



July 11, 2023

ABC Visit to DC Coincides with India Tariff Reductions

The annual Almond Board of California (ABC) industry delegation visit to Washington DC coincided this year with the first State Visit of India's Prime Minister Modi. During the week of June 19th, the delegation met with several U.S. government officials including Ambassador McKalip, the United States Trade Representative Chief Agricultural Negotiator, as well as with the United States Ambassador to India, Eric Garcetti. Discussions have been held with U.S. officials for many months/years about the importance of the almond trade with India and the negative impacts of retaliatory tariffs. This has been compounded by the favorable trade agreement recently concluded between India and Australia which benefits Australian almonds exported to the Indian market.

On June 22nd, Indian and U.S. Government officials announced that retaliatory tariffs (Section 232) applied to imports of U.S. almonds into India will be removed within the next 90 days. The tariffs will be dropped to India's bound rates of 35 rps/kg for inshell and 100 rps/kg for shelled almonds. While this is great news, we are still at a competitive disadvantage with Australia – whose duty rate is 50% lower.

ABC staff will monitor India's implementation date, and advise when it is published. For more info, please contact jadams@almondboard.com.

ABC DC Delegation Trip Highlights

A delegation of ABC staff and Board/Committee members were recently in Washington, DC to meet with government officials. The industry members' time and commitment was invaluable, providing practical "real-world" examples of the challenges and opportunities which the almond industry faces.

The meetings were all highly productive and helped educate many agencies on the current state of the industry as well as the most vital trade and production issues at hand. The meetings were conducted with multiple segments of USDA (Foreign Agricultural Service, National Agricultural Statistics Service,

Agricultural Marketing Service, Trade and Foreign Agricultural Affairs Mission Area, and Marketing and Regulatory Programs Mission Area), USTR, EPA, FDA, various California representatives to Congress, House Agriculture Committee Chairman G.T. Thompson, and staff members for the various agriculture committees.

ILWU, PMA Announce West Coast Port Tentative Agreement

On June 14, the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU) announced a tentative agreement on a new six-year contract covering workers at all 29 West Coast ports. The deal was reached with assistance from Acting U.S. Secretary of Labor Julie Su. In the next few weeks, delegates representing the Locals will meet with negotiators to discuss the agreement. The text of the contract will then be mailed to the rank and file of the ILWU membership, who will then have the opportunity to discuss the contract with fellow members. After this, a secret ballot will be conducted to approve the contract. In the unlikely scenario that the membership votes against the contract, it would be sent back to the negotiators to iron out the differences.

This is welcome news as a significant amount of cargo volume had shifted to the East Coast during the negotiations. Much of this is expected to return to the West Coast. However, the impact, if any, of an ongoing ILWU-Canada strike on the process domestically is still yet to be determined.

EFSA Review on Glyphosate

On July 6, the European Food Safety Authority (EFSA) released their risk assessment of glyphosate and did not report any major health or environmental concerns with the use of glyphosate. In 2022, the European Chemicals Agency (ECHA) concluded that glyphosate was not a carcinogenic, mutagenic or reprotoxic substance. EFSA did note that they needed more data for one contaminant, and that they could not complete the dietary risk assessment as missing data for some rotational crops, but that was not expected to change the dietary risk outcome. The risk assessment identified high, long-term impacts on mammals for 12 of 23 proposed uses of glyphosate.

Glyphosate is currently approved for use in the EU until December 15, 2023. EFSA's conclusions will be

used by the European Commission and Member States to decide whether to keep glyphosate on the EU list of approved pesticide active substances. The European Commission will submit to the Member States a draft renewal report/regulation which they will discuss and vote on in the Standing Committee on Plants, Animals, Food and Feed (PAFF). Discussions will begin at the next PAFF meeting on July 11 regarding renewal of the registration within the EU. It is not clear if they will make a decision or defer until the September meeting. Many members want to phase out use of glyphosate, so it will be interesting to see how the member countries vote. Will they follow scientific opinion or the more political one? If the glyphosate registration is not renewed, then the EU will likely lower MRLs in the next year or two. For more information contact gludwig@almondboard.com.

UK PEC Update

Great Britain (GB) is in the process of revising regulations that it retained from the European Union (EU) post-Brexit. This includes EU regulation 2015/949, which governs the Pre-Export Check (PEC) program that recognizes California almonds for a reduced inspection rate upon arrival in the EU. Following discussions between AMS, ABC, and UK authorities, UK authorities indicated they will continue to recognize PEC but will require changes to the existing EU PEC certificate. The UK indicated its flexibility in certificate format, allowing us to leverage existing PEC procedures and database information to generate a GB/UK specific PEC certificate when product is shipped to the UK.

Once the new format has been agreed between all parties, there will be a six-month transition period where shippers can continue using the EU PEC certificate. Once ready, ABC will conduct informational training for all shippers in generating the new UK-specific PEC certificate. For more information, contact akulkarni@almondboard.com.

Handlers Finalize China Facility Registrations

Around 65 almond processing facilities finalized their registrations with Chinese Customs (GACC) before the June 30 deadline. FDA provided great assistance in making sure that all handlers were able to upload and submit mandatory documents including last-minute, self-assessment checklists required by GACC to finalize the registrations. Handlers are advised to continue to [monitor their accounts for final approvals](#)

from GACC. Registrations should be valid for the next 5 years. FDA also informed ABC that handlers will be required to keep their FDA biennial registrations and related Export Listing Module (ELM) information for China up to date. FDA will send out email reminders accordingly. For more information about your GACC account situation, please contact kschneller@almondboard.com.

EU-Kenya Trade Deal

The EU and Kenya [announced](#) the conclusion of negotiations on an Economic Partnership Agreement (EPA) on June 19. The agreement will bring duty-free quota-free access to the EU for all Kenyan exports with immediate effect, a gradual and partial opening of Kenya's market, and a ban on unjustified or discriminatory restrictions on imports and exports. The announcement describes the deal as the *"most ambitious EU trade deal with a developing country when it comes to sustainability provisions such as climate and environmental protection and labor rights."* The EU is racing past the U.S. in negotiating new FTAs.

Upcoming Events:

- July 11-14: ABC staff attending USAEDC/Attache Conf in DC
- July 12: Almond Objective Estimate Released
- Aug 2-4: R. Waycott attending CFNA Conference in China
- Aug 21-25: J. Adams in India for trade/govt meetings

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The Global Update is a publication by the Almond Board of California. For more information, please contact the Almond Board at 209-549-8262 or regulatoryissues@almondboard.com. The information reported in this document is correct to the best of our knowledge. The Almond Board of California welcomes the participation of all industry member and does not discriminate on the basis of race, color, national origin, sexual orientation, gender, marital status, religion, age, disability or political beliefs.

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