



Outreach October 9, 2019

Thank you for your membership in and work with NAEGA

Image of the Week

U.S. Agriculture Exports to Japan 2008-2018

JAPAN

United States Department of Agriculture
Foreign Agricultural Service 

\$12.9 billion

U.S. Agricultural Exports, 2018

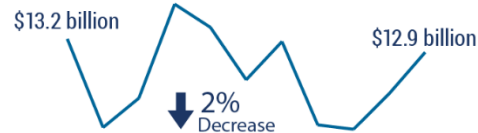
#4

Among U.S.
Agricultural Export
Markets, 2018



Export Growth

2008-2018



Source: FAS Global Agricultural Trade System (GATS) BICO HS-10

Member Opportunities

- NGFA/NAEGA FGIS -Workshop – Portland, OR, October 23, 2019
- Portland NAEGA Contract Seminar – October 24, 2019 – Register Now!
- Tokyo NAEGA Contract Seminar and Reception – Register Now!
- Contracts Committee Sponsored Travel for Arbitrators – U.S. Session Scheduled!
- 2019 U.S. OFAC Symposium
- Asia-Pacific Policy Teams

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- IGTC-ISF Bilateral Meeting

- U.S. Food and Agriculture Dialogue for Trade
- Clause 20 Decisions

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- IPPC Draft ISPMs
- IPPC ePhyto Case Studies
- Contracts and Best Practices Seminars – Your advice requested

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- U.S. Increases Tariffs on EU Goods
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Member Opportunities

NGFA/NAEGA FGIS Workshop – Portland, OR, October 23, 2019

NAEGA and the National Grain and Feed Association (NGFA) have organized a Pacific Northwest regional grain industry/government workshop with the USDA's the Federal Grain Inspection Service (FGIS) to discuss both national and regional grain-related issues at the Wheat Marketing Center, 1200 NW Naito Parkway, Suite 230 in Portland, Ore. on Wednesday, October 23 from 10:30am– 3:30 p.m. The workshop is an opportunity for industry members and representatives to discuss current industry issues and trends with representatives of federal government agencies, including the FGIS and the U.S. Coast Guard (USCG). Additionally, FGIS Deputy Administrator Arthur Neal and Agricultural Marketing Service (AMS) Administrator Bruce Summers have agreed to meet with the NGFA and NAEGA members during the workshop. A draft agenda [is available here](#).

Portland NAEGA Contract Seminar – October 24, 2019

NAEGA will hold a Contract Training Seminar on Thursday, October 24, 2019 at the **Wheat Marketing Center in Portland, OR**. NAEGA Senior Advisor Sam Bonilla will be joined by NAEGA President & CEO Gary Martin and NAEGA Director of Services Sydnie Sousa to lead the seminar which will feature a broad review of NAEGA 2 Model Contracting terms, the recent revisions to the contract, exercises on laytime and a review of the global contracting environment. The cost to attend is \$325.00 and includes a working lunch.

If you are interested in attending the Portland Seminar please contact Patrick [or register here](#).

**Contracts Committee Sponsored Training for Arbitrators – North American Date Set –
November 15, 2019 – New York, NY**

The American Arbitration Association's (AAA) International Centre for Dispute Resolution (ICDR) has notified NAEGA that it has scheduled its next arbitrator training for November 15, 2019 in New York, NY from 9am-5pm. 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. The cost to take part in the seminar is \$400. A registration form and agenda [can be found here](#). Completed registration forms need to be mailed with a check for \$400 made out to the American Arbitration Association to the address on the registration form.

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. Financial assistance can be used to cover the registration fee, airfare or lodging to attend a training seminar. It appears that this will be the only training offered in North America this year. If you are interested in learning more about this opportunity to attend an ICDR training and receive financial assistance, please contact phayden@naega.org.

Tokyo NAEGA Contract Seminar and Reception – Registration Open!

NAEGA has confirmed a date and location for our 2019 Tokyo Contract & Best Practices Seminar. The Seminar, which will be [followed by a reception](#), will take place at the **TKP Shinbashi Conference Center in Tokyo, Japan on November 22, 2019**. We would like to thank our colleagues at the Japan Feed Trade Association (JFTA) for their assistance in securing a venue and agreeing to partner with us for the Seminar again this year. NAEGA President & CEO Gary Martin, Director of Operations Patrick Hayden and Senior Advisors Sam Bonilla and Andrew Marting are currently scheduled to attend. Invitations have been sent out and [registration is now open](#). The seminar is free to NAEGA members and non-members. NAEGA member representatives are encouraged to invite others

Please contact Patrick Hayden at phayden@naega.org if you have any questions.

