



North American Export Grain Association

Outreach

February 16, 2018

Thank you for your membership in and work with NAEGA

Image of the Week

U.S. International trade update

Recent key developments on international trade and potential future actions

November 2017:
Fifth round of NAFTA renegotiations and new TPP agreement: Leaders met in Mexico City from November 17-21 and tensions grew as USTR Lighthizer criticized Canada and Mexico for refusing to compromise. Former TPP member countries, excluding the US, signed on to a new trade agreement.

December 2017:
USTR announces review of bilateral agreements with Australia and Korea: Lighthizer announced that negotiations would begin in January to modify the US-Korea Free Trade Agreement (KORUS), led by AUSTR Michael Beeman. USTR met with Australian trade leaders to review implementation of the US-Australia Free Trade Agreement (FTA).

January 2018:
Sixth round of NAFTA renegotiation completed: Negotiators met in Montreal and discussed rules of origin provisions, corruption provisions and treatment of trade with other countries outside the NAFTA agreement.

Potential actions

- NAFTA renegotiations will continue in Mexico City in late February for the seventh round
- Goals include:
 - Raising rules of origin, the level of a good produced in North America needed to qualify for zero tariffs under NAFTA
 - Eliminating Chapter 19, which allows private companies to challenge trade rulings made by NAFTA countries
 - A sunset clause to end NAFTA in five years unless each country agrees to its renewal
- Trump has the power to negotiate tariffs on specific goods without congressional approval, but more substantial changes have to pass through Congress
- Trump has indicated he is willing to withdraw from NAFTA if a satisfactory agreement isn't reached
- Trump is expected to withdraw from TTIP negotiations with the EU

Legislative timeline



Source: Zeehan Aileen, "Trump is ready to renegotiate NAFTA. Here's what that might look like," Vox, February 9, 2017; Doug Palmer, "Probe could lead to duties on steel imports," Politico, April 20, 2017; Office of the USTR, Press Release, 2017; Ana Swanson, "How the Trump Administration is Doing Renegotiating NAFTA," NY Times, September 28, 2017; Ann Campese, "The North American Free Trade Agreement is at an impasse because the US is tired of free trade," Quartz, October 17, 2017; Ana Swanson, "Nafta Round Closes With Talks Begged Down by Conflict," NY Times, Nov. 21, 2017; Michael Tataraki, "Countries agree on Pacific trade pact that excludes the US," Politico, November 20, 2017; Doug Palmer, "Trump's trade chief clashes with Canada, Mexico in NAFTA talks," Politico, January 20, 2018; USTR Press Release, 2018.

Member Opportunities

- Response to China AD/CVD action on U.S. Sorghum – IMMEDIATE
- Barge Doc Digitization Workshop – New Orleans, LA – February 16
- NAEGA Annual Members Meeting – Scottsdale, AZ – March 19
- NAFTA and Asia-Pacific Policy Teams
- Contracts and Best Practices Seminars
- NAEGA Internships

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- IGTC Newsletter
- U.S. APHIS Nuseed Comment

Upcoming Actions

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- CHS Top Customer Meeting – Ft. Lauderdale, FL – February 26-28
- IGC MCC – March 5-8 – London, UK
- IPPC Commission on Phytosanitary Measures – April 16-20 – Rome, Italy
- IGTC Strategy Session and IGC Meeting – June 17-20 – London, UK

Pending Actions

- Trade Finance Advisory Council – Washington, D.C. – February 22
- U.S. APHIS Consultations on IPPC Activities
- Canada CFIA Consultations for RCC

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NAEGA Calendar and Member Notices

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Member Opportunities

URGENT - Response to China Antidumping and Countervailing Duty Actions on U.S. Sorghum Imports

In order to assist needed exporter actions related to China’s Antidumping and Countervailing Duty Actions on U.S. Sorghum Imports, NAEGA is cooperating with the U.S. Grains Council and National Sorghum Producers to provide for timely, consistent and coordinated responses and information sharing.

All interested exporters should contact NAEGA immediately in order be included in this effort.

Background: This action comes against the backdrop of a number trade cases currently underway or recently completed between the U.S. and China, including steel, washing machines, solar panels and intellectual property.

