



## Outreach June 13, 2019

Thank you for your membership in and work with NAEGA

### Graphic of the week:



## Policy opportunities in 2019



Crop protection product approvals & residue measures



Harmonisation of phytosanitary control methods; UN International Plant Protection Convention (IPPC)



Innovation in electronic trading documentation



Cartagena Biosafety Protocol



Plant Breeding Innovation



Low Level Presence



### Action Reports

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- London Grain Week

#### **Pending Actions**

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- IPPC ePhyto Case Studies
- Contracts and Best Practices Seminars – Your advice requested

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- Contracts Committee Sponsored Travel for Arbitrators

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- USAEDC Attaché Seminar and Workshop – Arlington, VA - July 10-11
- PNWER Annual Summit in Saskatoon, Saskatchewan – July 21-25, 2019
- NAEGA Asia-Pacific Policy Teams
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- USDA Secretary Perdue’s Statement on President Trump’s Biotech EO
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- United States-CARICOM Trade and Investment Council
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### NAEGA Calendar and Member Notices

- Upcoming events and notices to members

## Action Reports

### *Recent Actions:*

#### **Amicus Brief to U.S. Supreme Court – Safe-Berth Clauses**

NAEGA members are welcome to join our work to provide for an Amicus Brief to the U.S. Supreme Court Review of Safe-Berth Clauses in Voyage Charter Agreements re: CITGO Asphalt Ref. Co. v. Frescati Shipping Co. under a Common Interest Agreement (CIA). At issue is the interpretation and scope of the safe berth clause that appears in all charter party agreements. A split has occurred between U.S. Circuit Courts - the Second and Third U.S. Circuit Courts of Appeal interpret the safe berth clause to essentially impose strict liability on charterer, versus the Fifth Circuit Court of Appeals that applies a much more flexible standard. A split among the circuits is one of the strongest bases for granting Supreme Court review. The parties filed a letter granting blanket consent for amicus briefs, which will make things easier for NAEGA to help assemble and submit a brief by the deadline of July 16, 2019.

In a fashion similar to our approach to trade remedy (Anti-Dumping and Countervailing Duty) and other litigation that requires the sharing of information, participating NAEGA Member companies will work via Special Interest Group (SIG) to provide of the Brief. **Please let Gary Martin (gcmartin@naega.org) know if your company would like to be included in the work to provide for an amicus brief to the U.S. Supreme Court Review of Safe-Berth Clauses in Voyage Charter Agreements by June 21.**

**NAEGA & IGTC Travel to London Grain Week**

NAEGA President Gary Martin, Senior Advisor Sam Bonilla and International Grain Trade Coalition (IGTC) Secretariat Katy Lee travelled to London from June 9-13 for Grain Week, including meetings with IGTC, International Grains Council ([IGC](#)), the United Kingdom's Agriculture and Horticulture Development Board ([AHDB](#)) and the Grain and Feed Trade Association ([GAFTA](#)). The group took part in a wide range of activities, including the following:

- At the global IGTC strategy session and the 49<sup>th</sup> intergovernmental council session of the IGC on June 10 an intensive focus was placed on the successful work of IGTC and its coordination with policies of concern to the grain trade. The current IGTC files addressed at the strategy session and the IGC council session were:
  - Crop protection product approvals & residue measures
  - Innovation in electronic trading documentation
  - Plant breeding innovation
  - Harmonization of phytosanitary control methods and the UN International Plant Protection Convention (IPPC)
  - Cartagena Biosafety Protocol
  - Low level presence
- On June 11, Gary and Katy took part in the [annual IGC Conference](#) and Sam represented NAEGA at a meeting of the GAFTA International Contacts Committee. All three travelers attended a reception commemorating the success of 70 years of international grain trade cooperation hosted by the Ambassador of Japan and the IGC Chairman.
- At the IGC Conference workshops on Wednesday, June 12, Gary chaired an IGTC workshop: “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 were examined in an interactive session. IGTC also provided grain trade expertise and representation at a workshop held by CropLife International on the same day, with a specific focus on trade impacts of regulation on Maximum Residue Limits (MRLs) of crop protection products.

The three are preparing final trip reports which will be posted to the NAEGA Member's Only Website when complete.

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

#### **U.S. 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 on June 17, 2019 in the main hearing from for the U.S. International Trade

Commission. While it is too late to request to testify at the hearing, written comments will be accepted until the end of the day on June 17. All written submissions can be made on [regulations.gov](https://www.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:***

#### **Notice of Funding Opportunity for Market Access Program**

The Notice of Funding Opportunity for the 2020 Market Access Program (MAP) was announced on the Federal Register on May 28, 2019. NAEGA is actively working on an application to secure MAP funding for the 2020 fiscal year. The application is due on June 28, 2019 at 5 p.m. Eastern Daylight Time.

