



Outreach July 30, 2019

Thank you for your membership in and work with NAEGA

Welcome to new member Hansen-Mueller!

Hansen-Mueller is an agri-business focused on commodity trading while also providing a range of services in bulk commodity logistics. Additionally, Hansen-Mueller own and operate a feed grain process plant in Toledo, Ohio and three country elevators in Southwest Kansas.

We are looking forward to Hansen-Mueller's contributions to NAEGA activities and Committees!

Graphic of the week – Courtesy of Politico Pro

NAEGA has recently contracted with Politico Pro to provide intelligence and data to enhance the way NAEGA delivers information to Members. In the coming weeks we will have more information on ways Members can utilize this resource.

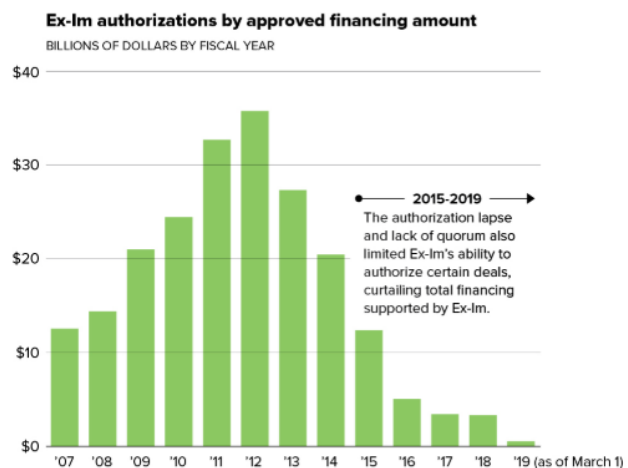
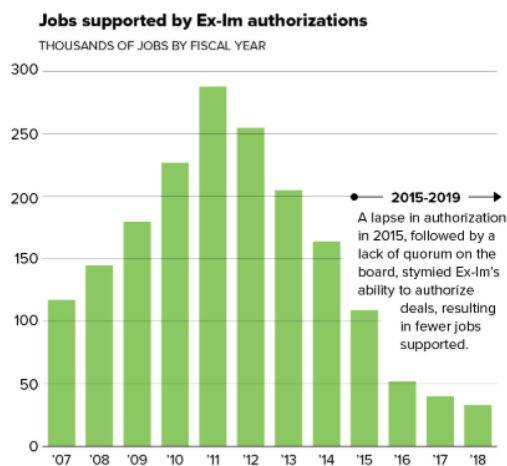
U.S. Export-Import Bank Reauthorization

Reauthorization fight looms for Export-Import Bank

BY TAYLOR MILLER THOMAS, POLITICO PRO DATAPOINT

A bipartisan measure to reauthorize the Export-Import Bank for seven years stalled in June over opposition from members of the House Financial Services Committee. Rep. Denny Heck (D-Wash.), for example, supports authorization in general but has expressed concerns over how the bill could impede Boeing's work supported by Ex-Im. Other lawmakers simply oppose Ex-Im as a government entity too involved in the private market.

The Bank, which provides various forms of export credit financing to support U.S. exporters, is authorized through Sept. 30, 2019. The Congressional Research Service reports that the Ex-Im Bank supports 2 percent of U.S. exports every year.



Action Reports

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- USDA Federal Grain Inspection Service Survey on Communications
- IPPC Draft ISPMs
- APEC Workshop on Non-Tariff Barriers
- IPPC ePhyto Case Studies
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- Clause 20 Certification

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- Upcoming events and notices to members

Action Reports

Pending Actions:

U.S. Grain Standards Act Reauthorization

NAEGA has accepted an invitation from the U.S. Senate Committee on Agriculture, Nutrition, and Forestry to testify at a hearing entitled, “Perspectives on Reauthorization of the U.S. Grain Standards Act.” on July 31, 2019 in Washington, D.C NAEGA will be represented by the Chairman of the NAEGA Grades and Inspection Committee, Nick Friant of Cargill. More information, including a link to watch the entire hearing live on July 31 at 9:30 am Eastern Time, can be found through [this link](#). Nick’s written testimony will be posted to that site at the time of the hearing.

