

ABC Global Update

Export Shipments

Export shipments August through March were flat from last year at 941.1 million lbs. Shipments to China, the largest single export market, were down 31% over the same period. Exports to Spain increased 29% at 126.3 million pounds and Germany is up 13% at 92.9 million pounds.

	Million Lbs. Aug 2013- Mar 2014	% Change from Last Year
W. Europe	369,762,240	20%
Spain	126,274,762	29%
Germany	92,857,002	13%
Italy	37,601,677	56%
Netherlands	31,816,826	16%
UK	19,946,224	13%
France	16,571,865	-5%
Belgium	14,355,034	15%
Central/E. Europe	42,083,416	-15%
Russia	26,619,811	-25%
Asia-Pacific	337,715,489	-17%
China	127,350,907	-31%
India	77,971,654	-25%
Japan	52,580,729	19%
S. Korea	35,643,025	9%
Vietnam	14,956,426	24%
Middle East	129,851,834	17%
UAE	60,806,969	1%
Turkey	41,719,226	44%
Total Exports	941,145,754	0%

Recent Queries on Almond Quality from South Korea

Recently, a South Korean investigative news style TV show aired a segment on nuts going rancid before the "best by" dates after complaints from consumers that product was rancid nuts when the packages were newly opened. The show

made a connection with the rancidity resulting from inappropriate storage in South Korea and pesticide use by some companies.

Also mixed into the messaging was the inappropriate timing of Korean companies applying the fumigant aluminum phosphide immediately before product reached the retail shelf, thus not allowing for proper ventilation time before reaching consumers. Nuts exported from the U.S. were also called out as being fumigated during transport across the ocean, prolonging exposure to the fumigant.

So far, this news piece did not attract extensive media coverage. ABC's Public Relations agency in Seoul continues to monitor media and respond to inquiries. For more information, please contact Becky Sereno at (209) 343-3250.

Sales of Junk Food in Mexico Remain Unchanged After Junk Food Tax Implemented

According to a report given at the Antad Expo in Guadalajara, Mexico from the U.S. Department of Agriculture's (USDA's) Mexico City Agricultural Trade Office, the 8% tax on junk food applied to snacks, including roasted/salted almonds, has had little if any impact on consumption rates in Mexico.

The tax went into effect on January 1, 2014, and its intended purpose is to combat obesity, raise revenue, and improve social development programs. In its report, USDA indicated that U.S. exports are likely to remain unaffected.

ABC will continue to monitor any impact on trade the junk food tax may have on almond exports to Mexico.

MRL Workshop Registration Now Open

The 2014 MRL Workshop will be held June 18-19, 2014 in San Francisco. This

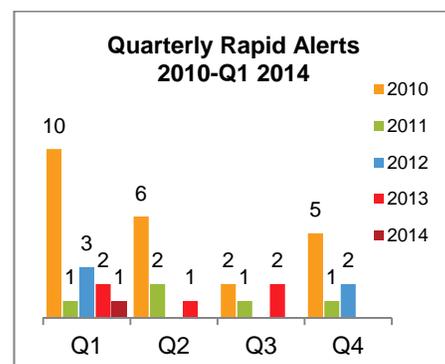
interactive seminar will address critically important issues for stakeholders with interests in exporting agricultural products. Growers, packers, shippers, PCAs, registrants, regulators, trade experts, and other stakeholders in international trade are strongly encouraged to attend.

Presentation topics include international trade trends, global registrations, pesticide residue monitoring, MRL strategies for growers, updates for international residue standards (U.S., NAFTA, Asia, EU, Codex, global etc.), inadvertent issues and panel discussions. In addition to nationally known experts, there will also be international presenters.

To register, or to view the agenda, please visit the California Specialty Crop Council website at <http://specialtycrops.org/mrlworkshop.html>.

Quarterly Rapid Alert Update

Rapid alerts for California Almond shipments which exceeded the EU limit for aflatoxin totaled 1 for the first quarter of 2014. The low level of rejections continues to build confidence in, and demonstrate the effectiveness of, the Voluntary Aflatoxin Sampling Plan (VASP) program.



