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## **Report Name:** Tree Nuts Annual

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### **Report Highlights:**

Last year, the European Union-28 (EU-28) was once again the largest export market for U.S. tree nuts. In 2018, U.S. shipments of tree nuts to the EU-28 reached \$2.8 billion. U.S. almond sales (both in-shell and shelled) totaled \$1.6 billion, followed by pistachios with \$516 million, and walnuts with almost \$344 million. The growing popularity of healthy snacking, higher incomes, and global market dynamics are making the EU nut market more attractive than ever. As of December 14, 2019, a new framework Regulation (EU) 2017/625 will update the implementing regulations setting specifics on the recognition of the Pre-Export Check (PEC) program for almonds, and on the increased control levels for pistachios. As of the date of this report, the final version of this draft regulation has not been published.

Disclaimer: This report presents the situation and outlook for tree nuts (almonds, walnuts and pistachios) in the EU-28. This report presents the views of the authors and does not reflect the official views of the U.S. Department of Agriculture (USDA). The data are not official USDA data.

This report would not have been possible without the valuable expert contributions from the following Foreign Agricultural Service analysts:

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Abbreviations and definitions used in this report

Conversion factors: conversion factor is used to convert shelled to in-shell tree nuts.

Almonds: 0.6

Walnuts: 2.34

Pistachios: 2.0

Ha hectare; 1 ha = 2.471 acres

HS Codes: Harmonized System codes for commodity classification used to calculate trade data.

Almonds: Shelled 080212; In-shell 080211

Walnuts: Shelled 080232; In-shell 080231

Pistachios: In-shell 080251, Shelled 080252 (since January 2012)

MT Metric ton = 1,000 kg

EU MS European Union Member State(s)

USD U.S. Dollar (Exchange rate at time of publishing USD \$1= 0.906 €)

## **Healthier Eating Habits and Higher Incomes Fuel U.S. Tree Nut Exports to Europe**

### **Executive Summary:**

#### **The EU Market: A Key Trading Partner for U.S. Tree Nuts**

The European Union-28 (EU-28) is the largest export market for U.S. tree nuts absorbing 33 percent of total U.S. tree nuts in 2018. East Asia followed importing 26 percent of total tree nut exports while North America imported 12 percent.

In 2018, U.S. shipments of tree nuts to the EU-28 reached \$2.8 billion. Sales of U.S. almonds (both in-shell and shelled) totaled close to \$1.6 billion, followed by pistachios with \$516 million and walnuts with almost \$344 million. Within the EU, the most significant importers of U.S. tree nuts (in order of importance) are Spain, Germany and the Netherlands, accounting for almost 63 percent of total EU-28 imports.

The United States continues to be the largest supplier of tree nuts to Europe, with 38 percent of the market share (in value) in 2018. Turkey ranks second with a market share of 18 percent, followed by Vietnam, Chile, and Iran. Almonds continue to be the main imported tree nut with almost 23 percent of the total EU tree nuts imports. These numbers prove the importance of the United States as an agricultural trading partner to the EU.

#### **The Food Processing and the Snack Industry Remain the most Significant Buyers**

The growing popularity of healthier snacking and eating habits among European consumers continues to encourage consumption of nuts, both tree nuts and ground nuts. The fight against cardiovascular diseases, the desire for general health and wellbeing, along with the publication of scientific studies highlighting the benefits of nut consumption, are likely to continue fueling demand for these products.

In addition, the European food processing and snack industry are the largest users of tree nuts both as an ingredient (for traditional sweets and pastries), and for re-processing and re-export to third countries. Almonds are mainly used as an ingredient for the manufacturing of marzipan, nougat, turrón (Spanish typical Christmas confection), and many other pastries and sweets. European food manufacturers also use walnuts and pistachio nuts as an ingredient for manufacturing ice cream and confectionary products.