USDA Federal Grain Inspection Service Survey on Communications

As part of a 2019 Strategic Initiative, the U.S. Department of Agriculture’s Federal Grain Inspection Service (FGIS) is evaluating the effectiveness of communication through the use of instructions materials such as handbooks, directives, and program notices. FGIS’ Field Management Division (FMD) is seeking feedback on the current status of their instructions and has developed a short survey to assist them in their evaluation. The survey will accept responses until August 30, 2019 and can be [found through this link](#).

IPPC Draft ISPMs

The International Plant Protection Convention (IPPC) is seeking comments on a number of draft International Standards for Phytosanitary Measures (ISPMs). The IPPC has released a list of draft ISPMs that have been approved by the IPPC Standards Committee (SC) for consultation, starting July 1, 2019. The consultation period ends on September 30, 2019.

The draft ISPMs can be [accessed through this link](#).

The Grades and Inspections Committee has addressed several aspects of IPPC standards in the past and is considering submitting comments on these drafts. Members who are interested in contributing to these comments should contact Patrick or Gary.

APEC Workshop on Non-Tariff Measures

NAEGA is addressing an Australian-government funded [Asia Pacific Economic Cooperation \(APEC\) Workshop](#) to identify future work on non-tariff measures (NTMs) affecting grain trade. Several governments plan to participate in the Workshop. NAEGA has engaged with international colleague associations and the U.S. government, and outlined plans to support the Workshop in its 2020 Unified Export Strategy application. NTMs targeted at the workshop will be used as a basis for future specific APEC projects to develop principles, guidance and or frameworks to support APEC economies.

Several NAEGA Committees are likely to be engaged in the Workshop planning and execution. NAEGA is actively providing the U.S. and other governments with advice and feedback on the Workshop. If you would like more information, please contact Staff.

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 NAEGA staff.

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 Patrick 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!

Recent Actions:

NAEGA Meeting with JFMA and JFTA on Corn Quality

On July 22, 2019, NAEGA staff attended a meeting with the Japan Feed Manufacturers Association (JFMA) and the Japan Feed Trade Association (JFTA), hosted by the U.S. Grains Council. The meeting addressed topics regarding corn quality, foreign material in U.S. corn exports and ways to increase U.S. corn exports to Japan. Japan continues to be a critical export market for U.S. farmers and the frank and open discussion with the Japanese delegation provided a forum to build on the existing trade partnership. NAEGA also connected with JFTA to begin planning for a Contracts and Best Practices Seminar to take place in Tokyo later this year.

For more information about NAEGA's meeting with the Japanese delegation at the U.S. Grains Council contact Gary or Patrick.

NAEGA/IGTC Travel to Geneva

NAEGA President & CEO Gary Martin traveled to Geneva from July 23-27, 2019 for meetings with the International Grain Trade Coalition (IGTC). Gary was joined by Mr. Jeffries Briginshaw, travelling to Geneva from London, UK to act as a consultant for IGTC. In Geneva,

Gary, Jeffries and Katy Lee, Secretariat of the IGTC met with IGTC corporate stakeholders, professional services providers and international organizations to further the IGTC Policies and Business Plan. NAEGA is preparing a trip report which will be posted to the [NAEGA Member's Only Website](#) when complete.

NAEGA SIG On Peru CVD/AD Case

The NAEGA Special Interest Group (SIG) on the Peru's self-initiation of a countervailing duty case against U.S. origin yellow corn case received an update on recent developments on Thursday, July 25. The SIG heard from the Office of the U.S. Trade Representative, U.S. Department of Agriculture and U.S. Grains Council.

NAEGA is coordinating the Special Interest Group (SIG) in order to facilitate a coordinated industry response. If you are interested in joining the SIG, please contact Gary or Patrick.

