

## ABC Global Update

### U.S. and India Resume Trade Talks

A delegation from the Office of the U.S. Trade Representative (USTR) including Assistant U.S. Trade Representative for South Asia Chris Wilson, travel to India this week to resume trade talks that broke down earlier this year.

It is hoped that these discussions will help get negotiations back on track.

In mid-June, India imposed retaliatory tariffs on a list of 28 U.S. goods in response to the U.S. steel and aluminum tariffs which were implemented last year. This also came after the U.S. removed India's trade privileges under the Generalized System of Preferences.

The retaliatory tariff in India increases the specific duty on inshell almonds and kernels from the U.S. The Tariffs have increased the rate from 35 RPS/kg to 41 RSP/kg inshell and 100 to 120 RSP/kg shelled.

### USTR Accepting Section 301 Tariff Exclusion Requests

On June 30, the Office of the U.S. Trade Representative began accepting **exclusion requests** from businesses seeking relief from the third tranche of Section 301 tariffs levied on China.

Objections to any request must be filed within 14 days of the submission of the original request, after which the original requester can file a response to the objection within seven days

The deadline for submitting requests is September 30, 2019. Granted exclusions will be effective for one year.

### Prime Minister Trudeau Meets with U.S. Leaders on USMC

On June 20, President Trump met with Canadian Prime Minister Justin Trudeau and discussed the ratification efforts for the U.S.-Mexico-Canada Agreement (USMCA) among other trade issues, including U.S. duties on softwood lumber and the Section 232 investigation into Canadian Uranium exports.

Prime Minister Trudeau also met with Congressional leaders to discuss the passage of the trade agreement. After the meetings Trudeau indicated that Canada was not going to get involved in the Congressional ratification process.

Canadian Foreign Affairs Minister Chrystia Freeland had previously indicated that Canada hoped to ratify the USMCA alongside the U.S.; however, the Canadian Parliament has left for its summer recess before federal elections in October. The Parliament could be recalled to vote on the agreement but would be dissolved again once elections are officially called, which is expected in September. C1

With respect to Mexico, the Mexican Congress ratified the USMCA on June 17.

### Supreme Court Won't Hear Challenge to 232 Tariffs

On June 24, the Supreme Court refused to hear a case on the legality of using Section 232 of the Trade Expansion Act of 1962 to impose tariffs on aluminum and steel, as the Trump administration has done against many U.S. trading partners.

The American Institute for International Steel (AIIS) had filed a

petition for the Supreme Court to review their case before the U.S. Court of Appeals, arguing that it would be in the public interest for the Supreme Court to hear the case quickly.

In response to the decision not to take up the case, the AIIS said that it would continue to fight the case in the U.S. Court of Appeals.

### China Notifies New Standard for Maximum Levels for Mycotoxins

On June 3, China announced a new **standard** (in Chinese) for the maximum levels of mycotoxins in food. An unofficial translation has been provided in a **USDA GAIN Report**.

The maximum level of mycotoxins in almonds will be 5 µg/kg.

The new regulations do not have a proposed date of entry into force, but comments are due by **August 2**. ABC will be developing comments to stress the importance of establishing levels that are in line with global recommendations.

Comments can be sent to China's SPS Enquiry Point at **[sps@aqsiq.gov.cn](mailto:sps@aqsiq.gov.cn)**.

### U.S. and Others Issue WTO Statement Condemning EU Pesticide Policies

On July 4, the U.S. and 15 other nations issued a **statement** to the World Trade Organization (WTO) criticizing the European Union's hazard-based approach to regulating pesticide products and other "critical tools" used by farmers.

The statement declared that the EU's approach is having a "substantial negative impact on the production,

and trade of, safe food and agricultural products, an impact that is likely to increase in the future.”

The group condemned the EU for its repeated failure to respond to concerns raised by WTO member states and called on the EU to re-evaluate its approach to product approvals, use internationally accepted methods of setting tolerance levels for potentially harmful ingredients, and stop “unnecessarily and inappropriately” restricting trade.

The statement was issued in time for debate at the WTO’s Council for Trade in Goods later this month.

## Rapid Alerts for Aflatoxins in the EU

While the current year is certainly tracking to be an improvement from last year, as of 7/11/19, the EU has registered **eight** Border Rejection Rapid Alerts for Aflatoxins (four in Spain and four in Italy). Both Spanish and Italian officials have reported inspection levels of over eight percent.

The ABC GTRA staff has met with EU officials in Belgium to push for a return to the less than one percent inspection levels. Progress has also been made in the reprocessing arena, and ABC has identified two companies in Spain willing to reprocess consignments rejected for aflatoxins. We are continuing to research opportunities for additional companies, as well as the potential in Italy for reprocessing.

## Upcoming Travel

- **July 8-12, 2019**  
Julie Adams, Geoff Bogart, Richard Waycott in Washington, DC for USAEDC meetings.
- **July 12-20, 2019**  
Julie Adams in India and China for trade meetings, and to finalize China office administrative requirements.
- **July 15-18, 2019**  
Guangwei Huang in Montreal, Canada for Poultry Science Conference.
- **August 3-9, 2019**  
Holly King, Emily Fleischmann, and Richard Waycott in Zhengzhou, China for the China International Tree Nuts Conference 2019.

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