The snacking industry is channeling its efforts to offer consumers new products and new ways to consume nuts. Thus, due to the mature nature of the European market, manufacturers are focusing their strategies on launching new value-added innovative products rather than focusing on volume sales. They continue to emphasize the health benefits of tree nuts, both through advertising campaigns and in packaging.

## Expanding business in the EU market

Since the EU remains a key export market for U.S. tree nuts, exporters continue to explore ways to expand their overseas business. Trade shows are an excellent opportunity both to get to know the market and to meet potential importers. Some of Europe's leading trade shows for tree nuts are:

### USDA-Endorsed Trade Shows

[SIAL](#) October 18-22, 2020 Paris, France

One of the largest and most important international marketplace for foodservice professionals, with 7,200 exhibitors and 160,000 visitors.

[Fruit Logistica](#) February 5-7, 2020 Berlin, Germany

Europe's main international fresh produce trade show with more than 3,000 exhibitors and 78,000 visitors.

[Biofach](#) February 12-15, 2020 Nuremberg, Germany

World's leading trade fair for organic food covering food, drinks and non-food products, with 3,218 exhibitors and 50,000 trade visitors from 134 countries participating in the previous edition.

[Anuga](#) October 5-9, 2019 Cologne, Germany

Trade fair for the international food industry. In 2017, 7,405 exhibitors from 107 countries and 165,000 visitors determined the success of this show.

### Other Relevant (Non-Endorsed) Trade Shows

[Snackex](#) Location and dates TBD

[Alimentaria](#) April 20-23, 2020 Barcelona, Spain

[Food Ingredients](#) December 3-5, 2019 Paris, France

[Health Ingredients](#) December 1-3, 2020 Frankfurt, Germany

[Vitafoods](#) May 12-14, 2020 Geneva, Switzerland

[PLMA](#) May 26-27, 2020 Amsterdam, Netherlands

New-to-market exporters interested in getting a better understanding of EU food regulations and market opportunities are highly encouraged to reference the EU-28 Food and Agricultural Import Regulations and Standards (FAIRS) reports and Exporter Guides produced at the various [EU FAS Offices](#).

## U.S. Cooperators Active in the EU Market

Trade associations like the Almond Board of California, American Pistachio Growers and the California Walnut Commission continue to develop strategies for the EU market. These trade associations, in cooperation with FAS offices all over Europe, continuously work to further develop the market for U.S. tree nuts.

## Regulatory Changes

As of December 14, 2019, the new framework [Regulation \(EU\) 2017/625](#) will replace the existing framework Regulation (EC) No 882/2004. The new framework will update the implementing regulations outlining specific details on the recognition of the Pre-Export Check (PEC) program for almonds, and on the increased control levels for pistachios. As of the date of this report, the final version of this [draft regulation](#) has not been published.

### Commodities:

#### Almonds, Shelled Basis

### Production:

The European Union is one of the world's leading producers and consumers of almonds. Furthermore, the EU is the single largest export market for California almonds with Spain as the leading European importer. Every year, California almond production is exported to more than 100 countries worldwide, and the EU-28 represents approximately one third of all California's almond exports.

Spanish almond production continues its upward trend. Currently, high almond prices are increasing the number of hectares dedicated to almond planting as an alternative to less profitable crops. In recent seasons, new almond varieties, more modern irrigation techniques, and good prices have made the almond crop more profitable for investors and improved industry expectations.

For MY 2019/20, the latest official forecast published by the Ministry of Agriculture, Fisheries and Food ([MAPA](#)) estimates a production of 90,454 MT (shelled basis). This preliminary figure denotes a close to 6 percent decrease compared to previous year's crop. New production areas with integrated irrigation systems, favorable weather conditions, and higher yield support the forecast increase.