London Grain Week MAP Trip Report

NAEGA has completed and submitted to USDA/FAS a Market Access Program (MAP) trip report for Gary Martin, Sam Bonilla and Katy Lee's travel to London for Grain Week from June 8-14, 2019. As reported in the June 13, 2019 edition of OUTREACH, the trip included 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 trip report for this mission can [be found here](#).

Clause 20 Certification

This week NAEGA provided a Clause 20 certification. The NAEGA certification followed the recommendation of a NAEGA volunteer Clause 20 panel. A valid cause, related to an external benzene gas release from a neighboring facility not under the control of the applicant and several related official emergency actions, was found that included the interruption in the normal course of labor due to employee safety concerns, exceptional impediments to transportation and official actions by government.

Upcoming Actions:

Board of Directors Meeting – Arlington, VA – September 11, 2019

The next meeting of the NAEGA Board of Directors will be held from 9:00am-3:00pm on Wednesday, September 11, 2019 at NAEGA's office in Arlington, VA. More details and the meeting agenda will follow in the coming weeks.

Contracts Committee Sponsored Training for Arbitrators

In 2019, the American Arbitration Association's (AAA) International Centre for Dispute Resolution (ICDR) is planning a series of training seminars on ICDR case management, including two in North America. 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.

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. ICDR has not yet announced dates for the North American events and we will notify Members when the dates are posted, and more information is available. If you are interested in learning more about this opportunity to attend an ICDR training and receive financial assistance, please contact phayden@naega.org.

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News:

Potential Change in European Union Phytosanitary Regulations

A notice has been posted on the [APHIS Phytosanitary Export Database \(PExD\) System](#) regarding potential changes to European Union phytosanitary regulations beginning in December 2019. Changes include:

- All plant parts and plant products will require a phytosanitary certificate unless indicated otherwise in a commodity summary;
- *Ananas comosus*, *Cocos nucifera*, *Durio zibethinus*, *Musa spp.*, and *Phoenix dactylifera* fruit will be the only commodities that **will not** require a phytosanitary certificate;
- The European Union additional declarations will change from their current format to plain English statements.
- Beginning in December 2020, the option to fumigate with Methyl Bromide will not be allowed for any commodity.

NAEGA is investigating the changes and may refer to the Grades and Inspections Committee for consideration.

Details on Second Trade Aid Package

On July 25, 2019, the [USDA released details on the new \\$16 billion trade aid package](#) for farmers, which is intended to offset losses producers have experienced as a result of President Donald Trump's ongoing trade dispute with China.

The package directs \$14.5 billion in direct payments to farmers and will be distributed in three installments. For the first round, farmers will receive at least \$15 an acre, or 50 percent of their total estimated payout—whichever is greater. The maximum payment rate will be \$150 an acre. Additionally, \$1.4 billion will be allocated towards commodity purchases; and another \$100 million is being devoted to assist food and farm groups in developing new export markets. The department has said direct payments will be made to farmers at rates based on their county, rather than per commodity—a change from the 2018 trade-relief program.

The first installment will be sent out in mid to late August, with the next two payments following in November and January, if needed.

USDA Grain Inspection Advisory Committee to Meet

USDA's Agricultural Marketing Service (AMS) has posted a notice that the AMS Grain Inspection Advisory Committee will meet in Kansas City, MO on August 15 and 16, 2019. The Inspection Advisory Committee meets twice annually to advise AMS on the programs and services it delivers under the U.S. Grain Standards Act. This will be the first meeting of the Committee since September 2018. Recommendations by the committee help AMS to better meet the needs of its customers who operate in a dynamic and changing marketplace. The agenda will include updates an AMS rulemaking, discussion of organic labeling on Federal Grain Inspection Service (FGIS) documents, and update and exemption on boundary exemptions and other relevant topics.

