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Member Opportunities

SAVE THE DATE: Upcoming NAEGA Events in Portland, OR

Please “Save the Date” for a series of exciting upcoming events in October in Portland, Oregon. All member personnel may attend:

Tuesday, October 18

*NAEGA-NGFA Alternative Security Program Users Meeting
Grades and Inspections Committee Meeting Joint with NGFA Grades Weights Committee
Regional Industry and Government Workshop – Sponsored by NAEGA, NGFA and PNWGF*

Wednesday, October 19

*NAEGA Board of Directors Meeting
NAEGA Contracts Committee Meeting (pending)*

Thursday, October 20

NAEGA Contracts and Best Practices Seminar

NAEGA/APPAMEX Forum – October 5-8

Please save the date for the 23rd Annual NAEGA/APPAMEX Forum to be held on October 5-8 in Cancun, Mexico. This year’s forum will take place at the [Iberostar Hotel](#) in Cancun. All NAEGA member representatives and their colleagues are invited to attend. More information, including a link to registration and a preliminary agenda, will follow. A copy of last year’s agenda can be found [here](#).

For more information, please contact Gary or Ryan.

NAEGA Seminars

The Next NAEGA Contract Seminar is scheduled for September 14 and 15 in Regina, Canada. Sam Bonilla and Gary Martin are working with staff at Viterra for the company specific / private seminar.

Please click [here](#) for more information on NAEGAs in-depth, interactive education on contract practices.

Internship Open at NAEGA

NAEGA has an open internship position! Information on working for NAEGA as an intern in our new Arlington, Virginia office can be found [here](#).

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

Action Reports

Recent Actions:

Decree 177

On Tuesday, August 2 NAEGA hosted a meeting of the Decree 177 Working Group. Following NAEGA encouragement USDA's Foreign Agricultural Service (FAS) has agreed to lead the working group which is seeking to provide messaging, broad based coordination and response to AQSIQ to address Decree 177. NAEGA is also working to share information on Decree 177 with colleagues in Argentina, Australia, Brazil and Canada.

NAEGA is in the process of articulation of objectives for industry and multilateral response to ASQIQ's requirements under Decree 177. According to NAEGA, any response to China should:

- Preserve and enhance the competitiveness and provide for a global supply response.
- Strive to improve the relationships with AQSIQ and Chinese buyers.
- Provide for a response that is consistent with best commercial practices.
- Support the responsiveness, resilience and responsibility to the supply chain.
- Prevent the extension of liability or financial guarantees for compliance with Chinese law to exporters. Exclusively address actions to manage legitimate health and safety risks, thereby allowing for other product parameters to be addressed by appropriate party. For example: commercial parties address logistics including quality
- Provide for prompt, transparent official action that preserves adequate fungibility of supply and does not include imposition of unjust or unnecessary measures that restrict grain trade.
- The use of sound and best available science for risk assessment, identification and management and mitigation

NAEGA will continue to keep membership up to date as more information becomes available. Please contact Gary or Ryan if you have any questions.

Washington GE Wheat

The USDA's Animal and Plant Health Inspection Service (APHIS) posted information regarding detection of GE wheat in Washington State, which can be found [here](#). Over the past several weeks NAEGA has been working closely with APHIS, the Foreign Agriculture Service (FAS) and regional and national industry leaders regarding this the finding of that a few wheat plants that exhibited glyphosate resistance found in a fallow field in Washington State was MON71700. Our understanding is that MON71700 is a sister event of MON71800, the event detected in an isolated incident in an Oregon field in 2013. As a sister event, MON71700 has the same inserted DNA as MON71800, just in a different genomic location. MON71700 was evaluated in limited field trials in the Pacific Northwest from 1998 to 2001 but never commercialized. Monsanto's former glyphosate-tolerant wheat program was shut down in 2004-2005 and Monsanto has not conducted further transgenic wheat trials in the Pacific Northwest since that time.

