

## Outreach May 31, 2019

Thank you for your membership in and work with NAEGA

### Graphic of the week:

#### USMCA Next Steps: Does it have a chance of passing before the end of the year?

*Trade promotion Authority lays out a statutory timeline for USMCA passage. Congress is waiting on the president to kick off the final 120 days of that timeline*

##### Key elements of the TPA



TPA outlines Congressional guidance to the President on trade policy priorities and negotiating objectives.



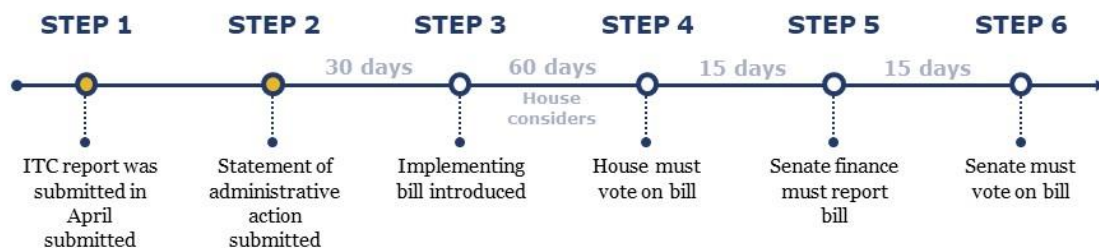
TPA defines how Congress allows the Administration to enter into trade agreements, and set the procedures for Congressional consideration of bills to implement the agreements.



TPA requires the Administration to notify and consult with Congress, with the private sector and other stakeholders, and with the public during the negotiations of trade agreements.

##### Timeline of Congressional session days under the TPA process

With the submission of the statement of administrative action on May 30, Congress must now wait a minimum 30 days before introducing implementing legislation. After that, USMCA could be passed in as little as 90 days.



Sources: USTR, Senat.gov, Politico

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## **Action Reports**

### ***Recent Actions:***

#### **NAEGA-APPAMEX Forum**

On May 22-24 Ryan travelled to Cancun, Mexico to attend the 26<sup>th</sup> Annual NAEGA-APPAMEX Forum at the Hotel Secrets the Vine. During the forum, Ryan represented NAEGA and IGTC policy positions before nearly 160 participants, including representatives of the Mexican feed industry association CONAFAB. Mr. Olson also met with representatives of the Secretariat of Agriculture, Livestock and Rural Development (SAGARPA) and the National Service for Agrifood Health, Safety and Quality (SENASICA). On Friday, May 24 Mr. Olson presented before the general session on *Leading Trade Policies in the Global Economy*. Also on Friday, Katy Lee, Secretariat of the International Grain Trade Coalition (IGTC) presented virtually from Brussels on IGTC policy priorities and multilateral regulatory issues.

A copy of Katy and Ryan’s presentations can be found [here](#) and [here](#).

#### **IPPC CPM Trip Report**

A trip report is now available for Katy Lee’s travel to Rome, Italy for the IPPC Commission on Phytosanitary Measures (CPM). Activities during this mission included:

- Attendance at the IPPC CPM where discussion of electronic phytosanitary certificates (ePhyto) reach 500 delegates.
- Presentation by the IGTC and on behalf of the Chair of the ePhyto Industry Advisory Group (IAG) on industry case studies from the initial phase of the ePhyto Solution.
- Representation of NAEGA and IGTC priorities before the CPM and member government representatives.

The full trip report can be found [here](#).

### ***Pending Actions:***

#### **Section 301 China Comments**

The U.S. Trade Representative is seeking public comment on proposed modifications to actions being taken in its Section 301 investigation regarding acts, policies, and practices of the Government of China related to technology transfer, intellectual property, and innovation. The proposed modification is to take further action in the form of an additional ad valorem duty of up to 25 percent on products of China with an annual trade value of approximately \$300 billion.

