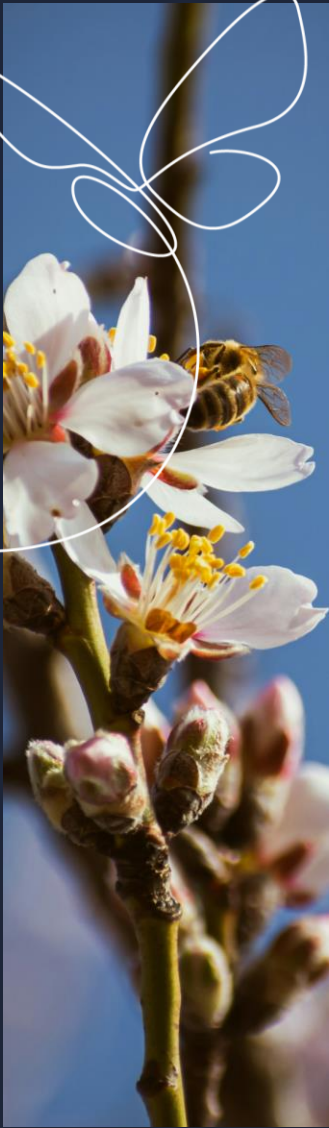




2024

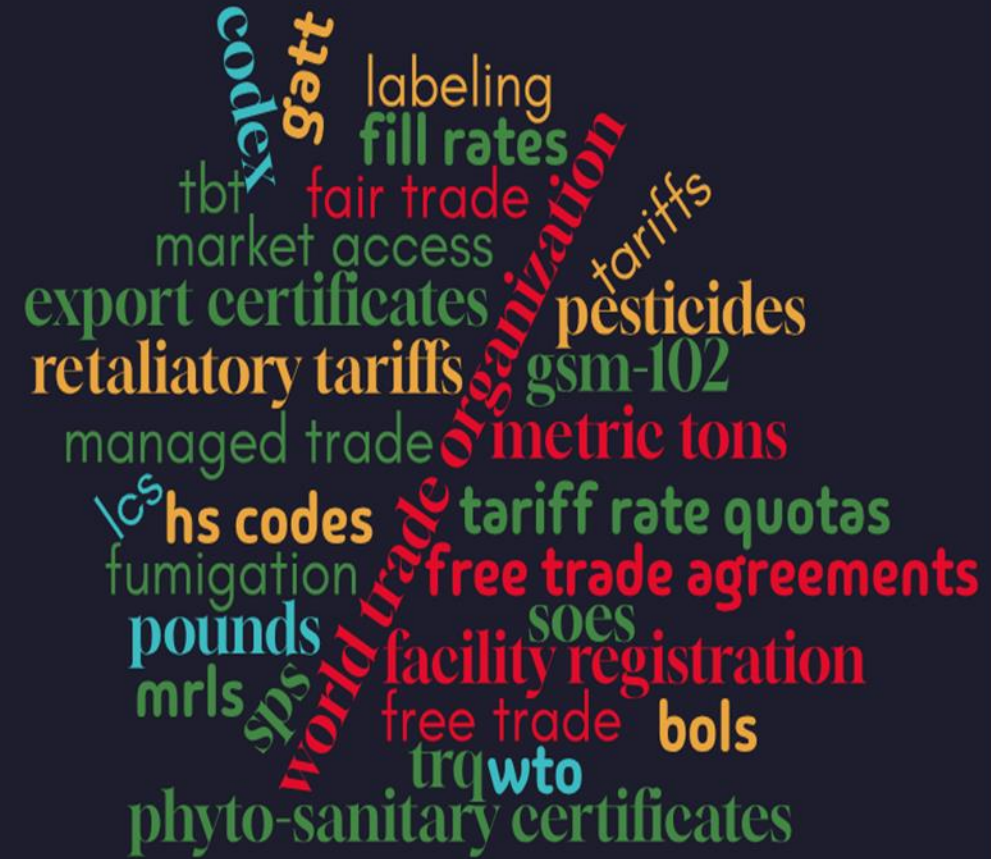
ROOTED TOGETHER
THE ALMOND CONFERENCE





ROOTED TOGETHER
THE ALMOND CONFERENCE

New Administration, New Trade Agenda...



Moderator:

Keith Schneller, *Almond Board of California*

Panel Participants:

