industry members and does not discriminate on the basis of race, color, national origin, sexual orientation, gender, marital status, religion, age, disability or political beliefs. 2024GTRA0014