

ABC Global Update

Record Month for Domestic Shipments

Export Shipments for August 2013-May 2014 are up 2% over last year at nearly 1.12 billion pounds.

Domestic shipments hit an all-time record for the month of May at 54.64 million pounds shipped.

	Million Lbs. Aug 2013- May 2014	% Change from Last Year
W. Europe	449,996,516	20%
Spain	163,506,691	34%
Germany	105,805,664	8%
Italy	45,593,102	54%
Netherlands	38,090,590	14%
UK	23,430,258	9%
France	20,166,732	-1%
Belgium	17,598,199	11%
Central/E. Europe	48,194,011	-17%
Russia	29,506,046	-28%
Asia-Pacific	382,823,044	-15%
China/Hong Kong	133,450,535	-30%
India	89,835,778	-20%
Japan	65,232,749	14%
South Korea	45,046,410	13%
Vietnam	15,470,875	28%
Middle East	155,377,708	21%
UAE	73,445,248	6%
Turkey	47,484,034	46%
Total Exports	1,117,088,465	2%

China Food Safety Priorities Outlined in May.

Food safety is a continuing concern in China. In May, the State Council passed amendments to the Food Safety Law which are likely to introduce new agency responsibilities and further emphasize that food manufacturing and distribution companies have primary accountability

for food safety. In addition, the State Council issued the 2014 Food Safety Working Priorities in May, which serve to guide work related to food safety supervision. Local governments and relevant agencies will develop policies and implementation measures based on the priorities. One area of focus is anticipated to be the strengthening of pesticide residue controls for ag products.

ABC is continuing to monitor developments, and will be providing updates as they are announced.

India Labeling Raise Concerns

Labelling requirements introduced under India's Food Safety and Standards Act come into effect on July 1. Almond shippers have expressed concerns over requirements to include importer name/address and vegetarian logo on individual bags/cartons. While these parameters can be "rectified" on arrival in India, this will involve considerable trade and logistical impact. ABC is working with the U.S. Embassy and the Food Safety and Standards Authority of India (FSSAI) to explain implications for the almond industry, and to find a workable solution to the situation.

For more information, please contact Julie Adams at jadams@almondboard.com.

USTR Froman Testimony on 2014 Trade Policy Agenda to Senate

Last month, U.S. Trade Representative (USTR) Ambassador Michael Froman spoke before the Senate Committee on Finance on the President's 2014 Trade Policy Agenda.

Froman emphasized the goal of promoting U.S. exports in order to create jobs and bolster the U.S. economy. He also noted the importance of trade enforcement, including working with the

World Trade Organization (WTO) to ensure fair market access.

Froman commented on the successful progress with the negotiations of the Trans-Pacific Partnership (TPP) trade agreement in the Asia-Pacific region and the Transatlantic Trade and Investment Partnership (TTIP) trade agreement with the European Union. He highlighted the President's recent visit to Japan for negotiations of bilateral market access as well as the upcoming fifth round of negotiations with the EU.

A key priority in moving forward with these trade agreements is combating sanitary and phytosanitary barriers on U.S. agricultural exports.

Froman also addressed the need for bipartisan support in creating new Trade Promotion Authority (TPA) and Trade Adjustment Assistance (TAA) legislation.

The full text of Froman's testimony can be found [here](#).

Fifth Round of TTIP Negotiations Conclude in Washington, D.C.

On May 23, trade representatives from the U.S. and European Union (EU) concluded the fifth round of negotiations on the Transatlantic Trade and Investment Partnership (TTIP) agreement.

In a press conference following the negotiations, the U.S. Chief Negotiator Dan Mullaney and EU Chief Negotiator Ignacio Garcia Bercero announced "steady progress" made in negotiations that week, with discussions being held on most areas of the agreement, including regulatory cooperation and agricultural market access.

