



North American Export Grain Association

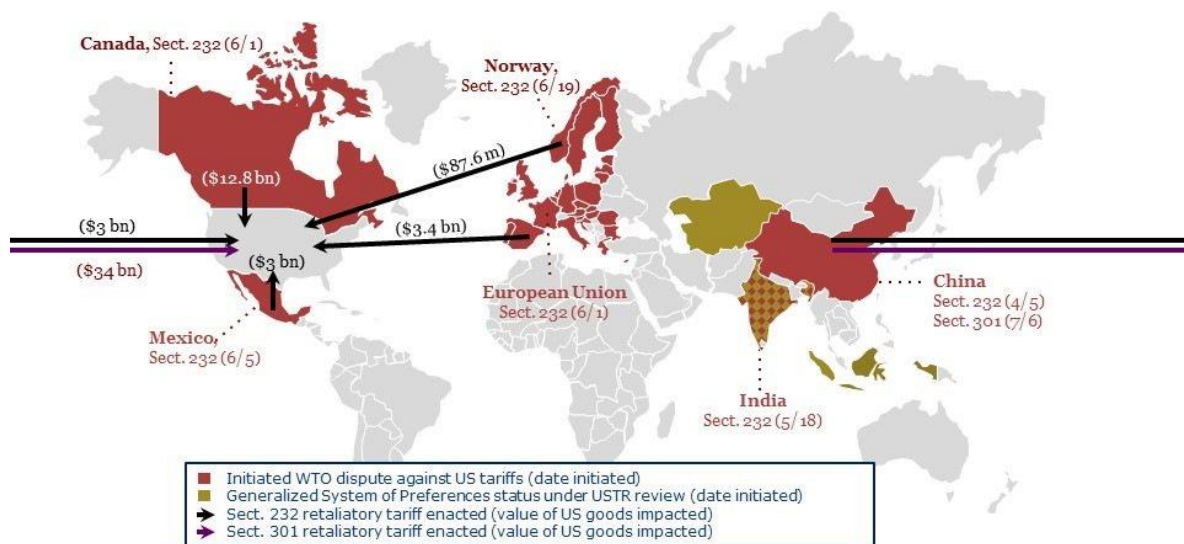
Outreach

July 18, 2018

Thank you for your membership in and work with NAEGA

Image of the Week

Countries respond to US tariffs by enacting retaliatory tariffs and initiating WTO disputes



Sources: National Journal Research 2018.

Member Opportunities

- U.S. Barge Trade Digitization Project Underway
- Japan Corn Quality – Washington, D.C. – July 23
- Contracts and Best Practices Seminar – Minneapolis – August 14
- NAEGA-APPAMEX Forum – Puerto Vallarta, Mexico – August 23-25
- Board of Directors Meeting – Arlington, VA – October 2
- DBTG Technical and Operations Seminar – Baltimore, MD – October 3-5
- Summer and Fall Contracts and Best Practices Seminars
 - New Orleans, LA – Week of October 8
- Annual Hwy H₂O Conference – Toronto, Canada – November 13-15
- NAFTA and Asia-Pacific Policy Teams
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- IGTC Trip Report
- USAEDC Attaché Seminar

Upcoming Actions

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- U.S. State Department Foreign Service Institute Presentation – July 26 – Washington, D.C.
- IMO CCC5 – September 10-15 – London, UK

Pending Actions

- Proposed additional U.S. Tariffs on imports from China - \$16 billion of goods at 25 percent
- **MEMBER FEEDBACK NEEDED: FGIS soybean, corn and canola standards**
- Proposed additional U.S. Tariffs on imports from China - \$200 billion of goods at 10 percent

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- U.S. launches five disputes at WTO over retaliatory tariffs

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Member Opportunities

Barge Trade Digitization Project

On Feb. 16, 2018, National Grain and Feed Association (NGFA) digitization of the paperwork and processes employed in the Mississippi river barge trade industry.

