



ABC GLOBAL UPDATE

November 2021

UPDATE: China's Pending Foreign Food Facility Registration

The U.S. Government is still waiting for clarification from China regarding implementation of its proposed foreign food processing/storage facilities registration requirements that will go into effect at the end of the year.

China's proposed Decree 248 is similar to the 2002 U.S. Bioterrorism Act that requires all facilities at home and abroad that process food and feed for sale in the United States to self-register with U.S. FDA. After registering with FDA, companies are assigned a FDA Establishment Identifier (FEI). However, Decree 248 requires that overseas processors of 18 commodity groups including nuts be registered with China's Customs Authorities (GACC) by the foreign countries' competent authorities.

For those handlers who agreed to share their information, ABC already collected FEI numbers and other info from handlers who have exported inshell/kernels to mainland China since 2017. That list was recently provided to FDA to help speed up the registration process. Unfortunately, FDA is still sorting out the details with GACC.

Recent FDA notifications to exporters recommended that companies should start self-registering with GACC using China's new website portal found at: <https://new.singlewindow.cn/> While we wait for FDA to finalize plans to register tree nut facilities with GACC, we recommend that companies go ahead and self-register before the

end of the year in order to avoid potential trade disruptions. HS Codes for almonds (080211 and 080212) are already included in China's single window portal.

ABC will be sending out an FAQ on this subject as well as some guidelines on how to self-register on this website since it is *currently only available in Chinese*. Several handlers have already started the online registration process and have noted the system is still buggy.

Most handlers were familiar with their confidential 11-digit FDA Facility Registration number, but some needed help confirming or applying for the 10-digit FDA Establishment Identifier (FEI) that can be found at the following website: <https://datadashboard.fda.gov/ora/fd/fser.htm>.

For more information on this topic, USDA has provided several reports on Decree 248:

- [Decree 248: English Translation](#)
- [GACC Issues Explanatory Letter and Annexes on Decree 248](#)
- [Decrees 248 and 249: Notes from GACC Information Sessions](#)
- [Decree 248 Foreign Facilities Self-Registration Website Launched](#)
- [Unofficial USDA Registration Guide](#)

If you have any questions or need assistance, contact Keith Schneller at kschneller@almondboard.com

GTRA Sessions at the Almond Conference on December 8th

ABC's Global Technical and Regulatory Affairs staff will be moderating several panels at the

upcoming [Almond Conference](#) on Wednesday, December 8th. Please mark your calendars accordingly:

8:40-9:45am (Rm 3) Almonds in the Global Trade Environment – This session will feature experts from USDA, USTR and an EU Policy Consultant discussing U.S. trade policy issues with China, India and the EU.

8:40-9:45am (Rm 4) Carbon Markets – A Role for Almonds – This session will feature a wide range of speakers who will discuss how carbon markets will benefit the almond industry in the future.

2:45-4:00pm (Rm 4) Ag Export Delays: Any light At the End of the Tunnel? – Experts at this session will discuss latest developments related to the logistical challenges facing U.S. exports and what lies ahead in 2022.

U.S.-India Trade Policy Forum

For the first time since 2017, USTR confirmed it will reconvene the U.S.-India Trade Policy Forum (TPF) on Nov 22-23 in New Delhi. The TPF is an opportunity to talk about a range of issues; five priority areas include intellectual property, tariffs, health industries, digital trade and technical barriers to trade (TBTs). India's increasing use of TBTs and lack of good regulatory practices has been a significant concern – in effect, creating a lack of stability, predictability and transparency.

After revoking India's GSP benefits in 2019, the Trump administration sought to forge a limited, market-access-focused trade deal with New

Delhi. The two sides failed to come to an agreement.

It is hoped that an outcome of TPF will be a commitment to address some of the ongoing technical/regulatory issues facing ag, including labeling requirements and standards. Brendan Lynch from USTR who will participate in the TPF has been invited to give a presentation on trade with India at The Almond Conference on December 8.

