

## Outreach April 16, 2019

Thank you for your membership in and work with NAEGA

### Graphic of the week:

#### *USMCA faces headwinds as the U.S. Congress awaits the USITC report on the agreement's economic effects*



Some Republicans believe USMCA is **too protectionist**



A group of 46 conservative lawmakers criticized USMCA for its **language on sexual orientation and gender identity** and urged the president not to sign



Republicans oppose USMCA provisions that weaken NAFTA's **investor-state dispute settlement clauses**, which allow companies to sue countries for alleged mistreatment



Some Democrats, like Elizabeth Warren (D-MA), have criticized a provision that protects manufacturers of biologics for 10 years from generic competition; they claim that this would **drive up drug prices**



Many Democrats oppose it for insufficiently enforcing **labor laws and environmental protections**



Democrats in moderate-leaning districts, like Rep. Ron Kind (D-WI), say they won't back the deal until the Trump administration **ends its steel and aluminum tariffs**

#### Key Republicans who oppose aspects of USMCA

- Sen. Marco Rubio (R-FL)
- Sen. Pat Toomey (R-PA)

#### Key Democrats who oppose aspects of USMCA

- Sen. Elizabeth Warren (D-MA)
- Sen. Bernie Sanders (I-VT)
- Rep. Richard Neal (D-MA) — Chairman of the Ways and Means Committee

Sources: Jonathan Swan, "Axios Sneak Peek, February 10, 2019," Axios, February 10, 2019; James McCartan, "Coalition of U.S. lawmakers urge Trump not to sign USMCA until LGBTQ language excised," Globe and Mail, Nov. 18, 2018; Paul Wiseman, "Trump's new NAFTA faces skeptics in now-Democrat-led House," APNews, Nov. 29, 2018.

### Action Reports

#### *Recent Actions:*

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- IGTC Newsletter
- IPPC CPM

#### *Pending Actions*

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- Additional comments on Egypt plant quarantine regulations

### *Upcoming Actions*

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- London Grain Week
- Contracts Committee Sponsored Travel for Arbitrators

### Member Opportunities

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- London Grain Week – London, UK – June 10
- IGC - International Grains Council Grains Conference – June 11-12, 2019
- PNWER Annual Summit in Saskatoon, Saskatchewan – July 21-25, 2019
- NAEGA NAFTA and Asia-Pacific Policy Teams
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- EU announces negotiating mandate for U.S. trade agreement
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### NAEGA Calendar and Member Notices

- Upcoming events and notices to members

## **Action Reports**

### *Recent Actions:*

#### **DBTG Operational and Technical Seminar**

This week, Ryan is back from Barcelona, Spain where he attended a meeting of the Dry Bulk Terminal Group's (DBTG) Operational and Technical Seminar on April 9-11. At the seminar, Ryan toured the ports of Barcelona and Tarragona and participated in meetings on dry bulk terminal safety and health issues. In particular, Ryan learned more about upcoming agenda items and papers at the International Maritime Organization's (IMO) meeting of the Subcommittee on the Carriage of Cargoes and Containers (CCC) in September. Ryan also participated in a meeting of the DBTG's Executive Committee, during which the committee discussed DBTG finances and operations, as well as the transition to a new executive director.

A trip report for this travel will be available in the coming days.

### **IGTC Newsletter**

The latest IGTC newsletter is now available! This edition features a report on the IPPC CPM, where the IGTC made a presentation on the IPPC ePhyto initiative, the continental free trade agreement in Africa, and a preview of upcoming IGTC events in Switzerland, China and Mexico. Download the latest newsletter [here](#)!

