

ABC Global Update

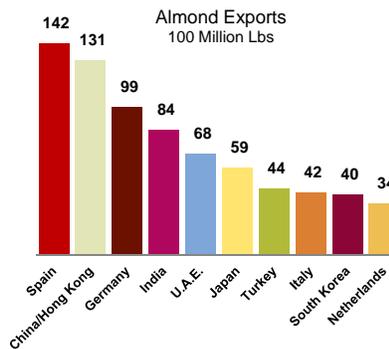
Export Shipments Up Slightly August through April Compared to Last Year's Shipments

Export Shipments for August 2013-April 2014 are up 1% over last year at almost 1.03 billion pounds.

At 141.5 million pounds, Spain has overtaken China/Hong Kong as the top export market (compared to 130.7 million pounds shipped to China/Hong Kong in the same period).

	Million Lbs. Aug 2013-April 2014	% Change from Last Year
W. Europe	405,269,388	19%
Spain	141,537,246	30%
Germany	99,072,154	9%
Italy	41,678,458	56%
Netherlands	34,450,701	15%
UK	21,788,838	10%
France	18,214,736	-3%
Belgium	15,879,361	15%
Central/E. Europe	46,037,192	-15%
Russia	28,669,737	-26%
Asia-Pacific	360,554,964	-16%
China/Hong Kong	130,720,842	-30%
India	83,874,346	-22%
Japan	58,880,849	14%
South Korea	40,499,810	11%
Vietnam	15,156,037	25%
Middle East	143,934,267	20%
UAE	67,880,399	6%
Turkey	44,282,509	42%
Total Exports	1,027,996,193	1%

Top Ten California Almond Export Markets August 2013 – April 2014



President Obama Visits Japan, Reaches Breakthrough in TPP Negotiations

On April 23, President Barack Obama traveled to Japan for a series of visits to countries in the Asia-Pacific region, including South Korea, Malaysia, and the Philippines. Obama's trip began with a stop in Japan to meet with Prime Minister Shinzo Abe, where they discussed and reiterated their commitment to successfully concluding the Trans-Pacific Partnership (TPP) negotiations.

Acting Deputy U.S. Trade Representative (USTR) Wendy Cutler concluded meetings with Japan's Deputy Chief Negotiator Hiroshi Oe on April 22. The meetings were focused on narrowing differences over the currently stalled aspects of the negotiations. Japan's willingness to grant market access for imports competing with their sensitive agricultural industries (rice, beef, pork, dairy and sugar), and the U.S.'s hesitancy to reduce tariffs on imported Japanese automobiles are seen as the dividing issues.

On April 25, various media outlets quoted a White House official saying that Obama

and Abe achieved a "key milestone" in negotiations the previous evening, and had reached a broad accord on the treatment of these sensitive agricultural commodities. Details on this accord have not yet been released, however, the U.S. and Japan released a [joint statement](#) on April 25 which highlights this key milestone as providing a path forward for the broader talks.

TPP chief negotiators will meet to continue talks on key issues left to be resolved on May 12-15 in Vietnam.

Mexico's Chamber of Deputies Proposes New Food and Beverage Labeling Rules

On April 22, several members of Mexico's Chamber of Deputies called upon the Federal Commission for Protection against Health Risks (Cofepris) to amend current food and beverage labels to apply traffic light labels to the front of the product's packaging.

This request stems from a wide discrepancy between Mexico's standard for daily consumption of sugar, which is at 90 grams. The World Health Organization's (WHO) maximum recommendation of 50 grams for adults; however, it has proposed to reduce this limit to half the amount, 25 grams. This proposal was open for public consultation from March 5 to March 31. The guideline is anticipated to be finalized once the public consultation and peer review are complete.

Current labels in Mexico indicate that the daily maximum intake of sugar can be 90 grams (equivalent to 360 calories). The Chamber of Deputies also called upon Cofepris to comply with the WHO's sugar intake recommendations.

The Mexican government has been taking a series of steps to curb obesity since fall of 2013. Amendments to labels and maximum sugar intake limits have not yet been published in Mexico's *Diario*

Oficial, and it is unclear if they will be notified to the World Trade Organization (WTO) if they are approved for implementation.