U.S. Resolves Section 232 Tariffs on EU Steel and Aluminum

The Biden Administration recently resolved the Section 232 steel and aluminum tariff issues before the self-imposed deadline of Nov 1 after which the EU would have reimposed retaliatory duties on certain U.S. imports. The U.S. will replace the 232 duties with tariff-rate quotas. The quotas will be based on historic imports and the in-quota duty will be zero. The EU agreed to suspend its retaliatory duties as well as legal challenges at the WTO.

In response to this, the Senate re-introduced the [Bicameral Congressional Trade Authority Act](#) from last year to require congressional authority over Section 232. It would require tariffs imposed for “national security” purposes to be approved by Congress.

Soon after announcing resolution of the issue with the EU, [Japan asked](#) for Section 232 tariff relief as well.

U.S. ITC Report on 2020 Trade Shifts

The U.S. Trade Commission published [its annual report on Trade Shifts](#) from 2019 to 2020. The website includes rich interactive data charts covering 10 industry sectors including agricultural products. From 2019 to 2020, U.S. agricultural exports increased by \$6.9 billion to \$157.2 billion. Agriculture is the only merchandise sector covered in this

report in which exports increased in 2020. China was the main driver of this increase – U.S. exports to that country increased by \$12.4 billion (84.7 percent) to \$27.0 billion. As a result, China overtook Canada and Mexico as the top destination for U.S. agricultural exports in 2020. Conversely, the largest decreases in U.S. exports occurred in trade with Mexico, which declined by \$1.1 billion (5.8 percent) to \$18.2 billion, and Hong Kong, which decreased by \$1.0 billion (32.1 percent).

Countries considering new, front-of-pack labeling requirements

Several countries around the globe are considering new labeling requirements that will mainly affect products being sold in retail channels. For more information, please click on links below:

[Korea Expand Scope of Products Requiring Nutrition Labeling as of Jan 1, 2022.](#)

[Saudi Arabia's Draft Nutrition Labeling Regulation](#)

[Argentina Adopts Front-of-Pack Warning Labels](#)

[China Notifies Draft Nutrition Labeling Regulations for Comment](#)

[Taiwan Notifies Draft Regulations for Nutrition Claims on Prepackaged Food Labeling](#)

What is TESSD?

[TESSD stands for Trade and Environmental Sustainability Structured Discussions at the WTO.](#)

The U.S. did not participate in these discussions launched last year at the WTO by more than 20 members, but recently agreed to act as a co-sponsor of the nearly finalized ministerial declaration that will be announced at the WTO's 12th Ministerial Conference (MC12) that will be launched on Nov 30. China also announced in October that it would co-sponsor the TESSD effort,

according to a [statement](#) from the Chinese Ministry of Commerce. China is also coordinating talks at the WTO on reducing plastics pollution and other environmental initiatives.

At the most recent TESSD meetings in Geneva, there was broad support for the statement that would set out future work in areas such as trade and climate change in 2022. The U.S. released a statement that it “*firmly believes that trade and environment policies can and should be mutually supportive. We recognize the important role of international trade and trade policy with respect to the environment, and trade as a tool for addressing environment and climate challenges.*” ABC will continue to monitor new WTO trade initiatives related to climate change and the environment.

USTR Resumes Trade Talks with China

Last month, USTR Ambassador Tai resumed discussions with Chinese Vice Premier Liu He to discuss implementation of the U.S.-China Phase One Agreement that went into effect in February 2020. USTR expressed concerns about China's state-led, non-market policies and practices. Liu He agreed to consult on outstanding issues related to the Phase One deal. Hopefully, issues related to implementation of Decree 248 have been included in these discussions in order to avoid trade disruptions at the end of the year.

Upcoming Travel and Events

Dec 8-10: [The Almond Conference](#)
Nov 30 – Dec 3: [WTO's 12th Ministerial Conference](#)

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