On Sunday, February 4 the Ministry of Commerce of the People's Republic of China self-initiated trade remedy actions on imported sorghum originating in the United States. The actions by the Bureau of Trade Relief are detailed in Notice 2018 No. 12 re: Article 18 of the "Anti-Dumping Regulations of the People's Republic of China" and the "Anti-subsidy Regulations of the People's Republic of China". Preliminary duties have been identified and are expected to be applied in a few months. The Ministry will now investigate over the next year whether the U.S.

government subsidizes sorghum farmers, allowing exporters to sell into the Chinese market at a loss.

The included request for exporter registration by February 24 results in a need for immediate action.

Barge Document Digitization Value Assessment Workshop – New Orleans, LA – February 16

On February 16, NGFA and NAEGA are hosting a "Value Assessment Workshop" to engage industry stakeholders and needed experts in a fact and opinion finding workshop to examine possibilities for digital solutions to be applied to Mississippi River barge documentation and perhaps lead to proof of concept and business plan development. Interested industry personnel from the grain trading community including barge companies, fleet operators, barge freight users, loaders and shippers, and digital solutions providers are invited to participate in the "Barge Document Value Assessment Workshop".

The Workshop will be held in New Orleans, LA on February 16 from 10:00am-2:00pm in the Fleur de Lis BC Room at the [Royal Sonesta Hotel](#). Lunch will be provided.

If you or a colleague would like to attend, please register [here](#).

The Workshop coincides with the Mid-South Grain Association's Annual Convention on February 16-17, also at the Royal Sonesta. If you would like to attend the Mid-South Convention, please register directly with the Mid-South Grain Association. A registration form from the Association can be found [here](#).

An agenda for the workshop can be found [here](#).

NAEGA Annual Members Meeting – Scottsdale, AZ – March 19

Please make your plans and reserve your hotel rooms now for the 2018 NAEGA Annual Members meeting and committee meetings on March 18-19, 2018 at the Westin Kierland Resort & Spa in Scottsdale, Arizona. All NAEGA member personnel are invited to attend and participate in all NAEGA meetings and events. A [preliminary schedule](#) includes:

| Time | Event | Location |
|-------------------------|--|-----------------------------|
| Sunday, March 18 | | |
| 1:30-3:00pm | Contracts Committee Meeting (RSVP here) | Merriam AB Room |
| 1:00-3:00pm | Joint NAEGA Grades and Inspections Committee and NGFA Grain Grades and Weights Committee Meeting (RSVP here) | Trailblazers 3 Room |
| 3:15-5:30pm | Joint NAEGA Production Technology and NGFA Biotechnology Committee Meeting (RSVP here) | Cushing AB Room |
| 6:00-7:00pm | CoBank Welcome Reception | Marshall's Outpost Pavilion |

| | | |
|-------------------------|--|--|
| Monday, March 19 | | |
| 9:00-11:30am | Grand Opening Plated Breakfast Featuring Soren Schroder, CEO, Bunge Limited (Included in Promo Rate for NAEGA members) | Trailblazers Ballroom |
| 10:00-12:00pm | NAEGA 2 Model Contract Revisions Briefing (RSVP here) | Kierland 1A |
| 12:00-1:30pm | NAEGA Members Lunch and Annual Members Meeting (RSVP here) | Kierland 1A |
| 1:30-3:30pm | NAEGA Board of Directors Meeting (RSVP here) | Kierland 1A |
| 6:30-7:30pm | Bunge North America Reception (Included in Promo Rate for NAEGA members) | Northern Sky Terrace and Rainmakers Ballroom |

Accommodations

All NAEGA meetings and events will take place at the Westin Kierland Resort and Spa at 6902 E Greenway Parkway Scottsdale, AZ. Accommodations at the Westin Kierland can be made by clicking [on this link](#).

NGFA Convention

NAEGA's annual meetings will once again take place alongside the National Grain and Feed Association's Annual Convention on March 18-20. NAEGA members interested in attending part of the NGFA Convention can utilize a special NAEGA member rate of \$300 for member personnel and \$250 for spouses and guests. This rate includes events at the NGFA Convention on Sunday and Monday. A copy of the NGFA convention schedule can be [found here](#).

To take advantage of the special NAEGA member rate should register here using the promo code NAEGA2018.

NAFTA and Asia-Pacific Policy Teams

With NAFTA negotiations underway and the evolving U.S.-China trade relationship we expect many more fast paced and dramatic developments that could greatly change the terms of trade for NAEGA members. Your involvement is needed!