Following Spain, Italy is the second largest EU-28 almond producer. Sicily and Puglia are the main almond-producing areas, cumulatively accounting for approximately 88 percent of Italy's total supply. Tuono, Pizzuta d'Avola, Fascionello, Filippo Ceo, Fragiulio Grande, Genco, Falsa Barese, Ferragnés are the leading varieties grown in the country. Italy's MY 2019/20 almond production is forecast to increase 10.6 percent compared to the previous season thanks to new orchards starting production in Puglia and Sicily. Quality is expected to be excellent in Puglia thanks to ideal weather conditions during flowering, in Sicily quality is expected to be good despite heavy rains that occurred in May.

**Table 1. Major EU Almond Producers by Volume in MT (Shelled Basis)**

COUNTRY	MY 2017/18	MY 2018/19	MY 2019/20
Spain	73,903	95,939	90,454
Italy	15,600	16,000	17,700

Source: FAS Europe Offices

## Consumption:

Thanks to the increasing consumer awareness about its health benefits, tree nuts -including almonds- are becoming increasingly popular all-around Europe. A variety of articles and studies published by the scientific community supporting these benefits are encouraging the increase in consumption of nuts, both as snack and as ingredient.

In addition, almonds represent an important component of the Mediterranean diet. In-shell almonds are mainly sold for fresh consumption. Shelled almonds are milled and generally used as a raw material for confectionary and bakery food companies. New eating habits are also affecting the demand for nuts. The increasing number of plant-based diets is also helping to drive demand for nuts, as consumers look for alternative forms of protein to meat and fish.

Tree nuts imports are indispensable for EU consumers. Traditionally, consumers prefer locally grown products mainly due to consumer loyalty and habits, but since local production is not enough to meet the enormous demand, imports aid in satisfying domestic consumption.

## Trade: Imports

In MY 2017/18, the United States was once again the main almond supplier for European importers. U.S. almonds face competition from Australia and locally grown almonds, particularly from Spain.

By volume, the main EU destinations for U.S. almonds were Spain, Germany, and the Netherlands. Many countries import large quantities of almonds destined both for domestic consumption and re-export markets, as well as for the food and snack industry.

**Table 2. EU-28 Imports of Almonds by Origin in MT (Shelled Basis)**

Country of origin	MY 2015/16	MY 2016/17	MY 2017/18
United States	213,831	243,083	257,164
Australia	20,784	25,827	19,112
Morocco	1,565	1,154	1,156
Chile	1,154	627	548
Syria	648	1,343	659
Others	1,815	1,603	1,984
<b>TOTAL IMPORTS</b>	<b>239,797</b>	<b>273,637</b>	<b>280,623</b>

Source: Trade Data Monitor, LLC

## Exports

The top destinations for EU-28 almonds in MY 2017/18 were the United States, Switzerland and the autonomous city of Ceuta. The largest EU almond exporter is Spain with Spanish exports destined mainly for other EU Member States.

**Table 3. EU-28 Exports of Almonds by Destination in MT (Shelled Basis)**

Country of origin	MY 2015/16	MY 2016/17	MY 2017/18
United States	5,342	4,771	8,197
Switzerland	1,789	2,384	2,664
Ceuta	1,050	1,567	2,201
Algeria	162	625	899
Brazil	147	622	765
Others	6,300	5,440	5,981
<b>TOTAL EXPORTS</b>	<b>14,790</b>	<b>15,409</b>	<b>20,707</b>

Source: Trade Data Monitor, LLC

## Production, Supply and Demand Data Statistics:

Almonds, Shelled Basis EU-28	2017		2018		2019	
	2017/2018		2018/2019		2019/2020	
	Market Year Begin: Aug 2017		Market Year Begin: Aug 2018		Market Year Begin: Aug 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	743,758	0	790,189	0	770,636 (HA)
Area Harvested	0	633,612	0	663,529	0	663,534 (HA)
Bearing Trees	0	0	0	0	0	0 (1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0 (1000 TREES)
Total Trees	0	0	0	0	0	0 (1000 TREES)
Beginning Stocks	18,000	18,000	18,000	18,000	0	18,000 (MT)
Production	109,500	102,822	113,500	123,817	0	120,510 (MT)
Imports	304,000	273,637	315,000	280,623	0	275,000 (MT)
Total Supply	431,500	394,459	446,500	422,440	0	413,510 (MT)
Exports	20,700	15,409	25,000	20,707	0	23,000 (MT)
Domestic Consumption	392,800	361,050	403,500	383,733	0	372,510 (MT)
Ending Stocks	18,000	18,000	18,000	18,000	0	18,000 (MT)
Total Distribution	431,500	394,459	446,500	422,440	0	413,510 (MT)

