

# **OUTREACH December 15, 2014**

Thank you for your membership in and work with NAEGA

Notable NAEGA Industry Volunteer changes, please join us:

**To Welcome** a new NAEGA Board Member: John Griffith of CHS was named this past week to the unexpired term of Brian Schouvieller of CHS.

**To Extend Gratitude** for their outstanding contributions to NAEGA and **Best Wishes** in their new roles: Brian Schouvieller who has resigned from the NAEGA Board because a reassignment to unrelated job responsibilities. Kendell Keith who will no longer serve as a NAEGA Senior Advisor as result of an expansion of his consulting practice that includes engagement with Louis Dreyfus Commodities

### **Action Reports**;

- Canada-US Grain and Seed Task Group
- Chinese Soy Vessel Comparison Study
- CFTC Advisory Committee
- Cuba US Agricultural Trade
- IGTC Stakeholder Engagement and General Assembly
- NGFA Country Elevator Conference
- PNWER Ag Working Group
- UN Globally Harmonized System Sub-committee
- USBCA addressing China

## **Member Opportunities**

- Washington, DC US GAO Review of GE Crops December 16, 2014
- Electronic Working Group Proposed Draft Amendments to "The Guidelines for the Exchange of Information Between Countries on Rejections of Imported Food (CAC/GL 25-1997)" January 9, 2015

### Information for your consideration

- EU Policy Update on Sustainability Issues
- US President Supports TPA

### **NAEGA Calendar and Member Notices**

• Upcoming Events and Notices for Members

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# **Reports on NAEGA Actions**

### **Canada-US Grain and Seed Task Group**

The Canada-US Grain and Seed Task Group Steering Committee met in Ottawa, Canada on the afternoon of December 2, 2014. A number of topics were discussed including membership, communication strategy, modules on the Canada-US Grain and Seed website Canada's crop variety registration system, Canada's Low Level Presence (LLP) initiative, Canada's D-12-05, and more.

The new Secretariat of the International Grain Trade Coalition (IGTC), Marcel Bruins and Gary Martin participated in person. The opportunity to meet many with representatives of Canada and US governments and Canada Grains Council stakeholders was much appreciated. Next steps for our work with the Canada US effort will be detailed soon.

### **Chinese Soy Vessel Comparison Study**

NAEGA Senior Advisor, Arvid Hawk, has just returned from China and has completed the most recent stage of the Chinese Soy Vessel Comparison Study (VCS). A summary from Jennifer Cleaver of USDA Foreign Agriculture Service, Beijing can be found here. The teams are currently discussing the possibility of a fourth vessel to be compared in the summer or fall of 2015.

Interested NAEGA members may join a meeting and NAEGA hosted a conference call of the Grades and Inspections committee at which the current and future VCS developments will be discussed with Arvid. Please let us know if you would like the coordinates to call in on **Tuesday**, **December 16<sup>th</sup> at 9:00am Eastern**, **8:00am Central**, **6:00am Pacific**.

### **CFTC Agriculture Advisory Committee**

The Commodity Future Trading Commission's (CFTC) Agriculture Advisory Committee (AAC) recently convened in Washington, D.C. A copy of the AAC agenda can be found here. NAEGA was represented by Steve Strong of Bunge, who worked closely with the National Grain and Feed Association's (NGFA) representative, MJ Anderson of Andersons, Inc. The two explained how and why the CFTC's proposed rule on position limits could negatively affect commercial activity by narrowing the definition of a bona fide hedge. The AAC has tentatively agreed to meet again in the summer of 2015.

### **Cuba US Agricultural Trade**

Responding to heightened expectations that US President Barrack Obama will act unilaterally on Cuba, NAEGA has joined in a US food and agriculture effort to advance trade relations between the US and Cuba. The US Agriculture Coalition for Cuba (USACC) is currently comprised of more than 30 companies and trade associations focused on re-establishing Cuba as a market for US food and agriculture exports. The members of the coalition feel it is time to end the embargo and allow for open trade and investment to happen.

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Under current sanctions, US food and agriculture companies can legally export to Cuba. However, financing restrictions limit the ability of the US industry to competitively serve the market. Foreign competitors such as Canada, Brazil, and Argentina are increasingly taking market share from US industry because those countries do not face the same restrictions on financing.

NAEGA members are welcome to join the USACC as NAEGA will be an active participant in all of its activities. Currently on the calendar for USACC:

- 1. On Thursday, December 18, 2014 a subgroup of the USACC will meet in DC to consider policy related to trade finance.
- 2. The USACC will publically launch via a press conference to be held at the National Press Club on January 8th, 2015. The event will go from 2:00 PM 3:00 PM, with a reception following the event until 5:00 PM. The USACC is now working to establish policy and communication plans.
- 3. A key advocacy date is the April 10, 2015 "Summit of the Americas" at which leaders of the hemisphere are expected to gather in Panama. At the Summit, Latin American nations are expected to work together to motivate US decision makers to focus on Cuba.

