



*“Working Together to Make Trade Work”*

## **OUTREACH September 24, 2012**

**Thank you for your membership in and work with NAEGA**

### **In this Issue:**

#### **Events open to Members**

- National Grain Center Grand Opening – October 12, 2012 – Kansas City, Missouri
- NAPPO Annual Meetings - October 15-18, 2012 - Louisville, Kentucky
- Seminars on Export Controls & Compliance – October 18 & 19, 2012 – Ontario, California & Pasadena, California
- Seminar and Networking with Iraq Grain Board and Trade Ministry – November 13-14, Amman, Jordan
- USSEC Regional Meetings

#### **Action Reports**

- World, AMIS Update
- World, Low Level Presence
- EU, RED
- Pacific Region, TPP Update
- Upcoming Comments

#### **New Issues**

- EU Biotech Study
- CBP Switching to ACE for Rail and Sea Manifests
- FMC Notes Limits in Carriers’ Ability to Impose Port Congestion Surcharges

#### **NAEGA Calendar and Member Notices**

- Upcoming events and notices for members

### **The following events are open to NAEGA member participation**

**National Grain Center Grand Opening – October 12, 2012 – Kansas City, Missouri –** NAEGA Members are invited to attend the Grand Opening of the USDA’s Grain Inspection, Packers & Stockyards Administration (GIPSA) National Grain Center (NGC), taking place on Friday, October 12, 2012 at the NGC, located at 10383 N. Ambassador Drive, Kansas City, Missouri. The opening ceremony will take place from 1:00pm-3:00pm and refreshments will be served. If you or a colleague would like to attend, please RSVP to Marsha K. Schwartz of USDA at (816) 291-0401 or [Marsha.K.Schwartz@usda.gov](mailto:Marsha.K.Schwartz@usda.gov).

Thank you for your membership and work with NAEGA. This copyrighted report is intended for the use of NAEGA membership only. The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.



*“Working Together to Make Trade Work”*

**Seminars on Export Controls & Compliance – October 18 & 19, 2012** – NAEGA outside counsel Arent Fox is inviting members to attend two roundtable discussions of key issues in export controls and economic sanctions enforcement, as well as an update on recent regulatory changes that could affect private compliance systems. Entitled “Navigating the FCPA, Export Controls and Embargoes Maze” and hosted by a team from Arent Fox’s export compliance and enforcement division, the first seminar will take place on October 18, 2012 at the DoubleTree by Hilton Hotel Ontario Airport in Ontario, California and the second is on October 19, 2012 at the Langham Huntington Hotel in Pasadena, California. Topics to be discussed include:

- Export Control & Foreign Corrupt Practices Act
- Overlap of Export Control and Immigration Laws
- Export Control Reform Initiatives
- U.S. Sanctions Update
- Multi-Agency Enforcement and the Fusion Center
- Emerging Bases of Liability in Export Enforcement Cases – Foreign Corrupt Practices Act, False Claims Act, Economic Espionage Act, and Anti-Money Laundering
- Conducting Compliance Audits
- To Disclose or Not to Disclose
- Managing Government Investigations

The team will also answer your questions on best practices for international trade compliance. If you or a member of your company is interested in attending the seminar, you can contact Tricia Miranda of Arent Fox at (213) 443-7642 or via email at [miranda.tricia@arentfox.com](mailto:miranda.tricia@arentfox.com) for more information or you can RSVP directly online at [http://www.arentfox.net/nav\\_fcpa\\_101912/](http://www.arentfox.net/nav_fcpa_101912/).

**NAPPO Annual Meeting – October 15-18, 2012 – Louisville, Kentucky** – The 2012 North American Plant Protection Organization (NAPPO) Annual meeting is in Louisville, Kentucky from October 15-18, 2012. We plan to attend are assembling sponsorship for a dinner or reception during the meetings.

NAPPO has been a key part of the discussion on setting standards on the International Movement of Grain, and recommendations from the [Vancouver Workshop where NAEGA presented the U.S. position](#) on the standards will be presented. This and several specific phytosanitary pest management issues impacting trade of agricultural products are likely to be discussed at this meeting of government officials from Canada, Mexico and the United States.