USDA's Foreign Agriculture Service (FAS) anticipates that the initial funding selections will be made by the end of October and the initial award dates estimated to be by the end of December 2019. NAEGA relies on MAP funding for our international programming and for the operations of the International Grain Trade Coalition. Once the application is submitted, we will post a link for Members on the NAEGA Member's Only website.

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

### **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 [phayden@naega.org](mailto:phayden@naega.org). More information on upcoming trainings will be shared with arbitrators as it becomes available.

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

#### **USDA 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) 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 and Patrick 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.

Please contact Patrick at [phayden@naeg.org](mailto:phayden@naeg.org) for registration information and the most current agenda.

### **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., Mexico Reach Deal to Avoid Tariffs**

On June 7, 2019, the United States and Mexico reached a deal to combat the migration crisis that averted the U.S. imposing tariffs on Mexico and possible Mexican retaliation. The deal delays the threat of the 5 percent escalating tariffs on all Mexican imports that were set to go into effect on June 10, 2019.

The United States and Mexico commit to:

1. Mexican Enforcement Surge; and
2. Migrant Protection Protocols

Both parties agree that if the measures adopted do not have the expected results, they will take further actions.

A review of the agreed upon actions to address irregular migrant flows and asylum issues will be done within 90 days and new measures will be implemented if necessary.

View the entire statement from the State Department [here](#).

### **President Trump Signs Executive Order on Biotechnology**

On June 11, 2019, U.S. President Donald Trump signed an Executive Order on Modernizing the Regulatory Framework for Agricultural Biotechnology Products. The purpose of the Executive Order is to streamline the regulatory process for biotechnology products by adopting a science-based regulatory system that is timely, efficient and transparent.

Following the signing, U.S. Secretary of Agriculture Sonny Perdue stated that:

“Our current regulatory framework has impeded innovation instead of facilitating it. With this Executive Order, President Trump is once again putting America first and setting us on a course to modernize our regulatory framework so that it works for our farmers, ranchers, and consumers. We need all the tools in the toolbox to meet the challenge of feeding everyone now and into the future – if we do not put these safe biotechnology advances to work here at home, our competitors in other nations will.”

The White House statement on the Executive Order can be found [here](#).

### **Members Named to Seven U.S. Agricultural Trade Advisory Committees**

On June 11, 2019, the U.S. Secretary of Agriculture, Sonny Perdue, and the U.S. Trade Representative, Robert Lighthizer, announced the appointment of 140 private-sector members to seven Agricultural Trade Advisory Committees.

The U.S. Department of Agriculture has released the lists of appointees, by committee:

- Agricultural Policy Advisory Committee
- Agricultural Technical Advisory Committee for Trade in Animals and Animal Products
- Agricultural Technical Advisory Committee for Trade in Fruits and Vegetables
- Agricultural Technical Advisory Committee for Trade in Grains, Feed, Oilseeds, and Planting Seeds
- Agricultural Technical Advisory Committee for Trade in Processed Foods
- Agricultural Technical Advisory Committee for Trade in Sweeteners and Sweetener Products
- Agricultural Technical Advisory Committee for Trade in Tobacco, Cotton, and Peanuts

The appointees will serve until June 15, 2023 and the committees will be supplemented by additional appointments over the next four years.

More information can be found [here](#).

#### **Statement on the United States- CARICOM Trade and Investment Council**

On June 6 and 7, 2019, the United States and the Caribbean Community (CARICOM) held the eighth meeting of the United States-CARICOM Trade and Investment Council (TIC).

The delegations discussed trade and investment related issues such as trade preference programs, intellectual property, trade in services, agricultural matters, and broader regional issues. Additionally, the delegations shared information on current third-party negotiations and implementation of the World Trade Organization Trade Facilitation Agreement.

The Office of the U.S. Trade Representative welcomed the opportunity to continue engaging on these key issues and stressed the importance of the United States' economic partnerships with CARICOM Member States.

#### **U.S. Department of Commerce Report on Critical Minerals**

On June 4, 2019, the U.S. Department of Commerce released the interagency report that was submitted to the President pursuant to the Executive Order 13817, A Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals. The report contains a government-wide action plan, including recommendations to advance research and development efforts, increase domestic activity across the supply chain, streamline permitting, and grow the American critical minerals workforce.

The report outlines five major topics:

1. A strategy to reduce the Nation's reliance on critical minerals;
2. An assessment of progress toward developing critical minerals recycling and reprocessing technologies, and technological alternatives to critical minerals;
3. Options for accessing and developing critical minerals through investment and trade with our allies and partners;

4. A plan to improve the topographic, geologic, and geophysical mapping of the United States and make the resulting data and metadata electronically accessible to support private sector mineral exploration of critical minerals; and
5. Recommendations to streamline permitting and review processes related to developing leases; enhancing access to critical mineral resources; and increasing discovery, production, and domestic refining of critical minerals.”

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

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### **Calendar & Member Notices**

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

#### **2019**

##### **June**

- 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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