

ABC Global Issues Update

Turkey Reduces Tariff for Almond Imports

Turkey has decreased the customs tariff for almonds to 15 percent from 43.2 percent. Tariffs are assessed per ton on the cost, insurance, and freight (CIF) value of the shipment, or the reference price, whichever is higher.

The tariff reduction was announced on December 31, 2017 in the annual updated tariffs list, in the Official Gazette of the Government of Turkey.

More information is available in the following U.S. Department of Agriculture Foreign Agricultural Service GAIN [report](#).

Several delegations of importers from Turkey will be in the U.S. as part of a USDA Cochran program visit. For further information, please contact Beth Van Meter at the ABC.

EU Phases Out Iprodione for Local Farmers

The European Union will phase out Iprodione for use within the EU. The grace period for the product will end on June 5, 2018.

The EU has not notified the World Trade Organization (WTO) of changes to the current MRLs which will be reduced to the default level of 0.01 ppm (this will include the MRL which is currently in place for almonds). It is anticipated the EU will notify the WTO shortly after the grace period for use has ended. MRL changes could take effect as early as

late 3rd quarter or early 4th quarter of 2018.

ABC is working closely with USDA/FAS, USTR, the registrant, and trade groups within the EU to understand what the phase out period will be for almonds. ABC has been urging consideration of a longer transition period to a lower MRL, due to almonds having a long shelf-life. As we gain any information, it will immediately be communicated to the industry.

If you have any questions, please contact ABC staff: Gabriele at gludwig@almondboard.com or Beth at evanmeter@almondboard.com.

Level for Phosphonates/Fosetyl-AI Moving Forward

The European Food Safety Authority (EFSA) has completed its review of an MRL for Phosphonates/Fosetyl-AI. The Reasoned Opinion from EFSA was published today <http://onlinelibrary.wiley.com/doi/10.2903/j.efsa.2018.5161/full>.

The Opinion would support two levels – this is in consideration of whether the MRL is set for (1) Fosetyl-AI (sum of fosetyl, phosphonic acid and their salts, expressed as fosetyl): 500 ppm; or 2) Sum of fosetyl, phosphonic acid and their salts, expressed as phosphonic acid: 400 ppm.

Fosetyl is on the agenda of the February Standing Committee, which would be the next step in the process to establish an MRL. Assuming a successful vote, the proposal would then move to the European Council

and Parliament (normally a routine procedure), which takes about two months.

European Parliament to Create Special Committee to Assess Pesticide Approvals

The European Parliament is working to set up a special committee to review the EU's authorization procedure for pesticides, according to a January 18 [press release](#).

The initiative to create a special committee is a response to concerns raised about the risk posed by the herbicide glyphosate. The authorization for glyphosate was renewed by EU member states for five years in November 2017.

The special committee is to assess the authorization procedure for pesticides in the EU, the potential failures in how substances are scientifically evaluated and approved, possible conflicts of interest in the approval procedure, the role of EU agencies in the procedure, as well as the role of the European Commission in renewing the glyphosate license.

The vote on the establishment of the special committee will take place during the Parliament's February 5-8 plenary session.

Health Canada Opens Public Consultation on Neonicotinoids

Following updates to the literature concerning health risks to pollinators presented by neonicotinoids, Health

Canada's Pest Management Regulatory Agency (PMRA) has proposed re-evaluation decisions on [clothianidin](#) and [thiamethoxam](#). Canada began the review process of three agriculturally important neonicotinoids (imidacloprid, clothianidin, and thiamethoxam) in 2012.

Neonicotinoids gained popularity for pest control due to their water solubility, which allows them to be applied to soil and be taken up by plants. Recently, research has pointed to the potential toxicity to bees and other insects through low level exposure which may impact some bees' ability to forage for nectar, remember where flowers are located, and find their way home to hives. Neonicotinoids, in general, are more toxic to invertebrates than they are to mammals and other higher organisms.

The public comment period will close on March 19, 2018. More information is available at the following U.S. Department of Agriculture Foreign Agricultural Service GAIN [report](#).

U.S. and Korea to Continue Amendment Negotiations

The U.S. Trade Representative (USTR) Robert Lighthizer [announced](#) on January 25 that the next round of negotiations on amendments and modifications of the Korea-U.S. Free Trade Agreement (KORUS) will be held in Seoul, Korea on January 31 and February 1, 2018.

Negotiators last met on January 5, 2018 to kick off the amendment negotiations in Washington DC, where talks focused largely on the automotive sector and the trade imbalance between the two nations.

Sixth Round of North American Free Trade Agreement Negotiations Concluded

The sixth round of the North American free Trade Agreement (NAFTA) negotiations concluded at the end of January, with some sections of the agreement being completed, but still difficult issues remaining.

While negotiations were underway in Montreal, the Business Roundtable released a [study](#) on the effects of a NAFTA withdrawal. The study found that withdrawing from NAFTA could lead to a net loss of 1.8 million U.S. jobs within the first year, reduce exports to Canada and Mexico by over 17 percent each, and lower the purchasing power of the average U.S. household due to higher prices and lower wages caused by an increase in tariffs.

Trade negotiators from the three countries are set to meet in Mexico City from Feb. 26 to March 6 for the seventh round of talks.

Officials from all three countries have kept their predictions relatively vague as to when they expect negotiations will wrap up. They had initially set an informal deadline of closing out talks by the end of 2017, before deciding in October to extend that timeline by three months, to the end of March.

After that, the negotiating climate will be more complicated – Mexico has its presidential election in July and U.S. midterm elections in November could put the control of Congress up for grabs. Provincial elections are also slated to be held in Canada later this year, but they are generally seen as less of a potential roadblock.

European Port Officials in California

From February 26 – March 2, 2018, the Almond Board will host port authorities from Spain, Greece, Romania, Germany, and the European Commission for the Pre-Export Check Seminar. The seminar will walk authorities through the entire almond supply chain to demonstrate the effectiveness of the Pre-Export Check program. This seminar will concentrate on the north valley.

SAVE THE DATE FOR THE HANDLER SEMINAR!

Port authorities will present on import operations for the respective ports.

When: February 28, 2018 at 9:00am

Where: Almond Board Offices

Upcoming Travel

- **February 12-16, 2018**

Julie Adams and Richard Waycott in Delhi, India for the annual India Trade Conference (February 15) and meetings with government authorities.

- **February 16-22, 2018**

Julie Adams, Richard Waycott, and Sudarshan Mazumdar in Dubai, UAE at the Gulfoods trade exhibition.

- **February 24-March 6, 2018**

Emily Fleischmann in China and Italy for 2018/19 planning meetings and consumer research.

Staff Contacts:

Julie: jadams@almondboard.com
 Beth: evanmeter@almondboard.com
 Gabriele: gludwig@almondboard.com
 Jesse: jroseman@almondboard.com
 Bunnie: bibrahim@almondboard.com

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