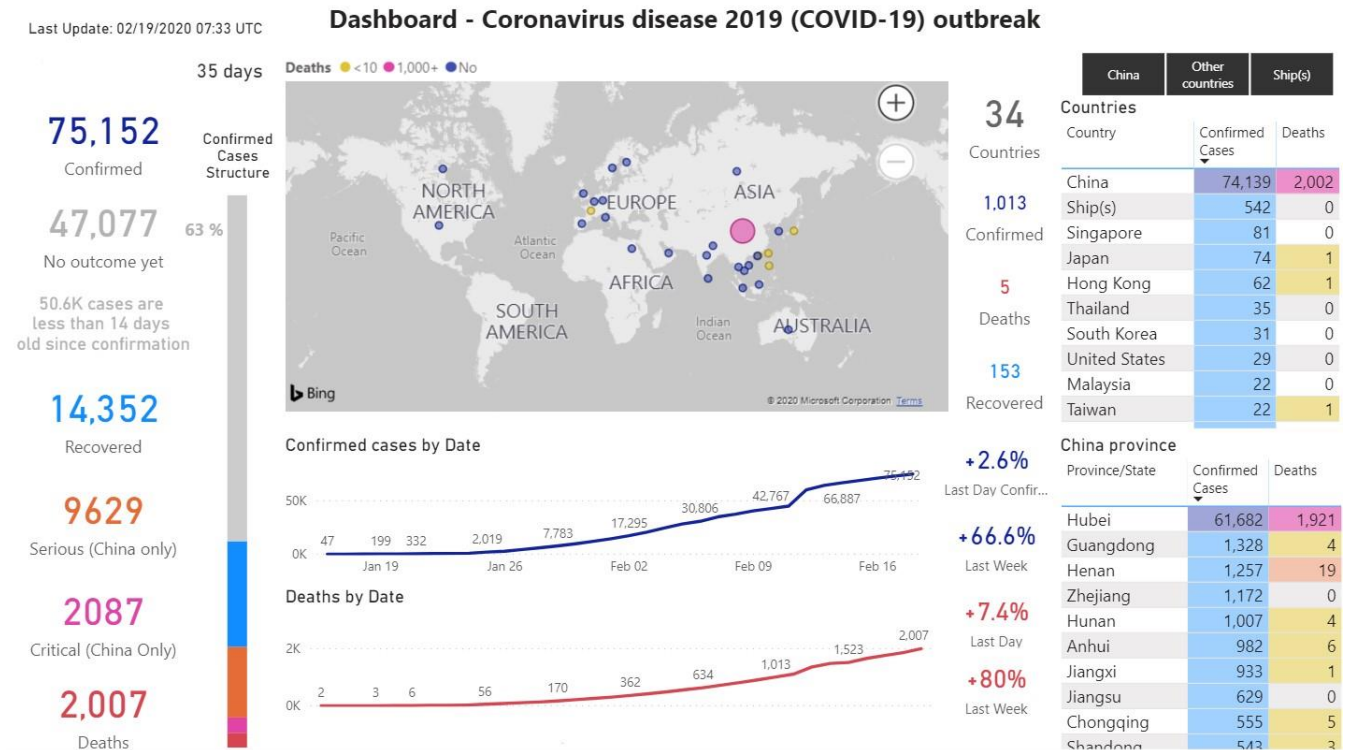


Outreach

February 19, 2020

Thank you for your membership in and work with NAEGA

Graphic of the Week
Tracking the Wuhan Coronavirus
As of 10:50am Eastern Time, February 19, 2020



Source: <http://avatorl.org/covid-19/>

Current Opportunities & Actions:

- NAEGA Contracts and Best Practices Sessions – Vancouver, BC, Canada – Tuesday, March 3, 2020
- NAEGA 2020 Annual Meeting - March 9, 2020 in Austin, TX
- USDA Grain Inspection Advisory Committee

Ongoing Opportunities & Actions:

- China Trade
- U.S. ITC Investigation of MRL Impacts on Trade
- Impact of U.S. Sanctions Compliance
- Policy Teams
- IPPC ePhyto Case Studies

Recent Actions:

- Gene Editing Webinar
- Contracts and Best Practices Seminars - Your advice requested

News:

- Iran - Swiss Humanitarian Trade Arrangement
- U.S. FGIS 2020 Grain Tonnage & Inspection Weighing Fees

NAEGA Calendar and Member Notices:

- Upcoming events and notices to members

Current Opportunities & Actions:

NAEGA Contracts and Best Practices Sessions– Vancouver, BC - Tuesday, March 3 2020

Please join the North American Export Grain Association in Vancouver, British Columbia, Canada, on Tuesday, March 3, 2020 from 8:00am-3:00pm for three sessions on Contracts and Best Practices Serving the Canada's Agriculture Commodity Trade, including a review of the NAEGA No. 2 Contract and updates from the Grain and Feed Trade Association (GAFTA), International Grain Trade Coalition (IGTC) and the National Grain & Feed Association (NGFA).

The session will be taking place alongside the Canadian Crops Convention, hosted by Canada Grains Council and the Canola Council of Canada. [You can click here to register](#) for the Canadian Crops Convention.

The NAEGA events will take place in the Georgia Ballroom at the Hyatt Regency Vancouver and a light breakfast and working lunch will be provided. Attendees can attend any and all of the three sessions:

Breakfast: 8:00am-9:30am - Updates on from Trade Associations - Includes Presentations from: NGFA, NAEGA, IGTC & GAFTA

Seminar: 9:30am-1:30pm - How Buyers and Sellers use the NAEGA 2 Model F.O.B Contract. Detailed discussion including understanding contract clauses and lessons learned with NAEGA Senior Advisors Sam Bonilla and Andrew Marting

Lunch: 1:30pm-3:00pm - Updates on commercial contract related services and plans from GAFTA, NAEGA and NGFA

You can register to attend [through this link](#). If you have any questions, please contact NAEGA staff.

NAEGA 2020 Annual Meeting – March 9

On March 9, 2020 all member company representatives and committee members are invited and welcome to attend our 2020 annual Membership networking luncheon and Association Business meeting on March 9 in room Lone Star A at the J.W. Marriott Hotel in Austin, TX. We encourage NAEGA members to bring any guests they would like, including those who might find value in NAEGA's work. There is no cost to attend any of the NAEGA Meetings.

NAEGA's meetings will take place at the J.W. Marriott. The agenda for the day includes:

7:30am: NAEGA Production Technology Committee

10:30am: NAEGA Contracts Committee

12:00pm: NAEGA Member Luncheon and Business Meeting

1:00: NAEGA Board of Directors Meeting

There will also be a joint meeting of the NAEGA Grades & Inspections Committee and the NGFA Grades, Grains & Weights Committee on Sunday, March 8 at 12pm. For more details contact NAEGA staff.

When registering, you will be able to select which meetings you plan to attend and if you plan to bring a guest or guests. You can register for NAEGA's meetings [through this link](#).

The NAEGA meetings on March 9 will take place alongside the [2020 NGFA Convention](#), held from March 8-10 at the Austin J.W. Marriott Hotel. There are two options available to NAEGA members who wish to attend the NGFA convention.

1. March 8 & 9 Only: **The registration rate for NAEGA members to attend the NGFA convention and reserve a room is \$300, with a guest rate of \$250.** NGFA has opened registration and **directions on how NAEGA members can register are available [through this link](#).**
2. March 8-10: All NGFA Convention events. [You can register here](#).

There are still rooms available at the discounted rate of \$259/night at the NAEGA room block at the [Hyatt Place Austin Downtown](#). The discounted rate for NGFA's room block at the J.W. Marriott is no longer available, though non-discounted rooms at the hotel are available. Space at the Hyatt Place is limited, and the discounted room rate expires soon! Please contact us for access to the NAEGA rate at the Hyatt as soon as possible.