Sharon Bommer-Lauritsen, *AgTrade Strategies (Former AUSTR)*

**Jonathan Hoff, ABC/TRAC
Chairman and CEO @ Monte Vista
*Farming***

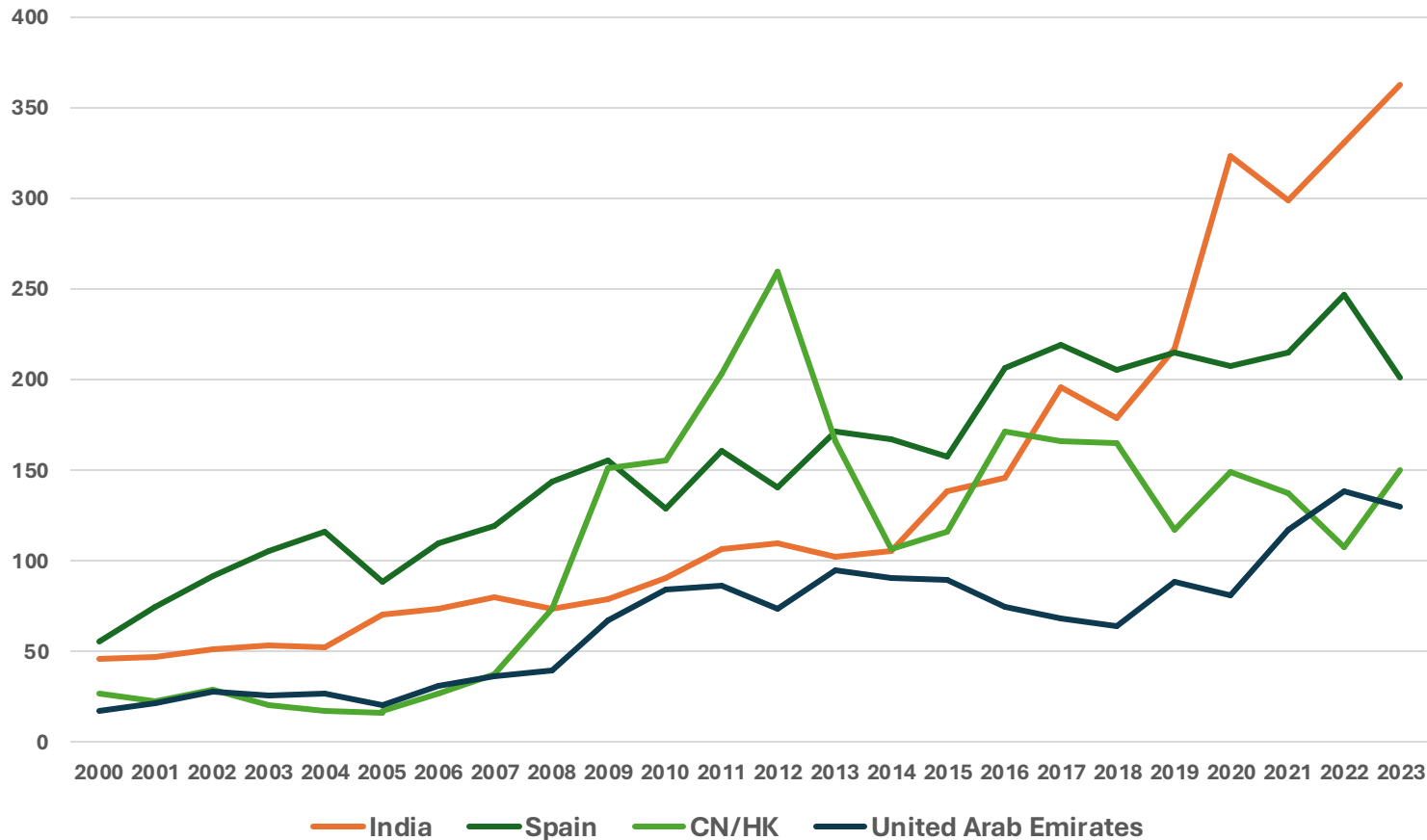


We've come a long way in the past 20 years, but no new FTAs since 2012.

Agriculture continues to get caught up in geopolitical issues.

Tariffs are becoming a new challenge and technical barriers make it difficult to open new markets.

US Almond Exports: Top 4 Markets in Million Pounds



GTRA develops long-term relationships with industry contacts at home and abroad.

We monitor what's going on in different markets and share fact-based information with partners in order to address market access issues overseas.

USTR historically assisted ag industry in addressing market access issues.



 <p>Global Issues Management</p> <p>Addressing technical, trade policy and market access priorities, new market, trade servicing</p>	 <p>Quick Response</p> <p>Tackling broad-based market and shipment disruptions impacting shipments or production</p>	 <p>Regulatory Engagement</p> <p>Preparing comments, analysis, and data needed to address regulatory changes</p>
--	--	--