NAEGA members are welcome to join NAEGA staff at the meeting in Louisville, Kentucky from October 15-18, 2012. The invitation and draft agenda are posted to the Upcoming Events section of the NAEGA Member’s Only Site and the NAEGA Personal Pages website. More and updated information can be [found at the meeting website](#). Please let NAEGA know if you plan to attend.

**Seminar and Networking with Iraq Grain Board and Trade Ministry** – Planning is underway for a November 13-14, 2012 seminar with members of the Iraq Grain Board in

Thank you for your membership and work with NAEGA. This copyrighted report is intended for the use of NAEGA membership only. The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.



*“Working Together to Make Trade Work”*

Amman, Jordan. NAEGA is joining with U.S. Wheat Associates and USA Rice Federation to host the Iraqi Trade Ministry and Grain Board in this opportunity to network and expand understanding of grain trade and US supply. A provisional agenda [is available here](#).

**USSEC Regional Meetings** – NAEGA’s MAP committee is seeking volunteers who might accept the invitation of the U.S. Soybean Export Council (USSEC) to NAEGA for involvement in their buyer conferences and regional meetings over the next 4 months. During the regional meetings the USSEC works on project plans through 2014. Around their regional meetings the USSEC arranges for meetings and conferences with buyers of Soybeans and Soybean Products.

We are hoping to accept the invitation and send a NAEGA representative to:

1. The Nov 13-17, 2012 USSEC Americas Buyers Conference and Regional Meeting in Puerto Vallarta, Mexico.
2. The Dec 12–18, 2012 USSEC Middle East Regional Meeting & Select Customer Meetings in Dubai, UAE
3. Jan 6–9, 2013 USSEC North Asia Regional Meeting & Select Customer Meetings in Guangzhou, China
4. The Jan 11-12, 2013 USSEC Southeast Asia Regional Meeting & Select Customer Meetings in Jakarta, Indonesia

If you or a colleague is interested in representing NAEGA at one of the above, please let us know as soon as possible.

*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](#)*

[Click here to return to Index](#)

## **Current reports on NAEGA actions**

**World, AMIS Update** – Plans are underway for the "Second meeting of the Global Food Market Information Group" of the Agricultural Market Information System (AMIS) on October 2, 2012 in Rome, Italy. AMIS was created by G-20 countries in 2011 in response to a call for better coordinated data systems on grains and oilseeds to address food security, market volatility, data accuracy and transparency.

A current draft of formal comments for the roundtable discussion between AMIS and private sector representatives on strengthening the relations of AMIS with trade and commodity associations [can be accessed here](#). Your thoughts and advice on the draft are appreciated.

Three ways you or your company may respond:

1. Answer questions in the form of a web survey that you [can access through this link](#).
2. Send your answers questions to a survey to NAEGA. If you have not received the survey, please request one.
3. Call us to discuss the AMIS and related questions.

Thank you for your membership and work with NAEGA. [This copyrighted report is intended for the use of NAEGA membership only](#). The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.



*“Working Together to Make Trade Work”*

You can find more information on AMIS [from this executive summary](#). Your input on this matter is greatly appreciated. We will report to you on the meeting and with revisions of formal comments.

**World, Global LLP Initiative** – Gary Martin travelled to Rosario, Argentina from September 16-20 for the 2<sup>nd</sup> Global Low Level Presence (LLP) Initiative meeting hosted by the Government of Argentina. The first meeting took place in Canada in December 2011. Gary attended as part of a team from the International Grain Trade Coalition (IGTC) that took part in the “Industry Day” meetings between industry and government representatives at the meeting. Interest in the development of LLP policies to minimize potential trade disruptions caused by zero threshold policies for Genetically Modified Organisms (GMO) events continues to grow among an increasing number of governments. Countries participating in the LLP meeting in Rosario included Argentina, Australia, Brazil, Canada, Chile, Indonesia, Mexico, Russia, South Africa, Uruguay, the U.S. and Vietnam. China and the EU attended as observers. Gary spoke during the IGTC-organized roundtable session on the “Low Level Presence in Food, Feed and Grain for Processing” giving a presentation entitled “Why are LLP Policies Necessary?”