The current makeup of the Advisory Committee is as follows:

Ms. Janice Cooper (Chair)	Mr. Chad Becnel
Ms. Sarah Sexton-Bowser	Mr. Randall Burns
Mr. Nicholas Friant	Mr. John Lindgren
Ms. Kia Mikesh	Mr. John Morgan
Mr. Rick Robinette	Mr. Bruce Sutherland
Ms. Linsey Moffit-Tobin	Mr. Terry Peach
Dr. Errol Turnipseed	Mr. Mark Watne
Mr. Jimmy Williams	Mr. Aaron Anseuw (Alternate)
Ms. Patricia Dumoulin (Alternate)	

U.S. House Passes Farm Bankruptcy Bill

On July 25, 2019, the U.S. House of Representatives passed a bill that eases Chapter 12 bankruptcy limits for farmers.

The bill, [H.R. 2336 \(116\)](#), would expand the debt cap covered under Chapter 12 bankruptcy to \$10 million from the current debt limit of \$4.15 million. The bill would enable farmers to qualify for Chapter 12 bankruptcy if their total debt is less than \$10 million.

The measure passed by voice vote and was sponsored by House Agriculture Chairman Collin Peterson (D-Minn.) and committee members Representatives Antonio Delgado (D-N.Y.), Dusty Johnson (R-S.D.), Cindy Axne (D-Iowa) and T.J. Cox (D-Calif.).

A similar bipartisan version has been introduced in the [Senate S. 897 \(116\)](#), backed by Sen. Chuck Grassley (R-Iowa). However, the measure has yet to be marked by the Judiciary Committee.

U.S. EPA will not Ban Chlorpyrifos

On July 18, 2019, the U.S. Environmental Protection Agency (EPA) announced that it will **not** ban the use of chlorpyrifos. The action came in response to an appellate court decision earlier this year ordering the agency to respond to a petition from environmental groups that sought to

ban the widely used pesticide. July 18 was the final day EPA could respond under the court's timeline. More details on the EPA's decision [can be found here](#).

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Member Opportunities:

Internship Opening at NAEGA

NAEGA is actively recruiting for an open, paid intern position starting in the fall of 2019. The internship would run through the end of 2019 and be located out of the NAEGA office at 1400 Crystal Drive, Arlington, VA 22202. NAEGA internships are tailored to meet each intern's available time and interests. Details on the internship and how to apply can be found [here](#). If you know of anyone with an interest, please have them contact Patrick at phayden@naega.org

USDA FAS Indo Pacific CSSF Strategic Workshop - September 16-17, 2019

NAEGA members are invited to attend the USDA Foreign Agricultural Service (FAS) Indo Pacific Country Strategy Support Fund (CSSF) Strategic Marketing Workshop from September 16-17 in Bangkok, Thailand. The location has yet to be determined, however, the first day will be FAS only and dedicated to FAS topics, and the second day will be focused on marketing and Cooperators.

The FAS workshop provides opportunities to get one-on-one with a large number of posts represented by FAS Officers and the locally employed staff. There will be ten FAS Washington Staff from ten FAS posts around the Asia region.

The workshops assist in helping to understand the FAS plan to grow U.S. agricultural exports and discussions with Cooperators on how to develop these markets. Most importantly, it allows the FAS to discuss how the FAS and Cooperators can advance U.S. agricultural interests regionally.

The schedule can be seen [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.

Full Details on Upcoming Events can be found in the Meetings & Events Section of the [NAEGA Member's Only Page](#).

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Calendar & Member Notices

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

2019

September

- 6** – IGC Market Conditions Committee – London, UK
- 11** – NAEGA Board of Directors Meeting – Arlington, VA

October

- 9-11** – International Dry Bulk Terminals Group Operational and Technical Seminar – Southampton, UK.
- 15** - Agriculture & Horticulture Development Board Grain Market Outlook Conference – London, UK

November

- 6-8** – IGTC General Assembly – Sao Paulo, Brazil

December

- 8-10** – NGFA Country Elevator Conference – Indianapolis, IN
- 3** – International Grains Council's 50th 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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