ROOTED TOGETHER
THE ALMOND CONFERENCE

**U.S. AGRICULTURAL
TRADE:
NEW ADMINISTRATION,
NEW TRADE AGENDA**

**GET READY TO
SET SAIL**



ALMOND BOARD OF CALIFORNIA

OUTLINE

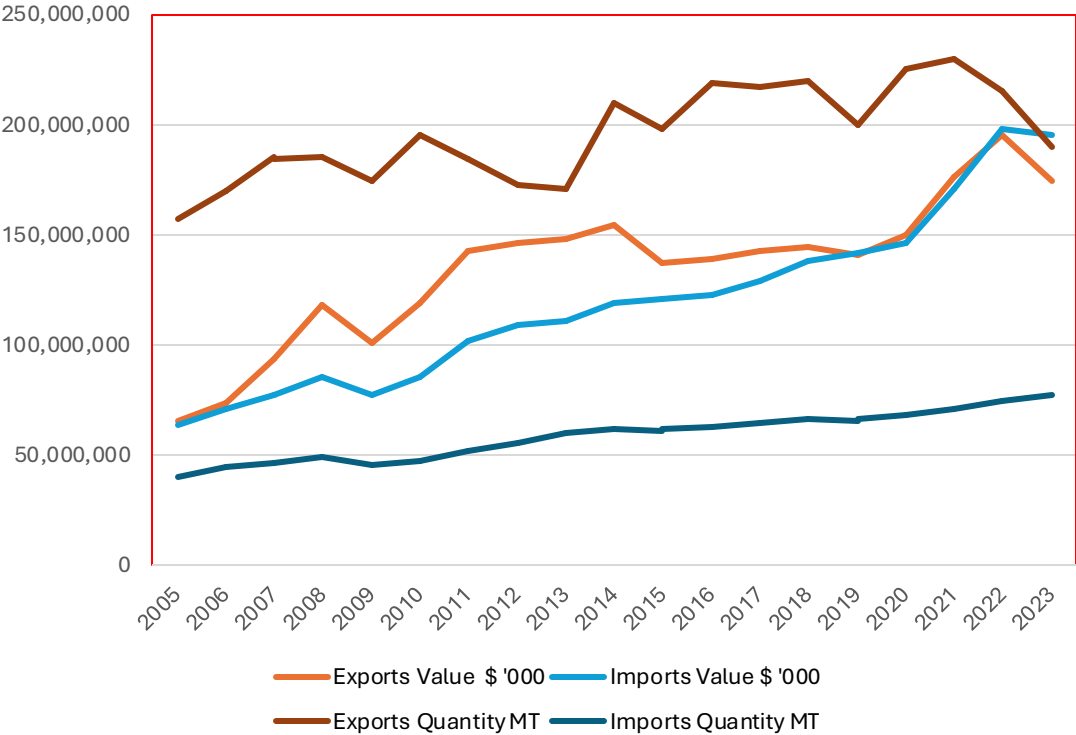
- Current State-of-Play
- Past Trade Policy
- Last Four Years
- Next Four Years
- Challenges and opportunities going forward?
- Discussion



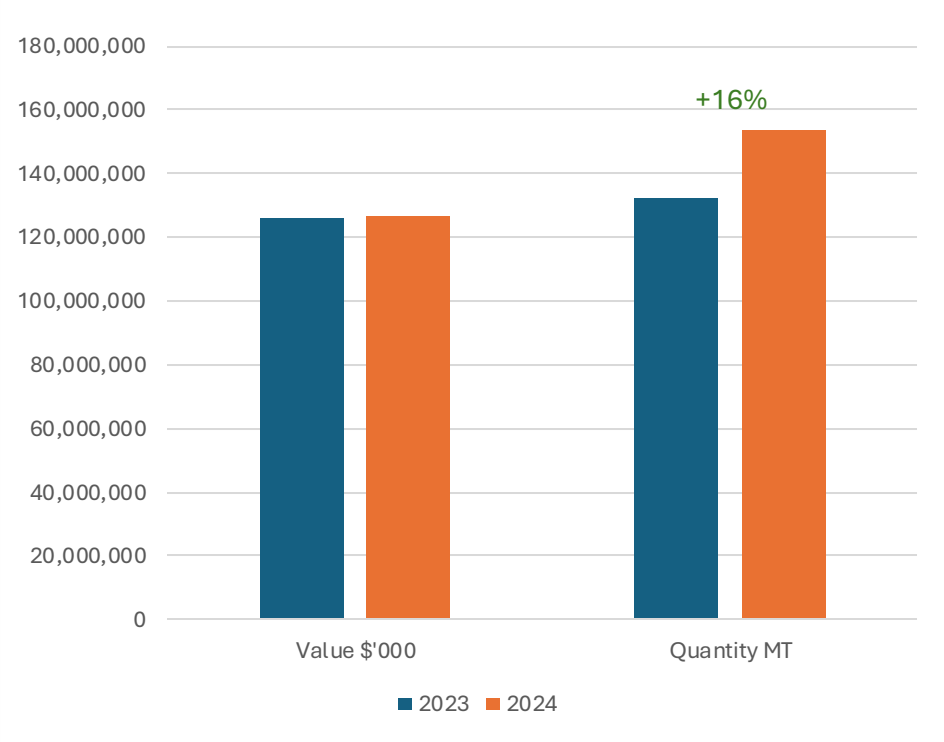
U.S. AGRICULTURAL IMPORTS & EXPORTS



U.S. Agricultural Imports & Exports:
Value and Quantity – Calendar Year



U.S. Agriculture Exports Year-to-Date
(Jan-September)