Source: FAS Europe Offices

## Commodities:

### Walnuts, In-shell Basis

#### Production:

In 2018, French walnut production increased due to the continued growth in area planted with walnut trees. While yield also increased after the exceptionally low levels of 2017, it remained below average. In 2018, production decreased by 12 percent in the East of France and it increased by 39 percent in the South West compared to the previous year. In 2019, total production is expected to decrease. The two main producing areas in France are:

- Aquitaine in the South West (including “noix du Perigord” AOC)
- Rhone-Alpes in the East (including “noix de Grenoble” AOC)

In Eastern France (Rhone-Alpes), production is expected to decrease by 20 to 30 percent due to unfavorable weather conditions (rain in the spring, heat waves in the summer, and hailstorms from June-July). In the South West, production is expected to stay at an average level as there have been no major weather incidents (only some frost in May).

In Romania, the production figure for 2018 was revised up to a record level reflecting the most recent statistical data. In 2019, favorable weather conditions support a good development of walnut production, which is expected to remain above the five-year average, but slightly below last year’s level.

A few decades ago, Italy lost its leadership in the walnut market and now is a leading importer, mainly from the United States. Since farmers generally grow walnut trees for both timber and nuts, nut yields and quality have suffered. Most walnuts are cultivated in the Campania region (Southern Italy), where the main varieties are *Sorrento* and *Malizia*. Farmers in Northern Italy have established efficient and profitable walnut orchards planted with *Lara* and *Chandler* varieties. Italy’s MY 2019/20 walnut production is forecast to significantly increase from the poor previous season due to higher volumes in Campania thanks to ideal weather during flowering. Conversely, production in the North was affected by heavy rains that occurred during flowering and hailstorms in July. Therefore, quality is expected to be excellent in the South and good in Northern Italy.

In Spain, the main walnut growing regions are Andalucia, Extremadura, Castilla-La Mancha, and the Valencia region. As of the date of this report, the Spanish Ministry of Agriculture, Fisheries and Food (MAPA) has not yet published the official walnut production data for MY2019/20. If weather conditions remain favorable, Post expects an average production of 16,000 MT for the current MY.

**Table 4. Major EU Walnut Producers in MT (In-shell Basis)**

COUNTRY	MY 2017/18	MY 2018/19	MY 2019/20
France	32,629	37,347	36,800
Romania	45,800	56,000	54,000
Spain	15,700	16,800	16,000

Source: FAS Europe Offices



## Consumption:

Both in-shell and shelled walnuts are mainly purchased in wintertime for fresh consumption, particularly during Christmas time. More consumers are increasingly purchasing walnuts all year round due to their perceived nutritional benefits. These healthy snacking trends are expected to continue driving consumption in the forecast period. The ongoing release of scientific studies and research highlighting cardiovascular benefits have made walnuts very popular among health-conscious consumers.

In this sense, U.S. exporters continue to conduct very appropriate consumer advertising campaigns focusing on the health benefits of walnuts as well as the key messages of origin, quality and/or versatility. These actions have a very positive impact on the image of California Walnuts and have increased the awareness on the health benefits of the product.

## Trade:

France is the EU's main walnut producer and most walnuts produced in France are exported in-shell. Production and exports are expected to increase in the long-term. Over the last ten years, French exports rose by 80 percent. However, France is a net importer of shelled walnuts. Given high domestic processing costs, a part of the walnuts produced in France are shelled abroad then imported back.

