OUTREACH March 17, 2014

Thank you for your membership in and work with NAEGA

Member Participation Opportunity:

- Hosting SENSICA re "soil contamination" Kansas City March 27 and 28
- Looking forward to seeing everyone at the NAEGA Annual Meeting Hilton Head, South Carolina March 31, 2014
- U.S. FDA Issues Proposed Rule on Sanitary Transportation of Food and Feed Under FSMA
- USTR Public Interest Trade Advisory Committee Nominations March 25, 2014
- U.S. Department of Treasury Office of Foreign Assets Control Symposiums Washington, D.C. – April 8, 2014

Action Reports;

- Agrisure Duracade® Product Launch Plans
- U.S. NAEGA / NGFA Comments to USDA on Dow's Petition for Nonregulated Status
- U.S. USDA AMS/FAS Feed Export Certification Plans
- World Codex Addressing Mycotoxin Levels DON Standard

New Issues

• EU-U.S. – Transatlantic Trade and Investment Partnership

NAEGA Calendar and Member Notices

• Upcoming Events and Notices for Members

NAEGA Member Participation Opportunity

March 27 and 28 – Hosting SENSICA re "soil contamination"

Following up on a resent request for assistance from USDA-APHIS, NAEGA is scheduling meetings and events with Mexican government officials from SENASICA and USDA-APHIS. We will focus on trade facilitation and Mexico's phyto-sanitary risk management procedures including ongoing trade concerns with SENASICA's implementation of measures to address "soil contamination." The official delegations include:

- 1. Arturo Calderon, Director, SENASICA-DGIF
- 2. Armando Cesar Lopez, Director of Inspection at Ports, Airports and Frontiers, SENASICA-DGIF
- 3. Rosalinda Flores, Sub director of Inspection at Borders and Frontiers, SENASICA-DGIF
- 4. Ruben Pineda, Chief of the Nuevo Laredo DGIF office, SENASICA-DGIF

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- 5. Juan Jose Flores, Sub director of National Regulation, SENASICA-DGSV
- 6. Agustin Ramos, Senior Agricultural Specialist, APHIS, Mexico City
- 7. George Galasso, National Trade Director for Grain, PIM, Plant Health Programs, APHIS
- 8. Terrance Wells, Senior Export Specialist, Export Services, PPQ, Plant Health Programs,
- 9. Andrew Ping, Grain Marketing Specialist, Office of International Affairs, FGIS The tentative schedule is as follows:

March 14 – APHIS, FGIS, NAEGA Planning session in New Orleans and via conference call.

March 25 – Full delegation arrives in Kansas City

March 26 – Visit to local elevators to observe inspection and grading process. Arvid Hawk to join in the visits for NAEGA.

March 27 - NAEGA hosted Government to Government and Industry reception and presentation. -4 to 7 PM

March 28 - NAEGA hosted informational roundtable discussion - Industry, Mexican and U.S. officials – 8am to 12 noon.

NAEGA member representatives are invited to the Thursday, March 27, afternoon reception and presentation as well as the informational discussion on the morning of Friday, March 28. Venue and additional details for both events will be included in an invitation as soon as possible to NAEGA Member Representatives.

Looking forward to seeing you at the NAEGA Annual Meeting Hilton Head, South Carolina - March 31, 2014

NAEGA's Annual Meetings are fast approaching! Please join us on Monday, March 31, 2014 in Hilton Head, South Carolina from 10:30am to 6:30pm. The current **schedule** for the day includes:

10:30am – NAEGA Biotechnology Committee Briefing

Elliot Room

Open to all NAEGA Member Representatives

11:30am – Joint NAEGA/NGFA Biotechnology Discussion Elliot Room Open to all NAEGA Representatives and NGFA Biotech Committee Industry Members

12:30pm – Luncheon

Elliot Room

Hosted by NAEGA Grades Committee and NGFA Grain Grades and Weights Committee Randall Jones, Deputy Administrator GIPSA's Federal Grain Inspection Service, Guest speaker. Open to all NAEGA Member representatives and invited guests

2:00pm – NAEGA Annual Membership Meeting

Elliot Room

Open to all NAEGA Members and invited guests – Agenda forthcoming.