During the government only meeting, there was a review of a draft LLP Policy and Implementation Approach developed by Canada for shipments for food/feed or for processing. Canada expects in the near future to circulate the proposed LLP Policy through the World Trade Organization’s 60 day consultation process. The Canadian initiative, which was well-received at the meeting, is the first LLP policy for food/feed and processing to be introduced for global consultation.

The participating Governments indicated that they would like to have the 3rd Global LLP Initiative meeting in June 2013, although have not yet determined location. Gary’s full trip report, including his presentation, will be posted to the [NAEGA MAP Committee webpage](#) and the LLP Issue Tracking section of the [NAEGA Personal Pages site](#).

**EU, RED** – NAEGA Senior Advisor Kirk Miller travelled to The Netherlands, Spain and Portugal as part of a team of stakeholders led by the U.S. Soybean Export Council (USSEC) and travelling with the assistance of NAEGA’s Market Access Program (MAP) funds. The purpose of the trip was to meet with government officials in each country as well as with biodiesel manufacturers, blenders, oil crushers, soybean importers and representatives of the feed and livestock industries to discuss the USSEC Sustainability Certification Scheme, an industry-led alternative to meeting the sustainability requirements of the EU’s Renewable Energy Directive (RED).

Kirk reports that “In every public and private sector meeting, the delegation was received positively and felt that there was a very constructive interaction and exchange of valuable information.” Momentum for the USSEC scheme was established on the trip and Kirk recommends that follow-up meetings should occur within the next 45 – 60 days to maintain the momentum and to encourage adoption of the USSEC Scheme in the countries visited and other EU member states where there is a commercial market need for an alternative to RED. Kirk’s

Thank you for your membership and work with NAEGA. [This copyrighted report is intended for the use of NAEGA membership only](#). The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.



*“Working Together to Make Trade Work”*

full trip report will be posted to the [NAEGA MAP Committee webpage](#) and the EU RED Issue Tracking section of the [NAEGA Personal Pages site](#).

**Pacific Region, TPP Update** – The 14th round of talks on the Trans-Pacific Partnership (TPP) agreement, concluded in Virginia with negotiators reporting “progress” but no major breakthroughs in negotiations. Observers note that more than the negotiators are now beginning to discuss some of the more sensitive issues, leading to speculation that the unofficial goal of wrapping up an agreement by the end of 2013 may not be met. The next round of talks, which will be the first to include Mexico and Canada as active participants, is slated to be held December 3-12, 2012 in New Zealand.

The Office of the U.S. Trade Representative (USTR) noted progress on market access, customs, rules of origin, technical barriers to trade, sanitary and phytosanitary standards, cross-border services, telecommunications, government procurement and other issues. USTR also noted that the delegates “continued to move forward in constructing the tariff and other specific market-opening commitments that each country is making on industrial goods, agriculture, textiles, services and investment, and government procurement.” Issues where there is still disagreement include intellectual property rights, labor and environment, sugar, and state-owned enterprises.

NAEGA has been following the TPP negotiations since Canada, Japan & Mexico applied to be part of the process in December 2011. At the most recent meeting, NAEGA led a coalition to support the implantation of “rapid response mechanisms” (RRM) to improve the application of sanitary and phyto-sanitary (SPS) measures and technical barriers to trade (TBT) by governments. The RRM is used negotiations to provide a commercially-meaningful method by which to resolve trade disputes related to plant quarantine and other risk management measures deployed by importing governments. NAEGA President Gary Martin distributed a handout laying out the case for RRM to TPP negotiators during the meetings

TPP is being tracked on the [NAEGA Grades & Inspections Website](#) and under TPP Issue Tracking on the [NAEGA Personal Pages site](#).

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

### **September**

**28** – Comments due to USTR on the U.S. WTO Complaint against Argentina’s restrictive trade measures: <http://www.gpo.gov/fdsys/pkg/FR-2012-09-04/pdf/2012-21729.pdf>

### **October**

**9** – Comments due to the Bureau of Industry and Security (BIS) on whether the foreign policy-based export controls in the Export Administration Regulations should be modified, rescinded or extended for another year:

<https://www.federalregister.gov/articles/2012/09/07/2012-21571/effects-of-foreign-policy-based-export-controls>

Thank you for your membership and work with NAEGA. This copyrighted report is intended for the use of NAEGA membership only. The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.

