



Outreach

January 8, 2020

Thank you for your membership in and work with NAEGA

NAEGA staff has begun reaching out to each member representative to set up time for a call to discuss NAEGA priorities and programming for the 2020 year, and to seek your input and ideas for how we can best serve you.

For the first quarter of 2020, NAEGA is preparing for the following key events:



January 15 – U.S.-China Phase One Signing

The U.S and China are expected to sign Phase One of a trade deal on Wednesday, January 15. On Thursday, January 16, the U.S. Government will hold a briefing on the details of Phase One for the U.S. Food & Agriculture Dialogue for Trade in Washington, DC. Contact NAEGA staff if you would like to attend!



January 20 – NAEGA Contracts Committee Call

The Contracts Committee will hold a call on Wednesday, January 22 at 4:00PM Eastern Time. If you are not a member of the Committee and would like information on taking part in this calls or joining a Committee, please contact NAEGA staff



March 3-5 – Canada Crops Convention

NAEGA and the International Grain Trade Coalition are planning events at the 2020 Canada Crops Convention in Vancouver, British Columbia. NAEGA programming will include a Contracts and Best Practices Training Seminar hosted by NAEGA staff. Invitations will be sent soon!



March 8-10 – 2020 NGFA Convention and NAEGA Annual Meeting

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. All member company representatives and their guests are invited and welcome to attend our 2020 annual Membership networking luncheon and Association business meeting in Austin, TX at the J.W. Marriott Hotel on March 9. Please see below for more details!



March 30-April 2 – International Plant Protection Convention (IPPC) Commission on Phytosanitary Measures (CPM)

The IPPC celebrates the International Year of Plant Health with CPM-15 in Rome, Italy. IGTC plans to take part in this annual meeting which includes development and adoption of international phytosanitary standards and deployment of the e-Phyto Solution.



Current Opportunities & Actions:

- Register and Reserve Hotel Now of NAEGA 2020 Annual Meeting - March 9, 2020 in Austin, TX
- 2020 Membership
- U.S.-China Phase One Briefing
- Committee Conference Calls

Ongoing Opportunities & Actions:

- U.S. Agricultural Trade Advisory Committees
- U.S. Tariffs on EU Goods
- U.S. ITC Investigation of MRL Impacts on Trade
- U.S. CBP Proposed Changes to the U.S. Jones Act
- Impact of U.S. Sanctions Compliance
- Policy Teams
- IPPC ePhyto Case Studies
- Contracts and Best Practices Seminars - Your advice requested

Recent Actions:

- U.S. Access to Vietnamese Wheat Market

News:

- TPP-11 Ratification Process
- Iran Sanctions
- Chinese Approvals for GM Crops

NAEGA Calendar and Member Notices:

- Upcoming events and notices to members

Current Opportunities & Actions:

Register and reserve hotel rooms Now! for NAEGA 2020 Annual Meeting – March 9 All NAEGA members are welcome to attend the NAEGA Annual Meeting on March 9, 2020 at the J.W. Marriott in Austin, Texas. Our agenda will include the Annual Member Appreciation Luncheon and Members Meeting, Board of Directors Meeting, and meetings of NAEGA Committees.

On March 9, all member company representatives and their guests are invited and welcome to attend our 2020 annual Membership networking luncheon and Association business meeting in Austin, TX and the J.W. Marriott Hotel at 12:00 noon. Before NAEGA Membership convenes, several NAEGA committees will meet in the morning. After NAEGA members elect the 2020 Board of Directors at the Association Business meeting, after which the Board will convene.

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. Hotel Reservations should be made as soon as possible. Two Hotel room options are available to NAEGA members, as follows:

1. Reserving a room at the J.W. Marriott requires registration with NGFA. Two options for NGFA registration are available:
 - a. March 8 & 9: **The registration rate for NAEGA members to attend the NGFA convention and reserve a room at the J.W. Marriott is \$300, with a guest rate of \$250.** NGFA has opened registration and **directions on how NAEGA members can register and book a room at the NGFA rate are available [through this link](#).**
 - b. March 8-10: All NGFA Convention events. [You can register here](#).
2. **To attend only the NAEGA meetings and none of the NGFA Convention we have arranged for a discounted room rate at the [Hyatt Place Austin Downtown, just one block from the NAEGA meeting venue](#) . Please contact us for access to the NAEGA rate at the Hyatt.**

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.