Mark your calendars now and we look forward to seeing you in Tokyo!

There is no cost to attend. To register for the workshop, please contact Jess McClure, NGFA Vice President for Safety and Environmental Affairs at jmcccluer@ngfa.org.

NAEGA Hosting OFAC Symposium Attendees – November 2019

NAEGA Member staff who will be in Washington, DC for the U.S. Treasury's Office of Foreign Asset Control (OFAC) Symposium on November 12, 2019 are invited to visit the NAEGA offices in Arlington, VA during their time in Nation's Capital. If you or someone from your organization will be in town for the Symposium, please reach out to Patrick at

phayden@naega.org or Sydney at ssousa@naega.org to set up a time to talk about OFAC and any other issues NAEGA is covering.

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.

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

Action Reports

Recent Actions:

NAEGA MAP Travel to Europe

NAEGA President Gary Martin is travelling to Europe for a series of events and meetings from October 9-17, 2019. Gary will travel to Southampton, UK to attend the International Dry Bulk Terminals Group (DTBG) Executive Committee Meeting and Operational and Technical Seminar; Geneva, Switzerland to present and participate in the United Nations Conference on Trade and Development Non-Tariff Measures Week; and London UK to present at and attend the Agriculture & Horticulture Development Board Grain Market Outlook Conference and meet with leadership at the International Grains Council. NAEGA's MAP allocation will fund a portion of this travel. A full trip report will be published by NAEGA when Gary returns to the U.S.

IGTC-ISF Bilateral Meeting

The International Grain Trade Coalition (IGTC) and the International Seed Federation (ISF) met for a bilateral meeting in Arlington, VA on Friday, October 4. This was the fourth meeting between IGTC and ISF to discuss the information sharing and the needs of the global grain industry concerning the commercialization of crops developed through genetic engineering and gene editing. During discussions the IGTC and ISF engaged in detailed, substantive discussions on specific information needed from gene-editing seed developers and those commercializing such seeds to preserve the fungible, commingled commodity stream and to avoid trade disruptions. IGTC and ISF agreed to continue sharing information and to find ways to work together on issues of common interest in the future.

U.S. Food and Agriculture Dialogue for Trade

On Friday, October 4, the U.S. Food and Agriculture Dialogue for Trade was hosted by Office of the United States Trade Representative (USTR) in Washington, DC. The Dialogue was

pleased to welcome off the record remarks from Gregg Doud. During his remarks, Ambassador Doud addressed the recently completed trade deal with Japan.

Clause 20 Decisions

NAEGA recently issued four Clause 20 certifications. The NAEGA certifications followed the recommendation of NAEGA volunteer Clause 20 panels. The valid causes for the certificates included stoppage in the normal courses of labor and actions by federal, state and local government.

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Pending Actions:

Request for Comments on U.S. Bioeconomy

The Office of Science and Technology Policy (OSTP) recently published a [request for information](#) on the U.S. Bioeconomy. OSTP noted that the bioeconomy represents the infrastructure, innovation, products, technology, and data derived from biologically-related processes and science that drive economic growth, promote health, and increase public benefit.

OSTP is seeking input from the public, including those with capital investments, performing innovative research, or developing enabling platforms and applications in the field of biological sciences, to include healthcare, medicine, pharmaceuticals, biotechnology, manufacturing, energy production, and agriculture. The goal is to identify gaps, vulnerabilities, and areas to “promote and protect in the U.S. Bioeconomy” through Federal action.

NAEGA is considering submitting comments to OSTP. The deadline for submission is October 22, 2019.

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 NAEGA staff.

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. We have scheduled seminars in Portland, Oregon for October 24 and Tokyo for November 22.

Please let us know if you are interested in attending or hosting a seminar, and what topics we should focus on. The Committee is now considering contract seminars in the following locations:

- Vancouver, British Columbia
- St. Louis, MO
- 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 Patrick 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!

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News:

United States-Japan Trade Agreement Signed

On Monday, October 7, the [United States and Japan signed an agreement](#) that includes the elimination or lower tariffs for certain U.S. agricultural products. As NAEGA reported last week, the agreement will provide U.S. farmers, ranchers and agribusinesses enhanced market access for [high quality U.S. food and agricultural products to 127 million Japanese consumers](#). When

the agreement is implemented by Japan, American farmers and ranchers will have the same advantage as CP-TPP countries selling into the Japanese market. The United States will provide tariff elimination or reduction on 42 tariff lines for agricultural imports from Japan valued at \$40 million in 2018. Both countries have pledged to begin negotiating a comprehensive free trade agreement in early 2020.

