



OUTREACH --- July 2, 2012

Working Together to Make Trade Work – Thank you for your membership in and work with NAEGA

Member Action Opportunities:

Upcoming Events Open to NAEGA Member Participation;
Meeting with Chinese Agricultural Scholars Thursday, July 5;
Member Surveys on GIPSA Biotech Testing and EU soybean trade;
Container logistics and Canada grain marketing Task Forces;
The new NAEGA.org

Tracking NAEGA Actions:

Burma, NAEGA Supports Nominee for Ambassador; Colombia, Latin American Buyers Conference; Turkey, U.S. Trade and Investment Meeting and U.S., Biotech Policy in Farm Bill

FYI Related News:

APHIS Web Site to track Import Approval Process for Plants and Plant Products and New Report says U.S. Trade to Double by 2026

Calendar and Website:

NAEGA Holiday Hours, Upcoming events and Website News

Member Action Opportunities:

The Following Events are open to NAEGA Member Participation. Full Details on Each Event can be found in the Meetings & Events Section of the [NAEGA Member's Only Page](#) and the [Personal Pages Website](#)

**Alexandria, Virginia – 2012 U.S. Agricultural Export Development Council
FAS Attaché Meetings & Seminar – July 9-10, 2012**

**Portland, Oregon – NAEGA Board of Directors Meeting – August 20 – 1 -5
PM.**

**Portland, Oregon – NAEGA/NGFA-FGIS Regional Workshop – August 21,
2012**

**Puerto Vallarta, Mexico – 2012 APPAMEX-NAEGA Forum – August 30
September 1, 2012**

**Amman, Jordan – Potential U.S. Grain Industry Seminar with Iraq
Ministry of Trade – November 13-14, 2012**

Meeting with Chinese Agricultural Scholars – NAEGA will host a meeting at 9am on Thursday, July 5, 2012 from 9:00am to 10:00am at the NAEGA office at 1250 I Street NW, Suite 1003 in Washington with two Chinese officials from the Ministry of Agriculture for training on agricultural biotechnology risk assessment. The scholars are being hosted in the U.S. through a partnership with the USDA/FAS Borlaug Fellowship Program by the National Center for Food and Agricultural Policy (NCFAP). The two scholars are interested in the review the grain supply chain from farmers to elevators to exports and learning how the regulatory bodies and private sector work together to develop safe grain and quality coordinated exports. NAEGA members are invited to attend. If you or a member of your organization is interested in attending, please contact Patrick Hayden at phayden@naega.org to RSVP.

Member Surveys on GIPSA Biotech Testing and EU Soybean Trade – NAEGA Members are invited to take part in two anonymous web-surveys. Notification of how to log in to the surveys will be sent via email later today. The surveys will be used to respond to requests from USDA's Grain Inspection, Packers & Stockyards Administration and Foreign Agriculture Service on two important issues. The first survey will ask questions regarding any potential need for USDA to provide testing services for biotech traits. The second survey, related to our work on the EU's Renewable Energy Directive, asks for your input on the current market for US Soybean exports to the EU. These web survey do not record names or participants and we welcome any and all responses from NAEGA members.

Once the surveys are available online we will send out an email with links to each. Each anonymous survey will be posted for one week, until July 9. Thank you in advance for your input.

Container logistics and Canada grain marketing – Member personnel are invited to join new industry efforts established at the NAEGA Board of Director's Meeting on February 23, 2012 that are intended to:

1. Identify and address changes in the procedures and policies related to shipment of grains and oilseeds with containers. The Container Task will begin work with consideration of the Federal Maritime Commission's (FMC) request for comments on creating FMC container freight indices for U.S. agricultural exports which is due July 9.
2. Review the impact of Canada's changes in regulation of grain marketing including the Marketing Freedom for Grain Farmers Act and to make recommendations for industry actions to support a successful transition as well as long term successful commercial market environment resulting from those changes.

The two approved briefing memos proposing the task forces have been posted to the [Board of Director's Website](#) and Issue Tracking for each has been set up at the [NAEGA Personal Page's website](#). Please let us know if you would like to be included in the work of these new task forces.