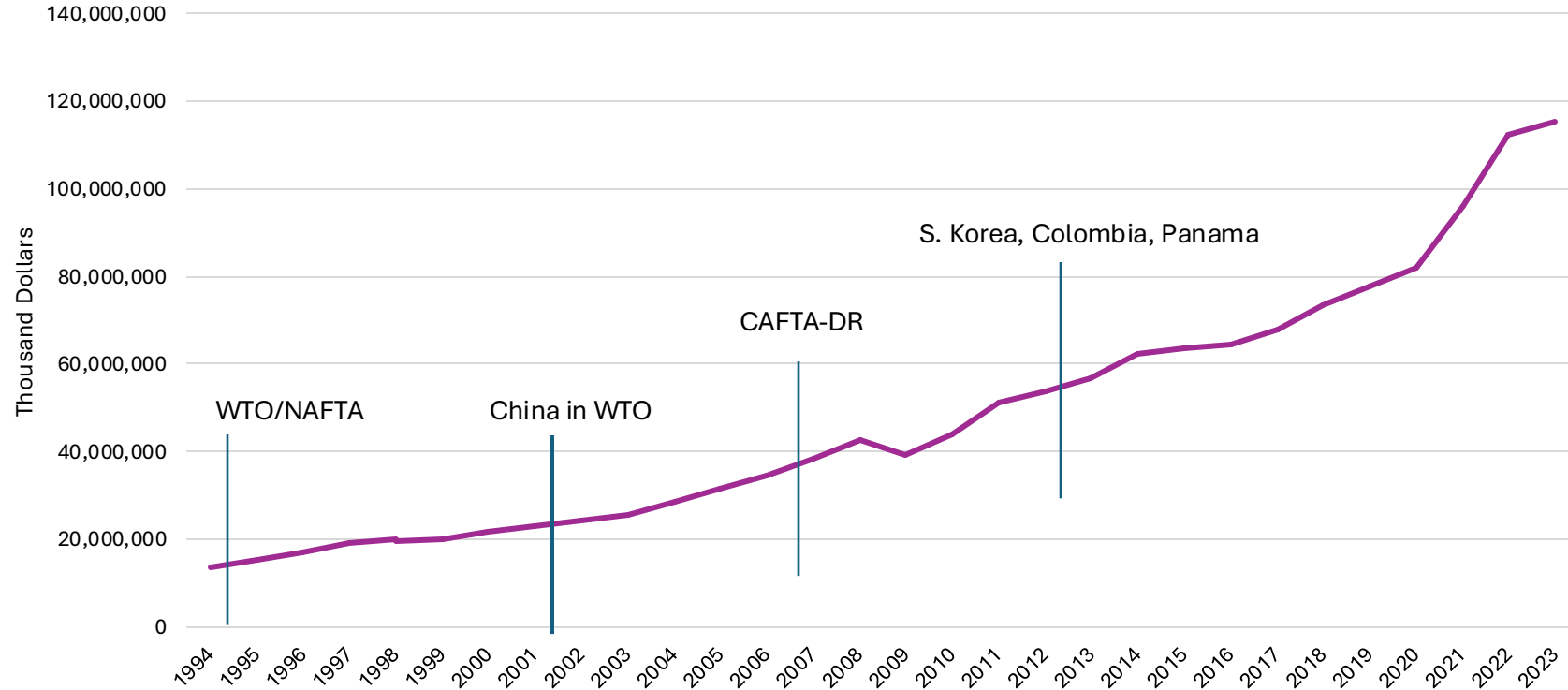


U.S. AGRICULTURE EXPORT GROWTH



U.S. Exports to 21 U.S. Trade Agreement Partners*

*Includes Japan with partial tariff agreement effective January 1, 2020.