*“Working Together to Make Trade Work”*

**9** – Comments due to the Bureau of Industry and Security (BIS) on the effectiveness of its licensing procedures for exports of agricultural commodities to Cuba:

<https://www.federalregister.gov/articles/2012/09/07/2012-21523/effectiveness-of-licensing-procedures-for-agricultural-commodities-to-cuba>

**9** – Comments due to the Canadian Food Inspection Agency (CFIA) on their new draft directive D-12-01 on Weed Seeds, describing the phytosanitary requirements to prevent the introduction of plants regulated as pests in Canada:

[http://members.wto.org/crnattachments/2012/sps/CAN/12\\_1695\\_00\\_e.pdf](http://members.wto.org/crnattachments/2012/sps/CAN/12_1695_00_e.pdf)

**15** – Comments due to USTR for the National Trade Estimate Report on Foreign Trade Barriers:

<http://www.gpo.gov/fdsys/pkg/FR-2012-08-15/pdf/2012-20077.pdf>

*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.*

[Click here to return to Index](#)

## **New Issues & Opportunities for NAEGA Consideration**

**EU Biotech Study** – In a study released on September 19, French scientists reported that rats fed Monsanto's GM trait NK603 (Roundup Ready corn 2 Glyphosate Tolerance) suffered tumors and multiple organ damage. The study investigated the health effects on rats fed with NK603 for a period of time of two years. The study concluded that “rats fed over two years with GM maize NK603 died earlier than rats fed a non-GM diet. They developed massive tumours and liver and kidney damage”. The French government asked the country's health watchdog to investigate the findings further, although a number of scientists questioned the study's basic methods and Monsanto said it felt confident its products had been proven safe.

Monsanto noted in their reaction that “This study does not meet minimum acceptable standards for this type of scientific research, the findings are not supported by the data presented, and the conclusions are not relevant for the purpose of safety assessment.” Toxicologists and public health experts in Europe noted that there were problems with the study design. Tom Sanders, head of the nutritional sciences research division at King's College London, noted that the research team had not provided any data on how much the rats were given to eat, or what their growth rates were. According to Sanders, the type of rat used is “very prone to mammary tumors particularly when food intake is not restricted. The statistical methods are unconventional ... and it would appear the authors have gone on a statistical fishing trip.”

Monsanto stated that there is no plausible mechanism for the results reported with genetically modified maize, and the results are inconsistent with an extensive body of experience and scientific study. Extensive animal and *in-vitro* (test-tube) data has demonstrated that glyphosate does not cause cancer or tumors, nor is an endocrine disrupter. Monsanto also contents that the study does not

Thank you for your membership and work with NAEGA. This copyrighted report is intended for the use of NAEGA membership only. The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.



*“Working Together to Make Trade Work”*

provide information which calls into question the extensive safety evaluations of glyphosate or Roundup herbicides. You can find the [full study here](#), and Monsanto’s [response is available here](#).

**CBP Switching to ACE for Rail and Sea Manifests** - As of October 1, 2012, all rail and sea cargo information and ABI in-bond transactions must be submitted through the U.S. Customs & Border Patrol (CBP) Automated Commercial Environment (ACE). After October 1, CBP will begin decommissioning the Automated Manifest System for rail and sea. CBP states that the small percentage of those who have not yet migrated to ACE will run the risk of having their ocean, rail and ABI in-bond transactions fail unless they have completed the transition by September 29, 2012.

