



## Trade

- India is the California almond industry's #1 export market since crop year 2021/22 (August-July).
- Shipments have more than doubled in volume over the last six years, from 167 million lbs. in 2016/17 to over 400 million lbs. in 2023/24.
- Approximately 95-99% of almonds are shipped inshell due to tariff benefits.



India is the #1 export market for California Almonds for 3 years in a row.

## Key Issues

- In September 2023, India removed the 20% retaliatory tariffs that were imposed in retaliation of U.S. implementation of Section 232 tariffs on imported steel and aluminum in 2018 and removal of India's GSP privileges in 2019. This brought the specific duty on U.S. almonds back to 35 RPS/kg for inshell and 100 RSP/kg for kernels.
- However, U.S. almonds remain at a disadvantage compared to Australian almonds following the signing of the Australia-India Comprehensive Economic Cooperation Agreement (AI-CECA), which resulted in a 50% reduction in MFN tariff rate for Australian almonds to 17.5 RPS/kg for a TRQ of 34,000 MT with effect from 2023. Currently, Indian duties on Australian almonds are at 35 RPS/kg for inshell and 100 RSP/kg for shelled.
- Trade disruptions caused by No Objection Certificates (NOC) are still a concern for the almond industry.

- USDA/FAS is in discussions with the Food Safety and Standards Authority of India (FSSAI) over questions related to required Certificates of Origin (COO) which have no prescribed format and non-retail labeling regulations, which came into effect in July 2022.
- California and Australian exporters continue to engage FSSAI over almond kernel standards that were set to go into effect in 2021 which focus on commercial, quality parameters rather than food safety parameters.
- GST on almonds is 12%, while cashews, raisins, peanuts and walnuts are at 5%. There is concern that the government may consolidate some of the higher bands, which could move almonds into a higher GST category.
- While the number of companies involved in almond imports are expanding, the available financing in the market is still limited, but is growing.
- From time to time there is confusion at the port level on requirements for labelling for almonds (bulk vs retail), application of import parameters (e.g. % defects), as well as insect presence.