We look forward to seeing you in the Lone Star State! Please feel free to contact NAEGA staff (Patrick Hayden, phayden@naega.org Sydnie Sousa, ssousa@naega.org and Gary Martin, gcmartin@naega.org) for assistance.

USDA Grain Inspection Advisory Committee

The U.S. Department of Agriculture, Agriculture Marketing Service (AMS) has announced that it is seeking nomination for members of the [Grain Inspection Advisory Committee](#). The Committee meets twice annually to advise AMS on programs and services delivered under the U.S. Grains Standards Act.

The committee is comprised of 15 members appointed by the Secretary of Agriculture who represent all segments of the grain industry. They include grain producers, processors, merchandisers, handlers, exporters, consumers, grain inspection agencies, and scientists. Appointments last for three years and members may not serve successive terms.

NAEGA will support applications from members who wish to serve on the Committee. If you are interested in applying you can fill out form AD-755, [found here](#), and submit it to Kendra Kline of AMS at Kendra.C.Kline@usda.gov. You may also contact NAEGA staff for further information. USDA will consider all applications received by March 26, 2020.

Ongoing Opportunities & Actions:

China Trade

The U.S.-China Phase 1 agreement officially went into effect on Friday, February 14 and NAEGA continues to monitor the implementation of the deal. Despite the continued coronavirus outbreak centered in China, there are clear signs that China is beginning to take action to meet commitments made under the deal. On February 18, China's Ministry of Finance published a list [of 696 American products](#) including soybeans, pork, beef, corn and wheat, that will be eligible for relief from the retaliatory tariffs imposed by Beijing in the past year.

In addition to the reduction in tariffs, China is also reported to be considering China is considering making purchases of U.S. agricultural goods by early March as a way to show its continued commitment to Phase 1 despite the spread of coronavirus.

The U.S. is also taking steps to monitor compliance by China. The Trump Administration has [announced a new office to track implementation of Phase 1 by China](#). The office will be administered by the Office of the U.S. Trade Representative (USTR), will also work with China's Bilateral Evaluation and Dispute Resolution Office to address disputes that arise over implementation.

NAEGA continues to monitor for any reporting of force majeure certificates, [issued by the China Council for the Promotion of International Trade](#) to businesses in China if their businesses with overseas partners have been affected by the virus outbreak, impacting the bulk commodity trade. NAEGA also will be looking into contract implications and we appreciate member advice on how we might assist.

NAEGA is providing leadership, advice and coordination across the value chain. **NAEGA Member input remains critical and needed** to identify practices to support a more efficient trade. Please contact us as soon as possible with your advice and questions on practices to support a more efficient trade with China.

U.S. ITC Investigation of MRL Impacts 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.

Written submissions for the first report are now closed. Submissions for the second report are due June 5, 2020. The [notice from ITC can be found here](#).

Impact of U.S. Sanctions Compliance

NAEGA continues to seek guidance from Member Company personnel about how OFAC and sanctions compliance is impacting the trade and how NAEGA might best engage on this issue to advance member interests. Complying with new sanctions has become a regular part of international trade, and member input is helping us develop an approach that would alleviate industry concerns while ensuring compliance with OFAC regulation. We are thankful for input we have already received and encourage members who are dealing with these issues and have yet to comment to reach out to NAEGA as we begin to develop a plan of action. Members can send comments to Sydnie Sousa at ssousa@naega.org.

Policy Teams

With the evolving global trade 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!

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](#).

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.

Recent Actions:

Gene Editing Webinar

On Thursday, February 13 members of the NAEGA Production Technology Committee took part in a webinar hosted by the Center for Food Integrity to review CFI's draft [Framework for the Responsible Use of Gene Editing in Agriculture](#). CFI's draft Framework in a voluntary program designed to provide "assurance to the food system and other stakeholders that those using gene editing within the framework are worthy of trust." CFI recorded NAGEA's webinar and has made it available for viewing [through this link](#). NAEGA is in the process of developing comments to submit to CFI on their draft proposal. If you have any input or feedback you would like to see included in NAEGA's response, please send them to Patrick Hayden at phayden@naega.org by February 26, 2020.