2:30pm – NAEGA Board Meeting

Elliot Room

Open to all NAEGA members and invited guests – Agenda forthcoming.

6:30pm – Bunge North America Inc. Reception

Calibogue/Danner Ballroom

All attendees invited!

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All the NAEGA meetings above can be attended by NAEGA member personnel and guests free of charge. However, please register by clicking here. Registrants will receive meeting material via email and in hard copy at the meetings as well as be counted for lunch and refreshments.

IMPORTANT: The March 31 NAEGA meetings will coincide with the March 30-April 1, 2014 National Grain & Feed Association (NGFA) Convention. The current agenda for the NGFA convention can be accessed here. Rooms at the Westin Hilton Head can be booked at the NGFA rate by clicking here. A special NAEGA registration for the NGFA Convention is now available here.

For example, NGFA has arranged for Howard Minigh, President and CEO of CropLife to kick off the Biotech related discussions on Monday, March 31, in an address to the Convention. Mr. Minigh will discuss "Biotechnology: Accommodating Innovation While Preserving Markets" at 9:50am in the Archer/Barnwell room. Attendance at this and all other sessions at the NGFA convention require NGFA registration.

U.S. – FDA Issues Proposed Rules on Sanitary Transportation of Food and Feed under FSMA

On January 31st, the U.S. Food and Drug Administration (FDA) requested comments on FDA proposed transport rules for sanitary transportation of food and feed under the Food Safety Modernization Act (FSMA). The proposed rule would apply to trucks and rail transportation conveyances, but not barges or vessels. More information on the meetings can be found at http://www.fda.gov/Food/GuidanceRegulation/FSMA/ucm383763.htm. The comment period deadline is May 31. A public meeting on the proposed rules is upcoming on March 20, 2014 in College Park, Maryland (outside of Washington, D.C.).

USTR Public Interest Trade Advisory Committee Nominations – March 25, 2014

The Office of the U.S. Trade Representative seeks nominations to the Public Interest Trade Advisory Committee (PITAC). The PITAC will provide the USTR with policy advice on issues involving trade from a public health and international development perspective. The committee will provide reports on trade agreements to the U.S. president, USTR and Congress.

Nominations must be submitted to the USTR by March, 25 and the applicant must be a U.S. citizen; not a full time employee of a U.S. governmental entity, a federally-registered lobbyist or registered with the Department of Justice under the Foreign Agents Registration Act; be able to obtain and maintain a security clearance; and represent a U.S. organization whose members have a demonstrated interest in international trade.

U.S. Department of Treasury Office of Foreign Assets Control Symposiums – Washington, D.C. – April 8, 2014

The U.S. Department of Treasury's Office of Foreign Assets Control (OFAC) will hold a "Sanctions Symposium" on April 8, 2014 in Washington, D.C. The Symposium will include a comprehensive review of OFAC and current U.S. economic sanctions and will include presentations on OFAC regulations affecting all U.S. persons, as well as targeted reviews of 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



sanctions concerns for industries such as trade, insurance, and banking. Registration and venue information should soon be available at: OFAC resources webpage.

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

Click here to return to Index

Reports on NAEGA Actions

Agrisure Duracade® - product launch plans

We received communication from Syngenta that may be tied to NAEGA and NGFA's recent communication with Syngenta regarding commercialization of its Agrisure Duracade® and its "Right to Grow" product launch plans.

