



North American Export Grain Association

Outreach

August 28, 2020

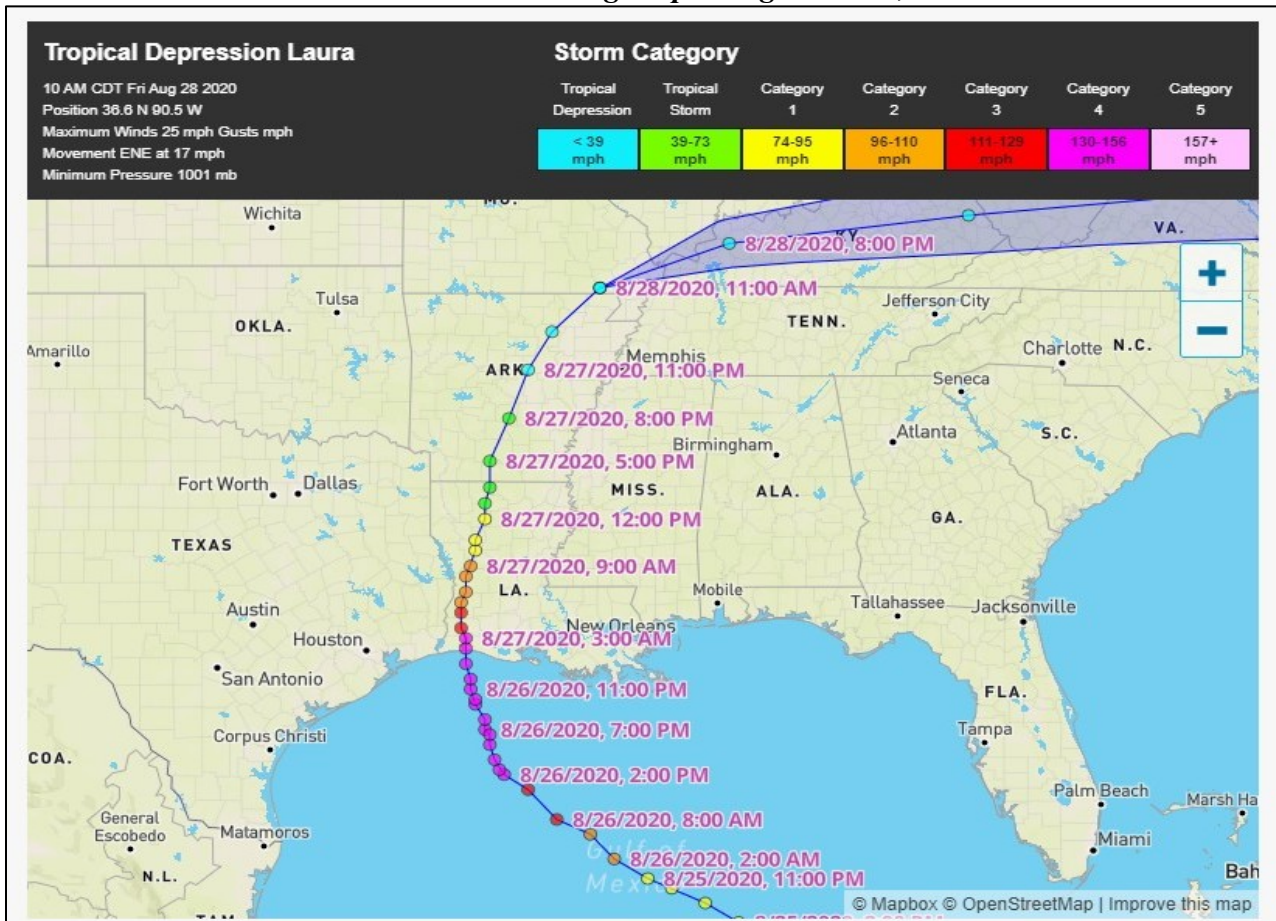
Thank you for your membership in and work with NAEGA

Please join us in wishing Sydnie Sousa all the best in the future. Her time as NAEGA's Director of Services will end on September 1, 2020. We look forward to staying in touch and if you would like to contact her, you may email her at sms468@georgetown.edu.

Thank you, Sydnie, for a job well done!

Graphic of the Week

Laura Storm Tracking Map – August 25-28, 2020



Source: [National Hurricane Center/Weather Underground](#)

Recent Actions:

- Gulf Storms
- Japan Proposed Phytosanitary Certificate Requirement

Current Opportunities & Actions:

- MRLs – China
- Production Technology Committee Meeting – September 8, 2020
- USDA APHIS List of Animal and Plant Pest and Disease Threats

News:

- U.S.- China Trade
- U.S. ITC Releases Report on Trade Impact of MRLs

Ongoing Opportunities & Actions:

- Policy Teams
- Contracts and Best Practices Seminars – Your advice requested
- Office Reopening and Communication

Recent Actions:

Gulf Storms

Supporting NAEGA members the center gulf leading up to and following the arrival of two storms in the region are on the top NAEGA's current agenda. According to the [National Oceanic and Atmospheric Administration's National Hurricane Center](#), Tropical Storm Marco and Hurricane Laura made both made landfall in Louisiana, on August 24 and August 27, respectively. Staff and Advisors are standing by to assist in any way they can. Our thoughts are with those who have been impacted by these storms.