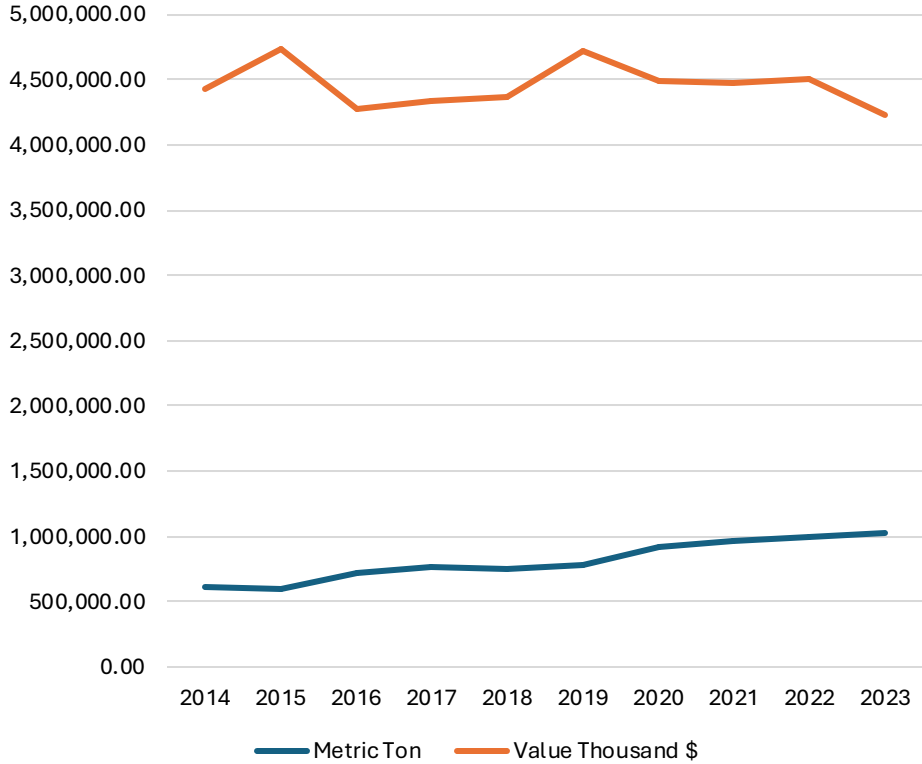


Source: USDA/GATS

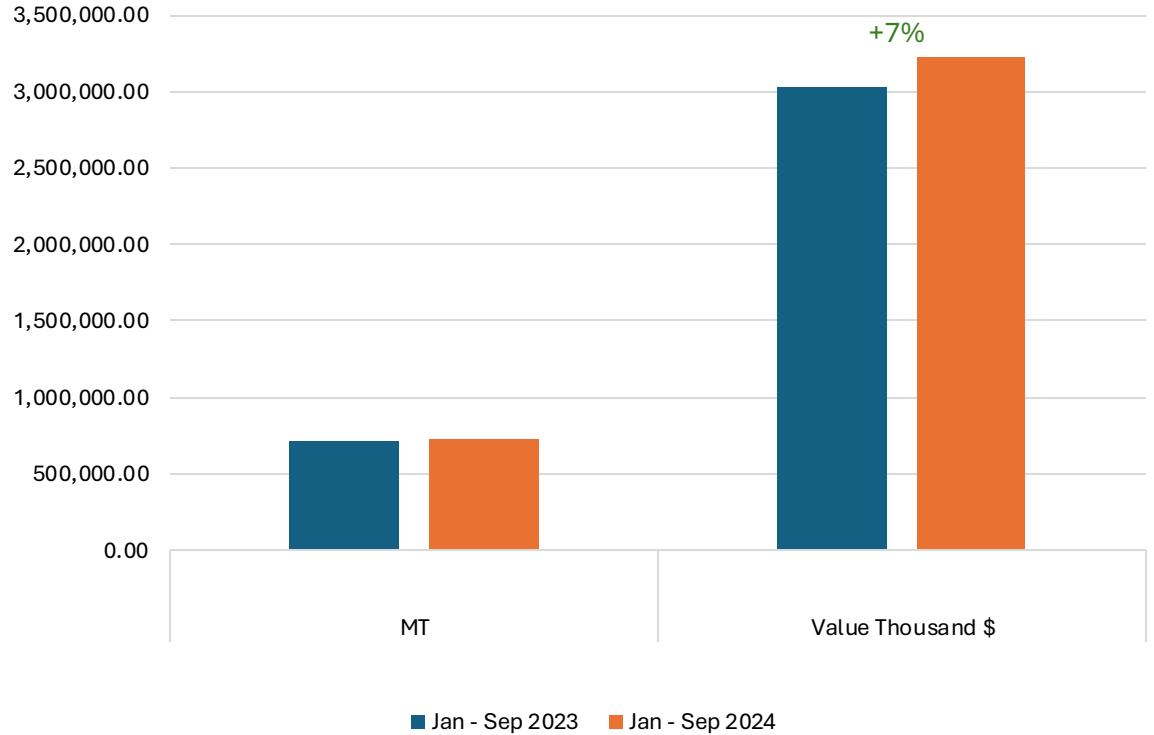
10 YEARS OF ALMOND EXPORTS



U.S. Almond Exports



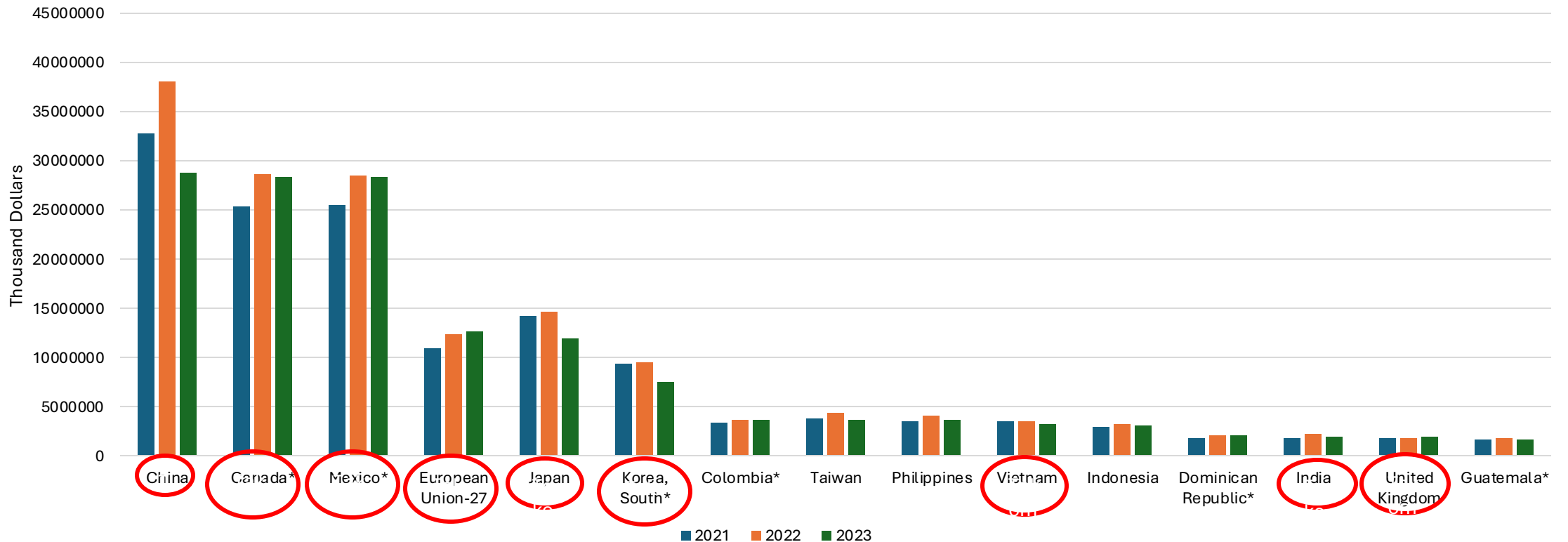
Year-to-Date U.S. Almond Exports



TOP U.S. EXPORT MARKETS



Top U.S. Markets out of 163 Export Destinations



Source: USDA/GATS

RECENT IMPACTS ON TRADE

Global Economic Impacts

- Strength of U.S. dollar
- Wars
- Transportation availability and costs
- Red Sea attacks
- Energy costs
- Fertilizer costs
