



ABC GLOBAL UPDATE

April 2021

Timely Ag Export Webinar Anticipates Delays to Continue for Several Months

The major export delays impacting ag and almond shipments are expected to continue for the next several months. This was the message to handlers shared by speakers from Ag Transportation Coalition and the Port of Oakland during a recent ABC webinar.

Labor shortages at the port due to COVID quarantines, blank sailings, empty containers being shipped to China to bring back manufactured product, and shortages of transportation equipment are just some of the factors leading to logistics delays and increased costs for shippers. While vessel calls are down 21%, the TEU's/vessel is up 35% -- that means more cargo to unload and longer port stays. Unfortunately, leading to more skips.

With 17 more acres of parking at the port, 3 new cranes being installed, and more trained staff, Port of Oakland is "cautiously optimistic" we will see operations speed up. But as AgTC pointed out, the continuing issues of shipping lines charging higher fees (even where services are not provided) and the need for extended hours to service increasing trade demand.

So, what can shippers do in the meantime? Port of Oakland suggests:

- Actively track vessels on a daily basis
- Factor additional costs into your cost of doing business
- Your transportation relationships come into play during tough times

- Consider where your cargo is going vs. where the containers are needed in Asia (issues may be vessel string specific)
- Manage your demurrage and detention bills. Stay on top of them.
- Be sure to save your carrier booking confirmations and change updates
- Use more providers (meaning, if you need to, identify more than one equipment provider for transport).

ABC thanks Port of Oakland and AgTC for their continuing partnership and willingness to engage with industry.

For more information, contact: Geoffrey Bogart at the ABC: gbogart@almondboard.com

Egypt Launches New Pre-Clearance System for Imports

USDA/FAS has advised that Egypt's Ministry of Finance issued Decree 38/2021 on pre-shipment registration - *Advanced Cargo Information (ACI)* - under a new single window system that seeks to modernize and automate customs administration, simplify procedures, and reduce clearance times.

Under this decree, consignment documents for Egyptian agencies at ports of entry (including Customs, General Organization for Import & Export Control, National Food Safety Authority, and the Ministry of Agriculture's Plant Quarantine and Veterinary Services), must be submitted through the single window system 48 hours prior to shipment arrival.

The new system was launched April 1, 2021, and full implementation is expected by July 1, 2021 but may be delayed given complexities of

technology and communications with other platforms. The 3/29/21 USDA/FAS GAIN report for details: [https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Egypt%20Launches%20Single%20Window%20Pre-Clearance%20System Cairo Egypt 01-19-2021](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Egypt%20Launches%20Single%20Window%20Pre-Clearance%20System%20Cairo%20Egypt%2019-2021)

For more information you can contact: Elizabeth Mello at FAS Cairo: MelloE@state.gov

Foreign Agricultural Service Releases its 2020 Agricultural Export Yearbook

The USDA/Foreign Ag Service has issued its 2020 ag export yearbook.

The report provides figures for 2019 which confirm U.S. almonds are still the top export commodity in tree nuts: "U.S. exports continue to dominate the global almond, pistachio, and walnut markets despite disruptions due to tariffs and restrictive phytosanitary requirements."

The breakout of 2019 tree nut exports were **54 percent almonds (\$4.9 billion)**, 22 percent pistachios (\$2.0 billion), 14 percent walnuts (\$1.3 billion), 5 percent pecans (\$475 million), 4 percent 'mixed & other nuts' (\$350 million), and 1 percent hazelnuts (\$90 million)."

For the report, please visit link:

[2020 U.S. Agricultural Export Yearbook | USDA Foreign Agricultural Service](#)

Japan Revises MRLs for 13 Agricultural Chemicals

On March 30, 2021, Japan's Ministry of Health, Labour, and Welfare (MHLW) announced **revisions** to Japan's maximum residue levels for

13 agricultural chemicals, according to USDA/FAS reporting.

Among the substances are MRLs for Flazasulfron and Cypermethrin; the proposal for Cypermethrin actually increases the MRL in line with Codex; for Flazasulfuron, there is no change to the existing Japanese MRL.

