



*"Working Together to Make Trade Work"*

## **OUTREACH June 2, 2014**

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

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### **NAEGA Welcomes Summer Intern, Makiko Shigemitsu**

Please join us in welcoming Makiko Shigemitsu as NAEGA's summer intern. She will be working with us for the next two months. Makiko works for the Ministry of Agriculture, Forestry and Fisheries of Japan, with experience in international trade policy. She is currently studying public administration at Columbia University.

### **NAEGA September Board of Directors Meeting – September 26, 2014 – Denver Colorado**

NAEGA's next Board of Directors meeting will be held on the morning of Friday, September 26, 2014 at CoBank's offices in Denver, Colorado. The agenda for the meeting is under development. NAEGA Members are encouraged to submit items for the consideration of the Board.

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### **Tsuyoshi Nakano Joins NAEGA Board of Directors to fill the unexpired term of Yutaka Sano**

Due to his reassignment to Tokyo, Yutaka Sano of Mitsui resigned from the NAEGA Board of Directors. The Board of Directors named Tsuyoshi Nakano to fill the unexpired term of Yutaka Sano.

### **Canada – D-12-05 –Phytosanitary Import Requirements for Grain from the U.S.**

In an email to Greg Wolff, Canadian Food Inspection Agency (CFIA) Chief Plant Health Officer, concerns about Canada’s D-12-05 and phytosanitary import requirements for grain were addressed. The [letter](#) highlights potential new barriers to trade in recent draft of D-12-05 and urges CFIA to further consider the proposal, including notification to the World Trade Organization (WTO).

A NAEGA priority is to encourage the following concerns are addressed by CFIA:

- Based upon the risk assessment information available for many, if not all, of the products and pathways addressed in The Draft, there is extremely low and non-consequential risk of weed seeds entering Canada from the United States.
- CFIA’s pathway risk assessment analysis is incomplete and flawed. We understand CFIA committed to provide for pathway risk assessment prior to further amendment of the proposed D-12-05. Reports on the pathway risk assessment provided to Canadian industry to date do not provide for any tangible linkage of the weed seeds of concern with the specific grain pathways. Instead, conclusions in pathway risk assessments provided by CFIA rely on unfounded speculation that due to findings of non-quarantine weed seeds of size and density similar to quarantine weed seeds, it could be assumed that such quarantine seeds have the potential to be present, as well.
- CFIA has not taken into account consideration of relevant information, including results from two (2) years of study provided by the U.S. of its national corn supply that demonstrate none of the quarantine weed seeds identified by Canada are present in the U.S.
- Alternative measures to accomplish legitimate plant protection risk management have not been provided by CFIA in the draft directive.
- Identification of, and limitations to, liability that would be shifted to the private sector as a result of the changes Canada is considering under the Grain Import Framework (GIF), including D-12-05 have not been identified. The liability and redress issues are central to many of the concerns articulated by Canadian stakeholders in the GIF. Liability considerations will reduce the use of proposed import permits in lieu of phytosanitary certificates. Liability and redress are a fundamental concern for all business considerations, and the responses from Canadian industry to earlier versions of D-12-05 drafts and GIF input clearly indicate a need for clear identification of related terms and conditions implied by or contingent to the proposed import permits, For example, both the Ontario Agribusiness Association and the Animal Nutrition Association of Canada (ANAC) requested identification of: “conditions that would allow the feed industry to operate under an import permit / compliance-agreement system.

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- The Draft would be precedent-setting and potentially stimulate the proliferation of inappropriate phytosanitary risk-management policy in North America and elsewhere.
- Much-needed improvements need to be made in The Draft in regulatory coherence through compatibility and compliance with current and future guidance and standards from the International Plant Protection Convention (IPPC) and North American Plant Protection Organization (NAPPO).

### **U.S. – AAA Arbitrators**

NAEGA completed and [notified](#) the American Arbitration Association (AAA) of its approved arbitrators. The [list of arbitrators](#) remains the same with a few address changes, and the addition of Jeff Jackson. A copy of the list and a short bio of approved arbitrators can be found on the Member’s Only site under the [“Contracts”](#) page.

