



Celebrating 100 Years

January 13, 2012

Thank you for your membership in and work with NAEGA.

Member Action Items:

NAEGA Committee & Member Meetings; Annual Meeting and Centennial Celebration; GIPSA Seeks Nominees for the Grain Inspection Advisory Committee; Award Nominations Open; and NAEGA Membership Dues

NAEGA Action Items:

China, AQSIQ Releases Regulatory Documents and U.S-EU Working Group Seeking Input on Trade Barriers

Related News:

China, DDGs Anti-Dumping Investigation Extended; China, China, Task Force on China Trade and U.S. Mississippi River Dredging Study Released

Calendar and Website:

NAEGA Holiday Hours, Upcoming events an Issue Tracking

MEMBER ACTION ITEMS:

NAEGA Committee & Member Meetings – NAEGA is working with members ahead of the 2012 Annual Meetings on February 22 and 23 to prepare agendas for 2012 and reports on actions taken. This week, the Grades & Inspections Committee held a conference call and approved a plan for a panel of speakers to present to the Committee at the Annual meeting. They discussed the CuSum program and the changes associated with an increase to 100,000 bushel sublots; Aflatoxin reconditioning and the industry-proposed modified reconditioning procedures; the progress on wheat and barley rulemaking; the NAEGA-FGIS Export Monitoring Survey; Potential FGIS-NAEGA regional workshops in 2012; and future actions on the U.S-China Soybean Memorandum of Agreement. The Committee will meet one more time via conference call before the Annual Meetings to finalize their presentation to the NAEGA Board of Directors

Upcoming Member & Committee Events include:

- The **NAEGA-NGFA Alternative Security Program (ASP) User Group** will hold a conference call on Thursday, January 19, at 1pm Eastern, 12pm Central, 10am Pacific

survey ASP users regarding concerns with U.S. Coast Guard (USCG) security actions or the ASP's content and implementation. The discussion will provide information on what NAEGA Senior Advisor Jerry Cotter might address at the February 2-3, 2012 USCG ASP User's Group meeting in Seattle.

- The **NAEGA Biotech Committee** will hold a conference call on Wednesday, January 25, 2012 at 2pm Eastern, 1pm Central, 11am to consider the Committee agenda for 2012, prepare for the NAEGA annual meetings on Feb. 22 and 23 and update Committee members on current issues. A tentative agenda for the call, background information and the call in coordinates will be sent out in the coming week.
- The **NAEGA Contracts Committee** will hold a conference call on Thursday, January 26, 2012 at 1pm Eastern, 12pm Central, 10am Pacific to consider the Committee agenda for 2012, prepare for the NAEGA annual meetings on Feb. 22 and 23 and update Committee members on current issues. A tentative agenda for the call, background information and the call in coordinates will be sent out in the coming week.
- **NAEGA Senior Advisor Jerry Cotter** will be travelling to Seattle, Washington from January 29-February 3, 2012 for the U.S. Coast Guard Alternative Security Program (ASP) User Group meetings. Jerry is planning on driving down to Portland, Oregon on January 30th & 31st to meet with NAEGA members and update them on current NAEGA action on maritime issues, the NAEGA-FGIS Export Monitoring Survey, and the ASP. If you would like to meet with Jerry during his time in the Pacific Northwest, contact Patrick Hayden at the NAEGA office to arrange an appointment.

Annual Meeting and Centennial Celebration – THANK YOU to the NAEGA members who have signed on to sponsor the February 22 Global Industry Reception and others who have reserved Tables for the Gala Dinner on February 23. **Act NOW** to confirm your company's plans for this **“Once in a Lifetime”** opportunity!

NAEGA Members are inviting guests from around the world to join the celebration. Member invitees include foreign embassy representatives, senior corporate officials, international customers, suppliers and Federal, State and local government leaders.

All NAEGA members will likely be interested in and are welcome to attend the committee meetings which will include guest speakers from around the world. NAEGA's committees will be convening over the next month to set their 2012 plans including hosting guest speakers during the February 22 and 23 events.