## Imports

The wide gap between EU walnut production and imports provides excellent opportunities for walnut exporters. The United States continues to be the number one supplier of walnuts, both in-shell and shelled. The EU imports various types of nuts for direct consumption as well as for further processing and re-export within the region in different forms, such as salted, baked, fried and mixed nuts.

**Table 5. EU-28 Imports of Walnuts by Origin in MT (In-shell Basis)**

Country of origin	MY 2015/16	MY 2016/17	MY 2017/18
United States	119,724	154,718	148,872
Chile	32,077	36,918	46,555
Moldova	23,392	22,107	30,002
Ukraine	14,022	15,648	28,826
China	1,985	2,721	10,412
Others	8,843	9,396	15,054
<b>TOTAL IMPORTS</b>	<b>200,043</b>	<b>241,508</b>	<b>279,721</b>

Source: Trade Data Monitor, LLC

## Exports

EU-28 exports of walnuts are very limited. The top destinations for EU-28 walnuts in MY 2017/18 were Switzerland, Moldova and Albania.

**Table 6. EU-28 Exports of Walnuts by Destination in MT (In-shell Basis)**

Country of origin	MY 2015/16	MY 2016/17	MY 2017/18
Switzerland	2,871	3,346	3,668
Moldova	3,347	3,674	3,302
Albania	695	606	980
United States	638	896	555
Bosnia & Herzegovina	487	565	488
Others	10,084	4,679	3,455
<b>TOTAL EXPORTS</b>	<b>18,122</b>	<b>13,766</b>	<b>12,448</b>

Source: Trade Data Monitor, LLC

## Production, Supply and Demand Data Statistics:

Walnuts, Inshell Basis EU-28	2017		2018		2019		
	2017/2018		2018/2019		2019/2020		
	Market Year Begin: Aug 2017		Market Year Begin: Aug 2018		Market Year Begin: Aug 2019		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	0	55,679	0	58,878	0	58,907	(HA)
Area Harvested	0	41,917	0	43,825	0	23,854	(HA)
Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	40,000	40,000	40,000	40,000	0	40,000	(MT)
Production	121,000	106,032	130,000	128,323	0	123,520	(MT)
Imports	291,100	279,721	310,000	280,000	0	285,000	(MT)
Total Supply	452,100	425,753	480,000	448,323	0	448,520	(MT)
Exports	12,400	12,448	15,000	14,000	0	15,000	(MT)
Domestic Consumption	399,700	373,305	425,000	394,323	0	393,520	(MT)
Ending Stocks	40,000	40,000	40,000	40,000	0	40,000	(MT)
Total Distribution	452,100	425,753	480,000	448,323	0	448,520	(MT)

Source: FAS Europe Offices

**Commodities:****Pistachios, In-shell Basis****Production:**

Pistachio is a traditional crop in Italy, especially in Sicily (Bronte area) which accounts for approximately 90 percent of total supply. In recent years, pistachio production has slightly expanded to other areas in Sicily and Basilicata, where newer and input intensive orchards have been planted. Bianca (also called Napoletana) is the main pistachio variety grown in the country and is normally harvested in September. Since 2004, the European Commission has awarded pistachio from Bronte as a PDO (Protected Designation of Origin), distinguishing it from all other pistachio varieties worldwide. Pistachio tree production is cyclical, bearing heavily in alternate years. Therefore, after the poor MY 2018/19 campaign, MY 2019/20 will be a 'higher' bearing year. Quality is expected to be good despite heavy rains that occurred during flowering.

**Table 7. Italy Pistachio Production by Volume in MT (In-Shell Basis)**

COUNTRY	MY 2017/18	MY 2018/19	MY 2019/20
Italy	2,500	400	3,500

Source: FAS Europe Offices

It is worth noting the fast upward trend of pistachio production in Spain as domestic consumer interest in pistachios continues to grow. While pistachio is not a traditional Spanish crop, its market potential and demand has increased the number of trees planted over the last decade.