For details on this proposal, please refer to the listing in Mexico's [Parliamentary Gazette](#).

Japan Publishes and Implements 2014 Food Sanitation Law Inspection Order

Japan's Ministry of Health, Labour and Welfare (MHLW) recently published its annual inspection order for FY 2014 which runs from April 1, 2014 to March 31, 2015.

Under [Schedule 1](#), almonds originating from all exporting countries will continue to be monitored for aflatoxins. This is unchanged from the FY 2013 inspection order mandate.

Import declarations will be inspected by registered inspection institutions to target food products listed in Schedule 1. More details on targeted foods inspection orders, foods not subject to inspection orders can be found in Appendix 1-1 and 1-2, respectively. Certificate forms may be found in Appendix 2.

For more information on the inspection orders, please refer to the links above as well as this [MHLW site](#).

Registration Open for AgTC's 26th Annual Conference: San Francisco June 25-27, 2014

The Agriculture Transportation Coalition will hold its 26th annual conference in San Francisco from June 25-27, 2014.

Registration is discounted until June 4: \$290 for AgTC members and \$400 for non-members.

Session topics include:

- West Coast port labor contract issues
- Port drayage
- Panama Canal's implications on ag supply chain
- Carrier alliances

For more information and to register, visit the AgTC web site at <http://agtrans.org/index.php/upcoming-agtc-events/conferences-a-workshops.html>.

West Coast Labor Contract Negotiations Set to Begin in May

The International Longshore & Warehouse Union (ILWU), a labor union representing workers at 29 west coast ports, will be entering negotiations next month with the Pacific Maritime Association (PMA), which represents carriers and terminals, over a new labor contract. The current six-year contract is set to expire on July 1, 2014 and the ILWU is seeking improvements to healthcare and other benefits as part of the negotiations.

Exporters should be aware that the upcoming contract expiration is scheduled for July 1. Should the negotiations fail to come to an agreement before this date, there will be the potential for delays, work stoppages, or strikes at these ports, which could lead to delays in shipments. ABC will track progress made in these negotiations and update industry as needed.

Canada Developing New Online Labeling Tool

On March 31, the U.S. Department of Agriculture (USDA) Foreign Agricultural Service (FAS) published a [GAIN report](#) on a new online labeling tool currently being developed in Canada.

The Canadian Food Inspection Agency (CFIA) held a 'soft launch' of the Industry Labelling Tool on March 24. The CFIA will receive feedback for two months before the official launch of the online tool in June.

The [Industry Labeling Tool](#) consolidates labeling information and allows for self-assessment of compliance with core labeling requirements. This tool replaces the Guide to Food Labelling and Advertising and the CFIA's Decisions page.

Basic Canadian labeling requirements include the mandatory use of bilingual French and English labels, net quantities expressed in metric units, declaration of food allergens, and a Nutrition Facts Table in accordance with the Canadian format. Further information on basic labeling requirements can be found in the [GAIN report](#) linked above and the [Labeling Requirements Checklist](#).

German Farmers Union Aims to Protect Standards in TTIP Negotiations

On April 10, the German Farmers Union (DBV) published a declaration commenting on the ongoing negotiations of the Transatlantic Trade and Investment Partnership (TTIP). The DBV, which represents 90% of Germany's farmers, called for a balanced agreement between the U.S. and the EU that protects Europe's high production standards.

The declaration's main concern is with U.S. livestock production, which has lower standards for animal welfare, genetically modified organisms (GMOs), and hormonal and antibiotic growth promoters. The DBV contends that not only are the U.S. standards less socially and politically acceptable, they also allow for cost advantages that could force out European farmers.

The declaration asserted that the U.S. should have limited duty-free market access of certain sensitive products, including poultry, beef, pork, and sugar. The declaration also urged greater market access for European processed products, encouraging the reduction of U.S. import restrictions on wine, dairy products, and sausages.

More information and an unofficial translation of the declaration can be found in this [USDA GAIN report](#).

Upcoming Travel

- **May 11-17, 2014**
Harbinder Maan in Shanghai for Sial China trade show.
- **May 19-23, 2014**
Julie Adams, John Talbot, and Richard Waycott in Melbourne, Australia for the International Nut Congress.