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## **Almonds included in Round 2 of Support for Farmers Impacted by Tariff Retaliation and Trade Disruption Announced by USDA Secretary Perdue**

Modesto, CA – Today USDA Secretary Sonny Perdue announced round two of support for farmers impacted by retaliatory tariffs and trade disruption in key export markets, specifically China. California almonds are included in the \$16 billion trade mitigation package. The package will consist of \$14.5 billion for the Market Facilitation Program (MFP), \$1.4 billion for the Food Purchase and Distribution Program (FPDP) and \$100 million for the Agricultural Trade Promotion (ATP) program. The damage assessment figure assigned to almonds is not known at this time. Payments for almonds will be based on a per acre basis, not Average Gross Income (AGI) like the first round of retaliatory tariff mitigation support.

Almond Alliance President Elaine Trevino noted almonds are one of California's top three valued commodities and the leading agriculture export. The California almond industry exports 67% of what it produces. "The Almond Alliance has been working tirelessly to ensure that almonds are included in the discussion, both in the trade impacts experienced to date and the desired mitigation outcome. During the first round of trade assistance, approximately 50% of California almond growers applied for direct payment, but many were limited due to the AGI limitations," said Trevino.

Almonds have been impacted by retaliatory tariffs in a significant way, and this announcement is confirmation of that reality by the Administration. The mitigation is based on the trade impacts in China, with almond exports down about 33%. Looking specifically at direct China shipments for the first quarter of 2019 (Jan-March), California almonds are at about 60% of what was shipped in the first quarter of 2018. Meanwhile, Australia has taken full advantage of the 0% tariff under their FTA with China, increasing their 11-month almond exports into China by almost 2,000 percent. These retaliatory tariffs have impacted California's market share of almonds in China, a region that the California almond industry has invested in for over 30 years to develop.



“While direct payments are not the ideal solution, they will help assist those who have been negatively impacted by the pricing effects resulting from the retaliatory tariffs and allow them to continue to operate in these uncertain times,” said Trevino. “I would like to strongly state that the California almond industry is focused on trade and market growth. None of the mitigation programs will begin to offset the financial impacts, the disruptions to our relationships with commercial partners, or the longer term effect this could have on the considerable market development investments the almond industry has made over the past decades.”

The California almond industry generates about 104,000 jobs statewide, over 97,000 in the Central Valley, especially in areas that suffer from chronic unemployment. The industry also generates more than \$21 billion in economic revenue and directly creates more than \$11 billion to the size of the state’s total economy.

The announcement by USDA Secretary Sonny Perdue pertaining to almonds is a result of the industry coming together and advocating through the Almond Alliance. “The California almond community should be proud that through a unified organized effort they were able to have their voice heard and be acknowledged for what they provide to the national economy and what significance they have in the international market place,” said Trevino.

### **About the Almond Alliance of California**

The Almond Alliance of California (AAC) is a trusted non-profit organization dedicated to advocating on behalf of the California almond community. California almonds are an economic powerhouse, generating more than \$21 billion in economic revenue and directly contributing more than \$11 billion to the state’s total economy. California’s top agricultural export, almonds create approximately 104,000 jobs statewide, over 97,000 in the Central Valley, which suffers from chronic unemployment. The AAC is dedicated to educating state legislators, policy makers and regulatory officials about the California almond community. As a membership-based organization, our members include almond processors, hullers/shellers, growers and allied businesses. Through workshops, newsletters, conferences, social media and personal meetings, AAC works to raise awareness, knowledge and provide a better understanding about the scope, size, value and sustainability of the California almond community. For more information on the Almond Alliance, visit <https://almondalliance.org/> or check out the Almond Alliance on Facebook, Twitter and Instagram.