APHIS has advised NAEGA that there is no evidence of a presence of either MON 71700 or MON71800 in any GMO in the U.S. wheat grain supply. USDA is working to ensure that the current harvest remains free of GE material. USDA FAS, with the support of APHIS and the Federal Grain Inspection Service (FGIS) is communicating facts to foreign governments, and Monsanto has developed a validated new test method that detects MON71700 and 71800 and is working to make this test available to foreign governments who request it.

Currently, Japan and Korea have requested the new test method and indicated that they will take some actions to suspend imports of U.S. origin wheat until officials can deploy these new tests. Japan has already announced that it will take Western White Wheat off of its August 4 tender. We expect Korea to enable the new test this week and Japan to do so by the end of August if not sooner. Taiwan also requested and has been provided with the new test method that detects both MON71800 and 71700.

NAEGA will continue to follow this issue and release updates to members as the situation develops. Please contact Gary or Ryan if you have any questions.

ILWU/PMA

This week NAEGA joined a multi-industry letter to manufacturers, farmers and agribusinesses, wholesalers, retailers, importers, exporters, distributors, transportation and logistics providers, and other supply chain stakeholders encouraging the International Longshoreman and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) to begin early discussions on either a contract extension or a new contract. In the past, ongoing contract negotiations have led to port disruptions and slowdowns that have had a negative economic impact. The signers of the letter believe that a new model for contract negotiations, one that encourages early and continuous dialogue, is necessary to prevent these unneeded disruptions.

A copy of the letter can be found [here](#). For more information, please contact Gary or Ryan.

IGTC Newsletter

The newest edition of the IGTC Newsletter is now available! This week's newsletter includes coverage of IGTC actions on ePhytos, a call for registrations for the Cartagena Protocol on Biosafety's COP-MOP in Cancun, Mexico in December and a report on WTO comments regarding anti-trade rhetoric and protectionist policies. A copy of the newsletter can be found on the IGTC intranet at www.igtglobal.org or by clicking [here](#).

Future Actions:

NAEGA Office Moving

NAEGA is moving to a *new office space!* *As of August 30, 2016 the NAEGA office will be at 1400 Crystal Drive, Suite 260, Arlington, VA 22202*

Continuing to be co-located with National Grain and Feed Association, our new office conveniently located near the Ronald Reagan Washington National Airport and the Crystal City Metrorail station.

Please note that NAEGA email addresses and telephone numbers will not change.

.Soy Global Trade Exchange – August 30-September 1

NAEGA President and CEO Gary Martin in Indianapolis, Indiana hopes to see you at the U.S. Soy Global Trade Exchange on August 30 to September 1. Gary will provide remarks on the topic: *A Global View of Key Dynamics in Policy and Commerce for Grains, Oilseeds and other Agri-bulks*. A copy of the Exchange's schedule can be found [here](#). For more information, or if you are interested in attending, please click [here](#).

DBTG Executive Committee Meeting – September 1

The Dry Bulk Terminals Group will hold its Executive Committee meeting in London, United Kingdom on September 1. NAEGA Senior Adviser Jerry Cotter, who is a member of the Executive Committee and leads NAEGA engagement with the DBTG, will attend. Ongoing issues related to the international regulations at the UN GHS Subcommittee, the IMO Subcommittee on the Carriage of Cargoes and Containers as well as issues related to international transportation and logistics will be under discussion.

For more information on the DBTG please click [here](#). Please contact Gary or Ryan if you would like to provide contributions to Jerry's participation in the committee meeting.

IMO CCC Subcommittee Meeting – September 5-9

The International Maritime Organization's (IMO) Subcommittee on the Carriage of Cargoes and Containers (CCC) will hold its annual meeting in London, United Kingdom on September 5-9. A copy of the agenda can be found [here](#). NAEGA Senior Adviser Jerry Cotter will travel to London and represent NAEGA. Jerry will be engaging the IMO CCC on topics related to the classification of substances Harmful to the Marine Environment (HME) and the IMO's Solid Bulk Cargoes Code (IMSBC), and will also monitor developments related to the classification of seedcakes as hazardous commodities and proposed regulation of seedcakes under the International Grain Code.

