



*“Working Together to Make Trade Work”*

## **OUTREACH April 7, 2014**

**Thank you for your membership in and work with NAEGA**

### **Action Reports:**

- 2014 NAEGA Annual Meetings in Hilton Head Island, South Carolina
- IPPC Commission on Phytosanitary Measures Meeting
- Mexico – “Soil Pod” Issue
- U.S. – Moisture Meter Concerns
- World – Trip Report on UN FAO Low Level Presence Meeting

### **Member Participation Opportunity:**

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

### **New Issues**

- World – WTO Members Attempt New Approach to Private SPS Standards

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

- Upcoming Events and Notices for Members

## **Reports on NAEGA Actions**

### **2014 NAEGA Annual Meetings in Hilton Head Island, South Carolina**

At the NAEGA Annual Membership Meeting, the members elected Wesley Uhlmeyer of ADM, Brian Schouvieller of CHS, Steve Campbell of Louis Dreyfus Commodities, Terry James of Richardson International, Steve Strong of Bunge, and Randal Ritchie of Gaviolon to terms ending in 2016 as Directors. These Board members join Steve Smalley of Cargill, Ron Williams of Columbia Grain, Yutaka Sano of Mitsui, Bob Steele of Nidera, Charles Colbert of Zen-Noh Grain, Holly Womack of CoBank, and Dave Smoot of Viterra whose terms expire in 2015.

At the Board of Directors meeting, the following Board members were elected officers:

- Steve Smalley of Cargill, Chairman of the Board;
- Steve Campbell of Louis Dreyfus, First Vice Chairman;
- Charles Colbert of Zen-Noh Grain, Brian Schouvieller of CHS, Wesley Uhlmeyer of ADM; and Steve Strong of Bunge Vice Chairmen and;
- Holly Womack of CoBank, Secretary and Treasurer.

Reacting to the budget and committee reports, the Board:

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1. Established a 2014 special assessment for \$150,000 of all 12 full members reporting more than 100 million bushels of exports shared equally to cover NAEGA 2014 operating deficit.
2. Established a special committee of the Board of Directors designated to consider and report on options for membership categories and membership funding of the association. The Chairman of the Board will name the committee and the committee will report by May 31. The NAEGA staff will assist the committee.
3. Decided that NAEGA staff will provide recommendations for changes to the NAEGA bylaws and business operations with a focus on, and including, revised mission, purpose, and operating structure. The staff will provide a report on the recommendations to the Board by May 15.
4. Directed the Board of Directors, to the extent provided to it by the current bylaws, to make changes to membership financing, mission, purpose, and operating structure by October 1. And propose revisions to the bylaws by October 1.
5. Decided to renew NAEGA’s USDA Market Access Program (MAP) application for 2015.
6. Approved the NAEGA contact directory as recommended. A copy of the directory on the NAEGA Members’ site can be found [here](#). For immediate access to the directory, click [here](#). Please review the contact directory, and let us know if you have any changes.
7. Reapproved \$2,000 to reimburse costs to Steve Lucas, Maria Reinitz, and Amer Badawi to pursue acceptance as AAA arbitrators.

NAEGA and NGFA Grades and Weight Committee members were addressed by Bob Lijewski from USDA-FGIS. Mr. Lijewski covered a number of topics including export volumes, labor issues in the Pacific Northwest, discrepancies in moisture readings (for more detail, see the moisture meter article below), and OSHA citations and other regulatory updates. Randall Jones, Deputy Administrator of FGIS, was scheduled to be present at the meeting, but cancelled his trip due to flight issues.

NAEGA members and NGFA’s biotechnology committee industry representatives also held a series of Biotechnology Committee meetings. Topics at these meetings covered the International Grains Trade Coalition (IGTC), NAEGA’s coexistence comments and aggressive commercialization, Low Level Presence (LLP) initiatives, the U.S. Biotech Crops Alliance, pre-emptive labeling of GMOs, and China’s possible approval of MIR 162.

The schedule of events from the Annual meetings can be found [here](#).

### **IPPC Commission on Phytosanitary Measures Meeting**

Kirk Miller secured observer status at the International Plant Protection Convention’s (IPPC) [Commission on Phytosanitary Measures](#) (CPM) meeting during the week of March 31 in Rome, Italy. Kirk learned the idea of traceability is not dead and the IPPC is interested in working with the International Grain Trade Coalition (IGTC) on the drafting group for the International Standards for Phytosanitary Measures (ISPM). A report on the trip will be available soon.