USTR is seeking public comment and will hold a public hearing regarding this proposed modification based on the below schedule:

**June 10, 2019:** Due date for filing requests to appear and a summary of expected testimony at the public hearing.

**June 17, 2019:** Due date for submission of written comments.

**June 17, 2019:** The Section 301 Committee will convene a public hearing in the main hearing room of the U.S. International

All written submissions can be made on regulations.gov under the docket number USTR-2019-0004.

#### **IPPC ePhyto Case Studies**

The International Grain Trade Coalition (IGTC) and the International Plant Protection Convention (IPPC) are seeking industry contributions to “case studies” on the roll out of the IPPC’s ePhyto Solution. In particular, the IPPC is seeking participation from destination countries participating in the hub. Moving forward, the IPPC is seeking, through these case studies, to answer questions such as:

- How did the importing plant protection and quarantine (PPQ) get in contact with the exporter?
- How was the customer made aware of the existence of the ePhyto?
- How did the customer clear customs and who was part of the chain?

If you are interested in participating in a case study, please contact the IGTC secretariat at [secretariat@igtglobal.org](mailto:secretariat@igtglobal.org).

### **Contracts and Best Practices Seminars – Your advice requested**

The NAEGA Contracts Committee is seeking your advice on the location, timing and curriculum of this year's Contracts and Best Practices Seminars. Please let us know if you are interested in attending or hosting a seminar, and what topics we should focus on. This year, the committee is considering contract seminars in the following locations:

- Vancouver, British Columbia
- St. Louis, MO
- Tokyo, Japan
- Winnipeg, Manitoba

NAEGA seminars are an intensive and informative review of commercial and official practices taught in an interactive environment. The goal of each seminar is to improve predictability, reduce risks, resolve trade barriers and facilitate profitable trade.

NAEGA conducts both public and private seminars, and curriculum can be tailored to your needs. Please contact Ryan if you are interested in hosting a private, tailored seminar at your office. Click [here](#) for more information on the in-depth, interactive programs NAEGA conducts!

### ***Upcoming Actions:***

#### **London Grain Week**

On June 9-13 Katy Lee, Sam Bonilla and Gary are planning to travel to London to lead and participate in events during the London Grain week, including meetings with International Grain Trade Coalition (IGTC), International Grains Council (IGC), the United Kingdom's Agriculture and Horticulture Development Board (AHDB) and GAFTA.

#### **Contracts Committee Sponsored Training for Arbitrators**

NAEGA is happy to announce that AAA ICDR is planning a series of training seminars on ICDR case management. The seminar, titled *ICDR International Symposia in Advanced Case Management Issues* is intended to inform participants on AAA ICDR rules and procedures for arbitration panels and provide guidance on managing cases for chairpersons. This seminar fulfills the training requirement for NAEGA arbitrators who are interested in serving as Special Grain Arbitrators and chairpersons on arbitration panels.

This year, ICDR is planning on holding three training seminars, two in North American and one in Europe.

In order to meet our Board of Directors mandated goal of increasing the number of qualified Special Grain Arbitrators, NAEGA is offering financial assistance of up to \$1,000 to arbitrators who are interested in attending this ICDR training or the proposed ICDR trainings in North America. Financial assistance can be used to cover registration fees, airfare or lodging to attend a training seminar. If you are interested in learning more about this opportunity to attend an ICDR training and receive financial assistance, please contact [rolson@Naega.org](mailto:rolson@Naega.org). More information on upcoming trainings will be shared with arbitrators as it becomes available.

