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ABC Meets Trade, U.S. Government officials in India, Pakistan, Dubai, and Singapore

ABC staff was very busy during the month of February with market development trips to India and Pakistan before travelling on to Dubai to exhibit at Gulfood in Dubai. This was also the first trip to Pakistan by ABC staff, Keith Schneller. During the same period, Clarice Turner, ABC's President/CEO, made her first international trip on behalf of the California almond industry. Clarice's travel to India, Dubai and Singapore was an opportunity to engage directly with importers/processors in key markets, participate in several workshops, visit with senior USDA/FAS officials, and meet the U.S. ambassadors to both India and Singapore. The trip successfully conveyed the importance of almonds and our relationships with key trade contacts throughout the region.

India Trip Highlights: The annual India trade conference was held in Delhi prior to Gulfood, attracting over 200 Indian industry members from throughout the country. This year featured a U.S. shipper panel discussing U.S. crop production, regulatory issues, and opportunities for growth. India is the #1 export market for almonds, and has continued to grow every year. ABC presented an overview of new marketing and promotion initiatives that are planned for the coming year, which should further build demand in the market.

The trip also provided the opportunity to participate in the first conference organized by the new India Nuts & Dried Fruit Council. ABC staff will be back in India in the coming month, and plan to meet with Council members to explore how collaborative efforts might be initiated benefiting both shippers and importers of California almonds.

ABC's First Pakistan Trip is Successful: The USDA office in Islamabad worked closely with ABC to set up meetings in Pakistan for ABC's Keith Schneller before the Gulfood show in Dubai. Visits included spending a couple of days in Karachi's Jodias Bazar which is the main "dried fruit" market in Pakistan, and meeting with several major importers and processors based there. The trade is very familiar with California almonds and

explained that Pakistani mothers soak almonds overnight and feed them to their children each morning in the same way that Indian mothers do.

Efforts are underway to form a dried fruit and nut trade association, which plans to work with the Karachi Chamber of Commerce. The group has identified several priority measures: first, to move almonds from a "luxury" category under Pakistani Customs to a "basic" commodity category, which could greatly lower fees and taxes for imported almonds in the future. Second, while Pakistan Customs cut the reference price for almonds in half, but taxes and fees on almonds still need to be addressed as they amount to around 60% of the imported value. Finally, another option suggested by the group to facilitate increased direct imports is to encourage Pakistani Customs to convert the ad valorem tariff on almonds to a specific duty that would make the trade more transparent and avoid under-invoicing related issues.

For more info, please contact Keith at kschneller@almondboard.com.

ABC Workshop at Gulfood: ABC again exhibited at the Gulfood show. A number of handlers exhibit and/or visit Gulfood, which is one of the largest food shows in the world representing 5500 exhibitors from more than 190 countries. Thousands of qualified buyers and food processors from around the globe attend this increasingly important food show each year.

A number of markets in Africa, Asia and the Middle East have been identified as opportunities for further almond import growth. This year, ABC staff leveraged the participation in Gulfood by reaching out to several USDA/FAS offices from the Middle East and Africa asking for their assistance in identifying potential nut importers/processors who would be visiting the Gulfood show. These offices were very supportive and helped staff recruit a number of importers from each of 10 countries who participated in an Almond 101 workshop. About 30 companies participated; ABC staff provided an overview of the industry and technical information related to almond production, attributes, grades and varieties. The response was extremely positive, with requests for further information and contacts. It is anticipated that similar activities will be planned

for Gulfood in the future. For more information, please contact Keith at kschneller@almondboard.com.

EU Update: Almost five years after the EU announced its ambitious Farm-to-Fork policy, a review of the key policy implementation status shows it is significantly behind schedule. In some instances, important policy proposals such as the Sustainable Pesticide Use Reduction (SUR), which envisioned a 50% reduction in pesticide use by 2030, and the Corporate Sustainable Due Diligence proposal, were voted down by the Parliament. There is also growing unrest among the farming community across the EU due to a variety of factors – this includes ever increasing regulatory burdens, inflation, low prices, lack of viable biocontrol alternatives, and so on. This has resulted in growers taking to the streets in multiple European countries, and EU politicians backing off on some of their more controversial policies. However, some of the farming community’s ire is also shifting towards imports. This may bring back the ‘mirror clause’ policies (requiring countries exporting to the EU to adopt similar regulatory policies, regardless of differences in local growing and market conditions).

ABC will closely watch these developments to ensure WTO norms for fair trade are respected. Beyond this, it remains to be seen how the EU Parliament elections in June 2024 will pan out and what impact a new parliament will have on the fate of the Farm-to-Fork policies. For more information, contact Abhi at akulkarni@almondboard.com

Tariff Suspensions—Still Waiting... During the summer of 2023, ABC staff worked with the Almond Alliance to submit a tariff suspension request to the government of the Philippines. Similarly, ABC worked with the UK’s Dried Fruit and Nut Association to request a tariff suspension on almonds in the UK. Both submissions are under review; decisions are expected to be announced early in 2024. While both countries already have relatively low tariffs on almonds (neither country produces almonds domestically), this was a good opportunity to request the suspensions that will hopefully help facilitate additional trade in the future. More on this topic later!

ABC Sponsors Tuksiad Event in April: After meeting the leadership of the Turkish Dried Fruit and Nut Association (Tuksiad) at Gulfood in 2023 and assisting with a visit to California by several Tuksiad members in June 2023, ABC confirmed it will be a cosponsor of Tuksiad’s annual conference in Antalya on April 26-27. Keith Schneller has been in touch with Tuksiad leadership and USDA/FAS staff at the U.S. Embassy in Ankara; it is anticipated that the trip will include a stop in Islamabad on the way to Antalya and perhaps a short visit to the port of Mersin.

Turkey is becoming a major destination for California almonds and a growing transshipment point, but with retaliatory tariffs still in place along with various fees/taxes restricting imports, a better understanding is needed of these market access barriers. An assessment of the market potential for California almonds in the Turkish market is also essential as ABC evaluates new market opportunities.

ABC is exploring other opportunities in emerging markets. In addition, ABC will assist USDA/FAS in coordinating visits later in the fall for Cochran Fellowship Teams of nut buyers/processors from Turkey and Brazil. More details will be shared as they become available. For more information, contact Keith at kschneller@almondboard.com.

Upcoming Events:

- Mar 10-Apr 8 Ramadan
- Apr 15-26 AIFPA/USDA ag delegation to India
- Apr 26-27 Tuksiad Conference Antalya
- May 7-10 2024 INC Congress in Vancouver
- May 22-24 MRL Workshop San Diego
- May 20-23 AgTC Conference Tacoma
- Jul 10-12 USAEDC/Attache Conference in DC

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