

ABC Global Update – FY 16/17 Year End

FY 16/17: A Year of Milestones

It's been a record year! See page two for an overview of shipment statistics.

Update on West Coast Port Discussions

The West Coast longshore workers at 29 West Coast ports have approved a three-year labor contract extension between the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association.

The extension will ease concerns about repeating the experience in 2014, when stalled negotiations resulted in considerable delays moving consignments through West Coast ports.

Update on Special Session Under the U.S.-Korea Free Trade Agreement

Plans are moving ahead for a first ever-special session of the U.S.-Korea Free Trade Agreement (KORUS) Joint Committee.

The Office of the U.S. Trade Representative has asked its industry trade advisory committees to provide feedback by mid-August on the implementation of the agreement and issues "impacting fair trade" with Korea.

The advisory committees provide policy and technical advice to the secretaries of Commerce, Agriculture and the United States Trade Representative regarding trade barriers, negotiations of trade agreements, and implementation of existing trade agreements affecting industry sectors.

Algeria Further Restricts Imports

Algeria has extended its import licensing regime to include several high value food products including almonds. In-shell bitter, as well as in-shell sweet almonds have been singled out for import licenses from the U.S., according to a recent USDA FAS GAIN [report](#).

Algeria began using import licenses in late 2015 to control and reduce imports of food items, in an effort to support domestic

manufacturers, slow the loss of foreign reserves, and to offset the extended period of low crude oil prices.

In January 2016, the first list of products subject to licenses targeted products from the European Union and included items such as wheat, rice, sugar, corn, meat, and dairy products. In March 2017, the list was extended import licensing to all non-essential products, with exceptions made for basic products such as wheat, vegetable oil, sugar, and milk. This most recent wave of import licensing requirements singled out various tree nuts. The U.S. exported around \$33.7 million USD of tree nuts to Algeria in 2016.

Update on North American Free Trade Agreement Renegotiation

The North American Free Trade Agreement (NAFTA) renegotiation talks are fast approaching.

Mexico and Canada are in the process of finalizing their negotiating teams for the renegotiation. Mexican Economy Minister Idefonso Guajardo Villarreal announced his negotiating team will be led by Ken Smith Ramos, head of the Trade and NAFTA Office of the Ministry of the Economy of Mexico, based in Washington. Canada's negotiating team will be led by Steve Verheul, the chief negotiator on the Canada-EU Comprehensive Economic and Trade Agreement.

The first round of NAFTA negotiations is set to kick off in Washington, DC on August 16-20. The second round is scheduled for September 1-5 in Mexico City.

Farm Bill Listening Sessions

The House Agriculture Committee has been holding 2018 Farm Bill Listening Sessions in several states. Chairman Mike Conaway (R-TX) presided over a Listening Session in Modesto on August 5. Also in attendance were Committee Members Jeff Denham (R-CA), Doug LaMalfa (R-CA) and Dwight Evans (D-PA)

as well as House Agriculture Appropriations Subcommittee Vice Chair David Valadao (R-CA).

Chairman Conaway told attendees he hoped to have the farm bill finished and on the House floor for vote by the end of this year or early next year.

Several comments were submitted by almond industry members in support for the Market Access Program to open export markets, research funding, and crop insurance for specialty crops.

Prior to the listening session, House ag committee staff and Congressman Evans participated in an overview of the almond industry and a tour of an almond orchard. The meeting was an opportunity to describe accomplishments of the industry, as well as to highlight some of the changes related to production and trade.

Other Updates

Following is the latest on several on-going issues:

- Fosetyl/Phosphonate dossier still being evaluated by French authorities.
- China AQSIQ has advised new health certificate *does not* apply to almonds.
- Request for China market access for almond hulls is under review with AQSIQ.

The Almond Conference

Reminder! Many of these issues will be covered during the Almond Conference, which is being held December 5-7, 2017 in Sacramento. **Be sure to register now!** The Almond Conference is expected to be the largest ever, with over 4,000 attendees and 250 exhibitors. Hotels are now accepting reservations.