### **Mexico – “Soil Pod” Issue and Kansas City Meeting**

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NAEGA hosted USDA and Mexico’s SENASICA officials at a reception on March 27<sup>th</sup> in Kansas City. The reception was followed by a discussion at the FGIS Technical Center on the morning of Friday, March 28<sup>th</sup>. These events provided for an important opportunity to consider and respond to details of Mexico’s “soil pod” issue. The topics of discussion were focused on trade facilitation and Mexico’s phytosanitary risk management procedures, including ongoing trade concerns with SENASICA’s implementation of measures to address “soil contamination.”

At the reception on Thursday, March 27<sup>th</sup>, Alan Barkema, former Senior Vice President of the Kansas City Federal Reserve Bank gave a presentation entitled, “Agriculture, Trade and NAFTA Economic Overview.”

A copy of an English version of SENASICA’s border manual for inspection and certification and draft procedures for grain found contaminated with soil can be found [here](#). The soil procedures document is of particular concern since it provides for Mexican monitoring of U.S. inspection, makes the requirements for fumigation more rigorous, and includes a traceability documentation requirement.

### **U.S. Moisture Meter Concerns**

Several NAEGA member companies have recently reported concerns with discrepancies in USDA official determination of moisture. NAEGA and NGFA are working with USDA GIPSA FGIS officials to investigate and mitigate the circumstances.

In a related action USDA has notified that the accuracy of the sensor in DICKEY-john GAC 2500UGMA moisture meter can be compromised if the operator fails to perform the recommended routine maintenance to keep the infrared sensor very clean. Any dust on the sensor lens or other surfaces within the sensor can interfere with the infrared temperature sensor’s response to the temperature of the grain sample. The potential effects of such interference increase significantly for extreme sample temperatures. Such interference tends to cause the measured sample temperature to be closer to room (instrument) temperature than it should be. Sample temperature measurement errors contribute moisture measurement errors of approximately 0.1 % moisture per degree Celsius of temperature measurement error (or about 0.1 % moisture per two degrees Fahrenheit). DICKEY-john [has provided a reminder](#) to official service providers and all of its customers to be attentive to the need to keep the temperature sensor clean (along with a copy of the cleaning procedure that is in the GAC 2500 User’s Guide). In addition to the DICKEY-john reminder, FGIS has strongly recommended official inspection laboratories conduct an additional check procedure is to verify that sensor cleanliness is adequate to provide accurate temperature compensation.

### **World – Trip Report on UN FAO Low Level Presence Meeting**

A report by NAEGA Biotechnology Committee Chair, Paul Green, on the recent meeting of the UN Food and Agriculture Organization (FAO) on Low Level Presence (LLP) in Rome, Italy is now available. While the FAO remains neutral on the issue of LLP, the European Union (EU) was defensive of their actions on the issue. The trip report can be found on the “Members’ Only” page [here](#).

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**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](#).

**May 19** – Comments to USDA-APHIS on Dow AgroSciences’ petition for nonregulated status for cotton genetically engineered for resistance to the herbicides 2,4-D and glufosinate. 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.*

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**NAEGA Member Participation Opportunity**

**U.S. Department of Treasury Office of Foreign Assets Control Symposia – 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 at the Walter E. Washington Convention Center 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 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](#).*

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**New Issues & Opportunities for NAEGA Consideration**

**WTO Attempts New Approach to Defining Private Sanitary and Phytosanitary Standards**

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A WTO committee failed to agree on a definition for private standards for food safety and animal and plant health, and deferred a decision on a mediation procedure designed to avoid legal disputes, when it met on 25–26 March 2014. These issues have been discussed for several years in the Sanitary and Phytosanitary Measures (SPS) Committee. The committee, which consists of all 159 WTO member governments, monitors how countries are applying the [WTO SPS Agreement](#), which deals with food safety and animal and plant health, and discusses issues arising from these rules and from individual countries’ measures.

With no consensus on a definition for private SPS standard, the committee accepted a suggestion from Canada to look at definitions for private standards used in other international forums and to try to adapt these to SPS. However, the failure to agree on a definition aroused concern from some members and a decision on the [proposed compromise on the mediation procedure](#) has been delayed until the next meeting, starting July 7, 2014.

*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**

#### **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

**7** – Geneva, Switzerland – WTO Sanitary and Phytosanitary Measures (SPS) Committee Meeting

**15-16** – Alexandria, VA – U.S. Agricultural Export Development Council (USAEDC) Attaché Seminar

#### **September**

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

**29-October 3** – 7<sup>th</sup> 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/>

**October**

**13** – Geneva, Switzerland – WTO Sanitary and Phytosanitary Measures (SPS) Committee Meeting

**November**

**10-11** – Beijing, China – APEC Economic Leaders’ Meeting

**17-20** – Baltimore, MD – USAEDC Annual Workshop

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