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### ***Member Opportunities:***

#### **London Grain Week including IGTC Strategy Session and International Grains Council Grains Conference – June 9-13, 2019**

We look forward to seeing colleagues from around the world as government and industry participants in the global grain trade will be in London for a week of meetings and events. A series of events are taking place hosted by the International Grain Trade Coalition, International Grains Council (IGC), the United Kingdom’s Agriculture and Horticulture Development Board (AHDB) and GAFTA. Meetings and events will include:

<b>Schedule overview – events open to all IGTC members and Corporate Stakeholders during London Grains Week</b>		
<b>When</b>	<b>What</b>	<b>Where</b>
Monday June 10 9am- 4.30pm	<b><u>IGTC Strategy Session</u></b> No cost to attend Between 28-35 people expected Focus of discussions will be on IGTC Policy Teams and Working Groups – <a href="#">list of policy priorities here</a> Registration via Katy Lee <a href="mailto:secretariat@igtglobal.org">secretariat@igtglobal.org</a>	Grange Hotel Tower Hill, 45 Prescot Street, London E1 8GP
Tuesday June 11 and Wednesday June 12	<b><u>International Grains Council (IGC) annual conference – 20% discount!</u></b> <i>NOTE: IGC is not the same organization as IGTC. It is a government-to-government body of 53 members based on the implementation of the Grains Trade Convention.</i>  Over 200 people are expected to attend, including international organizations, governments, and industry representatives.  Payment is required in order to attend this conference. IGTC members benefit from a 20% discount by quoting the code <b>IGTC2019</b> on the registration page: <a href="https://www.igc.int/en/conference/registration/regform.aspx">https://www.igc.int/en/conference/registration/regform.aspx</a> .	28 Great Russell St, Fitzrovia, London WC1B 3UB, UK
Wednesday June 12 EVENING	<b><u>Gafta London dinner</u></b> Payment required (Member 195GBP, Non-member 265GBP) via the following link: <a href="https://www.gafta.com/events/London-Dinner-2019-12-Jun-2019-London-UK/62299">https://www.gafta.com/events/London-Dinner-2019-12-Jun-2019-London-UK/62299</a> For further details please email Megan Smart: <a href="mailto:events@gafta.com">events@gafta.com</a>	Private. Details obtained from Gafta <a href="mailto:events@gafta.com">events@gafta.com</a>

NAEGA member representatives are especially invited to attend an **IGTC Strategy Session in London on June 10, 2019**. The Strategy Session will involve IGTC members and corporate stakeholders and will include discussions concerning how to strengthen the work of IGTC policy, new and existing commercial requirements for grain producers and seek advice for decision makers going forward in the current business environment. More details and a registration link for the Monday June 10 meetings of the IGTC will be available later this week

The International Grain Trade Coalition is providing discounted registration for the **International Grains Council's 2019 Grains Conference and Workshops**. To access the savings and register now contact the [IGTC Secretariat](#) for details. You can find more information [here](#). Tuesday, June 11 and Wednesday, June 12 will examine key opportunities and challenges facing the international grain and oilseed industry. Plenary sessions and workshops will include speakers from across the globe sharing their expertise. For example, NAEGA and IGTC President Gary Martin will Chair an IGTC workshop on Wednesday, June 12: "A Dialogue on International Progress through Cooperation" at which cooperation between governments and commercial actors to provide for innovation and enhancement of the trade flows will be expertly examined in this interactive session. Audience comments and suggestions will be incorporated into the dialogue and used to inform IGTC actions and report to governments. IGTC representatives will provide formal remarks and responses to questions from the IGC Council and Conference related to IGTC work with industry and governments around the world to achieve a market and regulatory environment supportive of trade that avoids disruptions in the international trade of grain, oilseeds, pulses and derived products in advance of audience participation. The IGC Conference and Workshops will be held at the Congress Centre at 28 Great Russell Street, London WC1B 3LS

#### **FAS Regional Workshop – Cartagena, Colombia – June 26-28**

USDA FAS's Western Hemisphere Regional Policy and Marketing Strategy Workshop, scheduled for June 26-28, 2019 in Cartagena, Colombia is open to U.S. businessperson to participation.

The workshop will be held at the Intercontinental Hotel and will bring together FAS offices in the region to discuss opportunities and threats for U.S. agriculture and build a stronger and more effective working relationship between offices in the Western Hemisphere with USDA stakeholders.

