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New Market Access for Almond Hulls in China

On January 12, China's Ministry of Agriculture and Rural Affairs (MARA) finally published definitions for almond hulls and shells based on AAFCO (Association of American Feed Control Officials) and CDFA definitions in its official feed ingredients catalog. ABC made the initial request for this action in November 2021; market access for almond hulls was included in the China Phase 1 agreement, but could not be implemented until the MARA feed catalog was updated. Inclusion of almond hulls in the MARA feed catalog means that six U.S. exporters already on China's approved exporter list can start exporting almond hull pellets and cubes to China to be used as feed ingredients. ABC and AAC will continue to work with USDA/APHIS and China's General Administration of Customs (GACC) to expand the import protocol to include bulk (whole and ground) almond hulls and shells in the future. Please [click here](#) to see USDA's recent report on the new MARA feed catalog updates. If your company is interested in being added to China's export list for almond hull pellets and cubes or if you have other questions about exporting almond hull products to China, please contact Keith for more information at kschneller@almondboard.com

Morocco Trip Report Highlights: Julie Adams joined a U.S. agricultural trade delegation that visited Morocco in early January. The visit was coordinated by the National Association of State Departments of Agriculture using USDA's Emerging Market Funds. Four state department of agriculture representatives, NASDA staff, and ABC participated in the delegation. Morocco is the only country in Africa to have a Free Trade Agreement with the United States, and is considered a gateway to the rest of Africa. The opportunity to participate in the delegation was timely, given the almond industry's interest in identifying emerging market opportunities for future demand growth. Almonds are widely included in Moroccan cuisine, particularly bakery. The trip included meetings with a leading bakery school, importers, and government authorities. California industry members have expressed concerns about procedures for addressing advance payments as well as phytosanitary requirements. Contacts made during the trip will enable ABC to follow up on these issues, particularly future collaboration with Moroccan authorities on food safety issues related to

international trade. Please contact Julie for more info at jadams@almondboard.com.

2023 EU RECAP: For the calendar year 2023, EU had 17 rejections of California almond shipments, which included 9 for infestation/mold. It is important to note that most rejections (15) were in Italy. This seems to be a case of the authorities not being familiar with almond grades. ABC continues to be engaged with the European Commission and USDA/FAS, as well as FDA, and was assured there was pause in further mold testing; it is believed that Italy may still be considering the setting of a yeast/mold level for RTE products.

Also of note was the recent [announcement](#) that the EU's Sustainable Use Regulation (SUR) will be withdrawn from the current EU policy work plan that included the ambitious Farm to Fork objective of reducing pesticide use by 50% by 2030. This comes after increasing farmer protests across the EU. Despite this, the EU has indicated it aims to continue on emission reductions path. How this will impact agriculture will be a prerogative for the next parliament after the June elections. For more information, contact Abhi at akulkami@almondboard.com

2023 JAPAN RECAP: For the calendar year 2023, Japan had 29 rejections of California almond shipments for aflatoxin limit exceedance. In 2022, there were 20 rejections. So far in 2024, there have been 4 rejections in Japan. ABC continues to be engaged with MHLW and FAS to explore the possibility of a pre-testing program, that will result in less testing on arrival – which is currently 100%. Also under discussion is the possibility of allowing reprocessing after a rejection rather than only allowing re-export to the U.S. For more information, contact Abhi at akulkarni@almondboard.com

Ag Trade Updates for Next WTO Ministerial: In preparation for the upcoming 13th Ministerial Conference (MC13) of the World Trade Organization, the Chair of the Agriculture Committee [recently issued a five-page draft text](#) for agricultural negotiations. The draft includes possible ways forward for seven areas including domestic farm support, market access, special safeguards for developing countries, export restrictions on food, and export subsidies. [These discussions have been going on since 2000](#) and are designed to expand and improve rules facilitating international ag trade. However, in recent years, India has held up negotiations based on India's desire to

relax rules on the use of price supports for procuring food security stocks exceeding entitlements allowed by WTO rules (usually 10% of the value of production). This goes against “green box” domestic price support rules and can result in countries “dumping” surplus stocks on the global market. India has been blocking progress on other issues while it continues to demand its use of price supports to maintain large public food stocks. The MC13 will take place in the UAE from Feb 26-29. For more information, please contact Keith at kschneller@almondboard.com.

Push to Renew the Miscellaneous Tariff Bill:

Manufacturing and more than 36 agricultural groups recently sent letters to Congress urging it to renew the Miscellaneous Tariff Bill (MTB) that expired in 2020. On its website, CropLife America reported, “the passage of a MTB that is fully retroactive would help maintain farmers’ access to the essential pesticide products they need to grow food for the U.S. and the world. A renewed MTB would mean lower input prices resulting in decreased price pressures for U.S. farmers, ranchers and consumers. The previous MTB expired in December 2020, and since then, manufacturers and other businesses continue to pay \$1.3 million per day in tariffs.”

New Congressional Ag Trade Caucus: On Wednesday, Jan. 31, U.S. Representatives Jimmy Panetta (D-CA), Adrian Smith (R-NE), Jim Costa (D-CA), and Dusty Johnson (R-SD) announced the launch of the bipartisan Congressional Agricultural Trade Caucus. According to Rep. Jimmy Panetta’s press release, the Caucus seeks to “advance and promote policies vital to U.S. agriculture, including boosting agricultural exports, facilitating food and agriculture trade, and knocking down unnecessary trade barriers.”

US-China Joint Cooperation in Agriculture: The US and China recently revived a Joint Committee on Cooperation in Agriculture. The committee was established in 2003 but had not met since 2015. The two countries agreed to revisit it following a meeting between Presidents Biden and Xi in November last year. AgSec Tom Vilsack and China’s Minister of Agriculture Tang Renjian met on January 18 in Washington. According to a statement from Vilsack, they discussed “outstanding market access issues and other US agricultural stakeholder concerns, approaches to tackling climate and food security challenges, and the importance of an enabling environment for innovative technologies

and practices to ensure productive and sustainable agriculture systems and to facilitate trade.” In FY2022, U.S. agricultural exports to China in FY 2022 reached record levels of \$36.4 billion with China as the largest ag export market for the second year in a row. Since implementation of the US-China Phase 1 Agreement, the U.S. has achieved record exports to China for soybeans, corn, beef, chicken meat, tree nuts, and sorghum. All these products are major contributors to the U.S. farm economy. In CY’23, the U.S. exported a record \$295m of almonds to China third behind \$906m to India and \$355m to Spain.

U.S. Research on Carbon Emissions: On January 18, the Providing Reliable, Objective, Verifiable Emissions Intensity and Transparency Act passed the Senate Environment and Public Works Committee in a bipartisan 14-5 vote. The bill would require various U.S. government agencies in consultation with USTR to research the carbon emissions in the production of various commodities in the U.S. compared to other countries. It also directs the government to identify gaps in data and “issues with verifying average product emissions intensity data.” The sponsors say the information would be an “important step” in crafting trade policy to combat climate change.



Upcoming Events:

- Feb 9-17 Chinese New Year/Spring Festival
- Feb 15 ABC India Trade Conference in Delhi
- Feb 19-23 ABC Booth S3-E62 Gulfood in Dubai
- Mar 10-Apr 8 Ramadan

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