For more information on NAEGA activities related to the IMO, please click [here](#). Please contact Gary or Ryan if you would like to contribute your knowledge or expertise to Jerry's engagement with the IMO CCC.

IPPC ISPM EWG Meeting – September 19-23

The International Plant Protection Convention's (IPPC) Expert Working Group (EWG) on International Sanitary and Phytosanitary Measures for Grain (ISPM) will hold a meeting in Melbourne, Australia. Marcel Bruins, NAEGA Science Adviser, will attend and represent NAEGA and the International Grain Trade Coalition (IGTC). During discussions on the development of the proposed ISPM for grain Marcel will represent the IGTC and NAEGA based off the recently completed survey on the International Movement of Grain, which can be found [here](#), and the IGTC's policy document on the IPPC ISPM, which can be found [here](#).

A copy of the Notice to Post for this mission can be found [here](#). For more information or to contribute your knowledge and expertise to this NAEGA/IGTC mission, please contact Gary or Ryan.

Pending Actions:

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

Chemical Facility Anti-Terrorism Standards

The U.S. Department of Homeland Security (DHS) has published in the *Federal Register* a notice regarding the implementation of a revised tiering methodology for chemical facilities of interest regulated under the Chemical Facility Anti-Terrorism Standards (CFATS).

The notice temporarily suspends the requirement to submit Top-Screens and Security Vulnerability Assessments (SVA) in order to allow for a phased roll out of the new Chemical Security Assessment Tool (CSAT) 2.0. CSAT 2.0 consists of a more streamlined CSAT Top-Screen, SVA, and a Site Security Plan, that will allow the collection of the data necessary to process facilities through the new methodology and improve the integration between the SVA application and the SSP application.

To minimize confusion, DHS is taking a multi-step approach to this implementation. First, the Department is temporarily suspending the Top-Screen and SVA submissions requirements as outlined in the notice. Second, DHS will replace the current CSAT surveys with the revised surveys. Lastly, DHS will reinstate the Top-Screen and SVA submission requirement. DHS will individually notify facilities of the requirement to resubmit a Top-Screen using the new tool in a phased manner, however, facilities may choose to proactively resubmit a Top-Screen once the new tool is available and prior to the individual notification. Additionally, new chemical facilities of interest that come into reportable amounts of COI after reinstatement of the requirement to submit a Top-Screen and SVA must submit within 60 days.

For more information, please click [here](#). Please contact Gary or Ryan if you have any questions.

CFTC Supplement to Position Limits Rule

On May 26 the Commodities and Futures Trading Commission (CFTC) announced that it will issue for public comment a supplement to its position limits proposal. The proposal will modify the procedures for those seeking exemptions from speculative position limits for non-enumerated bona fide hedging. The supplement would provide a new process for exchanges to recognize certain positions in commodity derivative contracts as non-enumerated bona fide hedges or enumerated anticipatory bona fide hedges, as well as to exempt from federal position limits certain spread positions, in each case subject to CFTC review.

Comments on the supplemental may be submitted electronically through the CFTC's website. If you are interested in contributing to comments on the supplemental, please contact Gary or Ryan. For more information, click [here](#).