NAEGA ad hoc policy teams of member personnel working largely through conference calls are helping to guide our multifaceted effort to address the evolving trade environment. Teams focused on the North American Free Trade Agreement and the Asia-Pacific Market are already established. The **NAFTA Policy Team** will be heavily engaged over the next three months to support NAEGA work with the U.S. Food and Ag. Dialogue for Trade, The Pacific Northwest Economic Region, the Canada U.S. Grain and Seed Trade Task Group and the NAEGA committees and Board of Directors to address NAFTA. A similar effort will soon start with an **Asia-Pacific Policy Team** that will be focused on U.S. trade relations with China, Japan, Korea and the Trans Pacific environment more generally.

Contracts and Best Practices Seminars

NAEGA is beginning to plan seminars for 2018! Let us know where we should hold 2018 Seminars and what topics you would like us to cover. NAEGA also conducts company specific private seminars. Please let us know if you are interested attending or hosting a NAEGA seminar. Click [here](#) for more information the in-depth, interactive programs NAEGA conducts!

Internships

We have an open intern position starting January 2017 to work at the NAEGA office at 1400 Crystal Drive, Arlington, VA 22202. Information on working for NAEGA as an intern can be found [here](#).

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

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Action Reports

Recent Actions:

Food and Ag Dialogue Letter to Lighthizer

On February 8 the Asia-Pacific Market Working Group of the U.S. Food and Agriculture Dialogue for Trade sent a letter to U.S. Trade Representative Ambassador Robert Lighthizer supporting the administrations recent comments about reengaging with Trans-Pacific Partnership members in a manner that promotes trade in the Asia-Pacific region. According to the letter the working group “welcomes President Trump’s recent address at the World Economic Forum, in which he stated that the “United States is prepared to negotiate mutually beneficial, bilateral trade agreements with all countries...includ[ing] the countries within TPP [Trans Pacific Partnership]” and that the United States “would consider negotiating with the rest [of the TPP countries] either individually or perhaps as a group if it is in the interests of all.”

You can read the letter [here](#).

IGTC Newsletter

The latest IGTC Newsletter is now available! This week’s newsletter includes a preliminary schedule for the IGTC’s 2018 General Assembly at the end of November in Beijing, China, online presentations from the 3rd ePhyto Symposium, and a final call to fill out IGTC’s questionnaire on MRLs.

For more details, read the IGTC Newsletter [here](#) or visit the IGTC website at www.igtglobal.org.

U.S. APHIS Nuseed Comment

On February 9 NAEGA joined the National Grain and Feed Association (NGFA) and the National Oilseed Processors Association (NOPA) in a letter to the U.S. Animal and Plant Health Inspection Service regarding the responsible commercialization of Nuseed event B0050-027. NAEGA, NGFA and NOPA “do not support commercialization prior to export market approvals and consider a “pre-commercial release” no different than a product commercialization, since the potential risks and impacts are the same.” The letter urges “agricultural biotechnology developers

to fully bear the risks and liabilities associated with any commercialization of their products should market disruptions occur prior to obtaining approvals in U.S. export markets

You can read the letter [here](#) and the original notice published in the Federal Register [here](#).

Upcoming Actions:

MRL Workshop – February 26-27 – Geneva, Switzerland

On February 24-28 Matt Lantz, NAEGA contractor for Bryant Christie, Inc., will travel to Geneva, Switzerland to participate in an MRL Workshop on February 26-27. The workshop will include participation from importing and exporting governments, inter-governmental organizations, and industry. Mr. Lantz will represent IGTC policy files on MRLs at all meeting and events.

CHS Top Customer Meeting – Ft. Lauderdale, FL – February 26-28

On Wednesday, February 28 Gary will travel to Ft. Lauderdale, FL to address CHS's Top Customer Meeting. During the meeting Gary will participate in a General Session discussion on *The View from Washington, D.C.: Trends, Challenges and Opportunities*. A copy of the agenda can be found [here](#).

IGC MCC – March 5-8 – London, UK

On March 5-8 Gary will join Katy Lee, Secretariat of the International Grain Trade Coalition, on a mission to London, UK to participate in the International Grains Council's Market Conditions Committee meeting. While in London, Gary and Katy will also meet with IGTC corporate stakeholders, discuss IGTC 2018 planning, recruitment and governance, and meet with the International Maritime Organization.