2020 Membership

The Annual Member meeting notice for March 9, 2020 in Austin, TX, 2020 and invoices for membership dues and export volume fees were sent on January 6, 2020. Each member representative will have received an email with a membership invoice and member representatives will also receive an invoice and meeting notification by mail. All NAEGA member dues and export volume fees are due by February 15, 2020.

NAEGA staff has begun reaching out to each member representative to set up time for a call to discuss NAEGA priorities and programming for the 2020 year, and to seek your input and ideas for how we can best serve you. Please keep an eye out for and email from us requesting your time for a brief call.

U.S.-China Phase One Briefing

On Thursday, January 16, the U.S. Food & Agriculture Dialogue for Trade (USFADT) will host representatives from the U.S. Government for a briefing on the Phase One U.S.-China trade agreement in Washington, DC. If you are interested in attending the briefing, [you can register through this link](#). Please remember that all USFADT meetings are off the record.

NAEGA Committee Conference Calls

NAEGA Committees are preparing to hold conference calls in January to set plans for 2020. The Contracts Committee will hold a call on Wednesday, January 22 at 4:00PM Eastern Time. If you are not a member of the Committee and would like information on taking part in these calls or joining a Committee, please contact NAEGA staff (Patrick Hayden, phayden@naega.org Sydnie Sousa, ssousa@naega.org and Gary Martin, gcmartin@naega.org) for assistance.

Ongoing Opportunities & Actions:

U.S. Agricultural Trade Advisory Committees

The U.S. Department of Agriculture (USDA) and the Office of the United States Trade Representative (USTR) are seeking applications for new members to serve on seven agricultural trade advisory committees. Members of the Agricultural Policy Advisory Committee (APAC) advise USDA and USTR on operating existing U.S. trade agreements, on negotiating new agreements, and on other trade policy matters. Members of six Agricultural Technical Advisory Committees (ATACs) provide technical advice and guidance on international trade issues that affect both domestic and foreign production in specific commodity sectors. The ATACs focus on trade in:

- Grains, feed, oilseeds and planting seeds;
- Animals and animal products;
- Fruits and vegetables;
- Processed foods;
- Sweeteners and sweetener products; and
- Tobacco, cotton and peanuts.

To be considered for candidacy, applicants must have significant expertise in both agriculture and international trade matters and be U.S. citizens, qualify for a security clearance, and be willing to serve without compensation for time, travel or expenses. The committees hold frequent conference calls and generally meet in Washington, D.C., twice a year. Application instructions are available at <https://www.fas.usda.gov/trade-advisory-committees-applying-membership>. Applications are due by 5 p.m. ET on January 31, 2020.

U.S. Tariffs on EU Goods

Since October 18, 2019 the U.S. has been imposing additional tariffs of 25 percent on more than 150 goods imported from EU countries, following a determination by a World Trade Organization (WTO) arbitrator that the U.S. may impose up to \$7.5 billion in tariffs annually against the EU due to its failure to fully comply with a previous WTO ruling against subsidies it provided to aircraft manufacturer Airbus.

The Office of the U.S. Trade Representative (USTR) is now considering increasing the tariff rate on goods already subject to tariffs to as high as 100 percent and imposing additional tariffs of up to 100 percent on goods previously considered but ultimately rejected for such tariffs, including agricultural products.

USTR is requesting comments on whether such actions would be likely to result in the EU implementing the WTO's recommendations or the U.S. and EU achieving a mutually satisfactory conclusion to the dispute or cause disproportionate harm to U.S. interests, including small or medium-sized businesses and consumers. Comments are due January 13. The notice from USTR soliciting comments [is available here](#).

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 issue 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](#).

U.S. CBP Proposed Changes to the U.S. Jones Act

On October 23, 2019, U.S. Customs and Border Protection (CBP) proposed substantial changes to its interpretations of the Jones Act. The Jones Act, which is section 27 of the Merchant Marine Act, requires that transportation of merchandise between all U.S. points be reserved for vessels that are built, owned, crewed, and documented in the United States. Supporters of the act feel it is essential for preserving the security of the domestic maritime industry. Critics say the act increases the cost of shipping to U.S. lands that depend on imports like Alaska, Hawaii, Puerto Rico, and others, and that it limits the number of vessels that can legally deliver goods, driving higher costs and reducing competition.

