

# Outreach

## June 30, 2020

Thank you for your membership in and work with NAEGA

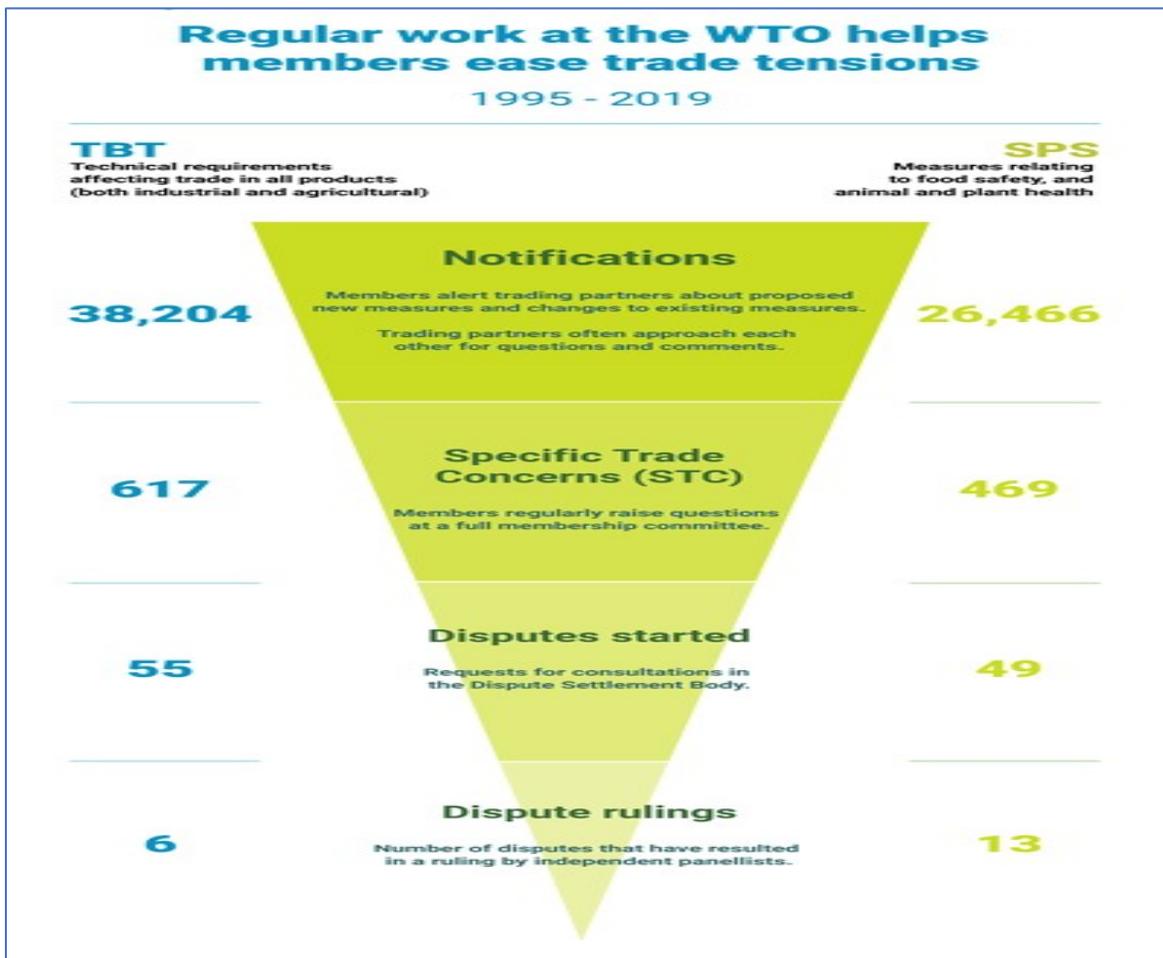
### *Happy Canada Day & Fourth of July!*

NAEGA would like to wish everyone in Canada a happy Canada Day on July 1<sup>st</sup>. [Celebrate the 153<sup>rd</sup> anniversary of Confederation here!](#)

We would also like to extend a Happy Fourth of July to our colleagues in the United States!