ABC to Participate in the Codex Committee on Pesticide Residues 46th Session

ABC's Gabriele Ludwig will participate on behalf of the International Nut and Dried Fruit Council (INC) at the 46th Session of the Codex Committee on Pesticide Residues (CCPR) in Nanjing, China next month.

Of specific importance to the almond industry, the CCPR will review a discussion paper on guidance to facilitate the establishment of maximum residue limits (MRLs) for pesticides for minor crops/specialty crops. It will also be considering future priorities.

The Codex Alimentarius is a multilateral food standards setting body. Its international food standards, guidelines, and codes of practice contribute to the safety, quality, and fairness of the international food trade.

Acting Deputy USTR Hosts TPP Bilateral Meetings with Japan

Working-level meetings between both American and Japanese Trans-Pacific Partnership (TPP) negotiating groups began on March 26 in preparation for higher level meetings between Acting U.S. Trade Representative (USTR) Wendy Cutler and Japanese Ambassador Hiroshi Oe in Washington, DC.

Cutler's meetings took place March 27-28 and focused on bilateral market access. Parallel negotiations will continue into next week, with a focus on motor vehicles, with Japanese Ambassador Takeo Mori. These talks have been scheduled as part of an agreement to close the gaps between both nations in the TPP negotiations.

For more details, please see the following USTR [press release](#).

U.S. Trade Representative Releases 2014 Trade Policy Agenda and 2013 Annual Report

On March 4, the Office of the U.S. Trade Representative (USTR) [announced](#) that they have released their [2014 Trade Policy Agenda and 2013 Annual Report](#), which outlines the Administration's trade goals for the next year and summarizes progress made in 2013.

The agenda notes the conclusion of negotiations for the Trans-Pacific Partnership (TPP) agreement will likely occur this year, as well as make significant progress on the Transatlantic Trade and Investment Partnership (TTIP) agreement being negotiated with the European Union.

Regarding agriculture, the report noted that in 2013, agricultural exports totaled \$148 billion. In 2014, the U.S. will focus on maintaining and expanding market access for U.S. agricultural exports, as well as advocating for sound science-based sanitary and phytosanitary (SPS) standards in important markets, such as China, Japan and Russia.

China Publishes Draft Standard Defining Pathogen Limits

China released a National Food Safety Standard for Pathogen Limits in Food, according to a recent [GAIN report](#), which defines limits for pathogens in pre-packaged foods and specifications for various pathogens in several food categories.

For nut and seed products, including paste (sauce) of nuts and seeds and preserved nuts, there is a zero tolerance for *Salmonella*. A full translation of the draft standard can be found in the report linked above.

The date of implementation is set for **July 1, 2014**.

Canada Proposes Electronic Manifest System for Highway and Rail Imports

The Canada Border Services Agency (CBSA) recently [notified](#) the World Trade Organization (WTO) of proposed regulatory amendments which will support full implementation of an electronic manifest (eManifest) system for incoming shipments.

The first package of amendments will include requirements for electronic pre-arrival information for highway and rail shipments. Also included are advancements to the eManifest system which is already in use for marine and air shipments, and provisions which will allow CBSA to develop administrative monetary penalties for non-compliance to eManifest requirements.

This package will be implemented in two phases, with the first phase to come into force later in 2014, and the second phase in 2015.

The second package of amendments will be introduced in 2015/2016 and will concern provisions relating to advanced import requirements for Canadian importers.

The following [notice](#) posted in Canada Gazette notes that the changes are expected to allow the CBSA to assess risks associated with good prior to their arrival, in order to increase predictability and decrease border wait times. CBSA also estimates decreased costs for businesses as a result of these

CBSA will be accepting comments on this proposal from international stakeholders through **April 16, 2014**. For more information, please see the WTO notification and Canada Gazette notice linked above.

Upcoming Travel

- **May 3-11, 2014**

Gabriele Ludwig in Nanjing, China for the 46th Session of the Codex Committee on Pesticide Residues