Please contact Gary Martin if you would like to learn more or be included in any of the USACC work.

### **IGTC Stakeholder Engagement and General Assembly**

Marcel Bruins, who is now serving as the International Grain Trade Coalition (IGTC) Secretariat, spent the last few weeks traveling with NAEGA and IGTC President, Gary C. Martin to meet with a variety of IGTC stakeholders. Marcel and Gary met with several stakeholders in Geneva Switzerland, the U.S. and Canada. The purpose of the meetings was to introduce Marcel, provide stakeholders updated information of progress and future plans for the IGTC, and ask for support. All meetings were well received and provided for strong momentum going into the IGTC General Assembly meeting that took place last week in Brussels, Belgium.

The General Assembly meeting succeeded in completing the formal organization of IGTC and set policy goals and actions for 2015. A report from that meeting is forthcoming. The IGTC plans to meet again in March in Singapore.

### **NGFA Country Elevator Conference**

NAEGA attended and participated in the National Grain and Feed Association's (NGFA) annual Country Elevator Conference. Kyle participated in the trade show, attended programs and met with NAEGA members. The extensive program covered many important topics including biotechnology, the current Farm Bill, transpiration and much more.

### PNWER Ag Working Group

NAEGA participated in a recent call with the Pacific Northwest Economic Region's (PNWER) Agriculture Working Group. The group discussed current topics such as the Trans-Pacific Partnership (TPP), challenges in transportation and infrastructure, biotechnology crops, Country Thank you for your membership and work with NAEGA. This copyrighted report is intended for the use of NAEGA membership only. The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

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of Origin Labeling (COOL), and the next PNWER Summit which will take place in Big Sky, Montana in July, 2015. A copy of the minutes can be found here.

### **UN Globally Harmonized System Sub-committee Meeting**

NAEGA Senior Advisor, Jerry Cotter, and industry volunteer, Jess McCluer of NGFA, represented NAEGA in Geneva, Switzerland at the UN Globally Harmonized Systems Sub-committee meeting on combustible dust. They met with representatives from several of the national delegations, including the Agricultural Counselor of Argentina, and the Chinese Delegation. They updated the representatives on the recent U.S. court decision where the DC Circuit Court of Appeals supported OSHA's classification of grain dust as a chemical hazard, and the grain trade's position on classifying combustible dust as a hazard.

A trip report will soon be available on the NAEGA Member's Only site under the International Programs webpage.

## **USBCA addressing China**

NAEGA jointed the US Biotech Crops Alliance (USBCA) in a series of letters thanking President Obama, the President's Cabinet, the Senate Finance Committee, and the House of Representative's Ways and Means Committee for elevating and addressing agricultural biotechnology with President Xi of China. It was no small task to secure the issue on the agenda for the talks between President Obama and President Xi.

USBCA will hold plenary session on Monday, December 15 in Washington, DC. The agenda can be found here.

The USBCA now looks forward to pivotal follow-on meetings to take place December 16-17 during the US – China Joint Commission on Commerce and Trade (JCCT) in Chicago, IL. The USBCA will press for the two governments to provide for a comprehensive framework agreement establishing a schedule of commitments to provide for market access for U.S. agricultural crops produced through the use of biotechnology. NAEGA President, Gary C. Martin, will join industry colleagues and representatives of the USBCA in Chicago for JCCT related meetings and USBCA organized meetings.

NAEGA members who are available are welcome to join the two USBCA organized meetings. The meetings are both on **Wednesday**, **December 17**<sup>th</sup> in Chicago, IL:

- 1. 1:30 2:15 PM With USDA Secretary Tom Vilsack, Lincoln Park Conference Room in the Peninsula Hotel , 108 East Superior St., and
- 2. 5:15 6:00 PM with USTR Ambassador Michael Froman, The Spire Parlor in the Palmer House, 17 East Monroe St.

We hope you or a colleague can join the meetings. Please let Gary know of your plans he will make sure you have a seat!

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NAEGA Actions on Current Issues are tracked on the Member's Only Section under their relevant committee pages.

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# **Member Opportunities**

### **US GAO Review of GE Crops**

On Dec 16, from 11:30a-1:00p US Eastern time (10:30 AM Central), the US Government Accountability Office (GAO), has requested an appointment with NAEGA. Aaron Shiffrin from GAO is organizing the meeting along with Adrian Pavia. Also possibly attending are assistant director Jim Jones and economist Barb El Osta.