We are planning for 200 attendees at the Global Industry Reception at the Bin 1700 Lounge at the Crystal City Marriott on February 22. We have issued over 500 invitations to government and industry officials. Five NAEGA members are already planning to sponsor promotional displays at the reception. Companies who would like to place promotional displays at the reception need to advise us now of their intentions to sponsor the Reception.

At the Gala Centennial Dinner on February 23 we expect a keynote address from Canadian Minister of Agriculture and Agri-Food Gerry Ritz and have confirmed entertainment by [The Capitol Steps](#), who have developed a new routine for the 2012 election cycle. NAEGA Members who plan on attending the dinner are encouraged to bring their spouses. 7 full table sponsorships and 2 half-table sponsorships have already been confirmed. This business dress affair will be a

once in a lifetime opportunity to celebrate the past and set the stage for another 100 years of NAEGA!

Details on how to sponsor the February 22 Global Industry Reception, Reserve seats for the Gala Centennial Dinner, Register for the Annual Meetings and Centennial Celebration and book a room at the Crystal Gateway Marriott are available on the [Member's Only Section](#) of the NAEGA website and under "Meetings" on the [NAEGA Personal Pages Site](#).

Please let us know your plans for the Celebration and meetings as soon as possible!

GIPSA Seeks Nominees for the Grain Inspection Advisory Committee – USDA's Grain Inspection, Packers and Stockyards Administration (GIPSA) is seeking nominations for individuals to serve on the USDA Grain Inspection Advisory Committee (Advisory Committee). The Advisory Committee meets twice annually to advise GIPSA on the programs and services it delivers under the U.S. Grain Standards Act. GIPSA is seeking nominations for individuals to serve on the Advisory Committee to replace six members and four alternate members whose terms will expire March 31, 2012. A list of current Advisory Committee members and other relevant information are available on the [GIPSA Advisory Committee Website](#). Nominations are due February 8, 2012. If you would like to nominate someone for membership please see the instructions in [this Federal Register Notice](#), and if you would like NAEGA to support a nomination, please contact the NAEGA office.

Award Nominations Open – Please contact us now to nominate persons who have exhibited distinguished leadership in free trade and outstanding promotion of agriculture for NAEGA's highest distinction, the Amstutz Award! More details on the award are available on the [Amstutz Tribute page of the NAEGA Website](#). If you would like to nominate an individual for the award, please contact Gary Martin at the NAEGA office.

NAEGA Membership Dues – Invoices for NAEGA's 2012 Membership Dues have been mailed and payment is due by February 1. Prompt payment is appreciated. If you have any questions, please contact the NAEGA office.

NAEGA Action Items:

China, AQSIQ Releases Regulatory Documents – China's (AQSIQ) had released a list of their documents related to the commercial practice and the Chinese Government oversight of soybeans in China. These 19 documents summarize AQSIQ's procedures for food safety, plant health, and quality standards for soybeans and agricultural products in general. The documents were released as part of the U.S-China Soybean Memorandum of Understanding (MOU). AQSIQ has also received U.S. regulatory documents that cover U.S. government oversight of soybeans. All 19 documents have been placed in a single Zip file on the NAEGA Grades Committee website and can be downloaded [directly through this link](#).

NAEGA is also planning to participate in USDA's reciprocal visit to China, following last September's AQSIQ visit to the U.S. That trip is tentatively scheduled for March. This visit will provide an opportunity to survey AQSIQ/CIQ's port inspection and sampling procedures, storage facilities, and other factors related to China's import of soybeans. The ongoing actions

related to the MOU are being tracked on the [NAEGA Grades Committee Website](#) and the [NAEGA Personal Pages Site](#).