U.S. Increases Tariffs on EU Goods

Following a ruling by the World Trade Organization (WTO) that approved a U.S. request to impose tariffs on \$7.5 billion of European goods, [U.S. has announced that it will impose a tariffs of 25 percent on more than 150 goods imported from European Union countries.](#) Among the products that will be subject to the additional 25 percent tariff are a large number of agricultural goods from most EU member countries. The dispute between the EU and U.S rose from what the U.S. describes as “illegal” subsidies granted to European airplane manufacturer Airbus. The Office of the U.S. Trade Representative has previously said that once these tariffs are implemented, they will only be lifted “when the EU ends these harmful subsidies.”

U.S. Set to Increase Tariffs on China

The U.S. government has confirmed that a proposed increase in the additional tariff being imposed on \$250 billion worth of imports from China, from 25 percent to 30 percent, [is still planned for October 15, 2019.](#) A formal notice increasing the tariff to 30 percent could be issued soon. However, U.S. – China negotiations scheduled for October 10-11 in Washington, DC, could affect the date and rate of any proposed change.

Changes to Federal Ethanol Rules

The Trump administration announced changes to federal ethanol rules. This follows the president's earlier decisions to exempt dozens of oil refineries from requirements to blend biofuels into the nation's fuel supply.

The 2020 mandate will require blending above the 15 billion gallons called for the laws that created the Renewable Fuel Standard (RFS), an EPA official said. EPA will issue a supplemental rule to add to the proposed rule that sets blending requirements for 2020 and 2021. The EPA official said to expect the proposal to be in the Federal Register next week. The agency is required to issue a final rule by November 30.

U.S. ITC Investigation of MRL Impact on Trade

The U.S. International Trade Commission (ITC) has begun an investigation into the global economic impact of maximum residue level (MRL) policies for pesticides. In response to a request by the Office of the U.S. Trade Representative (USTR), ITC indicated that MRLs, particularly those that are missing or low, can serve as barriers to U.S. agricultural exports. The ITC states it will issues two reports, one on April 30, 2020, and one on November 2, 2020, which will contain information on:

- The role of plant protection products and their MRLs in relation to global production, international trade, and food safety for consumers.
- The approaches taken in setting national and international MRLs for crops - risk-based approach vs. hazard-based approach.

- How MRLs are developed and administered in major markets for U.S. agricultural exports.
- Challenges and concerns faced by exporting countries in meeting importing country MRLs.
- The costs and effects of MRL compliance and non-compliance for producers.
- How missing and low MRLs affect production, exports, farmer income, and prices, both on the national level and, to the extent possible, for small and medium-sized farms

The ITC will hold a hearing in connection with this investigation October 29. Written submissions are due December 13 for the first report and June 5 for the second report. The full [notice from ITC can be found here.](#)

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Calendar & Member Notices

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

2019

October

- 9-11** – International Dry Bulk Terminals Group Operational and Technical Seminar – Southampton, UK.
- 14 -15** – United Nations Conference on Trade and Development Non-Tariff Measures Week – Geneva, Switzerland
- 15** - Agriculture & Horticulture Development Board Grain Market Outlook Conference – London, UK
- 23** – NGFA/NAEGFA FGIS-Industry Workshop and Member Meet and Greet w/FGIS Administrator – Portland, OR
- 24** – NAEGA Contract Training Seminar – Portland, OR
- 31-Nov 1** – APEC Workshop on Non-Tariff Barriers – Beijing, China

November

- 6-8** – IGTC General Assembly – Sao Paulo, Brazil
- 12** – 2019 OFAC Symposium – Washington, DC
- 15** – AAA/ICDR International Symposia In Advanced Case Management Issues – New York, NY
- 18-20** – U.S. Agriculture Export Development Council (USAEDC) Annual Workshop – Baltimore, MD
- 22** – NAEGA Contract & Best Practices Seminar and Industry Reception – Tokyo, Japan

December

- 3** – International Grains Council’s 50th Session – London, UK
- 8-10** – NGFA Country Elevator Conference – Indianapolis, IN

2020

March

8-10 – NGFA Annual Convention – Austin, TX

TBD – NAEGA Annual Meeting & Board of Directors Meeting – 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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