CBP's proposed changes would revise the definition of offshore "lifting operations" to clarify that certain "lateral movements" of service vessels are not considered transportation moves under the Jones Act, which requires that such moves be carried out by U.S.-owned, U.S.-flagged and U.S.-built vessels. This may allow for more competition for foreign flag-vessels.

Member input into how NAEGA approaches possible engagement on these issues is welcome.

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.

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:

- 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 NAEGA staff 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!

Recent Actions:

U.S. Access to Vietnamese Wheat Market

As reported in the November 6, 2019 edition of Outreach, NAEGA & NGFA [recently submitted a letter](#) to U.S. Ambassador to Vietnam Daniel Kritenbrink regarding challenges facing American access to the Vietnamese wheat market. We have recently received a response from the U.S. Embassy in Vietnam. The Embassy acknowledged our concerns on the impact to the U.S. wheat trade from the re-export policy related to Canadian thistle seeds which the Vietnamese government implemented on March 1, 2019 and noted that the Embassy's Office of Agricultural Affairs "continues to interact with our Vietnamese counterparts and supports (U.S. Animal and Plant Health Information Service) efforts to secure a technical resolution to this issue". They also note that the Embassy is engaged at high levels with the Government of Vietnam on trade issues. [The full letter can be found here.](#)

News:

TPP-11 Ratification

In January of 2019, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP-11) was implemented in seven countries: Japan, Canada, Mexico, Australia, New Zealand and Vietnam. To date, Malaysia, Brunei, Chile and Peru that have not ratified the pact. International affairs experts such as Asia Society Policy Institute Vice President Wendy Cutler, observers have noted that domestic political issues have kept these four from ratifying the agreement.

Iran Sanctions

The Office of Foreign Assets Control (OFAC) has updated its list of Specially Designated Nationals and Blocked Persons (SDN) related to Iran. Please visit [this page](#) to access the latest version of the SDN list. Please check the page periodically as it will be updated if new sanctions are issued.

Chinese Approvals for GM Crops

China [has approved two genetically modified crops and renewed permits for 10 others](#). The Chinese Ministry of Agriculture and Rural Affairs announced that Corteva Agriscience's Bt soybean variety, DAS-81419-2, known as Conkesta, received a permit, in addition to disease-resistant papaya created by the U.S. Department of Agriculture's Agricultural Research Center at the University of Hawaii.

Import permits were renewed for BASF's herbicide-resistant corn T25 (LibertyLinkcorn), herbicide-resistant soybean A5547-127 (LibertyLink soybean) and herbicide-resistant rapeseeds T45 (InVigor Canola), Oxy-235 (Navigator Canola) and Ms8Rf3 (InVigor Canola with pollination control); Monsanto's (Bayer) herbicide-resistant soybean MON89788 (Roundup Ready 2 soybean), insect-resistant cotton 15985 (Bollgard II cotton) and herbicide-resistant beet H7-1 (Roundup Ready sugarbeet). Also receiving renewal permits were Pioneer's (DuPont subsidiary) herbicide-resistant soybean 305423 x GTS40-3-2 (Roundup Ready Plenish soybean) and its 305423 soybean trait (Plenish high oleic soybean).

Calendar & Member Notices:

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

2020

January

8 – NAEGA Production Technology Committee Call

15- Phase One U.S.-China trade agreement scheduled to be signed

16 – U.S. Food & Agriculture Dialogue for Trade Briefing on U.S.-China Phase One – Washington, DC

20-24 - Annual World Economic Forum in Davos, Switzerland

22 – NAEGA Contracts Committee Call

31- Target date for the United Kingdom to leave the European Union

February

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

March

2-5 – Canadian Crops Convention – Vancouver, BC

8-10 – NGFA Annual Convention – Austin, TX

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

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) forum trade ministers meet in 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

8-12 – International Grains Week – London, UK

8-11 – The World Trade Organization holds its 12th Ministerial Conference in 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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