### **U.S. – Letter to Department of Homeland Security on Maritime Cargo Scanning Mandate**

NAEGA is working with a number of other U.S. organizations in signing a letter to Jeh Johnson, the Secretary of Homeland Security, in support of his effort to renew the extension of the deadline for implementation of 100% scanning of U.S. bound maritime cargo containers. Currently, the statute calls for 100% container scanning which has always been impractical and does not actually improve security. Instead, U.S. Customs and Border Protection (CBP) has developed an impressive and effective risk-based strategy to screen all containerized cargo shipments bound for the U.S. and inspect those found to be high risk. This strategy is embraced by industry as well as our foreign trading partners and has proven to be highly effective.

We are urging the two year renewal of the extension of the implementation of 100% scanning of U.S. bound maritime cargo containers and for Secretary Johnson to recommend to Congress that the statutory 100% container scanning requirement be repealed.

### **U.S. – Retirement of GIPSA’s John Pitchford**

NAEGA has extended a Thank you and Best wishes for all future endeavors to John Pitchford, Director of the Office of Departmental Initiatives and International Affairs at USDA Grain Inspection, Packers & Stockyards Administration (GIPSA), who is retiring at the end of June after 39 years of service.

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

#### **2014**

**June 24** – Comments to USDA-APHIS on Proposed Rules for 1. Changes to User Fees and Agricultural Quarantine and Inspection Services (AQI) and 2. Fee Increases for Overtime Services. A copy of the Federal Register notice for changes to user fees can be found [here](#) and the Federal Register notice for increases for overtime services can be found [here](#).

**July 28** – Comments to U.S. Department of Commerce on a proposal to reinstate the reporting requirements for the BE-13, Survey of New Foreign Direct Investment in the United States, which

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was discontinued in 2009 due to budget reductions. The Department of Commerce is proposing this action to better measure its efforts through the “Build It Here, Sell It Everywhere” initiative to expand foreign business investment in the U.S.

***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**

### **Your Input Needed – USDA APHIS Proposed Fee Increases**

The United States Department of Agriculture’s (USDA) Animal and Plant Health Inspection Service (APHIS) announced proposed changes to the fees it charges to recoup the costs of conducting agricultural quarantine inspections (AQI) at U.S. ports of entry and overtime rates worked by APHIS officers. APHIS indicates adjustments are essential for the AQI program to have the financial stability it needs to continue the critical work of keeping U.S. agriculture safe and productive agriculture.

The [proposed AQI fee](#) structure ensures that no one party pays more than the costs of the services they incur. APHIS is proposing to add a \$2 fee per sea passenger to recover costs associated with inspecting cruise vessels and passenger baggage, and to add a \$375 fee to recover the costs of APHIS services for monitoring the application of or providing treatments to imported cargo to minimize pest risks. APHIS also proposes to raise user fees for inspections of commercial trucks with a transponder from \$105 to \$320 a year, and commercial trucks without a transponder from \$5.25 to \$8 per crossing.

APHIS is also concurrently proposing to adjust the hourly rates charged when APHIS employees perform work associated with AQI activities on Sundays, holidays or other after-hours periods so APHIS can recover the true cost of providing the services. The overtime rates would be raised commensurate with the anticipated cost of providing AQI services through 2018. [This proposed rule](#) will also be available for a 60 day comment period. This is the first proposed change to overtime rates since 2002.

A [Questions and Answers](#) factsheet on the AQI Program Cost and Fees has been made available.

### **PNWER Agriculture Working Group LLP Discussion – Webinar – June 11, 2014**

You are invited to participate in a webinar on Wednesday, June 11 at 4:00 Eastern (2:00 MDT) about low level presence (LLP). The webinar will be presented by Mr. Ed Porter, Director of the

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New Technologies and Production Methods Division at the United States Department of Agriculture’s Foreign Agriculture Service, and Mr. Luis Barnola, Senior Trade Policy Analyst in the Technical Trade Policy Division at Agriculture and Agri-Food Canada. Our guests will present on LLP, its relationship to trade and speak to the various U.S. and Canadian initiatives in advancing LLP policy and awareness globally. Below are details needed to participate in the webinar.