Local pistachio production is still relatively small in Spain, but it is growing dynamically (see table below). By region, Castilla-La Mancha has seen the greatest increase in the number of trees and, thus, in production. The current pistachio expansion is a long-term investment and it is expected to continue growing.

**Table 8. Spanish Pistachio Production in MT (In-Shell Basis)**

	2013	2014	2015	2016	2017	2018
Area Planted (ha)	5,754	7,334	10,529	14,974	20,415	29,235
Area Harvested (ha)	3,729	4,617	5,362	6,467	8,802	9,930
Production (MT)	2,489	4,052	4,764	5,618	7,545	8,210

Source: MAPA

## Consumption:

Domestic EU pistachio production is not enough to cover domestic demand, resulting in significant imports from Iran and the United States. The overall use of pistachios can be split among many different ways starting from the in-shell pistachios basically traded as a snack food or as an ingredient utilized in restaurants, shelled pistachios used by bakeries and food companies (bakeries, cosmetic companies, sweet food companies), and milled pistachios used in ice-cream manufacturing.

In the last five years, pistachio consumption across Europe has increased significantly. As stated above, this is likely due to the global health trends and scientific research that relates pistachios to a wide range of health benefits, including weight control, blood sugar control, and lower risk cardiovascular disease.

## Trade: Imports

Due to its very limited production, the EU's pistachio trade balance remains negative. The main suppliers for the European market are the United States and Iran, who together account for more than 90 percent of total imports. Regarding pistachio exports and production, the United States is Iran's biggest competitor. However, the quality and reliability of U.S. pistachios are appreciated assets, making it the main origin of EU imports.

**Table 9. EU-28 Imports of Pistachios by Origin in MT (In-shell Basis)**

Country of origin	MY 2015/16	MY 2016/17	MY 2017/18
United States	38,694	49,899	56,437
Iran	18,069	17,923	17,405
Argentina	12	275	103
Syria	8	17	84
Others	134	211	153
<b>TOTAL IMPORTS</b>	<b>56,917</b>	<b>68,325</b>	<b>74,182</b>

Source: Trade Data Monitor, LLC

## Exports

EU-28 exports of pistachios are very limited. The top destinations for EU-28 pistachios in MY 2017/18 were the Spanish autonomous cities of Melilla and the United States.

**Table 10. EU-28 Exports of Pistachios by Destination in MT (In-shell Basis)**

Country of origin	MY 2015/16	MY 2016/17	MY 2017/18
Melilla	203	134	156
United States	51	138	81
Iran	20	0	68
Serbia	59	49	67
Others	706	422	430
<b>TOTAL EXPORTS</b>	<b>1,039</b>	<b>743</b>	<b>802</b>

Source: Trade Data Monitor, LLC

## Production, Supply and Demand Data Statistics:

Pistachios, Inshell Basis EU-28	2017		2018		2019		
	2017/2018		2018/2019		2019/2020		
	Market Year Begin: Aug 2017		Market Year Begin: Aug 2018		Market Year Begin: Aug 2019		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	0	33,400	0	42,107	0	44,990	(HA)
Area Harvested	0	21,227	0	22,252	0	23,440	(HA)
Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	1,500	1,500	1,500	1,500	0	1,500	(MT)
Production	15,000	15,075	10,800	10,610	0	17,530	(MT)
Imports	88,900	68,325	85,000	74,182	0	75,000	(MT)
Total Supply	105,400	84,900	97,300	86,292	0	94,030	(MT)
Exports	2,100	743	1,000	802	0	800	(MT)
Domestic Consumption	101,800	82,657	94,800	83,990	0	91,730	(MT)
Ending Stocks	1,500	1,500	1,500	1,500	0	1,500	(MT)
Total Distribution	105,400	84,900	97,300	86,292	0	94,030	(MT)

Source: FAS Europe Offices

## **Policy**

**Almonds, Shelled Basis**

**Walnuts, In-shell Basis**

**Pistachios, In-shell Basis**

### **Aflatoxin Certification for Tree Nuts**

Aflatoxin certification is an import instrument for U.S. exporters of almonds and pistachios to the EU. Information on the product specific programs is available from the respective commodity groups as well as from the USDA Agricultural Marketing Service ([AMS](#)).