A letter addressed to members of NGFA and NAEGA explains it is intended to provide further details on Agrisure Duracade® product launch. The "Right to Grow" program is Syngenta's attempt to balance the access to new technologies and access to export markets. You will note the March 11, 2014 letter is jointly signed by Syngenta and Gavilon Grain LLC., and acknowledges the challenges in the global grain trade by inconsistent timing for approval of new traits. It also provides previously denied access to Syngenta Seed's current Stewardship Agreement with Growers of Agrisure® products, including Duracade®. Unfortunately, commercial responsibility that is fundamental to long standing NAEGA policy is rejected as the letter states the "grower remains responsible for planting, harvesting and stewardship of seed and grain." It further points out that "members of the grain handling industry purchasing grain and reselling it remain solely liable for any risks or liabilities arising..." Further, we note that Syngenta is merely "encouraging" licensees, resellers and farmers to sell and plant Duracade® only in the (introductory launch) region."

Separately, public notice from Syngenta Canada Inc. on March 10, 2014 indicated that it will not be proceeding with commercial sale of Agrisure Duracade® hybrids for Spring 2014 planting. Syngenta's Washington office in an email sent well after the public notice indicated that the company considers Canada to be within its "technology planning zone" for potential launch in 2015, rather than this year.

A copy of Syngenta's Right to Grow Zone Map can be found here and their Right to Grow material on Duracade® can be found here.

U.S. – NAEGA Comments to USDA-APHIS on Dow's Petition for Nonregulated Status

NAEGA and NGFA submitted these joint comments on Dow AgriSciences' petition for nonregulated status on one variety of corn and two varieties of soybeans that are resistant to 2,4-D. The comments follow a U.S. Environmental Protection Agency (EPA) Draft Environmental Impact Statement (DEIS) on the petition. The DEIS showed no serious environmental impact by

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the approval to the Dow products. NAEGA and NGFA's comments reiterated its concerns over aggressive commercialization and marketability of biotechnology agricultural commodities. The comments highlighted the potential risks for trade disruption if the presence of traits not yet approved in export markets are detected in shipments.

U.S. – USDA AMS/FAS Feed Export Certification Plans

USDA reports they have discussed their processed feed facility certification plan with Chinese officials. The web-based application and Good Manufacturing Program (GMP) was well received by the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ).

The USDA has set a **deadline of March 21**st for the first round of applications. After this date, the USDA will submit the list to AQSIQ as facilities meeting compliance to Decree 118. AQSIQ will then visit a random sample of the facilities. At this time it is unclear how AQSIQ will select the facilities it visits.

A press release and Notice to Trade have been issued by USDA to help industry and the media understand the USDA's plan. Parties interested in completing this certification process should complete the AMS web-based application for service and the Good Manufacturing Program (GMP) checklist found here.

World - Codex addressing Mycotoxin levels - DON Standard

NAEGA continues to address the effort by several countries to establish low maximum levels (ML) for Mycotoxins, including deoxynivalenol (DON) in raw grains. Recently a coalition of like-minded trade associations began to encourage a group of four countries (U.S., Canada, Australia, and New Zealand) to block consensus at the Codex Committee on Contaminants in Foods (CCCF). Instead, the proposal would be for grain to be differentiated by use, between products destined for direct distribution and those being traded for processing. Grain traded for direct distribution would be subject to the standard of 2 ppm, but the grain traded for processing purposes, which is the vast majority of food grain trade in the world, can be left to the milling company's management according to selection and technological solutions to bring the end products down to 1 ppm, which is the standard for flour, semolina, and meal.

The issue is on the agenda for the next meeting of the CCCF on 31 March-4 April 2014 in The Hague, The Netherlands. We are concerned this may lead to significant trade disruptions of grains in global commerce. For example, the CCCF appears to be set to establish a level of 2 ppm for DON, a Mycotoxin from the Fusarium graminearum pathogen, in raw grains generally. A copy of the proposed draft can be found here.

Beginning in February, NAEGA and NGFA distributed this background document encouraging International Grain Trade Coalition (IGTC) members and others to engage with national delegations to the CCCF Committee meeting and advocate:

1. That CCCF, rather than a single standard applicable to all raw grains, set different maximum levels for DON for different raw grains.