IPPC Commission on Phytosanitary Measures – April 16-20 – Rome, Italy

On April 16-20 Katy Lee, Secretariat of the International Grain Trade Coalition, will travel to Rome, Italy to participate in the IPPC Commission on Phytosanitary Measures (CPM). During this meeting the IGTC will act as an observer at the annual CPM event, considered the "parliament" of the 183 contracting governments to the IPPC. The IGTC is also planning a side event to discuss issues of importance to the global trade.

IGTC Strategy Session and IGC Meeting – June 17-20 – London, UK

On June 17-20 Gary will join Katy Lee in London to participate in a IGTC Strategy Session and attend a meeting of the International Grains Council. A preliminary schedule for this mission includes:

- June 17: Welcome event for IGTC global delegation in London
- June 18: IGTC Strategy Session
- June 18-19: IGC Session and annual conference
- June 19: GAFTA annual dinner

Pending Actions:

Trade Finance Advisory Council – Washington, D.C. – February 22

The U.S. Department of Commerce Trade Finance Advisory Council (TFAC) will hold a meeting on Thursday, February 22 at the U.S. Department of Commerce, 1401 Constitution Ave NW,

20230. The meeting will focus on possible recommendations on policies and programs that can increase awareness of, and expand access to, private export financing resources for U.S exporters. Attendees will also hear from officials from the Department of Commerce and other agencies on issues impacting the scope of their work and mission. The meeting is open to the public but please register [here](#).

U.S. APHIS Consultations on IPPC Activities

The Animal and Plant Health Inspection Service is accepting consultations on three draft specifications and 13 draft International Standards for Phytosanitary Measures (ISPM) from the International Plant Protection Convention (IPPC).

Draft Specifications:

- [Revision of ISPM 12](#)
- [Audit of phytosanitary context](#)
- [Supplement to ISPM 11](#)

Draft ISMPs:

- [2017 Amendments to ISPM 5: Glossary of phytosanitary terms](#)
- [International movement of cut flowers and foliage](#)
- [Requirements for the use of fumigation as a phytosanitary measure](#)
- [Diagnostic protocols: Bactrocera dorsalis complex](#)
- [Diagnostic protocols: Conotrachelus nenuphar](#)
- [Diagnostic protocols: Ips spp](#)
- [Diagnostic protocols: Xylella fastidiosa](#)
- [Diagnostic protocols: Puccinia psidii](#)
- [Revision of Diagnostic Protocol: Plus pox virus](#)
- [Revision of ISPM 6: Surveillance](#)
- [Requirements for the use of temperature treatments as a phytosanitary measure](#)
- [Draft revision of Annexes 1 & 2 to ISPM15](#)
- [Draft 2015 and 2016 amendments to ISPM 5 Glossary of phytosanitary terms](#)

Canada CFIA Consultations for RCC

The Canadian Food Inspection Agency (CFIA) is seeking input from stakeholders for the development of new cooperation opportunities and prioritization of existing initiatives under the Canada-United States Regulatory Cooperation Council (RCC). The purpose of this consultation is to provide an additional mechanism to seek stakeholder feedback on the prioritization of work plan initiatives currently being pursued between the CFIA and its U.S. regulatory counterparts, and to solicit input on potential opportunities for the future. The deadline to submit input is March 30, 2018. Input [can be submitted at this link](#).

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News

Asian Gypsy Moth

The U.S. Animal and Plant Health Inspection Service (APHIS) and the Canadian Food Inspection Service (CFIA) have issued a memorandum of understanding on actions taken for arriving vessels

from Far East Russia, Japan, Korea and Northern China regarding the Asian Gypsy Moth (AGM). AGM is a serious pest that can be carried on ships and cargo and, if introduced to North America, AGM would have significant negative impacts on our forestry and agriculture, the natural environment, the commerce that relies on those plant resources, and market access. According to the MOU, Vessels must arrive in North American ports free of AGM and with required pre-departure certification. Additionally, vessels must provide two year port of call data, at least 96 hours prior to arrival in a North American port, to the Canadian or U.S. agent.

The full MOU can be read [here](#).

