

Outreach

February 7, 2018

Thank you for your membership in and work with NAEGA

Image of the Week

Blockchain 101

What is blockchain?



Blockchain is a decentralized database that functions using a consensus-based validation procedure, in which transactions are conducted in a P2P fashion and “validated” by participants



Bitcoin – launched in 2009 – was the first application of blockchain. Bitcoin is an open-source cryptocurrency that doesn't rely on centralized intermediaries



Blockchain is gaining traction because it allows parties to carry out P2P transactions involving just about anything of value safely and securely even if they don't trust each other

Cryptocurrencies have exploded in growth, with a combined market cap of \$571.65 billion, but other blockchain applications are still in their infancy

Blockchain's impact on financial services



Current applications: For payments, banks, credit card companies and clearing houses could raise transaction costs and delay settlement with blockchain. For capital raising, blockchain enables companies of any size to raise money using a P2P mechanism



Future applications: Blockchain could reduce opportunities to commit financial fraud and cut AML/ KYC compliance costs – and, through smart contracts, reduce delays and costs while improving transaction accuracy and security



Supporters & critics: Some bank CEOs are critical of cryptocurrency, blockchain's most familiar application; however, many leaders in banking and financial regulation remain more optimistic about blockchain more broadly

Challenges to blockchain's adoption



Scalability: The more popular blockchain is, the more nodes each chain will have, and the slower those transactions become



Privacy and anonymity: If data are stored in public data ledgers, industries that rely on confidential transactions face a problem

Security: Blockchain systems lack banks' anti-fraud, Know Your Customer & anti-money-laundering tools



Energy resources: Bitcoin mining requires an increasing demand for high-powered computer processing

Culture: A loss of trust in blockchain technology could lead to limited thinking about its opportunities

Regulation: Regulatory entities often lag behind tech innovation, and that's been the case with blockchain

Blockchain's applications beyond finance



Health care: Blockchain could provide a decentralized mechanism to store medical histories, eliminate the burden of data reconciliation, & more



Energy: Blockchain could remove intermediaries from the energy grid, theoretically allowing neighbors to trade energy with one another without selling it back to a massive, centralized grid



The public sector: Blockchain could streamline any data exchange that requires notarized proof of action, and it could improve the process of value transfer, contract-making, and recordkeeping

Outlook: Blockchain is so novel that it's difficult to imagine its potential impact, but it will likely be foundationally transformative

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

Action Reports

Recent Actions:

- CMC State of the Industry 2018 – Miami, FL – January 28-30
- NAEGA Board of Directors Meeting – Miami, FL – January 30
- PNW Port Range Subcommittee Meeting – Portland, OR – January 31
- U.S. Food and Agriculture Dialogue for Trade – Washington, D.C. - February 5
- USTR Nominations Letter

Upcoming Actions

- MRL Workshop – February 26-27 – Geneva, Switzerland
- 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

NAEGA Calendar and Member Notices

- Upcoming Events and Notices for Members

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 to 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](#).

A more complete agenda for the Barge Document Value Assessment Workshop will be available soon.

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:

CMC State of the Industry 2018 – Miami, FL – January 28-30

Last week, NAEGA President and CEO Gary Martin, Director of Operations Ryan Olson and IGTC Secretariat Katy Lee joined the NAEGA Board of Directors at the Commodity Markets Council's State of the Industry 2018 conference. CMC is the leading trade association for commodity futures exchanges and their industry counterparts. The State of the Industry 2018 conference included discussion and presentations by industry and government leaders focusing on agriculture, metals, energy, power and technology markets. Governor of Nebraska Pete Ricketts joined the conference as the keynote speaker. A full summary of the State of the Industry Presentations can be found [here](#).

NAEGA Board of Directors Meeting – Miami, FL – January 30

The NAEGA Board of Directors met on the morning of January 30, 2018 at The Miami Beach Edition Hotel in Miami, FL. During the meeting, Board Members discussed NAEGA finances, membership recruitment and participation, and ongoing policy issues. The Board also participated in a call of the IGTC Management Council and received a briefing on IGTC activities from Katy Lee, IGTC Secretariat. Central to the Board's policy discussions was formulating a unified response to ongoing phytosanitary challenges for soybeans entering the Chinese market. Minutes from the meeting will be available soon. An agenda can be [found here](#).

PNW Port Range Subcommittee Meeting – Portland, OR – January 31

On Wednesday, January 31 members of the NAEGA Grades and Inspections Committee's PNW Port Range Subcommittee, along with Grades and Inspections Committee Chairman Nick Friant, held a meeting in Portland, Oregon with Dana Coale of the Acting Deputy Administrator of the Federal Grain Inspection Service (FGIS). Ms. Coale is temporarily serving as the Deputy Administrator for the FGIS pending the selection of the permanent Deputy Administrator. The meeting was also attended by members of the Washington State Department of Agriculture (WSDA).

During the discussion, Ms. Coale, told the group she was committed to putting "service" back into FGIS and specifically asked the group to provide her with suggestions on improvements that need to occur. She also said a key role for bringing about a cultural change at the agency rests with the shift supervisors, who she said need to take greater responsibility in addressing issues raised by NGFA and NAEGA members concerning the performance of the agency's technicians and graders.

Further, WSDA emphasized that procedures and processes are in place to prevent future disruptions in official grain inspection services. Both Dana and Tony emphasized to FGIS and WSDA staff that the 2013-2014 disruption in grain inspection service is still a major issue for NGFA and NAEGA members and is the reason why the U.S. Grain Standards Act was amended and why there was reorganization within USDA.

Following the meeting with FGIS and WSDA, the NAEGA Port Range Subcommittee met and discussed potential recommendations to provide to FGIS to improve service performance.

U.S. Food and Agriculture Dialogue for Trade – February 5

The U.S. Food and Agriculture Dialogue for Trade met on Monday, February 5 from 1:30-3:30pm. During the meeting the Dialogue received a briefing on the Asia-Pacific market from Barbara Weisel, Managing Director, Rock Creek Global Advisors. Following Barbara's comments, the Dialogue discussed outreach and communications efforts for promoting trade with the Asia-Pacific market and the president's recent comments on TPP. [Link to the Letter](#)

USTR Nominations Letter

On January 31 NAEGA joined 97 other food and agribusiness organizations in a letter to U.S. Senators urging the confirmation of Gregg Doud as Chief Agricultural Negotiator, Dennis Shea as Deputy USTR (Geneva), and C.J. Mahoney as Deputy USTR Investment, Services, Labor, Environment, Africa, China, and the Western Hemisphere).

You can read the letter [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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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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