The New NAEGA.org – NAEGA's public website at www.NAEGA.org has been redesigned and launched as of June 18, 2012. The new NAEGA.org features a more user-friendly interface, a better search engine, and integration with the NAEGA Personal Pages website. The new site

also features social media tools for sharing public NAEGA actions on a wider scale. NAEGA accounts have been established at [LinkedIn](#) and [Twitter](#), and stories on the public site can be shared on Google Plus. NAEGA members and staff should take the opportunity to enhance their experience with a [NAEGA Members Personal Page](#). NAEGA Director of Operations Patrick Hayden is will assist you to setup and maintain your NAEGA Personal Page.

Tracking NAEGA Actions:

NAEGA Actions on Current Issues are tracked on both the Member's Only Section under their relevant committee pages and the on the Personal Page's site. Updates to tracked issues are posted in this section.

Burma, NAEGA Supports Nominee for Ambassador – NAEGA wrote to the Chairman of the Senate Foreign Relations Committee Sen. John Kerry, (D-MA) and Ranking Member Sen. Dick Lugar (R-IN) in support of the Obama Administration's Nomination of Ambassador Derek Mitchell to be the first U.S. Ambassador to Burma since 1990.

In response to recent free elections in Burma, also known as Myanmar, the Obama Administration has begun to relax sanctions that had kept U.S. companies from investing in the country. NAEGA views the opportunity for agricultural trade with Burma as similar to the opportunity that existed in Vietnam when President Clinton normalized relations with Vietnam. Since trade opened up with that country in 1995, U.S. agricultural exports to Vietnam rose from just \$23 million to over \$1 billion today. In the single year since the Obama administration began to open up relations to Burma, U.S. agricultural exports rose from \$1.9 million to \$16.5million. The letter points out that the logical next step is for the administration to grant a general license for agricultural commodities in order to give U.S. industry a chance to compete with other foreign investors. NAEGA backs the appointment of Ambassador Mitchell as he has long worked with Burma and is the man who designed the current U.S. policy towards Burma which has begun to open the country up to both free elections and new investment opportunities. The full letter can be found on the <http://www.NAEGA.org> public website under "Current News".

Colombia, Latin American Buyers Conference – U.S. Wheat Associates held their 2012 Latin American Buyers Conference (LABC) June 27-29 in Cartagena, Colombia. NAEGA Member volunteer Kurt Haarmann travelled to the LABC to represent NAEGA at the annual gathering of U.S. producers and Latin American government representatives and private buyers. His trip was funded in part by NAEGA's Market Access Program (MAP) allocation, and Kurt will be providing a detailed trip report soon. That trip report will be posted to the [MAP Committee Webpage](#) and the [NAEGA Personal Pages](#) site as soon as it is submitted. NAEGA would also like to thank Kurt for volunteering his time and expertise on behalf of the Association.

Turkey, U.S. Trade and Investment Meetings – U.S. and Turkish officials met in Ankara, Turkey on June 26, 2012 for the second session under the Framework for Strategic Economic and Commercial Cooperation (FSECC) and discussed ways to increase bilateral trade and investment. The Office of the U.S. Trade Representative (USTR) noted that Turkey's gross domestic product has tripled since 2001 and that two-way trade in goods has nearly doubled over the past two years to more than \$20 billion. Acting Commerce Secretary Rebecca Blank said

further progress will depend on resolving concerns related to market access, transparency, predictability, intellectual property rights and other issues.

NAEGA plans to use the FSECC to seek resolution of ongoing concerns with Turkey's Phyto-sanitary and biotech regulation.

The full joint statement is available at [USTR's website](#).

U.S., Biotech Policy in Farm Bill – In response to reports that Consideration is being given to including biotech-related provisions in the House Agriculture Committee's version of the 2012 farm bill, the NAEGA Biotech Committee has been working with the National Grain and Feed Association (NGFA) and other industry partners to draft a statement of principles in regard to Biotech legislation. The one legislative proposal that has been seen is designed to expedite regulatory review of biotechnology-enhanced traits by the USDA's Animal and Plant Health Inspection Service (APHIS), while mitigating the plethora of litigation that has surrounded the deregulation of such traits by the agency.