#### **Almonds**

For additional information on aflatoxin certification under the Pre-Export Checks (PEC) Program please go to:

[Almond Board of California \(ABC\)](#)

[USDA-AMS Laboratory Approval Service – Aflatoxin Program](#)

#### **Pistachios**

For information on the Pistachio Export Aflatoxin Reporting (PEAR) program, please visit:

[Administrative Committee for Pistachios \(ACP\)](#)

[USDA-AMS Laboratory Approval Service – Aflatoxin Program](#)

### **EU Official Controls on Tree Nuts**

[Regulation \(EC\) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules](#) provides the framework for all official Member State controls related to food safety. In line with the legislation, Member States can perform controls at any stage in the chain, but controls on mycotoxins are often performed at the EU border. Controls levels are at the discretion of Member States unless specific control regimes have been agreed at EU level as is the case for aflatoxins in U.S. almonds and pistachios.

### **EU Aflatoxin Controls on Almonds**

[Regulation \(EC\) No 882/2004](#) allows the EU to officially recognize a third country's system of pre-export checks (PEC) on feed and food prior to export as long as it meets the EU requirements. EU approval of a third country's system of pre-export checks may only be granted on the condition that the controls carried out in the third country are considered to be sufficient so that the import controls upon arrival to the EU can be significantly reduced.

In April 2015, the European Commission assessed the U.S. aflatoxin control system on almonds leading to the EU approval of the pre-export checks program for U.S. almonds. The EU accepted programs are combined in [Commission Implementing Regulation \(EU\) 2015/949 of 19 June 2015 approving the pre-export checks carried out on certain food by certain third countries as regards the presence of certain mycotoxins](#). Under the regulation, import authorities are directed to subject consignments covered by the regulation and accompanied by the appropriate U.S. Government Pre-Export Check (PEC)

certificate to a less than 1 percent control level at the border. The PEC program is voluntary; a PEC certificate is not a requirement for import into the EU. Shipments without a PEC certificate do not benefit from the reduced inspection levels upon import in the EU.

### **EU Aflatoxin Controls on Pistachios**

Following an increase in non-compliances, in 2015, the EU placed U.S. pistachios under increased levels of controls. Currently, 10 percent of all in-shell, shelled and roasted U.S. pistachios imported into the EU have to be tested for aflatoxin ([Commission Implementing Regulation \(EU\) 2019/1249 of 22 July 2019 amending Annex I to Regulation \(EC\) No 669/2009 implementing Regulation \(EC\) No 882/2004 of the European Parliament and of the Council as regards the increased level of official controls on imports of certain feed and food of non-animal origin](#)). The Pistachio Export Aflatoxin Reporting (PEAR) program was developed cooperatively by the Administrative Committee for Pistachios and USDA's Agricultural Marketing Service at the request of European Union regulatory authorities to provide a more robust and auditable pre-export aflatoxin testing program for pistachios intended to export to European Union Member States. The program provides standardized reporting of sampling, analytical certification, and traceability with equivalency to that used by the European Union (EU) for official testing of pistachios at the port of entry. The PEAR program was phased in during Oct-Nov 2018. A continued positive trend in the compliance rate for U.S. pistachios tested under the EU mandatory inspection program will form the basis for the bi-annual review of the EU inspection rates.

As of December 14, 2019, the new framework [Regulation \(EU\) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products](#) will replace the existing framework Regulation (EC) No 882/2004. The new framework will update the implementing regulations setting the specific details on the recognition of the PEC program for almonds and the increased control levels for pistachios. As of the date of this report, the final version of this [draft regulation](#) has not been published.