Comments may be submitted by April 9, to PlantDivision@usda.gov. Japan will subsequently notify to the WTO, providing another opportunity to comment.

South Korea Notifies Draft Revision of “Special Act on Imported Food Safety Control”

On March 31, South Korea **notified** the WTO of draft **revisions** (in Korean) to its “Special Act on Imported Food Safety Control.”

The draft revisions include registration requirements, food safety, and inspection procedures for overseas manufacturing facilities and imported food products.

Comments will be accepted for 60 days after publication (until May 31, 2021) to the International Cooperation Office of the Korean Ministry of Food and Drug Safety intmfd@korea.kr.

Update on Mexico Front-of-Pack Labeling Requirements

New provisions under Mexico’s front-of-pack (FOP) labeling requirements regarding endorsements and claims entered into force on April 1, 2021.

In January, Mexico’s Consumer Protection Office (PROFECO), **published** (in Spanish) details stipulating that the inclusion of seals and nutritional recommendations endorsed by organizations and associations must be approved by PROFECO, and renewed annually through a registration process. Additional details are available via USDA GAIN **reporting**.

Mexico has established a grace period from April 1 – May 31 to facilitate trade. Products will not be penalized for lack of compliance with the newest provisions, and the use of

stickers will still be allowed. A recent USDA **GAIN report** provides more information regarding Mexico’s new requirements for U.S. processed foods and non-alcoholic beverage companies.

Chile Establishes Risk Classification of Plant Products

On March 16, Chile’s Servicio Agricole y Ganadero (SAG) **notified** the WTO of a **Resolution No. 1284/2021** (in Spanish) establishing four risk categories for plant products based on pest risk.

The risk categorizations consider method of processing, level of processing, and intended use, and establishes the need for verification of compliance with certification requirements for imported organic produce.

- Roasted or salted almonds are placed in category one of the new risk profile, implying the lowest level of pest risk due to processing.

The regulation has entered into force as of March 16, 2021.

USDA Secretary Vilsack Endorses TPA

On March 30, Agricultural Secretary Tom Vilsack urged Congress to renew Trade Promotion Authority (TPA) legislation. TPA is set to expire on July 1, 2021. The legislation fast-tracks trade agreements through Congress by allowing for a straight up or down vote without amendments or filibusters.

TPA would be a major boon for the US-UK trade deal, ongoing negotiations with Kenya, and possibly rejoining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which was also mentioned by Vilsack. The window to get the deals done under the current TPA has passed, so Congressional renewal would now be necessary.

Contact Keith Schneller for info at kschneller@almondboard.com.

Where do we go with Tariff Issues?

The National Foreign Trade Council revived the Tariff Reform Coalition in March. It is a coalition of 37 businesses and agriculture groups affected by import tariffs that advocate for rollback of Section 232 and Section 301 duties. Specifically, the Coalition requests that the Biden administration and Congress reassess the tariffs to see if they are achieving their objectives and that steel and aluminum tariffs should be scrapped in favor of WTO-consistent trade laws to address overcapacity. The American Beer Institute, Farmers for Free Trade, National Council of Farmer Cooperatives, National Pork Producers Council, and the Petfood Institute are all part of the Coalition.

USTR Katherine Tai also indicated in a recent interview that China still needs to agree to changes before Section 232 and 301 duties are rolled back. The administration is also moving forward on possibly launching new 301 duties on recently implemented Digital Services Taxes by six countries including India, Italy, Spain, and the UK. Hopefully, a solution will be found before further expansion of using 301, which will certainly lead to more retaliatory duties.

What are Your HOT Topics? Let us Know!

GTRA staff are evaluating possible webinar topics diving into key trade, shipment and regulatory issues of interest to the industry.

The Logistics Webinar on April 6 is an example; other possibilities include a deep dive into UK Rules of Origin under Brexit, EU Pesticide Policy, and Upcoming Trade Agreements. Topics can be broad or narrowly focused – reach out to any of the GTRA team with your wish-list!

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