

ABC Global Update

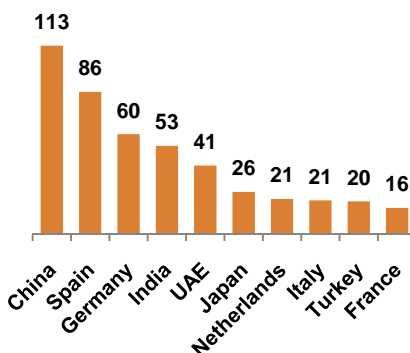
Almond Shipments Continue to Rise through the Mid-Year

At 696 million pounds, California Almond shipments have grown 21% during the first six months of the 2009/2010 year over the same period last year. Domestic shipments are up 12% while exports are up 24%.

The top five export markets were China, Spain, Germany, India, and the UAE. Also noteworthy, with just under 20 million pounds, Turkey has become the 9th largest export destination for California Almonds in the first half of the 09/10 Crop Year. Shipments to Italy, ranked 8th, were just under 20.5 million pounds.

	Million Lbs. Aug.-Jan. 2010	% Change from Last Year
W. Europe	253,023,064	10%
Spain	85,527,363	11%
Germany	60,173,950	9%
Netherlands	21,262,900	37%
Italy	20,487,002	7%
France	16,014,998	20%
UK	13,246,561	-19%
Central/E. Europe	275,326,767	12%
Russia	11,630,208	38%
Asia Pacific	224,304,560	41%
China	113,187,261	103%
India	53,173,059	-11%
Japan	25,586,251	9%
Korea	13,504,285	62%
Middle East/ Africa	89,785,452	32%
UAE	41,427,842	42%
Turkey	19,931,892	36%
Total Exports	619,729,577	24%

**Top Ten Export Markets
Aug 09-Jan 10
Million Lbs**



India to Update Food Safety Laws

The Food Safety and Standards Authority of India (FSSAI) has announced changes to their rules and regulations regarding food safety, in line with the passage of the Food Safety and Standards Act.

While many of the changes involve a “repackaging” of existing food safety and standards laws (including the 1955 Prevention of Food Adulteration rules), there are concerns that the Government of India has not submitted the proposals to the WTO for review and comment by other member countries. Of note is the small number of established maximum residue limits (MRLs). Trade partners with India argue that in the absence of established MRLs for numerous products, it would be best to defer to established Codex limits – this would ensure a transparent, science-based approach to existing and future MRLs.

ABC has provided comments to USDA for inclusion in their response to India’s notification.

Mexico Trucking Resolution may be Moving Forward

It is hoped that the U.S.-Mexico cross-border trucking dispute will be resolved this year, after the U.S. Congress removed language against a pilot trucking program from its fiscal year 2010 appropriations bill.

Mexico’s economy minister, Gerardo Ruiz, told a press conference that the removal of language from the appropriations bill was a “very important step” to ending a feud over Congress’ decision in 2009 to prohibit a program allowing Mexican trucks to pass into the United States. Mexico retaliated in March 2009 by slapping import duties on \$2.4 billion worth of U.S. goods.

U.S. Trade Representative Ron Kirk recently commented that with the “offending” appropriations language now removed, his office, along with U.S. transportation and Commerce officials, will begin a dialogue with Congress to come up with a “sensible program” for Mexican trucks.

APEC Export Certification Roundtable in Australia

The Asia-Pacific Economic Cooperation (APEC) members established a Partnership in Training Institute Network (PTIN) to further strengthen food safety standards and practices, while facilitating trade. In conjunction with the upcoming Codex Committee meeting on Food Import and Export Certification Systems (CCFICS), a roundtable is being held at the end of February in Canberra, Australia.

Government and industry experts from Australia, Canada, China, Chile, Japan, New Zealand, and the U.S. have been invited to participate in a series of presentations and panel discussions, focusing on export certification, best practices, and risk-based export certification requirements. Julie Adams

will be co-chairing a panel discussion on *How Can Government and Industry Work Together on Food Export Certificates*.