A task force of member company representatives involved in Mississippi River barge trade is examining approaches to undertake for a new digital data exchange system. Initial observations about the new system include:

- The purpose of the new system would be to facilitate document transfers between trading counter parties. It is not to displace the verbal application of barges, but to ease transfer of documents once the verbal application has occurred. The new system will serve as a shared documents ledger with secured access.
- The new system should have ability to record trade-specific information; create, access, download and print bills of lading and various other documents; electronically sign

documents and transfer ownership; receive electronic communications; and house and archive extensive documentation.

- Security is an important requirement.
- Cost is another critical component. The task force predicts that the costs of a new system will present a significant savings compared to the current processes.
- The new system would be designed to be used by all industry parties when transferring documents.

The task force is seeking input from other industry participants on the core requirements of a new system and any other feedback they should consider. Broad adoption by the industry is critical to achieving the maximum potential cost savings associated with the new system.

All inquiries and feedback are welcome. Please contact Julie Detlefsen (Julie_Detlefsen@cargill.com) or Charlie Delacruz (cdelacruz@ngfa.org) with any questions or comments.

Japan Corn Quality – Washington, D.C. – July 23

NAEGA member personnel are invited to join Gary and Ryan on July 23 at the U.S. Grains Council for a meeting with the Japanese Feed Manufacturers Association (JFMA), the Japanese Feed Trade Association (JFTA) and Japanese industry representatives. The purpose of the meeting will be to discuss U.S. corn quality in the Japanese market. A final agenda and meeting time will be distributed soon.

Contracts and Best Practices Seminar – Minneapolis – August 14

Please join NAEGA for a Contracts and Best Practices Seminar in Minneapolis, MN!

Led by NAEGA Senior Advisor Sam Bonilla, this seminar is an interactive, industry-wide opportunity to learn more about the new March 30, 2018 revisions to the NAEGA II Model Contract.

During the seminar, participants will exchange and learn through an intensive and informative review of commercial and official practices to improve predictability, reduce risks, resolve trade barriers and facilitate profitable trade.

[Please click here to register for the Contracts and Best Practices Seminar.](#)

The preliminary agenda includes:

- Open dialogue on current contracting practices as they relate to trade risks.
- A "Road Map" of the NAEGA II Model Contract.
- Review of recent changes to the NAEGA II Model Contract implemented on March 30, 2018.
- Perspectives on the global contracting environment in GAFTA, FOSFA and other contract models and practices.
- Review of recent arbitration decisions.
- Case Study Exercises on:
 - Calculating laytime, despatch and demurrage.
 - Contract Terms.

- Arbitration and other alternatives for dispute resolution.

The cost of the seminar is \$275 per person. Breakfast and lunch are included. NAEGA member representatives are encouraged to invite others by forwarding this invitation.

Please contact Ryan Olson at rolson@naega.org or 202-682-4030 if you have any questions.

NAEGA-APPAMEX Forum – Puerto Vallarta, Mexico – August 23-25

Please “save the date” for the next NAEGA-APPAMEX Forum in Puerto Vallarta, Mexico on August 23-25. The forum will take place at the Hard Rock Hotel Vallarta at Paseo de los Cocoteros No. 19, Villa 8 Nuevo Vallarta, Bahía de Banderas, Riviera Nayarit, México C.P. 63732

A preliminary agenda can be found [here](#).

All NAEGA members are invited to attend. If you are interested in attending please complete the attached registration form [here](#). Hotel bookings at the Hard Rock can be made by contacting the hotel directly using the following email address: nfuentes@rdhotels.com.

Please contact [Ryan](#) for more information.

Board of Directors Meeting – Arlington, VA – October 2

The next meeting of the NAEGA Board of Directors will be held from 9:00am-2:00pm on Tuesday, October 2 at NAEGA’s office in Arlington, VA. More details and the meeting agenda will follow in the coming weeks.