### **IPPC CPM**

IGTC Secretariat Katy Lee is back from Rome, Italy where she attended the International Plant Protection Convention's 14<sup>th</sup> Commission on Phytosanitary Measures (CPM), a meeting of the 183 contracting parties to the IPPC. At the CPM Katy monitored agenda topics relevant to the IGTC policy priorities, including:

- The contribution of the global trade of commodities to global food security and economic development
- The business plan for the ePhyto Solution post 2019
- International Year of Plant Health 2020 (IYPH 2020)
- Next generation sequencing technologies as a diagnostic tool for phytosanitary purposes
- Adding, deleting or modifying IPPC documents on the following subjects of interest to IGTC members:
  - Terms for consideration by the Technical Panel on the Glossary (TPG);
  - Diagnostic protocols for consideration by the Technical Panel on Diagnostic Protocols (TPDP);
  - Phytosanitary treatments for consideration by the Technical Panel on Phytosanitary Treatments (TPPT)

A trip report for this travel will be available in the coming days.

### **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 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!

### ***Pending Actions:***

### **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 the IGTC secretariat at [secretariat@igtglobal.org](mailto:secretariat@igtglobal.org).

### **Additional comments on Egypt plant quarantine regulations**

The Grades and Inspections Committee is taking a closer look at the draft Egypt phyto policy in response to the U.S. Department of Agriculture’s Animal Plant Health Inspection Service (APHIS) and USDA FAS seeking industry comment on notified measures on Egypt’s Plant Quarantine Regulations. The proposed Draft Ministerial Resolution includes an updated list of banned pests (weed, insect, microorganism) and permissible treatment options for certain quarantined pests. The notifications can be found [here](#) and [here](#).

### ***Upcoming Actions:***

#### **NAEGA-APPAMEX Forum**

On May 21-23 Ryan and Katy will travel to Cancun, Mexico to participate in and present at the annual NAEGA-APPAMEX Forum. During the forum, Ryan and Katy will represent NAEGA and the IGTC and discuss ongoing policy and global issues facing the North American and global grain trade.

#### **London Grain Week**

On June 10-12 Katy Lee, Sam Bonilla, Gary and Ryan are planning to travel to London to lead and participate in events during the London Grain week, including meetings with International Grain Trade Coalition (IGTC), International Grains Council (IGC), the United Kingdom’s Agriculture and Horticulture Development Board (AHDB) and GAFTA.

#### **Contracts Committee Sponsored Travel for Arbitrators**

NAEGA is happy to announce that AAA ICDR is planning a series of training seminars on ICDR case management. 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.

This year, ICDR is planning on holding three training seminars, two in North American and one in Europe. Details on the first seminar can be found below:

*ICDR International Symposia in Advanced Case Management Issues*

Location: Edinburgh, Scotland

Date: May 15, 2019

Agenda attached

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. If you are interested in learning more about this opportunity to attend an ICDR training and receive financial assistance, please contact [rolson@Naega.org](mailto:rolson@Naega.org). More information on upcoming trainings will be shared with arbitrators as it becomes available.

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### ***Member Opportunities:***

#### **NAEGA APPAMEX Forum – Cancun, Mexico – May 21-23**

NAEGA members are invited to “save the date” for the 2019 NAEGA-APPAMEX Forum on May 21-23 in Cancun, Mexico. The forum will take place at the Hotel Secrets The Vine. This year’s forum will be held alongside the Mexican feed mills association CONAFAB.

#### **London Grain Week including IGTC Strategy Session and International Grains Council Grains Conference – June 10-12, 2019**

We look forward to seeing colleagues from around the world as government and industry participants in the global grain trade will be in London for a week of meetings and events. A series of events are taking place hosted by the International Grain Trade Coalition, International Grains Council (IGC), the United Kingdom’s Agriculture and Horticulture Development Board (AHDB) and GAFTA.