Michael Conlon, the Agricultural Counselor in Colombia is arranging the workshop. On Thursday, June 27, the workshop will focus on improved coordination within public-private partnerships, with sessions on marketing strategies, trade policy trends, and ag stakeholder issues. In the afternoon, there will be one-on-one meetings (speed consultations) between FAS offices and industry participants.

If you would like to attend, please indicate your RSVP with USDA FAS by emailing: Michael Conlon ([Michael.Conlon@fas.usda.gov](mailto:Michael.Conlon@fas.usda.gov)) and Ana Salinas ([Ana.Salinas@fas.usda.gov](mailto:Ana.Salinas@fas.usda.gov)).

#### **USAEDC Attaché Seminar and Workshop – Arlington, VA - July 10-11**

NAEGA members are invited to join Gary at the U.S. Agriculture Export Development Council's (USAEDC) annual Attaché Seminar and Workshop on July 10-11 at the Westin Arlington Gateway in Arlington, VA. This year's seminar and workshop will feature a high-level U.S. Government panel and panels concerning Japan, USMCA, the EU, Cuba, Sustainability, Trade Facilitation, among other topics. Participants will hear from FAS Administrator, Ken Isley, about the transformation and re-organization of the Agency and the

agenda will include a program update from Deputy Administrator, Mark Slupek. USAEDC will also again be hosting its “speed dating” session between cooperators and USDA FAS attaches.

Online registration and a preliminary agenda will be available in the coming days.

### **2019 PNWER Annual Summit – Saskatoon, Canada – July 21-25, 2019**

Registration is now open for the 2019 Pacific Northwest Economic Region annual summit in Saskatoon, Saskatchewan. Over 500 regional business leaders, legislators, and key decision makers attend the Annual Summit to explore shared challenges in the region, discuss best practices, promote regional relationships, and develop an action plan to address challenges in the coming year. Early bird registration is provided through April 30. Register early to take advantage of early bird pricing! More information. Register [here](#).

### **Asia-Pacific Policy Teams**

With 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. A policy team focused on the Asia-Pacific Market is already established. Over the next few months the team will be focused on U.S. trade relations with China, Japan, Korea and the Trans Pacific environment more generally.

### **Internships**

We have an open intern position starting in the summer of 2019 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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## **News**

### **U.S. OFAC Terrorist Assets Report**

On May 29, 2019, OFAC released the 2018 Terrorist Assets Report. The 2018 Terrorist Assets report is an annual report provided to Congress outlining the nature and extent of assets held in the U.S. by terrorism-supporting countries and organizations engaged in international terrorism.

Terrorist organizations such as al’Qai’da (AQ) and the Islamic State of Iraq and the Levant (ISIL) are examples of terrorist organizations mentioned in the report.

Countries labeled as “state-sponsors of terrorism” and which may have trade restrictions include:

- Iran
- Sudan
- Syria
- North Korea

The full report can be found [here](#).

### **U.S. Treasury Foreign Exchange Policy Report**

On May 28, 2019, the U.S. Department of the Treasury delivered to Congress the semiannual Report on Macroeconomic and Foreign Exchange Policies of Major Trading Partners of the United States. Treasury reviewed and assessed in this report the policies of an expanded set of 21 major U.S. trading partners. Additionally, Treasury revised and updated the thresholds it uses to assess where unfair currency practices or imbalanced macroeconomic policies may be emerging.

Treasury found that nine major trading partners continue to warrant placement on Treasury's "Monitoring List" of major trading partners that merit close attention to their currency practices: China, Germany, Ireland, Italy, Japan, Korea, Malaysia, Singapore, and Vietnam.

The full report can be accessed [here](#).

### **U.S., EU and Japan Trade Ministers Meeting**

Ambassador Robert E. Lighthizer, United States Trade Representative; Mrs. Cecilia Malmström, European Commissioner for Trade; and Mr. Hiroshige Seko, Minister of Economy, Trade and Industry of Japan, met in Paris on May 23, 2019 to discuss shared objectives to address non market-oriented policies and practices of third countries that lead to create unfair competitive conditions for their workers and businesses.