U.S.-EU Working Group Seeking Input on Trade Barriers – On behalf of the High Level Working Group on Jobs and Growth established by the U.S. and the European Union at their November 2011 summit, the Office of the U.S. Trade Representative (USTR) has asked for public comments on the following issues:

- conventional barriers to trade in goods, such as tariffs and tariff-rate quotas
- reduction, elimination or prevention of barriers to trade in goods, services and investment
- opportunities for enhancing the compatibility of regulations and standards
- reduction, elimination or prevention of unnecessary “behind the border” non-tariff barriers to trade in all categories
- enhanced cooperation for the development of rules and principles on global issues of common concern and for the achievement of shared economic goals relating to third countries

NAEGA members input and advice is requested. As we reported in the January 4, 2012 edition of OUTREACH, we are currently supporting two initiatives for the Working Group:

- a. Reducing and eliminating the inconsistencies between the U.S. and EU regulation of crop biotechnology that restrict or prevent trade in grains, oilseeds and their food and feed products. For example the current EU “technical solution” with respect to the low level presence of yet to be approved for use as food or feed in the EU crop biotechnology places an impractical restriction on imports to the EU of U.S. grains, oilseeds and products thereof.
- b. Completing by August 1, 2012 a bi-lateral agreement as provided for in EU Renewable Energy Directive (RED). The Agreement should recognize the RED sustainability requirements are achieved via the production and marketing in compliance with the long standing framework U.S. conservation programs. The agreement should ultimately determine that U.S. soybeans and other commodities that are imported to the EU for Biofuels and Biofuel feedstock do not require additional certification.

Comments are due February 3, 2012 and information on how to submit them [can be found here](#). The Working Group plans to provide an interim update to U.S. and EU leaders in June and a report with findings, conclusions and recommendations by the end of 2012.

RELATED NEWS:

China Extends U.S DDGs Anti-Dumping Investigation – China’s Ministry of Commerce (MOFCOM) has announced that it has extended the anti-dumping against U.S. Dried Distiller’s Grains (DDGs) by six months, with a concluding date set for June 28, 2012. The investigation, which began in December of 2010, was scheduled to be completed on December 28, 2011. In a statement announcing the decision, MOFCOM cited the “special and complex” nature of the case as the reason for the extended investigation. The brief statement can be found at MOFCOM’s [English language website](#).

China, Task Force on China Trade – President Barack Obama is expected to announce the creation of a new interagency task force primarily designed to enforce trade rules with respect to

China, as early as his State of the Union address this month. The task force will reportedly be headed by Deputy National Security Advisor for International Economic Affairs Mike Froman, and participants will likely include the departments of Commerce, Energy and the Treasury as well as the Office of the U.S. Trade Representative. It is expected that only options that comply with World Trade Organization enforcement rules will be considered. Possible measures include a new WTO case against the value of China's currency, despite the fact that the administration has consistently refused to name China a currency manipulator, or the self-initiation of new antidumping and/or countervailing duty proceedings by the Commerce Department. Political observers are openly wondering if the task force is simply election year politicking or is actually expected to have substantive change to U.S. policy on trade with China. More details on the task force and its mission should emerge in the next week.

U.S., Mississippi River Dredging Study – A study prepared by economist Dr. Tim Ryan and released by the [Big River Coalition](#) (BRC), a group of shippers, pilots and other maritime interests that depend on the Mississippi River to keep cargo and commerce flowing, has concluded that a lack of maintenance funding from the U.S. Army Corps of Engineers (USACE) has led to reduced dredging on the Lower Mississippi River (LMR) and will have a negative impact on American Agriculture Exports. The cut in funding to USACE has led to restrictions that limit the size of ships that can safely transit the Mississippi River. Historically, USACE has dredged the River to depths that would allow vessels with draft in excess of 45 feet to navigate the passes to and out of the River. The current USACE budget will lead to significantly reduced widths and depths on the LMR. The estimated budget reduction amounts to \$45 million per year providing for a dredging program that may only be able to maintain depths of 38 feet in certain areas of the LMR. The study concludes that if the controlling depth is reduced to 38 feet of draft, the nation and the world stand to lose 12.38 million tons of exports (12.4% of the total) and 5.87 million tons of imports (5.5% of the total). On the export side, the most affected commodities are soybeans and other agricultural products and on the import side, most of the impact or loss will be crude oil destined for the refineries along the Mississippi River.

The report, prepared by economist Dr. Tim Ryan for the BRC, has been made available to NAEGA through NAEGA Member Blue Water Shipping Company, which is also a part of the BRC. A copy of the Executive Summary and the full LMR Dredging Final Report can be downloaded from their website [through this link](#).