NAEGA member representatives are invited to attend an **IGTC Strategy Session in London on June 10, 2019**. The Strategy Session will involve IGTC members and corporate stakeholders and will include discussions concerning how to strengthen the work of IGTC policy, new and existing commercial requirements for grain producers and seek advice for decision makers going forward in the current business environment. More details and a registration link for the Monday June 10 meetings of the IGTC will be available later this week

The International Grain Trade Coalition is providing discounted registration for the **International Grains Council’s 2019 Grains Conference and Workshops**. To access the savings and

register now contact the [IGTC Secretariat](#) for details. You can find more information [here](#). Tuesday, June 11 and Wednesday, June 12 will examine key opportunities and challenges facing the international grain and oilseed industry. Plenary sessions and workshops will include speakers from across the globe sharing their expertise. For example, NAEGA and IGTC President Gary Martin will Chair an IGTC workshop on Wednesday, June 12: “A Dialogue on International Progress through Cooperation” at which cooperation between governments and commercial actors to provide for innovation and enhancement of the trade flows will be expertly examined in this interactive session. Audience comments and suggestions will be incorporated into the dialogue and used to inform IGTC actions and report to governments. IGTC representatives will provide formal remarks and responses to questions from the IGC Council and Conference related to IGTC work with industry and governments around the world to achieve a market and regulatory environment supportive of trade that avoids disruptions in the international trade of grain, oilseeds, pulses and derived products in advance of audience participation. The IGC Conference and Workshops will be held at the Congress Centre at 28 Great Russell Street, London WC1B 3LS

### **2019 PNWER Annual Summit – Saskatoon, Canada – July 21-25, 2019**

Registration is now open for the 2019 Pacific Northwest Economic Region annual summit in Saskatoon, Saskatchewan. Over 500 regional business leaders, legislators, and key decision makers attend the Annual Summit to explore shared challenges in the region, discuss best practices, promote regional relationships, and develop an action plan to address challenges in the coming year. Early bird registration is provided through April 30. Register early to take advantage of early bird pricing! More information [here](#). Register [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.

### **Internships**

We have an open intern position starting in the summer of 2019 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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**News**

### **IPPC ePhyto Initiative Video**

The UN Food and Agriculture Organization (FAO) and the International Plant Protection Convention (IPPC) have released a video on the IPPC's ePhyto Solution. The IPPC ePhyto Solution aims to modernize the phytosanitary certification process and hold tremendous potential for trade facilitation. This video captures in simple terms the dynamics of the system and the benefits it holds both for National Plant Protection Organizations (NPPOs) and Industry.

A link to the video can be found [here](#).

### **USCG final rule on sea farer access**

The U.S. Coast Guard published the Seafarers' Access to Maritime Facilities Final Rule in the Federal Register April 1, 2019, requiring owners and operators of Maritime Transportation Security Act-regulated facilities to provide seafarers holding valid U.S. visas and other covered individuals with the ability to transit through the facility in a timely manner and at no cost to the individuals.

Under this rule, each owner or operator of a maritime facility regulated by the Coast Guard is required to implement a system providing seafarers, pilots, and representatives of seamen's welfare and labor organizations access between vessels moored at the facility and the facility gate, in a timely manner and at no cost to the seafarer or other individuals. The final rule provides regulatory flexibility to owners and operators to determine the method of shore access that best suits the size and function of their facility. These methods may include, but are not limited to, providing regularly scheduled or on-call shuttle service, taxi service, arrangements with seafarers' welfare organizations, or monitoring of pedestrian routes.

The access procedures must be documented in the Facility Security Plan for each facility and approved by the local Captain of the Port. Although the final rule is effective May 1, 2019, each facility owner or operator has 14 months after publication of the final rule (June 1, 2020) to implement a system. This delayed implementation allows the Captain of the Port to work with each facility in the event of deficiencies in the plan.

A copy of the final rule can be found [here](#).