Japanese Proposed Phytosanitary Certificate Requirement

The Japan Feed Trade Association (JFTA) and NAEGA are gathering additional information preparing to respond to news that Japan's Ministry of Agriculture, Forests and Fisheries (MAFF) plans to enforce a Phytosanitary Certificate (PC) requirement for certain agricultural imports, including grains and oilseeds for which PC's are not currently required.

In early August, Japan's Ministry of Agriculture, Forests and Fisheries (MAFF) responded to our comments on their plans. The NAEGA submitted comments [can be found here](#). MAFF's response, [which can be found here](#), noted that occurrences of several quarantine pests have been recently confirmed in some production areas of Japan and the Government sees a need to mitigate the risk of the introduction of these pests.

During our virtual meeting this week, JFTA reported the following details from a conversation with MAFF.

1. Only 8-10 products will ultimately be exempted from the PC requirement.
2. Corn is one of the commodities that will at the end of the transition require a PC for import.

3. MAFF did not provide JFTA with any specific concerns regarding plant pest management in corn imports.
4. A 3-year transition process will be notified to Canada, China and U.S. government officials in September.

Any information you can provide is appreciated. We are continuing to follow up with industry partners.

Current Opportunities & Actions:

MRLs – China

China [notified the World Trade Organization \(WTO\)](#) that it plans to establish maximum residue limits for several pesticides. Included are new pesticide MRLs for Sorghum. An English translation of the list of proposed MRLs, provided by the U.S. Department of Agriculture's Foreign Agriculture Service (FAS) [can be found here](#).

FAS is asking for comment by Tuesday, September 1, 2020. Comments are due to the WTO on September 12, 2020,

NAEGA's Production Technology Committee is considering comments and we would appreciate input from any member,

Production Technology Committee Meeting – September 8, 2020

The NAEGA Production Technology Committee will meet via Microsoft Teams on Thursday, September 8 at 2:30pm Eastern. If you are not a member of the Committees and would like information on taking part in this meeting or joining the Committee, please contact NAEGA staff (Patrick Hayden, phayden@naega.org and Gary Martin, gcmartin@naega.org) for assistance.

USDA/APHIS List of Animal and Plant Pest and Disease Threats

The U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) has announced that it is "seeking feedback on its proposed list of pests and diseases of concern that are likely to pose a high risk to U.S. agricultural and natural resources." The 2018 Farm Bill APHIS to develop a uniform list of pests and diseases that represent the gravest threat to the United States and to develop comprehensive response plans to ensure Federal and State governments are prepared to respond to them. APHIS's list of 60 pests and disease can be found [through this link](#).

APHIS will review comments regarding the list, including suggestions of pests or diseases that should be added or removed. In providing comments, please note that the Farm Bill definition of a pest or disease of concern is one that is "likely to pose a significant risk to the food and agricultural critical infrastructure sector" and is not meant to be a list of all possible pests or diseases. APHIS may adjust or update its current list based on these comments, and then develop response plans to address each pest or plant disease.

NAEGA is considering a response. Your advice is welcome. Please review the list on the APHIS website, linked above, and let us know if there are any pests or diseases of concern that are not included on the list or do not need to be included on the list.

News:

U.S.-China Trade

NAEGA has noted recent developments in the U.S.-China trade relationship and would appreciate member input on the following:

- **U.S. – China Discussion on Phase 1 Implementation:** On Monday, August 24, U.S. Trade representative Robert Lighthizer and Treasury Secretary Steve Mnuchin [held a call with China’s Vice Premier Liu He](#) to discuss implementation of the U.S-China Phase One Trade Agreement. The U.S. released a statement that the topics included the “significant increases in purchases of U.S. products by China as well as future actions needed to implement the agreement”. The statement also noted that “both sides see progress and are committed to taking the steps necessary to ensure the success of the agreement.”
- **U.S. Bans WeChat Transactions:** On August 6, 2020 U.S. President Donald Trump, citing national security concerns, [signed an Executive Order](#) banning financial transaction between U.S. entities and Tencent, the Chinese parent company of WeChat. The order notes that indicates that the government “shall identify the transactions” subject to the ban within 45 days after the order was published, which is September 15. The U.S. Department of Commerce will be the U.S. agency that will enforce the Order. The WeChat app has used by U.S. agriculture exporters doing business in China. NAEGA is monitoring how this ban may impact the trade and we have been informed by industry partners that comments can be submitted to the Department of Commerce.
- **U.S. Blacklists Chinese Firms:** On Wednesday, August 26, the Bureau of Industry and Security (BIS) at the U.S. Department of Commerce [added 24 Chinese companies to the Entity List](#) for their role in helping the Chinese military construct artificial islands in the South China Sea. The Entity List is used by BIS to restrict the export, re-export, and transfer of items subject to the [Export Administration Regulations \(EAR\)](#) to individuals, organizations, and companies reasonably believed to be involved, or to pose a significant risk of becoming involved, in activities contrary to the national security or foreign policy interests of the United States. Additional license requirements apply to exports, re-exports, and transfers of items subject to the EAR to listed entities. The list of companies added to the Entity List [can be found here](#). BIS provides for details on license requirements here: <https://www.bis.doc.gov/index.php/licensing>.