Register at: www.Almondconference.com

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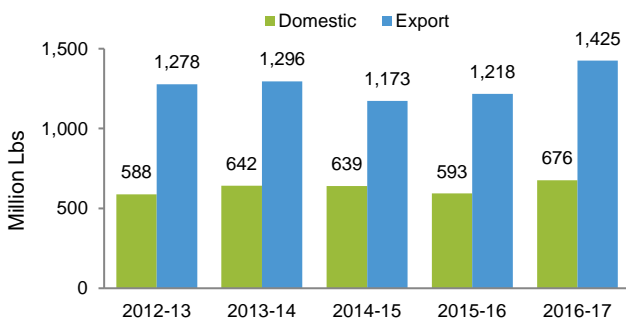
Export and Domestic Shipments for 2016/2017

Recognition of the health benefits, versatility, and quality of California Almonds is reflected in Global demand which continues to be strong across markets and product types. FY 16/17 saw records for domestic shipments, exports, and production.

Total Shipments

Overall shipments were 2.13 billion pounds. The U.S. accounted for 32% share of total shipments at 676 million pounds. Exports destined for more than 90 countries around the world represented 68% of total shipments.

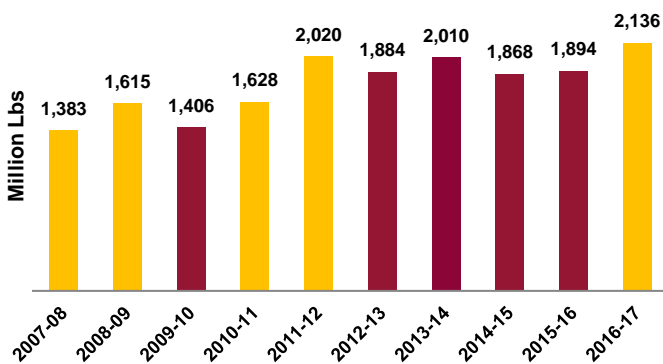
DOMESTIC & EXPORT SHIPMENTS 2016/2017



Production

Crop year 2016/17 production of 2.13 billion pounds is the largest crop on record. Overall production reflected improved weather conditions and expanded acreage.

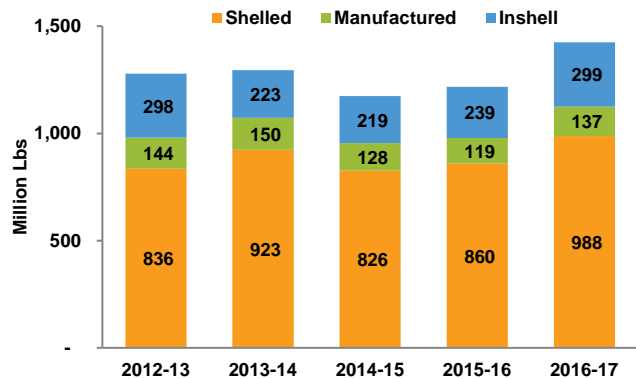
Gold Bars Are Record Years



Export Shipments

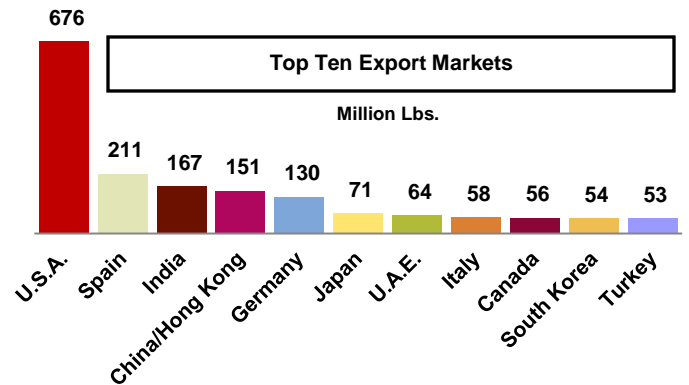
Exports of shelled almonds were up 15% over last year to 988 million pounds, while inshell shipments were 299 million pounds, an increase of 25% compared with last year.

EXPORT SHIPMENTS BY PRODUCT TYPE 2016/2017



Top World Destinations

The top five export destinations (Spain, India, China, Germany and Japan) account for approximately 51% of total export shipments. Spain continued to be the top export destination in 2016/17 with shipments totaling 211 million pounds. India has surpassed China to become the second largest export market.



Regional Exports

Western Europe, at 566 million pounds, continues to represent the largest export region. The Asia-Pacific region accounts for 38% of exports; up slightly from 36% in 2015/16.

ALMOND EXPORTS BY REGION 2016/2017