Shiffrin explains they are conducting a review on the issue of genetically engineered crops. They have a standard set of questions they have been asking all stakeholder groups, as well as some additional questions on issues related to the government and industry roles in assuring that genetic engineered (GE) and non-GE crops meet other country specifications when exported.

NAEGA's Biotechnology Committee Plans to host the meeting and will arrange for conference call in. Please let Gary or Kyle know if you or a colleague would like to join in.

# Electronic Working Group -- Proposed Draft Amendments to "The Guidelines for the Exchange of Information Between Countries on Rejections of Imported Food (CAC/GL 25-1997)" – January 9, 2015

Codex Members and Observers are invited to register experts for the Electronic Working Group (eWG). The eWG will work on comments for the Proposed Draft Amendments to "The Guidelines for the Exchange of Information between Countries on Rejections of Imported Food (CAC/GL 25-1997)."

The existing CAC/GL 25-1997 would be revised to include the following aspects:

- 1. Exchange of information (including its format) on rejected consignments and the respective roles and responsibilities of the relevant parties in this regard;
- 2. Any relevant processes and procedures relating to subsequent interactions (i.e. review) on rejections of imported food;
- 3. Where appropriate the role of the competent authority of the exporting country in investigating the non-compliance with the importing country requirements;
- 4. The appropriate inclusion of feed in this document.

The eWG will be co-chaired by the European Union and Chile. NAEGA is planning to advocate for a Rapid Response Mechanism (RRM) by commenting on the proposed amendments. Those interested can register by sending an email detailing their name, organization and email address to Codex.europa.eu and Codex.Contact@agriculture.gov.au before **9 January 2015**.

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Full Details on Upcoming Events can be found in the Meetings & Events Section of the NAEGA Member's Only Page.

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# **Information for your Consideration**

## **EU Policy Update on Sustainability Issues**

The new College of Commissioners in the European Union (EU) took office on November 1, 2014, under President Jean-Claud Juncker. The following commissioners share responsibility in the areas of sustainability, agriculture, food, and environment:

- Mr. Karmenu Vella, Commissioner for Environment, Maritime Affairs and Fisheries;
- Mr. Vytenis Andriukaitis, Commissioner for Health & Food Safety (biotech approval legislation);
- Mr. Phil Hogan, Commissioner for Agriculture and Rural Development;
- Mr. Miguel Arias Canete, Commissioner for Climate Action and Energy.

Regarding EU's Renewable Energy Directive (RED), the European Parliament has not begun its second reading on the proposed changes as of November 30. The Council plans to adopt formal text in December. The agreement that is intended to be formalized sets a 7% limit on the amount of first-generation biofuels that could be counted towards the EU's 10% renewable fuel target. The current RED will stay in effect until the new legislation is finalized.

### **U.S. President Supports TPA**

U.S. President, Barack Obama recently suggested that he will make a personal effort to advance trade promotion authority (TPA) legislation. He will be talking to the majority and minority leaders in both the House and Senate and "making a strong case on the merits as to why TPA has to get done."

He acknowledged that doing so will be "somewhat challenging" due to the perception that global competition has contributed to some of the stagnation in wages for U.S. workers. The president noted, "... more ... jobs were lost because of automation and capital investment." Further, he said, "over time, growth, investment, exports all have increased the capacity for working families to improve their economic standing." The president said he will therefore "have to engage directly with our friends in labor and our environmental organizations" to understand their opposition, while noting that there are "some of those same anti-trade impulses" among Republicans that will have to be addressed as well.

TPA is thought to be necessary to ensure free trade agreements, such as the Trans Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP), come to a successful conclusion.

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If you would like more information or wish to provide comments on any of these news topics monitored by NAEGA, please contact us.

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### **NAEGA Calendar & Member Notices**

### 2014

### **December**

**15** – Washington, D.C. – U.S. Biotech Crops Alliance Plenary Session – Arent Fox, 1717 K St., NW 1:00pm to 5:30pm.

**16** – Conference Call – NAEGA Debrief on Chinese Soy Vessel Comparison Study – Call in number: 1.404.920.6650, participant code: 245335# -- 9:00am Eastern, 8:00am Central.

16 – Washington, DC – US GAO Review of GE Crops – Call in number will be available soon.

18 – Washington, DC – US Agriculture Coalition for Cuba (USACC) meeting

### 2015

### January

**8** – Washington, DC – USACC First Public Press Conference – National Press Club from 2:00pm-3:00pm

16 – Conference Call – PNWER Agriculture Working Group

### March

**15-17** – San Antonio, Texas – 2015 NAEGA Annual Meetings – Hyatt Regency Hotel (in conjunction with NGFA's Convention).

### **April**

10 – Panama – "Summit of the Americas"

## July

12-16 – Big Sky, Montana – 2015 Pacific Northwest Economic Region (PNWER) Annual Summit

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