Americans for Farmers and Families

Americans for Farmers and Families, a coalition of growers, producers, suppliers, transporters, retailers and consumers has launched a new effort dedicated to preserving NAFTA and working with President Trump to negotiate a modernized agreement. As part of this effort AFF has provided a public toolkit that provides resources to promote the benefits of NAFTA and trade to U.S. agriculture. The organization's toolkit includes a sample [letter to Congress](#), sample [letter to the editor](#), and sample [social media amplification document](#).

Other resources can be found on AFF's website, [here](#).

China Trade Actions

This week the U.S. Department of Commerce announced the affirmative preliminary determination in the antidumping duty (AD) investigation of imports of cast iron soil pipe fittings from China. The determination found that China had sold cast iron soil pipe fittings into the U.S. at 68.37-109.95 percent less than fair value. Customs and Border Protection will now collect duties based on these preliminary rates.

This investigation is one of 19 additional AD/CVD investigations currently being conducted by the U.S. International Trade Commission and the Department of Commerce. In addition, the Trump Administration is also investigating, on a self initiated basis, the national security implications of steel and aluminum imports under Section 232 of the Trade Act of 1962. In addition, the administration is conducting a Special 301 report on Chinese intellectual property practices.

Final determinations for steel are due by April 11, 2018 and aluminum by April 19, 2018.

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Calendar & Member Notices

Click [here](#) for a Copy of the IGTC Calendar

2018

February

- 16** – Barge Document Value Assessment Workshop - New Orleans, LA
- 16-18** - Midsouth Grain Association Annual Convention – New Orleans, LA
- 21-22** – WTO Agriculture Committee – Geneva, Switzerland
- 21-22** – COCERAL Handover Meeting – Brussels, Belgium
- 22** – Trade Finance Advisory Council – Washington, D.C.
- 26-28** – CHS Top Customer Meeting – Ft. Lauderdale, FL
- 26-27** – MRL Workshop – Geneva, Switzerland
- 28** – IGTC MRL Policy Team Call - Virtual
- 28-March 1** – WTO SPS Committee – Geneva, Switzerland

March

- 6** – IGC Market Conditions Committee Meeting – London, UK
- 14** – IGTC Management Council – Virtual
- 18-20** – NGFA Annual Convention – Scottsdale, Arizona
- 18** – NAEGA Contracts Committee Meeting – Scottsdale, AZ
- 18** – Joint NAEGA Grades and Inspections Committee and NGFA Grain Grades and Weights Committee Meeting – Scottsdale, AZ
- 18** – Joint NAEGA Production Technology and NGFA Biotechnology Committee Meeting – Scottsdale, AZ
- 19** – NAEGA 2 Revisions Briefing – Scottsdale, AZ
- 19** – NAEGA Annual Members Meeting – Scottsdale, AZ
- 19** – NAEGA Board of Directors Meeting – Scottsdale, AZ
- 26-28** – Canadian Global Crops Symposium – Toronto, Canada

April

- 16-20** – IPPC Commission on Phytosanitary Measures (CPM-13) – Rome, Italy

May

- 14-18** – IPPC Standards Committee – Rome, Italy

June

6-7 – WTO Agriculture Committee – Geneva, Switzerland

14 – IGTC Management Council – Virtual

18 - IGTC Strategy Session – London, UK

19 – 27th IGC Grains Conference – London, UK

19 – 2018 Gafta London Dinner – London, UK

July

1-September 30 – IPPC ISPM Consultation - Virtual

11-12 – WTO SPS Committee – Geneva, Switzerland

August

1-2 – Australian Grains Industry Conference – Melbourne, Australia

September

4-7 – IGTC and Gafta Seminars – Washington, D.C.

10 – USSEC Annual Event – Mid-West, U.S.A.

14 – IGTC Management Council – Virtual

26-27 – WTO Agriculture Committee – Geneva, Switzerland

October

31-November 1 – WTO SPS Committee – Geneva, Switzerland

November

19-23 – IPPC Standards Committee – Rome, Italy

21-22 – WTO Agriculture Committee – Geneva, Switzerland

10-22 – COP 14 – Egypt

December

4 – IGC 40th Session – London, UK

14 – IGTC Management Council - Virtual

TBD – Biosafety Protocol COP 14 – Egypt

2020

December

TBC – COP 15 – CBD – Beijing, China

2022

December

TBC – COP 16 – CBD - Turkey

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