ACE e-Manifest: Rail and Sea provides a consolidated view of rail and sea shipment manifest and entry data at the bill of lading or container level to facilitate the identification of shipments that may pose a risk and will expedite the pre-arrival processing of legitimate cargo. New capabilities include enabling CBP to place and remove holds at the conveyance, container and master bill level, informing carriers which participating government agency has held their merchandise, allowing carriers to create through the ACE Portal a list of trade partners authorized to use their in-bond authorization and allowing filers to create and maintain rail line release entry banks through the ACE Portal. More information can be found on the ACE website at <http://cbp.gov/xp/cgov/trade/automated/modernization/>

**FMC Notes Limits in Carriers’ Ability to Impose Port Congestion Surcharges** – The Federal Maritime Commission (FMC) has issued an industry advisory responding to inquiries about certain congestion surcharges that recently have been announced in tariff rules published by ocean common carriers. The FMC states that unless it is done pursuant to a waiver or exemption, any tariff rule (including surcharges) of a common carrier that results in an increased cost to a shipper may not be effective earlier than 30 days after publication. A tariff rule that purports to have effect only at the time the cargo is unloaded does not alter the requirement that rules applicable to any given shipment are those in effect on the date the cargo is received by the common carrier or its agent. As a result, cargo received by the carrier prior to the publication or effectiveness of a new tariff surcharge would not be subject to that charge. The advisory from FMC [can be found here](#).

*If you would like more information or wish to provide comments on any of these news topics monitored by NAEGA, please contact us.*

[Click here to return to Index](#)

## **NAEGA Calendar & Member Notices**

### **September**

**26-28** – New Orleans, Louisiana – Dry Bulk Terminal Group Annual meeting – Westin Hotel New Orleans, NAEGA invited to attend

### **October**

Thank you for your membership and work with NAEGA. [This copyrighted report is intended for the use of NAEGA membership only](#). The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.



*“Working Together to Make Trade Work”*

**1-5** – Hyderabad, India – COP/MOP 6 to the Cartagena Protocol on Biosafety. Member volunteers Paul Green and Diana Felner will join the International Grain Trade Coalition (IGTC) effort at the meetings.

**2-4** – Rome, Italy - Agricultural Market Information System (AMIS) Roundtable meeting <http://www.amis-outlook.org/> – NAEGA planning to attend

**3** – Washington, DC – Annual Inter-agency Trade Policy Staff Committee hearing on China WTO Compliance

**12** – Kansas City, Missouri - Grand Opening of USDA/GIPSA’s National Grain Center – NAEGA members invited to attend - RSVP to [Marsha.K.Schwartz@usda.gov](mailto:Marsha.K.Schwartz@usda.gov).

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

**18** – Ontario, California – Arent Fox Seminar on Export Controls & Compliance – NAEGA Members invited to attend. RSVP at [http://www.arentfox.net/nav\\_fcpa\\_101812/](http://www.arentfox.net/nav_fcpa_101812/)

**19** – Pasadena, California – Arent Fox Seminar on Export Controls & Compliance – NAEGA Members invited to attend. RSVP at [http://www.arentfox.net/nav\\_fcpa\\_101912/](http://www.arentfox.net/nav_fcpa_101912/)

## **November**

**6-7** – London, United Kingdom – CropWorld 2012 Grains Congress –NAEGA invited to attend and Gary C. Martin to attend and present. <http://www.cropworld-global.com/page.cfm/Link=12/t=m/goSection=4>

**13-14** – Amman, Jordan – Seminar with Iraq Minister of Trade - [Current agenda available here](#)

## **December**

**6** – London, United Kingdom – IGC "Roundtable Discussion the trade issues caused by GMO/LLP issues"

**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

## **Member Notices**

**The New NAEGA.org** – NAEGA’s public website at [www.NAEGA.org](http://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

Thank you for your membership and work with NAEGA. This copyrighted report is intended for the use of NAEGA membership only. The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.





*“Working Together to Make Trade Work”*

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.

[Click here to return to Index](#)

Thank you for your membership and work with NAEGA. [This copyrighted report is intended for the use of NAEGA membership only.](#) The accuracy of the information reported and interpreted is not guaranteed. All contents are subject to correction and revision. In accordance with Federal law and U.S. Department of Agriculture NAEGA does not discriminate on the basis of race, color, national origin, sex, age, religion, or disability. NAEGA is an equal opportunity employer

To be removed from the NAEGA OUTREACH email list please send a message to [membersonly@naega.org](mailto:membersonly@naega.org) with the phrase “Unsubscribe from OUTREACH” in the subject line.