To register for the webinar, [click here](#).

### **Alternative Security Plan Meeting – Kansas City – July 28, 2014**

NAEGA-NGFA will host an Alternative Security Plan (ASP) meeting on July 28 from 3:00-5:00pm in Kansas City, MO. This meeting will immediately follow NGFA’s Agroterrorism/Facility Security Committee meeting on July 28<sup>th</sup> and in conjunction with the [FDA Food Defense Workshop](#) on July 29 and the [NGFA/Grain Journal Safety Conference](#) July 29-31.

Please let Kyle Liske know if you plan to attend by emailing [kliske@naega.org](mailto:kliske@naega.org).

*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**

#### **U.S.-EU – Applies for EU Recognition of U.S. Wheat Pre-Export Certification**

The USDA Federal Grain Inspection Service (FGIS) requested that the European Commission (EC) officially recognize FGIS’s export certification of deoxynivalenol (DON) and ochratoxin A in U.S. wheat exported to Europe. A copy of the letter from USDA FGIS to the EC can be found on the Grades Committee Page of the Members’ Only site by [clicking here](#).

*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**

**June**

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

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**11** – Webinar – PNWER Agriculture Working Group LLP Discussion

**23-26** – Mexico City – NAEGA President and CEO, Gary C. Martin, will meet with APPAMEX and Embassies regarding Mexico’s phytosanitary measures involving the presence of soil

### **July**

**1** – Washington, DC – NAEGA 2013 Market Access Program (MAP) Contribution Report Due

**2-4** – Geneva, Switzerland – United Nations Globally Harmonized System (GHS) meeting discussing explosive dust.

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

**9-18** – USA – US Grain Council (USGC) Sponsored Regulatory & Biosafety Committee Team to the US

**14** – Fortaleza, Brazil – BRICS Summit

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

**22** – Chicago, IL – U.S. Soybean Export Council (USSEC) Industry Advisory Council Meeting – NAEGA President and CEO, Gary C. Martin attending

**28** – Kansas City, MO – Alternative Security Plan Meeting – 3:00pm – 5:00pm Central Time

### **August**

**13** – Washington, DC – American Soybean Association and Illinois Soybean Association Biotechnology Roundtable – 2:45pm at the Washington Court Hotel – NAEGA President, Gary Martin to participate on the panel.

### **September**

**8-12** – London, England – International Maritime Organization (IMO) subcommittee meeting of Carriage of Cargoes and Containers (CCC)

**11-12** – Beijing, China – APEC Food Safety Cooperation Forum: Special Session and APEC High-Level Regulatory-Industry Food Safety Dialogue

**14** – Beijing, China – U.S.-China Agriculture and Food Partnership Symposium

**14** – Seoul, Korea – Korean Rural Economic Institute Food Security Symposium

**14** – Geneva, Switzerland; Rome, Italy – MAIZALL Mission to the WTO & FAO

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**18** – Washington, D.C. – Michigan State University/USDA FAS Industry Roundtable International Agricultural Biotechnology Short Course

**18-19** – Beijing, China – APEC Food Security Ministers Meeting, High Level Policy Dialogue on Agricultural Biotechnology

**26** – Denver, Colorado – NAEGA Board Meeting – Hosted by CoBank

**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**

**1-3** – Panama – Dry Bulk Terminal Group (DBTG) Annual Meeting

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

**24-25** – Beijing, China – Development Research Center Food Security and Sustainability Summit (Potential MAIZALL Mission to China)

### **November**

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

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

### **December**

**14** – Washington, D.C. – Joint Commission on Commerce and Trade (JCCT)

**14** – Seoul, Korea – USGC Sponsored Technical Workshop for Biosafety Committee Members

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