### *Image of the Week:*

### *How the Work of the WTO Eases Trade Tensions*



Source: WTO SPS Committee – June 2020

***Recent Actions:***

- 2021 Unified Export Strategy
- China COVID-19
- Letter to USDA on China Phyto Requirements
- U.S. Grain Standards Act Renewal

***Current Opportunities & Actions:***

- Bayer/Monsanto Petition for U.S. Nonregulated Status of GE Corn
- BASF Petition for U.S. Nonregulated Status of GE Soybean
- MRLs - China
- South Korea MRLs - Korea
- Thailand Ban on Chlorpyrifos & Paraquat
- U.S. Food and Agricultural Exports to Sanctioned Countries Webinar
- USDA APHIS Invites Comment on NAPPO Documents
- USDA Agriculture Innovation Agenda
- Vietnam NTR 190

***News:***

- Bayer Settles Roundup Lawsuits
- IPPC 2019 Annual Report Published

***Ongoing Opportunities & Actions:***

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

***Recent Actions:***

**2021 Unified Export Strategy**

On Friday, June 26, NAEGA sent its 2021 Unified Export Strategy (UES) application to the USDA's Foreign Agricultural Service (FAS). The UES sets the framework under which NAEGA will administer its Market Access Program funding in the 2021 program year. The 2021 UES highlights planned initiatives and past success and serves as a blueprint for activities NAEGA intends to engage in over the next year, including efforts to promote the electronic exchange of commercial and official trade documents and efforts to address market access barriers through ongoing trade negotiations. This year's UES acknowledges the potential impact of COVID-19 on the trade into 2021 and our efforts on identification and utilization of information needed to complete trade.

FAS anticipates that the initial funding selections will be made by the end of October and the initial award dates estimated to be by the end of December 2020. A copy of the 2021 UES can be found on the [NAEGA web site](#). For more information, please contact NAEGA staff.

## China COVID-19 Requirements

Reports that Chinese buyers are seeking written commitments to compliance with Chinese law and assurance that shipments of food and agricultural commodities are free of the COVID-19 virus are concerning.

Recognizing that every commercial party must make an independent decision in response to such requests, NAEGA has engaged in extensive work with U.S. and other governments trade officials and colleagues around the globe to encourage an internationally coordinated and well-informed response. In a report to members on Friday, June 26, Much of the information we have collected emphasizes reasons that the requested attestations by exporters is **not necessary and provides encouragement to NOT provide them**. We are not aware of official directives from the Chinese government that have properly notified the measures.

At the WTO's Committee on Sanitary and Phytosanitary (SPS) Measures meeting last week, several members noted that one unnamed WTO member was seeking to diverge from a science base approach to COVID 19 Management in trade. Day one of the meeting [is covered here](#). This report reinforces the multiple statements issued by the World Health Organization (WHO) and other government bodies around the world that current scientific knowledge does not implicate food, commodities or food packaging as vectors for transmitting COVID-19.

We will continue to provide the best information for your consideration and will be updating you periodically as new information becomes available. Information that NAEGA has collected on this issue [can be found here and will be updated regularly](#).

## Letter to USDA on China Phyto Requirements

NAEGA joined the National Grain & Feed Association (NGFA), the U.S. Soybean Export Council (USSEC) and the American Soybean Association (ASA) in signing a letter to Deputy Secretary of Agriculture Steve Censky regarding the additional declaration (AD) on phytosanitary certificates for soybean exported to China.

Specifically, the letter urges the U.S government to negotiate with its Chinese counterparts to obtain a "clean" phytosanitary certificate for U.S. soybean shipments, which removes the current AD concerning foreign material content in U.S. soybean shipments. The letter restates the NAEGA position which is that the AD is inappropriate because foreign material is a grain quality factor, not a plant disease or pest risk, and is not appropriate for a phytosanitary certificate. The letter as conveyed [can be found here](#).

## U.S. Grain Standards Act Renewal

On Wednesday, June 24, the Senate Agriculture Committee advanced legislation that would reauthorize the U.S. Grain Standards Act (USGSA). NAEGA joined the National Grain & Feed Association (NGFA) in issuing a statement supporting the legislation. The statement noted that the renewal as written would include number of improvements advocated by both associations that would safeguard user fees and promote increased data and information-sharing to benefit the system and its users, including:

- Ensuring FGIS user fees are directed solely to inspection and weighing services.

- Requiring delegated state agencies to notify users of Official inspection or weighing services at least 72 hours in advance of any intent to discontinue such services.
- Reporting requests for waivers, exceptions and other specific services received and granted by FGIS.
- Directing FGIS to complete a comprehensive review of the current boundaries for the officially designated grain inspection agencies in the domestic marketplace.

NAEGA and NGFA also highlighted their concerns about ongoing non-tariff trade barriers that have restricted exports of U.S. grains and oilseeds, noting that the reauthorization bill retains the provision that prohibits the “use of false or misleading grade designations” for U.S. grain exports. The joint statement [can be found here](#).