The following week, CCFICS will meet to discuss uniform export certificates, national food control programs, and guidelines for foreign audits/inspections.

New EU Labeling Requirement for Country of Origin Labeling (COOL)

The European Parliament will soon be considering proposed legislation requiring origin labeling of unprocessed or "mono-ingredient" products. Mono-ingredient is defined as *every foodstuff which contains a single ingredient, except salt, sugar, flavors, water additives, or enzymes*.

Proponents of the legislation insist that consumers have a right to know if they are purchasing "local" products. Transparency and traceability are also key considerations.

Both the Confederation of the Food and Drink Industries of the EU (CIAA) and the European Snacks Association (ESA) have questioned the basis of associating traceability with COOL and are trying to "decouple" the two. Another major concern is that according to the regulation, for snacks, a single nut product would require COOL, but a mix would not.

Other discussions currently underway in the European Parliament, a Romanian member is raising the need for a European approach to "fat taxes." Several European food associations, including CIAA and ESA are closely monitoring the discussions.

New EU Regulation on Nutrition Claims for Monounsaturated Fatty Acids

After considerable discussion, the European regulation concerning nutrition claims has been published in the Official Journal. EC Regulation No 116/2010 amends EC Regulation No 1924/2006, adding an Annex including claims for the monounsaturated fatty acids listed below.

- Source of Omega-3 Fatty Acids
- High Omega-3 Fatty Acids
- High Monounsaturated Fat
- High Polyunsaturated Fat

• High Unsaturated Fat

This is especially good news for consumer messaging around almonds in Europe: the new EU legislation will allow the industry to use the claim that almonds are high in monounsaturated fat.

To view the Regulation, visit <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:037:0016:0018:EN:PDF>.

Kraft Finalizes Cadbury Purchase

After 5 months and two rejected bids, Kraft has finally acquired Cadbury after improving its offer to buy the 200 year old company.

The acquisition creates a company with worldwide sales of over \$50 billion in 160 countries of products in snacks, confectionary, and quick meals categories.

Controversy followed soon after the acquisition was made public when Kraft announced that it will continue with plans to shift some production to Poland.

New French Food Safety Agency

Effective July 1, 2010, France's Food Safety Agency (AFSSA), will be merged with the French Agency for Environmental and Occupational Health Safety (AFSSET). The move is to help better address issues relating to both existing agencies in a more cohesive approach.

The new agency, which is yet to be named, will add an ethics committee, a board of directors (including representatives from public, private, and non-governmental sectors), and policy-making committees for animal and plant health, environmental health, food safety, and nutrition.

Junk Food Ads Banned During Children's TV Programming in Korea

Late last month, the government of South Korea began enforcement of a ban on "junk food" advertisements aired on television during children's programming. This is part of an effort to reduce the rate of childhood obesity which has been rising in recent years.

The ban applies to food that is found to be high-calorie or nutrient poor such as cookies, ice cream, instant noodles, and soft drinks.

President Obama Announces National Export Initiative to Stimulate Job Growth

In last month's State of the Union address, President Obama pledged to double exports over the next 5 years and create 2 million jobs in the process.

Details of the plan include an Export Promotion Cabinet comprising key U.S. government agencies: USDA, Commerce, Export-Import Bank, Small Business Administration, State, and U.S. Trade Representative (USTR).

This plan also includes moving forward with the pending trade agreements with Colombia, Panama, and South Korea although the President did not directly address the Congress to act on ratifying the three agreements during his speech.

These agreements have been stalled for months due to political pressure and in the midst of fear among some groups that an increase in free trade agreements will lead to more jobs lost in the U.S. In an effort to combat this, USTR is planning a domestic outreach strategy across the nation.

Upcoming Travel

- **February 12 – February 19, 2010**
Richard Waycott and Stacey Humble in Florence, Italy for Food 3000.
- **February 25 – March 5, 2010**
Julie Adams in Australia for the APEC Certification workshop and Codex committee meeting.