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In the News

Final Amendments to USGSA

The U.S. Grain Inspectors, Packers, and Stockyards Administration has issued final amendments to its rule on implementation of the U.S. Grain Standards Act. As you will recall, NAEGA and NGFA submitted comments to these proposed amendments in April. Those comments can be found [here](#). In response to the comments received, GIPSA has issued final amendments that include:

- Definition of Emergency – GIPSA Changed proposed definition of Emergency from “Any situation outside of the control of the Service or a delegated State that prevents prompt issuance of certificates in accordance with Sec. 800.160(c).” to “*Any situation that is outside the control of the applicant that prevents official inspection or weighing services within 24 hours of the scheduled service time.*”
- Request for Emergency Waivers – GIPSA is omitting the proposed sections 800.118(b)(7)(B)&(C) from the final rule and is not adding a new blanket category of waivers for situations in which the buyer and seller agree to waive official inspection or Class X Weighing.
- User Fees – GIPSA agrees with our proposal for setting the trigger for adjusting fees at the midpoint of 4.5 months. Didn’t agree with our suggestion to eliminate the cap on Schedule A fees. Also, GIPSA believes that an annual review of fees wouldn’t be worthwhile. As a result, will continue to review every 5 yrs. As you recall, they already have suspended the 530 account (officially designated agencies).
- 72 Hour Advance Notice of Declination of Service – GIPSA didn’t incorporate our recommendation that delegated states impact all impacted export port locations 72 hours in advance of intent to discontinue service. According to GIPSA, based on the Reauthorization Act language only they, not the delegated state are to inform either Congress or the impacted party of the disruption.
- Delegated States and GIPSA Review – GIPSA “intends” to begin the formal review process prior to Sep. 30, 2016. In addition, GIPSA finds the inclusion of language stating that the process be done through appropriated funds, “unnecessary,” since delegation reviews fall under compliance related activities which are already covered by appropriated funds.

More detailed analysis will be shared when it becomes available. A copy of the final rule can be found [here](#). Please contact Gary or Ryan for more information.

OECD/FAO Agricultural Outlook

The Organization for Economic Cooperation and Development (OECD) and the Food and Agriculture Organization (FAO) have released their 2016-2025 Agricultural Outlook. In this year’s Outlook OECD/FAO indicated that it sees the period of high prices in crops, livestock and fish products to be largely over, and a new normal of lower prices to set in over the next few years. Demand for agricultural products will continue to be driven by growth in developing countries, whose increasing consumption will reduce the global proportion of people who are malnourished

from 11 percent to 8 percent. It is projected that this rising demand will be satisfied through increased productivity gains, with some of the largest gains coming from Sub-Saharan Africa. In Sub-Saharan Africa yield will surpass area growth on this larger production.

The OECD/FAO estimates that demand for cereals will continue to stagnate except in the demand for feed crops and inputs for oils. Over the next decade demand for global trade in grains will be led by growth in feed grains and soybeans, reflecting the increased demand for meat products and oils.

For more information on the results of the report, please visit the Outlook's website, [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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Calendar & Member Notices

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

2016

August

31-September 1 – U.S. Soy Global Trade Exchange – Indianapolis, Indiana – Please register [here](#).

September

1 - DBTG Executive Committee Meeting – London, UK

5-9 - IMO Subcommittee on the Carriage of Cargoes and Containers Meeting – London, United Kingdom – Cotter Attending.

12-13 - FAS Regional Market Strategy Session – Berlin, Germany

19-23 - IPPC ISPM EWG – Melbourne, Australia

October

18 – PNW Regional Workshop – Portland, OR

19 – NAEGA Board Meeting – Portland, OR

20 – NAEGA Contracts and Best Practices Seminar – Portland, OR

August-November

TBD – IGTC General Assembly and Strategy Session

TBD – NAEGA Board Meeting

October

5-8 – NAEGA/APPAMEX Forum, Iberostar Hotel, Cancun, Mexico.

November

8 – Election Day – U.S. House, Senate and Presidential elections.

December

7-15 – COP-MOP Meetings to the Cartagena and Nagoya Protocols – Cancun, Mexico

7-9 – UN GHS Subcommittee Meeting – Geneva, Switzerland – Cotter Attending.

2017

March

19-21 – NGFA Annual Convention – New Orleans, LA

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