



February 8, 2023

## Happy Year of the Rabbit!

### ABC holds calls with Chinese Trade Association Leaders

After the Chinese New Year, ABC staff coordinated separate video calls with Mr. Cao, President of the **China Chamber of Commerce of Import and Export of Foodstuffs (CFNA)** and Madame Weng, Executive VP of the **Committee for Nuts and Seeds of China's National Food Industry Association (CNSA)**. Both organizations have been very supportive of ABC market development efforts in China. CFNA was helpful in encouraging waiver programs for retaliatory tariffs in China while Madame Weng has kept us apprised of the development of updated almond standards inside China. In addition, we discussed common interests in supporting Chinese nut importers and processors to expand the consumption of almonds in China. Since Covid-travel restrictions have been removed and China's economy is starting to come back to some sense of normalcy, both groups have plans to participate in various trade shows at home and abroad. Mr. Cao will accompany a team of nut processors to INC later this year in London. Madame Weng encouraged ABC and its members to visit the China Sweets Show in Chengdu from April 12-14 and China's International Tree Nuts Conference in Lin'an China from Aug 2-4. These activities had been postponed multiple times due to Covid concerns.

### Decree 248 Update

Several handlers have recently finalized their GACC registrations. This is important because with FDA's internal reorganization, there's a chance FDA could pass the daily responsibility of managing GACC's U.S. CIFER portal to USDA or some other third party. This could dramatically slow down the GACC registration process and result in some handlers' facilities being delisted if their registrations are not finalized by June 2023. **If you are not certain about the status of your registration, please contact [kschneller@almondboard.com](mailto:kschneller@almondboard.com) ASAP.** FDA also informed ABC that GACC is now requiring that U.S. firms include an [FDA/FEI printout found online](#) to be included with their application change requests as part of the GACC application process. As a reminder,

please make sure to continue printing either your FEI or GACC approval numbers on packaging for products going to China to avoid delays at the border. Unfortunately, FDA still has not come up with a solution to assist new facilities registering with GACC for export to China due to challenging competent authority inspection requirements from GACC. This is affecting hundreds of U.S. food processing facilities from exporting to China.

### Update on French and Spanish Environmental Packaging Measures

In January, ABC received some disconcerting reports about France and Spain separately implementing new measures related to environmental packaging laws that still have not been fully implemented by the EU. Spain was the first to implement a new plastic tax ([Spanish Law 7/2022](#)) that went into effect on Jan 1, 2023 which levies a tax of 0.45 euro per kilogram on the proportion of non-recyclable plastic in the packaging material. Spain has not published any official guidance yet to assist stakeholders in compliance. We are advising industry members to work with their buyers in providing the requested information. It is our understanding that some buyers have provided templates, while others have requested a packing list on company letterhead, or a declaration on invoices. Where claims about recycled plastic % have been made, you may be asked to provide a copy of the certificate from your packaging suppliers. But at this point, we are not aware of any specific requirements for how the information is to be provided. We will provide more guidance as soon as we receive it from the USDA office in Madrid.

The other issue is related to a proposed new [environmental labeling scheme](#) in [France](#) that will go into effect at the end of 2023. The purpose of the labeling is to "*inform consumers about the environmental qualities and characteristics of waste generating products*", and will mainly apply to textiles, electronics, toys, etc. While this labelling is **not** targeted at food products, it is unknown if this could change in the future.

Neither of these initiatives are part of the EU's proposed Green Deal but were instead developed a few years earlier and are slowly being implemented in

various EU member states. For more information, contact [akulkarni@almondboard.com](mailto:akulkarni@almondboard.com).

## India Trade Policy Forum Yields Some Results for Pecans

On January 11, 2023, the U.S. and India held the 13<sup>th</sup> Ministerial-level meeting of the U.S.-India Trade Policy Forum (TPF) in DC. A [joint statement published](#) after the meeting indicated many issues were discussed including remaining work on finalizing access for certain agricultural products of interest to both sides, increased dialogue on food and agricultural trade issues, reestablishment of GSP and **potential targeted tariff reductions**. On February 2, Senator Jon Ossoff from Georgia issued a [press release](#) that India was cutting tariffs on imports of pecans from 100 percent to 30 percent. This was confirmed in the Indian Finance Ministry's proposed [annual budget, released on Feb. 1](#). This is excellent news for U.S. and Mexican pecan growers but does not address the retaliatory tariffs on several U.S. agricultural commodities going to India. We are hopeful that further market access issues and tariff reductions in India will be addressed again in the near future, given the fact that California Almonds are the largest U.S. agricultural export to India.

## Transportation Update

U.S. Agriculture Secretary Tom Vilsack recently called on the Federal Maritime Commission (FMC) to adopt stricter requirements for ocean carriers based on their preference for higher value import cargo over outgoing agricultural commodities. In a [letter](#) to FMC officials, Vilsack suggested changes to the commission's proposed rulemaking for defining unreasonable refusal in negotiating vessel space accommodations. The letter lays out three areas of improvement for dealing with carrier refusals.

## Algeria Requires Fumigation

ABC sent out a note to handlers on January 26 stating that Algeria does not require fumigation per USDA/APHIS. However, after further follow up, it has been confirmed that a fumigation requirement implemented in late 2022 only allows Aluminum or Magnesium Phosphide fumigation of products intended for export to Algeria. **The fumigation information must be included on the mandatory phytosanitary certificate.** APHIS updated its online [PCIT/PExD database](#) accordingly on January 30. For

more information, contact [akulkarni@almondboard.com](mailto:akulkarni@almondboard.com).

## New Ag Leader Participates in Senate Hearing

After only a few weeks on the job, Under Secretary for Trade and Foreign Affairs, Alexis Taylor, [testified](#) in a Senate Ag Hearing preparing for discussions related to the Farm Bill and expansion of U.S. agricultural exports. Alexis has many years of trade policy experience and highlighted many of USDA's export assistance programs she will be managing to expand U.S. agricultural exports.

## U.S.-EU Post-Brexit Agreement

The U.S. and the EU recently signed the post-Brexit, [U.S.-EU Tariff Rate Quota Agreement](#) that will be "based on the historic pattern of agricultural exports to the 27 EU Member States" and, "following the United Kingdom's exit from the EU on January 1, 2021," USTR said in a [statement](#) on January 17. While the 90,000 MT TRQ for almonds has not been expanded for many years, the almond quota will be increased by 265 MT when implemented later in the year.

## Upcoming Events:

Feb 13-17: India trade and govt meetings in Delhi.  
Feb 16: India Almond trade conference  
Feb 14: World Ag Expo in Tulare, CA including House Ag Farm Bill Listening Session  
Feb 20-24: ABC exhibiting at Gulfood in Dubai  
Apr 12-14: China Sweets Show in Chengdu  
May 22-24: INC Congress in London

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## Your GTRA Team

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