This round also included a public forum on Wednesday, attended by over 300 individuals, which allowed the public to share input and receive information on the negotiations. Various stakeholders were also given the opportunity to deliver presentations to trade officials on key issues to be addressed by the

agreement. At the briefing at the public forum, negotiators thanked participants for their feedback and highlighted that much work during the week was focused on regulatory issues between the countries. Both sides stressed the goal was not to reduce any safety measures, but to streamline regulatory processes in both markets.

The round of TTIP negotiations will be held in July in Brussels, Belgium.

Trans-Pacific Partnership (TPP) Ministerial Meeting Concludes in Singapore

On May 20, trade ministers from the 12 countries negotiating the Trans-Pacific Partnership (TPP) agreement concluded a two-day ministerial meeting in Singapore. The meeting was considered a “check-in” gathering of ministers to assess progress made by chief negotiators since the last ministerial. Chief negotiators met prior to this meeting in Ho Chi Minh City, Vietnam on May 12.

In a [joint statement](#) released by the negotiating ministers following the meeting, it was agreed that chief negotiators would meet again in July, while ministers will continue to engage bilaterally to direct negotiations. A deadline for securing a deal, or schedule for the next ministerial, was not mentioned in this press release.

AgTC Registration Still Open

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

Registration fees are \$350 for AgTC members and \$460 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>.

Administration Announces National Export Initiative/NEXT

On May 13, U.S. Department of Commerce Secretary Penny Pritzker [announced](#) that the Administration is planning to build on the success of the National Export Initiative (NEI) of 2010 by launching a new phase of the initiative, called NEI/NEXT.

According to the [strategic framework](#) fact sheet, NEI/NEXT will aim to increase American businesses access to international markets by improving information resources and providing tailored assistance to different U.S. industries. Also noted is the goal to create a “single window” system for imports and exports, which would provide businesses an efficient way of managing various reporting requirements and processes when trading goods internationally.

The U.S. has achieved record exports for four consecutive years, reaching \$2.3 trillion in 2013. The goal of NEI/NEXT is to continue this positive trend. NEI/NEXT will be implemented through the Export Promotion Cabinet and Trade Promotion Coordinating Committee (TPCC), which consists of representatives of 20 federal departments and is chaired by the Secretary of Commerce.

South Korea Proposes Amendments to its Standards and Specifications for Food

On May 23, South Korea [notified](#) the World Trade Organization (WTO) of its [proposed amendments](#) to its Standards and Specifications for Foods (Korean, 160pages).

The amendments include establishing levels of cadmium in fruits at below 0.05 mg/kg and revising the general testing for microorganisms and heavy metals. It also will revise the maximum residue limit (MRL) guidelines for establishing tolerances in addition to establishing and revising 14 MRLs.

The deadline to submit comments is **July 22, 2014**. Further details will be provided once an English translation becomes available.

GCC Countries Aim to Implement Customs Union by 2015

On May 7, the six member Gulf Cooperation Council (GCC), which includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE), announced an agreement to resolve hurdles for completing the full implementation of a GCC customs union by January 2015.

In 2003, the GCC member countries agreed to launch a customs union; however implementation has been delayed due to disagreements over customs revenue sharing, as well as dumping and other trade protection regulations.

Customs tariffs amongst GCC member countries were mostly unified at a 5 percent rate over a decade ago, however the implementation of a customs union in the GCC should lead to a more integrated customs regime and to an increase in the ease of intra-GCC trade.

Upcoming Travel

- **June 5-13, 2014**
Becky Sereno in South Korea for agency meetings.
- **June 7-13, 2014**
Stacey Humble in India and South Korea for agency meetings.
- **June 7-13, 2014**
Caroline Stringer in Poland, Czech Republic, and Bulgaria for VASP seminars and regulatory meetings.
- **June 16-20, 2014**
Julie Adams in China for agency and trade meetings.
- **June 23-26, 2014**
Stacey Humble in London for agency meetings.
- **June 27- July 1, 2014**
Julie Adams in Brussels for European Snacks Association Nut Processors Working Group and Board meetings.