Contracts and Best Practices Seminars – Your advice requested

The NAEGA Contracts Committee is seeking your advice on the location, timing and curriculum for 2020 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. The Committee is now considering contract seminars in the following locations:

- St. Louis, MO
- Winnipeg, Manitoba
- Tokyo, Japan

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 NAEGA staff if you are interested in hosting a private, tailored seminar at your office or if you would like to host a Virtual Seminar. [Click here](#) for more information on the in-depth, interactive programs NAEGA conducts!

News:

Iran - U.S.-Swiss Humanitarian Trade Arrangement

On January 27, 2020, the first successful pilot transaction under the proposed Swiss Humanitarian Trade Arrangement (SHTA), a payment mechanism designed to enable the delivery of humanitarian goods to Iran, was [completed](#). Switzerland began developing the SHTA in fall of 2018, with the cooperation of relevant U.S. and Iranian authorities, along with selected Swiss and interested banks. SHTA is designed to ensure that exporters and trading companies in the food,

pharmaceutical and medical sectors have a secure payment channel with a Swiss bank through which payments for their exports are guaranteed. Under the SHTA, participating banks and exporters will be given assurances by the U.S. Treasury Department that the financial transactions can be processed in accordance with U.S. law. Once implemented, it will become the first U.S. Office of Foreign Asset Control (OFAC)-endorsed [humanitarian trade arrangement](#) and will reduce the cost and difficulty for exporters that supply humanitarian goods to Iran.

US FGIS 2020 Grain Tonnage & Inspection Weighing Fees

On February 14, the Agriculture Marketing Service (AMS) of the U.S. Department of Agriculture [released the 2020 fee schedule](#) for official inspection and weighing services performed under the U.S. Grain Standards Act. The National Tonnage fee, which is the national program administrative costs for the previous fiscal year divided by the avg. yearly million metric tons (mmt) of exported grain, has decreased by \$.007, or is 11% lower than 2019. The 5-year rolling average of exported grain, 2015-2019, is almost 123mmt, which is 16 mmt higher than when the 5-year rolling average calculation began in 2016. The fees have gone into effect retroactively to January 1, 2020.

Calendar & Member Notices:

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

2020

February

28 - USTR Releases Annual Report on the President's Trade Agenda

March

2-5 – Canadian Crops Convention – Vancouver, BC

3 – NAEGA Contracts & Best Practices Serving Canada's Agricultural Commodity Trade Sessions – Vancouver, BC

8-10 – NGFA Annual Convention – Austin, TX

9 – NAEGA Annual Meetings & Board of Directors Meeting – Austin, TX

16-20 - World Trade Organization Committee on Sanitary and Phytosanitary Measures – Geneva, Switzerland

30-April 2 – International Plant Protection Convention (IPPC) International Year of Plant Health 2020, Commission on Phytosanitary Measures (CPM) – Rome, Italy

April

20-21 - Asia Pacific Economic Cooperation (APEC) Trade Ministers Meeting – Malaysia

May

1 - Deadline for U.S.-Japan to begin trade Talks

25-26 - Organization for Economic Cooperation and Development Annual Meeting – Paris, France

June

8 – Global Low-Level Initiative Meeting – Indonesia

8-12 – International Grains Week – London, UK

8-11 –World Trade Organization 12th Ministerial Conference – Kazakhstan
9-10 – IGC Grains Conference – London, UK
10-12 – G-7 Meeting - Camp David, MD

September

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

October

5 – G-20 Meeting in Riyadh, Saudi Arabia

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

TBD – China World Grain Forum

November

3 - U.S. Presidential Election

12 - APEC in Kuala Lumpur, Malaysia.

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

TBD – IGTC General Assembly – Singapore

TBD – NAEGA Contracts & Best Practices Seminar – Tokyo, Japan

December

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

2021

March

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

2022

December

TBD – COP 16 – CBD – Turkey

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