NAEGA and NGFA have traditionally resisted efforts to legislate biotech-related issues, preferring to achieve such objectives through industry responses like commercial assurance. However we have taken the position that it is essential that any legislative revision of regulatory authority should achieve a synergy between technology companies seeking approval of new events, and commodity supply chains that currently confront market risks posed by such deregulated events. In short, potential market risks and liabilities need to be addressed as part of APHIS's deregulation process for biotech-enhanced events.

NAEGA and our Industry partners believe it is essential that any legislative revision of USDA's regulatory authority should achieve a synergy between technology companies seeking approval of new events, and commodity supply chains that currently confront market risks posed by such deregulated events. In short, potential market risks and liabilities need to be addressed as part of APHIS's deregulation process for biotech-enhanced events by incorporating the following principles:

1. **Risk Assessment:** Technology developers should establish as part of their petitions for deregulation a level of commingling (level of impact) at which the new biotech trait adversely may affect either the functional characteristics and/or exportability of the commodity, thereby posing a significant negative impact on the commodity supply chains. Such data on the level of impact should be made part of the public record.
2. **Risk Management:** The technology developer petitioning APHIS should establish a unique supply chain sufficient to keep the product segregated from the commodity supply to the extent necessary to avoid exceeding the aforementioned level of impact, as well as provide sufficient guarantees that the product will not escape into the commodity supply chain until sufficient international approvals or new science based information exists to justify removal of the resulting stewardship.
3. **Risk Responsibility:** When a technology developer fails to assess and/or manage its product's impacts adequately, it should be obligated to accept responsibility for resulting economic damage to downstream stakeholders.

Biotech product deregulation, if implemented in this manner, would increase the speed of the biotech-approval process, improve transparency and allocate responsibilities in a manner that is fair to everyone in the technology development and distribution marketplace. For these reasons, we believe that *if* biotechnology-related legislation is considered as part of the farm bill process, it needs to include provisions to address risk assessment, management and responsibility in downstream markets for the products of crop biotechnology.

FYI Related News:

APHIS Web Site to track Import Approval Process for Plants and Plant Products – USDA’s Animal and Plant Health Inspection Service (APHIS) has created a Web site that will provide stakeholders with information about the commodity import approval process for plants and plant products. Persons who request changes to the import regulations and who wish to import plants, plant parts or plant products that are not allowed into the U.S. must file a request with APHIS. USDA regulations set forth the procedures for submitting requests and supporting information, which includes information about the requestor, information about the commodity to be imported, shipping information, a description of pests and diseases associated with the commodity, risk mitigation or management strategies, and additional information as determined by APHIS to complete a pest risk analysis in accordance with international standards. Once the risk analysis has been completed and APHIS determines that the risks associated with the commodity in question can be adequately mitigated, the risk analysis is made available for public comment.

In response to stakeholder requests for more information about the commodity import approval process and the ability to participate at an earlier stage in the development of risk assessments, APHIS has created this site, which will describe each major step in this process, including a general description of the following: determination of the import status of a commodity, submission of a request by a national plant protection organization, initiation and drafting of risk assessment and risk management documents, completion of an environmental review, and publication and implementation of new requirements, as applicable. APHIS will also post draft risk assessments on this Web site for 30 days to give stakeholders an opportunity to review them and provide comments via email. The website’s address is:

http://www.aphis.usda.gov/import_export/plants/plant_imports/process/

New Report says U.S. Trade to Double by 2026 – A Delta Economics report commissioned by HSBC Investments predicts that U.S. trade will increase by 95% by 2026 and that growth in exports will be led by shipments to developing countries. “Traditional export-driven economies in ‘emerging’ markets are becoming more consumer-driven and importing more from high-end developed nation producers like the United States to fulfill demand,” an HSBC press release notes. The report encourages U.S. businesses to “not ignore this important shift...but instead position themselves to become beneficiaries of this opportunity that is expected to help fuel global trade for many years to come.”

Highlights of the report include:

- U.S. trade growth is forecast to average 3.3% annually over the next five years and then accelerate to more than 6% by 2021.