DBTG Technical and Operational Seminar – Baltimore, MD – October 3-5

Please “save the date” for the Dry Bulk Terminals Group’s (DBTG) fall Technical and Operational seminar. This fall’s seminar will take place at the Sheraton Inner Harbor Hotel in Baltimore, MD on October 3-5.

Contracts and Best Practices Seminars

Please “save the date” for NAEGA’s next Contract and Best Practice Seminars. With the release of the revised NAEGA 2 contract on March 30, NAEGA is planning for educational seminars to communicate these revisions and educate on the contract and industry best practices. This year, we are planning two educational seminars in:

- Minneapolis, MN: August 14 – [Register here](#)
- New Orleans, LA: Week of October 8

Final dates and times will be announced when they become available.

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. A general agenda includes:

- Open dialogue on current contracting practices as they relate to trade risks.
- A “Road Map” of the NAEGA II Model Contract

- Review of the 2018 revisions to the NAEGA II Model Contract.
- Perspectives on the global contracting environment in GAFTA, FOSFA and other contract models and practices.
- Case study exercises on:
 - Calculating laytime, dispatch and demurrage.
 - Contract terms.
- Arbitration and other alternatives for dispute resolution.

In addition to the public seminars listed above, NAEGA also conducts company specific private seminars. 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!

HWY H₂O Conference – Toronto, Canada – November 13-15

The annual HWY H₂O Conference is the only conference that delivers content related to business development for the Great Lakes St. Lawrence Seaway System. The event caters to a niche market and offers ample networking opportunities with leaders in this maritime industry. This year's conference will focus on technology and innovation as a key component in developing new opportunities, streamlining costs and remaining a competitive System.

Register or find more information about the conference [here](#).

NAFTA and Asia-Pacific Policy Teams

With NAFTA negotiations underway and 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. Teams focused on the North American Free Trade Agreement and the Asia-Pacific Market are already established. The **NAFTA Policy Team** will be heavily engaged over the next three months to support NAEGA work with the U.S. Food and Ag. Dialogue for Trade, The Pacific Northwest Economic Region, the Canada U.S. Grain and Seed Trade Task Group and the NAEGA committees and Board of Directors to address NAFTA. A similar effort will soon start with an **Asia-Pacific Policy Team** that 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 fall of 2018 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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Action Reports

Recent Actions:

NAEGA/NGFA Statement to APHIS on GE Cotton

On Monday, July 9, NAEGA and NGFA submitted a joint statement to the USDA's Animal and Plant Health Inspection Service (APHIS) regarding Bayer CropScience LP's petition for the deregulation of its genetically engineered cotton, Event GHB811.

According to the letter, NAEGA and NGFA do not object to GHB811 being granted non-regulated status under APHIS's Part 340 regulations. NAEGA and NGFA commend Bayer efforts to conduct its due diligence regarding risk assessment, management, and responsibility as a biotechnology provider, including securing export market approvals prior to commercializing new biotechnology traits. NAEGA and NGFA believe this to be a pragmatic approach in the facilitation of global trade, and that APHIS should maintain the non-regulated status of Bayer's GE cotton.

Read the full letter [here](#).

IGTC Trip Report

A trip report is now available for IGTC Secretariat Katy Lee's travels to Arlington, VA and Washington, D.C. in May 2018. During her travels, Katy briefed grain trade stakeholders and embassy officials about IGTC policy files and met with World Bank representatives to discuss IGTC contributions to their Enabling the Business of Agriculture project. She also participated in NAEGA's Production Technology Committee meeting as well as an International Food Policy Research Institute (IFPRI) event dedicated to agricultural policy in Brazil.

A copy of Katy's trip report can be found [here](#).