- Labor shortages and costs
- Weather disruptions
- Weak economies (e.g., Japan, China)
- U.S.-China uncertainty



TRADE BARRIERS TO U.S. EXPORTS



Tariffs

- Competition with Australia FTAs
- China, Turkey, and previous India retaliatory tariffs

Sanitary and Phytosanitary Barriers

- Pesticide Maximum Residue Levels: India, China, EU

Technical Barriers to Trade

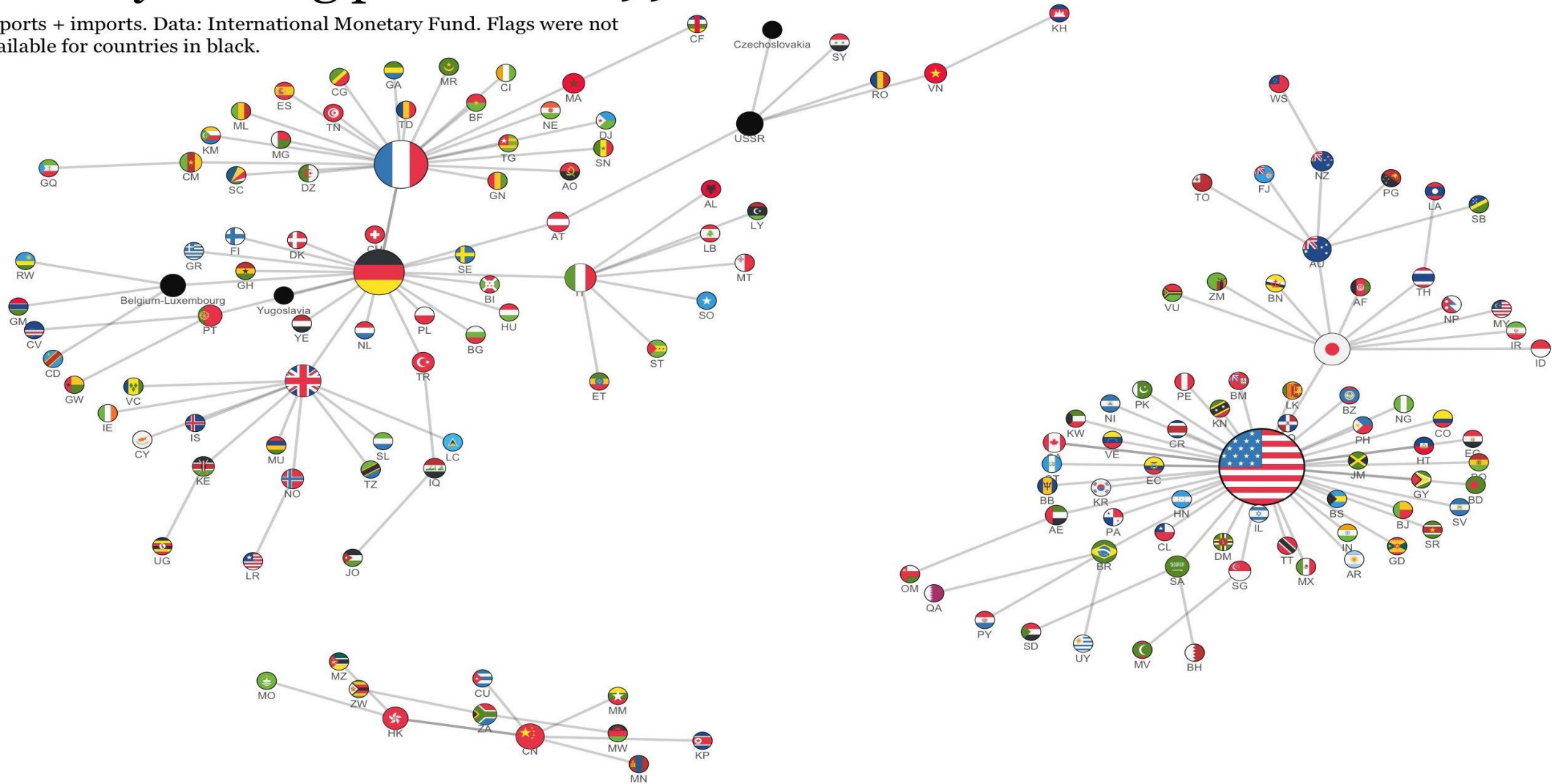
- China: Facility registration
- India: non-retail labeling, certification, lack of regulatory transparency