- Canada and Mexico will remain the two main export partners for the U.S. and its number two and three sources for imports through 2016.
- Emerging nations expected to import U.S. goods at the fastest pace during the next five years include Peru (8.7%), Turkey and Brazil (each more than 8%) and India (7.6%).
- U.S. imports from emerging nations are also expected to rise during this period, led by Vietnam at around 7% and Colombia, Russia and Singapore at 5-7%.
- Exports of soy beans, coal and petroleum should all see significant growth during the next five years, above 9%. Biopharmaceuticals and telecommunications equipment are the two fastest growing non-commodity exports at 8.6% and 6.7%.
- 59% of U.S.-based importers and exporters anticipate an overall increase in their trade volumes over the next six months, with 29% identifying Latin America as their greatest opportunity for trade growth and 23% naming China.
- China is expected to continue see strong annual growth in both imports (5.1%) and exports (4.7%) through 2016. The annual growth rate of U.S. exports to China is forecast to outpace that of U.S. imports from China during this period.
- China and Germany are set to leapfrog the U.S. to become the world's largest importers by 2026.

The full report is available in PDF form on [HSBC's website](#).

Calendar & Website

NAEGA Holiday Hours – In recognition of Independence Day in the United States, the NAEGA office will be closed on Wednesday, July 4th. We will reopen on Thursday, July 5th. We wish all of our Members a Happy 4th of July and a Happy Canada Day!

Official Comments Calendar

July

5 - Comments due to USDA on the proposed extension of information collections associated with the end-use certificate program.

http://www.regulations.gov/#!documentDetail;D=USDA_FRDOC_0001-0906

9 – Comments due to the Federal Maritime Commission on the possible development of FMC container freight indices for U.S. agricultural exports.

<https://www.federalregister.gov/articles/2012/05/24/2012-12666/notice-of-inquiry-solicitation-of-views-on-requests-to-develop-and-release-container-freight-rate>

9 – Comments due to USDA on the public release time of the World Agricultural Supply and Demand Estimates, Acreage, Cattle, Cattle on Feed, Crop Production, Grain Stocks, Prospective Plantings, Quarterly Hogs and Pigs, and Small Grain Summary.

<http://www.gpo.gov/fdsys/pkg/FR-2012-06-08/pdf/2012-13951.pdf>

August

24 - Comments due to USDA on Proposed Rule requiring weekly export sales reporting from exporters of DDGs and Pork:

<https://www.federalregister.gov/articles/2012/06/25/2012-15437/export-sales-reporting-requirements>

Activities Calendar

July

4 – NAEGA Office Closed for U.S. Independence Day

9-10 – Alexandria, VA – U.S. Agricultural Export Development Council USDA FAS Attaché Meetings & Seminar – NAEGA Members Invited to Attend

15-19 – Saskatoon, Saskatchewan, Canada – Agriculture Working Group meeting and Cross Border Livestock Health Conference at the Pacific North West Economic Region Annual Summit, www.pnwer.org – NAEGA Invited to Attend

August

7 – Washington, DC – U.S. Coast Guard Alternate Security Program Workshop – Jerry Cotter Attending

20 – Portland, OR – NAEGA Board of Directors Meeting

21 - Portland, OR - NAEGA/NGFA-FGIS Regional Workshop

30-September 1 – Puerto Vallarta, Mexico – 2012 APPAMEX-NAEGA Forum – Vallarta Palace Hotel

September

10-11 – Santa Fe, New Mexico – NGFA Board of Directors Meeting

17-19 – New Orleans, Louisiana – 2012 Soy & Grain Trade Summit
<http://www.event.com/events/soy-and-grain-trade-summit-2012/event-summary-e825f86219fe423296fd676fcca69a70.aspx>

October

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

2 – Rome, Italy - Agricultural Market Information System (AMIS) Roundtable Meeting
<http://www.amis-outlook.org/> – NAEGA invited to attend

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

15-18 – Louisville, Kentucky – 2012 North American Plant Protection Organization (NAPPO) Meeting: <http://www.nappo.org/en/>

November

6-7 – London, United Kingdom – CropWorld 2012 Grains Congress – NAEGA invited to attend and present

13-14 – Amman, Jordan – Proposed Meeting with Iraq Minister of Trade

December

9-11 – Omaha, Nebraska – NGFA 2012 Country Elevator Conference & Trade Show

2013

March

17-19 – San Francisco, California – NGFA Annual Convention

TBD - San Francisco, California – NAEGA Annual Meetings



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