CALENDAR & WEBSITE

NAEGA Holiday Hours – In recognition of Dr. Martin Luther King, Jr. Day in the United States, the NAEGA office will be closed on Monday, January 16, and will reopen on Tuesday, January 20.

Official Comments Calendar

January

24 – Comments due to U.S. Customs and Border Patrol on the proposed extension with a change to the burden hours of the cargo manifest/declaration, stow plan, container status messages and importer security filing: <http://www.gpo.gov/fdsys/pkg/FR-2011-11-25/pdf/2011-30343.pdf>.

February

3 – Comments due to USTR on behalf of the High Level Working Group on Jobs and Growth:
<http://www.regulations.gov/#!documentDetail;D=USTR-2012-0001-0001>

8 – Nominations to the U.S. Grain Inspection Advisory Committee due to GIPSA:
<http://www.federalregister.gov/articles/2012/01/09/2012-87/solicitation-of-nominations-for-members-of-the-usda-grain-inspection-advisory-committee#p-11>

27 - Comments due to USDA/APHIS on the Dow AgroScience Petition for nonregulated status of GMO corn DAS-40278-9, genetically engineered for resistance to broadleaf herbicides:
<http://www.gpo.gov/fdsys/pkg/FR-2011-12-27/pdf/2011-33009.pdf>

27 -Comments due to USDA/APHIS on Monsanto's Petition for nonregulated status of GMO soybean MON 87769, genetically engineered to produce stearidonic acid, an omega-3 non-fatty acid not found in conventional soybeans:
<http://www.gpo.gov/fdsys/pkg/FR-2011-12-27/pdf/2011-33002.pdf>

27 - Comments due to USDA's Farm Service Agency on the proposed extension of currently approved information collection that supports the End-Use Certificate Program:
<http://www.gpo.gov/fdsys/pkg/FR-2011-12-29/pdf/2011-33443.pdf>

Activities Calendar

January

16 – NAEGA Office Closed for Dr. Martin Luther King, Jr. Day

19 – NGFA-NAEGA Alternative Security Program User’s Group Conference Call\

25 – NAEGA Biotech Committee Conference Call

26 – NAEGA Contracts Committee Conference Call

30 – Washington, DC – American Soybean Association Biotech Working Group Meeting – Gary Martin Attending

February

2-3 – Seattle, WA – U.S. Coast Guard ASP User’s Meeting – Jerry Cotter Attending

14 – Washington, DC – Office of Foreign Assets Control International Trade Symposium. Gary Martin Attending.

22 – Arlington, VA – International Grain Trade Coalition Meeting and NAEGA Global Industry Reception

23 – Arlington, VA – 2012 NAEGA Annual Meetings and Centennial Celebration

March

18-20 – Charleston, SC – NGFA 2012 Convention

June

7 – London, United Kingdom – 2012 International Grains Council Grains Conference – www.igc.int

October

1-5 – Hyderabad, India – COP/MOP 6 to the Cartagena Protocol on Biosafety

4-12 – Edinburgh, United Kingdom - 52nd European Commodities Exchange
<http://www.ece-edinburgh2012.com/>

NAEGA, Issue Tracking – NAEGA has updated the NAEGA Personal Pages website to include the new Issue Tracking system, which will improve the way NAEGA communicates to members regarding progress on issues.

NAEGA Issues & Decision Memos have been added to the site under the section currently titled “Events”. The events section will be retitled to “Current Issues”, and each Issue has its own page, containing background information on the issue and updates on current progress on the issue. The Issue Pages can be updated by Board, Committee and other persons who have been granted access to add information. New issues will be posted as NAEGA begins work on them. The issues will be sorted by the most recent updates, and the Personal Pages site can be searched by subject. All persons who have set up a Personal Page can access this information.

If you have not yet registered for the Personal Pages, or have forgotten your log in information, please contact Patrick Hayden at phayden@naega.org. He will set up your account or reset your log in information and send you a temporary password. You can find a user’s guide for the [Personal Pages here](#).

Thank you for your membership and work with NAEGA.

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