### **EU announces negotiating mandate for U.S. trade agreement**

On Monday, April 15 the European Commission's council (EC) approved its negotiating objectives for upcoming trade negotiations with the United States. The directive covers two potential agreements with the U.S.:

- A trade agreement strictly focused on industrial goods, excluding agricultural products;
- A second agreement, on conformity assessment to make it easier for companies to prove their products meet technical requirements on both sides of the Atlantic

The directive compels the Commission, as part of negotiation of the agreement, to further examine the potential economic, environmental and social impacts of the agreement, taking into account the commitments of the EU in international agreements, including the Paris Agreement on climate change. This assessment, as well as the negotiating process itself, will be conducted

in regular dialogue with the European Parliament, Member States, civil society and all relevant stakeholders, in line with the European Commission's commitment to transparency. As part of its engagement for an inclusive trade policy, the Commission is currently running a public consultation on voluntary regulatory cooperation.

### **U.S. Government information on flood damage**

The U.S. Food and Drug Administration (FDA) issued a [Constituent Update](#) to remind those that may be affected by flooding in the Central and Southern Plains about resources available for producers and firms that handle and store crops for human and animal consumption. Key points from the update include:

- Generally, if the edible portion of a crop is exposed to contaminated flood waters, it is considered “adulterated” under the Federal, Food, Drug and Cosmetic Act and should not enter the human food supply.
- Sometimes, crops that have been harvested and then subsequently deemed unsuitable for human use can be salvaged for animal food. FDA will work with producers and firms to consider requests to recondition an adulterated crop into animal food on a case-by-case basis. FDA’s compliance guide [CPG 675.200](#) provides a step-by-step process for reconditioning requests. Any requests for reconditioning should be directed to the following individuals in the relevant FDA field office.
  - Reconditioning requests for contamination events occurring in Kansas, Nebraska, Missouri and Iowa: [Victoria Wagoner](#), 913-495-5150
  - Reconditioning requests for contamination events that occur in Minnesota, Wisconsin, South Dakota and North Dakota: [Kristine Zuroski](#), 612-758-7120
  - Reconditioning requests for contamination events occurring in Illinois and Michigan: [DCB Kelli Wilkinson](#), 313-393-8120
  - Reconditioning requests for contamination events occurring in Louisiana, Tennessee, Mississippi, and Kentucky: [Toni Williams](#), 513-679-2700 ext. 2160
  - Reconditioning requests for contamination events occurring in Arkansas: [Casey Hamblin](#), 214-253-5222

For more information about use of crops exposed to flood waters for animal food, see FDA’s resource - [Crops Harvested from Flooded Fields Intended for Animal Food: Questions and Answers](#).

The Agricultural Marketing Service, Federal Grain Inspection Service (FGIS), has also issued Program Notice FGIS-PN-19-04, Inspection of Flood Damaged Grain, dated April 12, 2019. Direct any questions concerning this notice to the Policies, Procedures, and Market Analysis Branch at (202) 720-0228. Please contact Sherri Murphy if you have any questions about FGIS’s issuance management program (phone: (202) 720-4684; e-mail: [Sherri.L.Murphy@ams.usda.gov](mailto:Sherri.L.Murphy@ams.usda.gov)).

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**Calendar & Member Notices**  
Click [here](#) for a copy of the IGTC Calendar

**2019**

**May**

**21-23** – NAEGA-APPAMEX Forum – Cancun, Mexico

**June**

**3-6** - USDA FAS Trade Mission – Bogota, Colombia

**10** – IGTC Strategy Session – London, UK

**10** – International Grains Council’s 49<sup>th</sup> Session

**10** – IGTC Strategy Session – London, UK

**11-12** – 28<sup>th</sup> IGC Grains Conference and Workshops

**July**

**21-25** – PNWER Annual Summit

**September**

**6** – IGC Market Conditions Committee – London, UK

**October**

**14-17** – USDA FAS Trade Mission – Ho Chi Minh City, Vietnam

**28-31** – USDA FAS Trade Mission - Nairobi, Kenya

**November**

**5-8** - USDA FAS Trade Mission – Mexico City, Mexico

**December**

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

**3** – International Grains Council’s 50<sup>th</sup> 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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