Domestic farm support

- Seasonal import bans: Algeria
- Rice/wheat: India market price supports and export restrictions

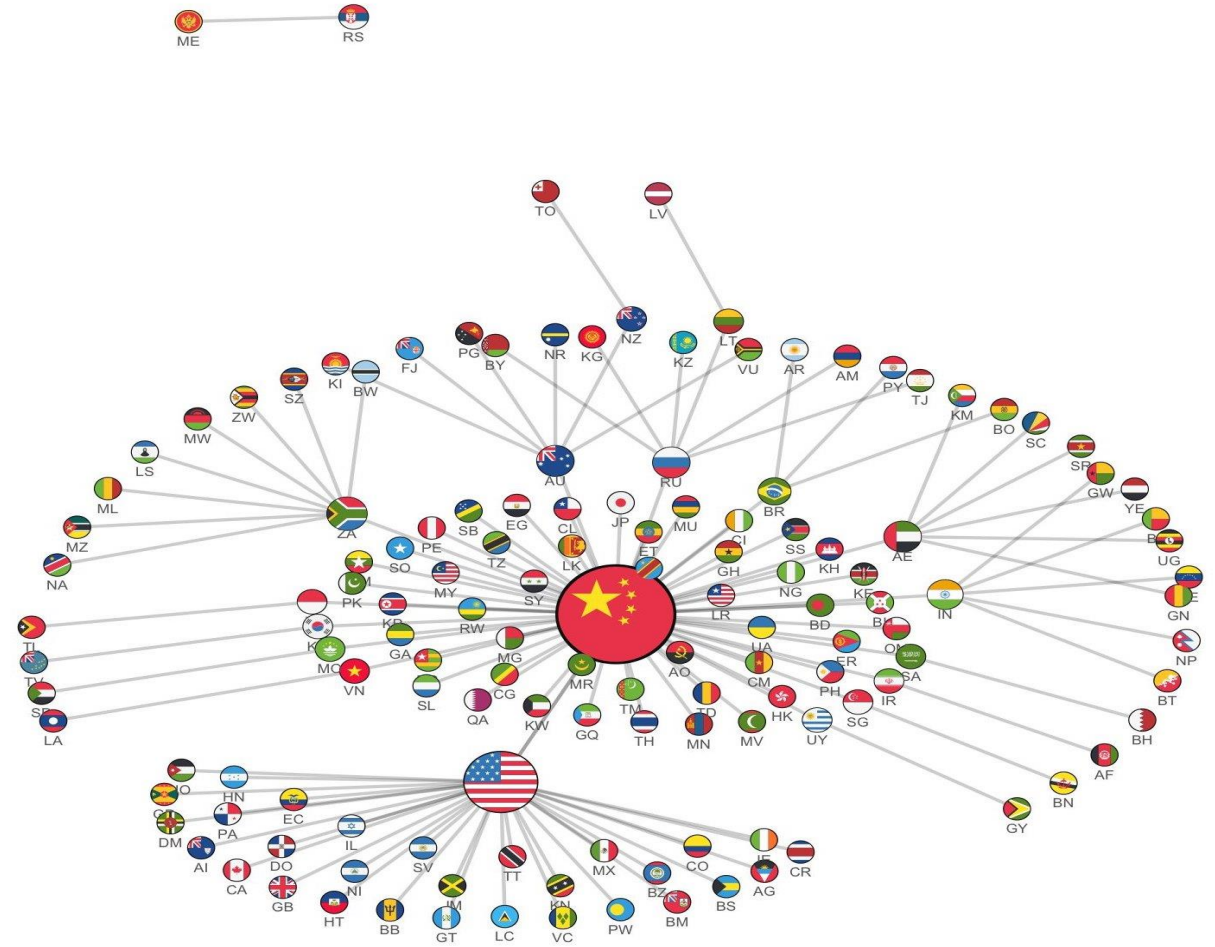
Countries connected to their primary trading partner in 1990

Exports + imports. Data: International Monetary Fund. Flags were not available for countries in black.