During the meeting the ministers reiterated their concerns and agreed to deepen cooperation in the following areas:

- 1) Market-oriented conditions;
- 2) Forced technology transfer policies and practices;
- 3) Industrial subsidies and state-owned enterprises;
- 4) WTO reform;
- 5) and digital trade and e-commerce.

The Ministers also voiced concerns over industrial subsidies and third parties' developing State Enterprises into national champions, disrupting market-oriented trade and confirmed that market-oriented conditions are fundamental to a fair, mutually advantageous global trading system. Additionally, the Ministers welcomed progress made in discussions on text-based work on increasing transparency, identifying harmful subsidies that merit stricter treatment and ensuring that appropriate benchmarks can be used. Ministers instructed their staff to continue efforts to finalize trilateral text-based work on this issue and to engage with other key WTO Members to strengthen industrial subsidies rules to address market distortions.



The full statement on the meeting can be found [here](#).

### **Japan GE Food Labeling**

The Japanese Government has finalized a genetically engineered (GE) food labeling regulation that is scheduled to come into effect in 2023. The new regulation establishes a new definition for “non-GE” labeling, which will be allowed only when GE elements are not detectable. Japan’s current labeling system allows for a product containing up to five percent of GE components, which are unintentionally commingled into the product, to be labeled as “non-GE.” As a result of concern that this was misleading, regulators have agreed to create new labeling language for Identity Preserved (IP) products containing up to five percent of unintentional commingled GE components and a zero percent threshold for voluntary “non-GE” labeling.

A copy of the GAIN report with more details on these changes is available [here](#).

### **USMCA Statement of Administrative Action**

On Thursday, May 31 the U.S. Trade Representative released its draft statement of administrative action to Congressional leadership on the U.S.-Mexico-Canada Agreement (USMCA). The draft statement provides an outline for further discussion with Congress on issues related to the USMCA as Congress considers implementing legislation. The release of the draft statement kicks off a 30 days time period after which Congress could begin to consider and act upon implementing legislation. After these 30 days, Congress could pass USMCA in as little as 90 days.

A copy of the draft statement can be found [here](#).

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### **Calendar & Member Notices**

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

**2019**

#### **June**

- 3-6** - USDA FAS Trade Mission – Bogota, Colombia
- 10** – IGTC Strategy Session – London, UK
- 10** – International Grains Council’s 49<sup>th</sup> Session
- 10** – Due date for filing requests to appear at the Section 301 hearing on China tariffs
- 10** – Due date to submit written comments to the USTR on China tariffs
- 11-12** – 28<sup>th</sup> IGC Grains Conference and Workshops
- 17** – Section 301 Committee public hearing on China
- 26-28** – FAS Western Hemisphere Regional Policy and Marketing Strategy Workshop – Cartagena, Colombia

#### **July**

- 10-11** – USAEDC Attaché Seminar and Workshop – Arlington, VA
- 21-25** – PNWER Annual Summit

**22** – NAEGA meeting with JFMA and JFTA on corn quality

**September**

**6** – IGC Market Conditions Committee – London, UK

**October**

**14-17** – USDA FAS Trade Mission – Ho Chi Minh City, Vietnam

**28-31** – USDA FAS Trade Mission - Nairobi, Kenya

**November**

**5-8** - USDA FAS Trade Mission – Mexico City, Mexico

**December**

**2-4** – NGFA Country Elevator Conference – Indianapolis, IN

**3** – International Grains Council’s 50<sup>th</sup> Session – London, UK

**2020**

**March**

**8-10** – NGFA Annual Convention – Austin, TX

**December**

**TBC** – COP 15 – CBD – Beijing, China

**2021**

**March**

**14-16** – NGFA Annual Convention – San Diego, CA

**2022**

**December**

**TBC** – COP 16 – CBD – Turkey

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