USAEDC Attaché Seminar

Last week, Gary, Ryan and Brigid attended the United States Agricultural Export Development Council's (USAEDC) Attaché Seminar in Arlington, Virginia. During the seminar, NAEGA held consultations with Foreign Agricultural Service (FAS) attachés from Argentina, Brazil, Egypt, Kenya, Peru, South Korea, and Ukraine to discuss NAEGA and IGTC policy files as well as enquire about country-specific agricultural issues. In addition to these one-on-one meetings, NAEGA staff also heard from USAEDC speakers including Gregg Doud, Chief Agricultural Negotiator in the Office of the United States Trade Representative and Ted McKinney, Under Secretary for Trade and Foreign Agricultural Affairs, to provide updates and insight into the current status and future of U.S. agricultural trade.

For more information about NAEGA's involvement at the USAEDC Attaché Seminar, contact Gary or Ryan.

Upcoming Actions:

IGTC Meetings and Outreach – July 13-22 – Rome and Geneva

On July 13-22 Gary will join IGTC Secretariat Katy Lee in Rome and Geneva for a series of IGTC bilateral meetings and events with members, corporate stakeholders, and inter-governmental organizations. As part of this trip, Gary and Katy will attend the IPPC's ePhyto Industry Advisory

Group meeting at the FAO in Rome on July 18. A finalized agenda for the balance of their trip will be available soon.

U.S. State Department Foreign Service Institute Presentation – July 26 – Washington, D.C.

On July 26 Gary will address a class of U.S. foreign service personnel enrolled in a Biotechnology and Global Challenges course. U.S. State Department economic officers and USDA FAS staff are included in the training class meant to bring officers up to speed on biotechnology issues. A further agenda and Gary's presentation will be available soon.

IMO CCC5 – September 10-15 – London, UK

On September 10-15 Ryan will travel to London, United Kingdom to attend the fifth meeting of the International Maritime Organization's (IMO) Sub-committee on the Carriage of Cargoes and Containers (CCC) as a member of the International Bulk Terminals Association (IBTA) delegation. Over the past few years NAEGA has worked closely with the IBTA to monitor developments at the CCC and weigh in on the CCC's regulatory initiatives as they impact the bulk grain trade. During this meeting of the CCC, NAEGA and the IBTA will be following changes to the classifications of Distillers Dry Grains and Solubles to ensure that they are trade facilitating. NAEGA will also be monitoring the actions by member states to ensure that past efforts to re-open regulations under the International Grain Code are not revisited. A notice to post for this upcoming travel will be available soon.

Pending Actions:

Proposed additional U.S. Tariffs on imports from China - \$16 billion of goods at 25 percent

The U.S. Trade Representative (USTR) is seeking public comment on the announcement of new tariffs on Chinese goods related to its Section 301 investigation into Chinese intellectual property practices. According to the Section 301 investigation, USTR has determined that the acts, policies, and practices of the Government of China related to technology transfer, intellectual property, and innovation are unreasonable or discriminatory and detrimentally affect U.S. commerce. As a result, the President has ordered the implementation of a 25 percent tariff on an initial \$34 billion of certain products from China on July 6, 2018. The proposed products to be targeted by this additional tariff can be found [here](#).

Following the initial implementation of tariffs on \$34 billion of Chinese production, the USTR is seeking comments from U.S. stakeholders on a further \$16 billion of products to be implemented at a future date. A list of these products can be found [here](#). Public input on the proposed additional action will be accepted as follows:

July 23, 2018: written comments submitted via [regulations.gov](https://www.regulations.gov)

July 24, 2018: Public hearing in at the U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436 beginning at 9:30 a.m.

July 31, 2018: Submission of post-hearing rebuttal comments via [regulations.gov](https://www.regulations.gov).

NAEGA members interested in contributing to these comments are welcome to consult with Gary or Ryan .

U.S. FGIS soybean, corn and canola standards

The U.S. Agricultural Marketing Service (AMS) has announced that it is seeking public comment on current Federal Grain Inspection Service (FGIS) standards for canola, corn and soybeans. The purpose of these requests for comments is to ensure that standards and official grading practices remain relevant and effective.

- [Request for comments on corn standards can be found here.](#)
- [Request for comments on soybeans standards can be found here.](#)
- [Request for comments on canola standards can be found here.](#)

All comments are due **August 28, 2018**.