Countries connected to their primary trading partner in 2020

Exports + imports. Data: International Monetary Fund. Flags were not available for countries in black.



OTHER COUNTRY TRADE AGREEMENTS*



Canada:	~51 countries
China:	~39 countries
Mexico:	~50 countries
Australia:	~30 countries
Brazil:	~4 countries (Mercosur)
Indonesia:	~30 countries
Thailand:	~21 countries
Vietnam:	~27 countries

USA: 20 countries
(last new one in 2012)

Partial tariff agreement with Japan in 2020.

*Not all trade agreements eliminate all or most tariffs.

PAST TRADE POLICY

1990s:

- Uruguay Round Agreements and World Trade Organization
 - Global tariffs lowered
 - Farm support lowered
 - Rules established for non-tariff barriers
- North American Free Trade Agreement

2000s:

- U.S. Free Trade Agreements (17 countries)
- China Permanent Normal Trade Relations

2017-2020:

- Domestic industrial policy.
- Focus on trade deficits.
- Farm subsidies to offset retaliatory tariffs on U.S. agriculture exports.
- Non-functioning WTO dispute settlement system.
- FTA negotiations with two countries begun.



CURRENT TRADE POLICY



2021-2024:

- Rebuilt foreign and trade relationships with allies.
- “Worker-centric” trade policy.
- Kept in place Trump China tariffs and expanded tariffs on certain products.
- Negotiated solutions on retaliatory tariffs from India and Europe.
- Engaged at WTO
 - No outcome for functioning dispute settlement system.
- Managed outcomes on various trade disputes.
- Continued caution with China.
- \$\$\$ for export promotion.

General

- Across all administrations, daily work to resolve non-tariff barriers.

NEW ADMINISTRATION: NOW WHAT?



“I fully believe in them [tariffs] economically when you’re being taken advantage of by other countries,”

“Tariffs are the greatest thing ever invented,”

"Every *** thing that they [Mexico] sell into the United States is going to have like a 25% (tariff) until they stop drugs from coming in.

“Trade wars are good, and easy to win.”

“We’re going to bring the companies back. We’re going to lower taxes for companies that are going to make their products in the USA. And we’re going to protect those companies with strong tariffs.”

“Beyond the economics, it gives you power in dealing with other countries.”

CHALLENGES GOING FORWARD



- **China:**
 - 50-60% tariffs;
 - “strategic de-coupling”
 - Repealing Permanent Normal Trade Relations status
- **Mexico and Canada:**
 - 25% tariffs
 - USMCA Review (July 1, 2026)
- **Other countries: 10-20% tariffs**
 - “Fairness”
 - “Reciprocity”
 - Balanced trade
 - “Socially necessary policies”
 - Legal challenges?
- **Non-functioning WTO Dispute Settlement System**

OPPORTUNITIES?

- THREAT of tariffs can create leverage to negotiate.
 - Agriculture can be on the table whether tariffs or non-tariff barriers.
- Free Trade Agreement negotiations
 - United Kingdom, Kenya, etc.
 - Agriculture is on the table.
- Fix the World Trade Organization (*Robert Lighthizer*)
 - Reset on global tariff system to be truly MFN.
 - Special and differential different ONLY for poorest countries.
 - Rules to stop Chinese economic aggression
 - Sunset provision for WTO
 - Mechanism for long-term balance of trade.
 - Agriculture can be on the table



CONCLUSION



Rough Waters Ahead -
Chart your course to
weather the storm

WHAT IS YOUR COURSE?



- Have your list of priority issues needing to be resolved.
- Active EDUCATION of new Administration officials but also career staff – across agencies.
- Work directly with foreign government officials.
- Information provided must be fact based, defined scope, and value of problem
- What are the fixes?
- Asks and information best to be consistent across the industry.

READINGS:

- *Beeman, Michael L., "Walking Out: America's New Trade Policy in the Asia-Pacific and Beyond." Stanford University Press, 2024.*
- *Lighthizer, Robert, "No Trade is Free: Changing Course, Taking on China, and Helping America's Workers." Harper Collins, 2023.*





ROOTED TOGETHER
THE ALMOND CONFERENCE

PANEL DISCUSSION



Moderator:

Keith Schneller, *Almond Board of California*

Panel Participants:

Sharon Bommer-Lauritsen, *AgTrade Strategies (Former AUSTR)*

Jonathan Hoff, *CEO @ Monte Vista Farming*





ROOTED TOGETHER
THE ALMOND CONFERENCE

THANK YOU

ALMOND BOARD OF CALIFORNIA