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- 2. In all cases setting any maximum level on raw grains immediately after harvest and prior to the conditioning and management of the raw commodities is not practical.
- 3. That the 2 ppm maximum level for DON in certain raw grains if it is to be established be set on those grains to apply only after initial handling, screening, cleaning and sorting (or first-stage processing, which is the European Union's standard) at a grain handling or milling facility.

NAEGA is considering making comments on the following items. Please contact us with your advice or suggestions:

2014

May 6 – Comments to USDA-APHIS on Monsanto's request for nonregulated status for corn genetically engineered for protection against corn rootworm and resistance to the herbicide glyphosate. A copy of the Federal Register notice can be found here.

NAEGA Actions on Current Issues are tracked on both the Member's Only Section under their relevant committee pages and the on the Personal Page's site. Updates to tracked issues are posted in this section.

Click here to return to Index

New Issues & Opportunities for NAEGA Consideration

EU-U.S. – Transatlantic Trade and Investment Partnership

The USTR issued an updated of list of objectives for negotiations with the European Union (EU) on the Transatlantic Trade and Investment Partnership (T-TIP). The objectives outline the goal of eliminating all tariffs and other duties on trade in agricultural, industrial, and consumer products and eliminate or reduce non-tariff barriers that decrease opportunities to U.S. exports such as unwarranted sanitary and phytosanitary restrictions that are not based on science. The list of objectives was released in conjunction with the fourth round of negotiations that were held in Brussels from March 10-14, 2014.

The USTR also welcomes feedback on the objectives from interested parties. To submit comments on this issue, email: comment@ustr.eop.gov. For more information on the reduction of agricultural tariffs click here. And for more information on Technical Barriers to Trade and Sanitary and Phytosanitary restrictions click here and here.

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

Click here to return to Index

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NAEGA Calendar & Member Notices

2014

March

19-20 – Washington, DC – U.S. Coast Guard Alternative Security Program (ASP) Workshop – Jerry Cotter attending for NAEGA.

- **21** Washington, DC First Round of Applications due to USDA on Feed and Feed Ingredient Export Plan
- **24** Webinar Next Steps of U.S. Soybean Export Council (USSEC) Sustainability Globally-Based Initiative (GBI) 1-650-479-3208 Access code: 623 513 899 WEBEX meeting 623 513 899 Password: GBI2014
- **31** Hilton Head, South Carolina 2014 NAEGA Annual Meetings Westin Hilton Head Resort (in conjunction with NGFA's Convention March, 30 April, 1). Reservations can be made here.

April

14-16 – Winnipeg, Manitoba, Canada – Canadian Global Crops Symposium – Hosted by the Canada Grains Council

May

17-18 – Qingdao, China – Asian-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade Meeting

June

10 – London, United Kingdom – International Grains Council (IGC) Grains Conference – Tower Hotel, Tower Bridge – You can register here.

July

- 1 Washington, DC NAEGA 2013 Market Access Program (MAP) Contribution Report Due
- **15-16** Alexandria, VA U.S. Agricultural Export Development Council (USAEDC) Attaché Seminar

September

18-19 – Beijing, China – APEC Food Security Ministers Meeting

29-October 3 – 7th Meeting of the Parties/Conference of the Parties for the So-called Cartagena Biosafety Protocol under the Convention on Biodiversity, which governs trans-boundary movements of Living Modified Organisms for feed, food and processing. More information can be found at: http://bch.cbd.int/protocol/

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November

10-11 – Beijing, China – APEC Economic Leaders' Meeting

17-20 – Baltimore, MD – USAEDC Annual Workshop

Thank you for your investment in NAEGA! – We very much appreciate and need your company's many contributions to the ongoing success of NAEGA. Invoices for NAEGA's 2014 Membership Dues have been mailed to member representatives and payments were due <u>February 17</u>. If you have not already paid, please do so as soon as possible.

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