U.S. ITC Releases Report on Impact of MRLs on Agricultural Trade

The U.S. International Trade Commission (USITC) released the first volume of its report on the impact that policies related to pesticide maximum residue levels (MRLs) have on international agricultural trade. The investigation, *Global Economic Impact of Missing and Low Pesticide Maximum Residue Levels*, was requested by the U.S. Trade Representative (USTR) in August 2019.

This volume documents the impacts of pesticide MRLs, including when they are missing and low, on farmers and exporters in countries representing a range of income classifications. The report as delivered to USTR, including an executive summary, [can be found here](#).

The second volume of the report, delayed in part due to COVID-19, is expected to be released in January 2021 and will include case studies that describe the costs and effects of MRL compliance and noncompliance for U.S. producers and a quantitative analysis on the global impact of MRLs.

Ongoing Opportunities & Actions:

Policy Teams

With the evolving global trade and political environment, we expect many more fast-paced and dramatic developments that could greatly change the terms of trade for NAEGA members. Your involvement is needed!

Ad hoc policy teams of member personnel working largely through virtual meetings to help guide our multifaceted effort to address the evolving trade environment. A policy team focused on the Asia-Pacific Market is very active at this time. Full Details on policy team activity can be found in the Meetings & Events Section of the [NAEGA Member's Only Page](#).

Contracts and Best Practices Seminars – Your interest requested

We are currently scheduling virtual Contracts and Best Practices Seminars. Please let us know when, how and where you would like to participate in the NAEGA Senior Advisor led seminars.

The seminars are an intensive and informative review of commercial and official practices taught in an interactive environment. Both public/multiple company and private/single company seminars are available and can be tailored to your needs. [Click here](#) for more information on the in-depth, interactive programs NAEGA conducts!

Office Reopening and Communication

The NAEGA office in Arlington, VA continues to operate under a limited reopening. We will continue to work remotely the majority of the time and have no travel planned.

We are conducting and participating in many virtual meetings. Most NAEGA hosted virtual meetings use Microsoft Teams. This [5-minute video tutorial](#) provides an introduction to using Microsoft Teams for virtual meetings. If you have had trouble using Teams and would like additional assistance, please contact Patrick at phayden@naega.org.

Calendar & Member Notices:

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

2020

Events that have been cancelled, postponed or changed to virtual events due to COVID-19 are italicized

September

8 – NAEGA Production Technology Meeting – Via MS Teams

10 – NAEGA Board of Directors Meeting – Via MS Teams

15-30 –75th annual United Nations General Assembly - New York, NY

October

5 - 6 - DBTG Operational & Technical Conference – Rotterdam, The Netherlands – Hybrid with virtual participation

5 – G-20 Meeting in Riyadh, Saudi Arabia

***TBD** – Convention on biological diversity (CBD) COP 15– Kunming, China – Postponed*

***TBD** – China World Grain Forum - Postponed*

November

***3-4** – IGTC General Assembly –Taking Place Virtually*

3 - U.S. Presidential Election

12 - APEC in Kuala Lumpur, Malaysia.

21-22 – G-20 Annual Summit in Riyadh, Saudi Arabia.

***TBD** – NAEGA Contracts & Best Practices Seminar – Tokyo, Japan - Postponed*

December

TBD – International Grains Council’s 52nd Session – London, UK

2021

March

14-16 – NGFA Annual Convention – San Diego, CA

June

7-11 – London Grains Week – London, UK

2022

December

TBD – COP 16 – CBD – Turkey

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 with the phrase “Unsubscribe from OUTREACH” in the subject line.

All users of NAEGA Information and Services Expressly Understand and Agree to indemnify and hold harmless, NAEGA, their officers, employees and agents from any and all liability including claims, demands, losses, costs

damages, and expenses of every kind and description, or damages to persons or property arising out of or in connections with or occurring during the course of interaction with NAEGA.