### **Upcoming MRL reviews under Article 12 of Regulation 396/2005 for tree nuts**

Plant protection products (PPPs) along with maximum residue levels (MRLs) and import tolerances are an increasingly important issue in the EU, since there is a significant reduction in the number of active substances that are available for use. Regulation (EC) No 1107/2009 and Regulation (EC) No 396/2005 regulate PPPs and MRLs respectively. There is a consistent review of active substances for which approval is up for renewal, as well as their associated MRLs. In addition, existing MRLs are also being reviewed through a process known as an Article 12 review. The first list below indicates the upcoming MRL reviews for the main tree nut commodities under this Article 12 process. The second list includes the active substances which are, or will soon be, up for renewal. It is important to note that these lists are not all-inclusive. Due to the complexity of the renewal process and the importance of the issue, stakeholders should actively engage early in these review processes by reaching out to the applicant. Together with the applicant, they can ensure that the necessary data are already available for the review or if trials for data collection are in progress or should be initiated, especially if the substance is not used or authorized in the EU. It is highly recommended to contact the assigned "Rapporteur

Member State" (RMS) which will carry out the first evaluation of the active substance and existing EU pesticide MRLs. Stakeholders are encouraged to engage with FAS on substances and MRLs of importance to their commodities.

## 1) Upcoming MRL Reviews

	Almonds	Pistachios	Walnuts	RMS*	Start of Data Collection	Adoption of the RO** (expected date)
Fluopyram	x	x	x	DE (AT)	10/13/2017	07/24/2019
Fenazaquin	x	x	x	EL (DE)	02/14/2018	09/06/2019
Fluxapyroxad	x	x	x	UK (FR)	06/15/2018	08/22/2019
Spirotetramat	x	x	x	AT	07/15/2018	09/26/2019
Acequinocyl	x	x	x	NL (DE)	08/15/2018	11/26/2019
Flubendiamide	x	x	x	EL	09/15/2018	12/18/2019

\*RMS: Rapporteur Member State

\*\*Expected date of Reasoned Opinion by the European Food Safety Authority (EFSA)

## 2) Active Substances up for Review

	Expiry date	Last day of Application:
Flumetralin	12/11/2022	12/11/2019
Glyphosate	12/15/2022	12/15/2019
Esfenvalerate	12/31/2022	12/31/2019
Fenpyrazamine	12/31/2022	12/31/2019

For up to date information, please visit the [early alert system](#) on the USEU Mission website, which includes alerts for all substances upcoming for review (for U.S. products that are exported).

### Maximum Levels for Contaminants in Food

Maximum levels of aflatoxins (aflatoxins B1, B2, G1, G2 and M1) are laid down in [Commission Regulation \(EC\) No 1881/2006](#).

If you would like to read more on the subject, the European Commission's web page on [contaminants](#) provides further specific information on contaminants in general, and [Plant toxins and mycotoxins](#) and [aflatoxins](#) in particular.



## Related Reports

Report Number	Title	Date Released
<a href="#">RO1908</a>	Romanian Walnut Production Gets Shot in the Arm	4/4/2019
<a href="#">BU1832</a>	Bulgaria Tree Nuts Annual 2018	10/9/2018
<a href="#">EU18043</a>	EU Establishes Trade-Facilitative MRL for Fosetyl-Al on Tree Nuts	06/19/2018
<a href="#">PO18</a>	Poland – Dried Fruit and Nut Sector	03/12/2018
<a href="#">SP1824</a>	EU-28 Tree Nuts Annual 2018	09/20/2018
<a href="#">E17007</a>	USEU – Phytosanitary Requirements for EU Import of Nuts	01/25/2017

These reports can be accessed through the [FAS GAIN Reports](#) website

## Attachments:

No Attachments