NAEGA's Grades and Inspections Committee will be engaged in drafting a response. Please let us know your views.

Proposed additional U.S. import tariffs on imports from China - \$200 billion of goods at 10 percent

The U.S. Trade Representative (USTR) is seeking public comment on the announcement of new tariffs on Chinese goods related to its Section 301 investigation into Chinese intellectual property practices. In response to China retaliatory tariffs responding to the U.S. government's implementation of an initial tranche of 25 percent tariffs on \$34 billion, the U.S. Trade Representative is seeking comments on an additional 10 percent tariff on \$200 billion in Chinese goods. The list of products to be affected can be found [here](#). Public comments regarding this proposed additional action are welcome and will be received according to the following schedule:

July 27, 2018: Due date for filing requests to appear and a summary of expected testimony at the public hearing, and for filing pre-hearing submissions.

August 17, 2018: Due date for submission of written comments.

August 20–23, 2018: The Section 301 Committee will convene a public hearing in the main hearing room of the U.S. International Trade Commission.

August 30, 2018: Due date for submission of post-hearing rebuttal comments.

Comments should be submitted via [regulations.gov](https://www.regulations.gov) by **August 17, 2018**.

NAEGA members interested in contributing to these comments should contact Gary or Ryan.

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News

U.S. launches five disputes at WTO over retaliatory tariffs

On Monday, July 16 the U.S. Trade Representative (USTR) launched five separate disputes at the World Trade Organization against Canada, China, the European Union, Mexico and Turkey to challenge the retaliatory tariffs each country imposed on U.S. exports in response to President Trump's recent actions regarding aluminum and steel.

The United States' steel and aluminum tariffs were imposed after the Secretary of Commerce reported that imports of these products threaten to harm U.S. national security. According to the United States Trade Representative, these tariffs are justified under several international agreements. However, the tariffs that the aforementioned countries imposed on U.S. exports in retaliation are not in compliance with international rules or WTO member commitments.

Read more about the initiation of the disputes [here](#).

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Calendar & Member Notices

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

2018

July

- 1-September 30** – IPPC ISPM Consultation – Virtual
- 13-22** – IGTC meetings and events in Geneva and Rome
- 23** – Comments on additional tariffs on China due

August

- 14** - NAEGA Contracts and Best Practices Seminar – Minneapolis, MN
- 23-25** – NAEGA-APPAMEX Forum – Puerto Vallarta, Mexico
- 28** – Comments on FGIS standards for canola, corn and soybeans due

September

- 4-7** – IGTC Seminar – Washington, D.C.
- 7** – International Grains Council Market Condition Committee Meeting – London, UK
- 10-14** – IMO CCC5 – London, UK
- 14** – IGTC Management Council – Virtual
- 26-27** – WTO Agriculture Committee – Geneva, Switzerland

October

- 1-5** – FAO Committee on Agriculture (COAG) – Rome, Italy
- 2** – NAEGA Board of Directors Meeting
- 3-5** – DBTG Operational and Technical Workshop – Baltimore, MD
- Week of October 8** - NAEGA Contracts and Best Practices Seminar – New Orleans, LA
- 31-November 1** – WTO SPS Committee – Geneva, Switzerland

November

- 13-15** – HWY H₂O Conference – Toronto, Canada
- 19-23** – IPPC Standards Committee – Rome, Italy

21-22 – WTO Agriculture Committee – Geneva, Switzerland
10-22 – COP 14 – Egypt
27-29 – IGTC General Assembly 2018 – Beijing, China

December

TBD – U.S. APHIS and China AQSIQ bilateral on soybean phytosanitary requirements
2-4 – NGFA Country Elevator Conference – St. Louis, MO
4 – IGC 40th Session – London, UK
14 – IGTC Management Council - Virtual
TBD – Biosafety Protocol COP 14 – Egypt

2019

March

17-19 – NGFA Annual Convention – Amelia Island, FL

December

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

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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