### ***Current Opportunities & Actions:***

#### **Bayer/Monsanto Petition for U.S Nonregulated Status of GE Corn**

Bayer/Monsanto [submitted a petition](#) to the U.S. Department of Agriculture’s Animal & Plant Health Inspection Service (USDA/APHIS) seeking nonregulated status in the U.S. of a corn variety intended for hybrid seed production genetically engineered for tolerance to dicamba, glufosinate, quizalofop, 2,4-D, and tissue-specific glyphosate tolerance.

NAEGA’s Production Technology Committee and the National Grain & Feed Association Crop Technology Committee will be holding a consultation with Bayer on their petition on Monday, July 6, 2020, ahead of submitting comments to USDA/APHIS. If you would like more information on the consultation or have any comments on the petition, please reach out to NAEGA staff your input would be welcome.

#### **BASF Petition for U.S. Nonregulated Status of GE Soybean**

BASF Corporation (BASF) [submitted a petition](#) to the U.S. Department of Agriculture’s (USDA) Animal and Plant Health Inspection Service (APHIS) seeking nonregulated status in the U.S. of a soybean variety developed using genetic engineering for resistance to soybean cyst nematode, a microscopic parasitic worm, and for herbicide tolerance. BASF has reached out to NAEGA [and provided a fact sheet on their product for members to review](#). We are considering submitting comments to APHIS on the petition, [which can be found here](#), and any input from members would be welcome. Comments are due July 27, 2020 [and can be submitted here](#).

#### **MRL’s – China**

China’s “Draft National Food Safety Standard for Maximum Levels of Mycotoxins in Foods”, has been notified to the World Trade Organization’s SPS Committee. This standard will set limits for aflatoxin B1, aflatoxin M1, deoxynivalenol, patulin, ochratoxin A, zearalenone and fumonisin in foods. The translation [is available here](#), along with the WTO SPS Committee notification.

USDA’s Foreign Agriculture Service is collecting comments and NAEGA is considering contributing to those comments. Input from members on if and how we should comment is welcome. FAS is asking for comments by COB on July 2. Please have any potential comments to NAEGA by COB on Wednesday, July 1. If you have any comments or questions, please contact NAEGA staff.

### **MRLs – South Korea**

South Korea [notified to the World Trade Organization \(WTO\)](#) “Proposed Amendments to the Standards and Specifications for Foods” which includes proposals for Maximum Residue Levels (MRLs) for 117 pesticides. The list of MRLs, [can be found here](#), includes Peironyl batoxide, Trifluoromethylpyrimidazole, Terbufos, Navluron, Flathiacele-methyl and Oxytetracycline. Input from members on if and how we should comment is welcome. Comments are due to WTO on June 20. If you have any comments or questions, please contact NAEGA staff.

### **Thailand Ban on Chlorpyrifos & Paraquat**

[Thailand’s Food and Drug Administration \(TFDA\) extended the public comment period](#) on the Ministry of Public Health (MOPH)’s draft Notification implement bans on chlorpyrifos and paraquat used in crop protection products from June 15, 2020 to July 18, 2020. To share information and discuss a response, NAEGA and USSEC are jointly convening virtual meetings with U.S. government and other stakeholders. If you would like to take part in these meetings, please contact Gary or Patrick.

### **U.S. Food and Agricultural Exports to Sanctioned Countries Webinar**

NAEGA is leading the U.S. Food & Agriculture Dialogue for Trade (USFADT) to develop a virtual, confidential, and off the record briefing and discussion with the U.S. Department of Treasury’s Office of Foreign Assets Control (OFAC) and the United States Department of Agriculture’s (USDA) experts from the Foreign Agriculture Service on US exports to sanctioned countries. Topics such as utilizing the general license for agricultural commodities and current developments related to Iran sanctions will be covered, as well as a number of different sanction programs that OFAC administers, which can be found at [OFAC programs](#). The webinar will be hosted by USFADT with OFAC and USDA and is entitled “U.S. Food and Agricultural Exports to Sanctioned Countries”. The Webinar is likely to be conducted in July.

### **USDA/APHIS Invites Comment on NAPPO Documents**

The North American Plant Protection Organization (NAPPO) opened the 2020 NAPPO Country Consultation period, which provides an opportunity for stakeholders to comment and review, for the three NAPPO documents on Regional Phytosanitary and Science & Technology Documents, [found here](#).

The U.S. Department of Agriculture’s (USDA) Animal and Plant Health Inspection Service (APHIS) is encouraging U.S. stakeholders to submit comments on these documents, through the APHIS Plant Protection & Quarantine (PPQ) service. Comments should fall into one of three categories: substantial, technical, or editorial. Details on how to comment to NAPPO through PPQ [can be found here](#). The country consultation is open for 90 days (June 1 – August 31, 2020) for the two regional standards and for 60 days (June 1 – July 31, 2020) for the new Science and Technology Document

NAEGA’s Grades and Inspections Committee will be asked to consider a response. Your advice is welcome.

## **USDA Agriculture Innovation Agenda**

The U.S. Department of Agriculture (USDA) [is soliciting comments and suggestions](#) on objectives and opportunities leading to research goals and informed product goals to facilitate transformative breakthroughs to enable U.S. agriculture to meet the Department's goal of increasing agricultural production by 40 percent to meet the needs of the global population in 2050 while cutting the environmental footprint of U.S. agriculture in half. This effort is part of USDA's Agricultural Innovation Agenda, the Department's commitment to the success of American farmers, ranchers, producers, and foresters in the face of future challenges. NAEGA is considering providing input to this request. All comments are due August 1, 2020. More details [can be found here](#).

## **Vietnam NTR 190**

Vietnam's Ministry of Agriculture and Rural Development (MARD) notified its new National Technical Regulations on Animal Feeds and Ingredients for production of Aquatic Feeds (NTR 190) to the WTO. Vietnam's SPS Notification [can be found here](#). The NTR includes criterion for "no detection" for salmonella in many agricultural products and deviates from the application of sound science, risk-based regulation and internationally effective best practices. NAEGA is working with ANEC, ABIOVE, CIARA CEC, CGC, NGFA, and NOPA (the Pan American Coalition of grain and oilseed trade associations) to inform a response. A first meeting of the Coalition's technical experts met recently and is working to compare and provide information related to salmonella contamination. The deadline for sending comments to the Department of Livestock Production or SPS Vietnam Office is **31 July 2020**.

In addition to our work with the Pan American Coalition of like-minded trade associations we are reaching out to trading partner governments and other stakeholders and will continue to monitor, act and inform on developments on NTR 190.

## ***News:***

### **Bayer Settles Roundup Lawsuits**

On June 24, [Bayer announced that the company agreed to pay more than \\$10 billion](#) to end tens of thousands of lawsuits filed over its Roundup herbicide, which claimed the product is carcinogenic. In the settlement, Bayer makes no admission of liability or wrongdoing, and the company plans to continue to sell Roundup, the primary ingredient of which is glyphosate. Bayer reaffirmed its position that glyphosate is safe to use as an herbicide and CEO Werner Baumann said the company settled the lawsuit to "return the conversation about the safety and utility of glyphosate-based herbicides to the scientific and regulatory arena and to the full body of science." Roundup was developed by Monsanto, which Bayer bought in 2018 for \$63 billion, inheriting the lawsuits filed over Roundup. Three cases regarding Roundup that have gone to trial are not covered in the settlement.

### **IPPC 2019 Annual Report Published**

The U.N.'s Food & Agriculture Organization (FAO) Plant Protection Convention (IPPC) published its 2019 Annual Report. The 2019 report, "*Protecting the World's Plant Resources from Pests*", highlights IPPC action in 2019. The report also notes that the International Grain Trade Coalition, is one of 7 Industry and NGO IPPC partners. More details on the report [can be found here](#).

## ***Ongoing Opportunities & Actions:***

### **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!

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 advice 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 is operating under a limited reopening until at least August 31, 2020 staff 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. Teams ability to share documents and instantly connect with multiple users will enhance our ability to serve you. All you need to do is email NAEGA staff and request a consultation via Teams and we will set up a virtual meeting with you as soon as we can. We can always be reached via email or cell phone as well.

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](mailto: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**

## **July**

*7-9 – U.S. Agricultural Export Development Conference’s 2020 USDA/FAS Attaché Seminar – Now taking place virtually*

## **September**

**10** – NAEGA Board of Directors Meeting – Via MS Teams

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

## **October**

***TBD** - DBTG Operational & Technical Conference – Rotterdam, The Netherlands – Postponed from April 2020*

**5** – G-20 Meeting in Riyadh, Saudi Arabia

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

**TBD** – China World Grain Forum

## **November**

***3-4** – IGTC General Assembly – Now 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 - Tentative*

## **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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