



## Outreach October 2, 2020

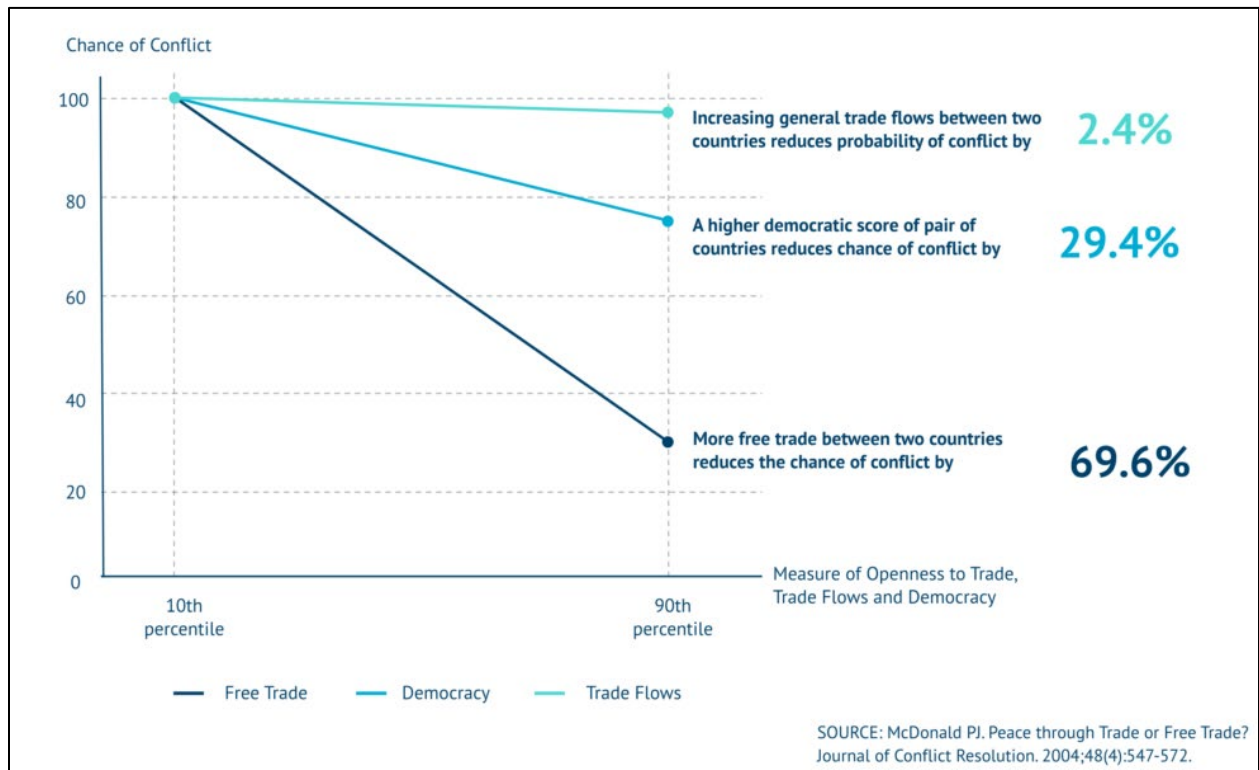
Thank you for your membership in and work with NAEGA

### ***Welcome to New NAEGA Member Avere Commodities Corp***

*Avere Commodities Corp is a subsidiary of Avere Commodities S.A. With a U.S. headquarters in Boca Raton, Florida, Avere is engaged in the merchandising and trading of grains, oilseeds and related products in the key global markets. We are looking forward to Avere's contributions to NAEGA activities and Committees!*

### **Graphic of the Week**

*Relationship Between Openness to Trade and Democracy  
and the Chance of Conflict Between Two Countries*



**Source:** [Tradevistas](#)

***Recent Actions:***

- Board of Directors Meeting
- Letter to USTR on U.S. WTO Participation

***Current Opportunities & Actions:***

- USITC Investigation of Trade Agreements
- India – Non-GM Certification Requirement
- Saudi Arabia – MRLs
- USTR requests input on Foreign Trade Barriers
- USDA APHIS List of Animal and Plant Pest and Disease Threats

***News:***

- Bayer XtendFlex Soybeans Receive EU Authorization
- EXIM and USDA MOU on U.S. Agriculture Commodities
- WTO Rules Against U.S. Section 301 Tariffs on China
- U.S. ITC Releases Report on Trade Impact of MRLs

***Ongoing Opportunities & Actions:***

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

***Recent Actions:***

**Board of Directors Meeting**

The NAEGA Board of Directors met on Wednesday, September 30 via Microsoft Teams. NAEGA staff and the Chairs of the Contracts, Grades and Inspections and Production Technology Committees reported on recent and ongoing NAEGA actions. [Minutes from the June 3, 2020 Board Meeting](#) were approved, as well as an updated “[NAEGA Policy Statement on Crop Biotechnology](#)” and as a request from the Contracts Committee to consider additional funding for Arbitration Education in 2021. The Board is considering meeting again in December of 2020. Draft minutes from the meeting will be available soon.

**Letter to USTR on WTO Participation**

NAEGA joined a broad coalition of food & agriculture companies and trade associations in signing a letter to U.S. Trade Representative Robert Lighthizer and copied to House and Senate leadership in support of the U.S.’s continued participation in the World Trade Organization (WTO). The letter also highlights the need for reform to the WTO and positive qualities to look for in the next WTO Director General. The letter as submitted [can be found here](#).

***Current Opportunities & Actions:***

**USITC Investigation of Trade Agreements**

The U.S. International Trade Commission (USITC) [is conducting on an investigation](#) of the economic impact on the United States of all trade agreements which Congress has enacted an implementing bill under trade authorities’ procedures since January 1, 1984. This investigation is

the second of two required by U.S. law, with the first completed and submitted to Congress in 2016.

For this second report, USITC is considering the economic impact of the Uruguay Round Agreements, the North American Free Trade Agreement (NAFTA), the United States-Mexico-Canada Agreement (USMCA), and U.S. free trade agreements with Australia, Bahrain, Canada, Chile, Colombia, the Dominican Republic and five Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua), Israel, Jordan, Korea, Morocco, Oman, Panama, Peru, and Singapore.

The USITC is welcoming input from all interested parties. NAEGA is considering comments and your advice is welcome. Comments are due to USITC on November 6, 2020 and can be submitted here <https://edis.usitc.gov/>.

### **India- Non-GM Certification Requirement**

India notified the World Trade Organization (WTO) that the Food Safety & Standards Authority of India (FSSAI) plans to require a “non-GM (genetically modified) origin free and GM free certificate” issued by the “Competent National Authority” of the exporting country, on every shipment of 24 specified agricultural imports beginning January 1, 2021. A sample certificate format that FSSAI would like these Certifications to follow and the list of the 24 affected crops, [can be found here](#).

NAEGA’s Production Technology Committee is considering comments and we would appreciate input from all concerned members. We are convening with national and international colleague associations to share intelligence and consider how best to respond including working with national governments. Comments are due to the WTO on November 1, 2020.

### **Saudi Arabia- MRLs**

Saudi Arabia notified the WTO of a proposed regulation that potentially impacts the Saudi Arabian import requirements for feed and grains. The regulation, “Conditions for Clearing Imported Fodder Products”, includes feed for farm animals including poultry and dairy. A translation provided by U.S. Department of Agriculture’s Foreign Agriculture Service (FAS) [can be found here](#).

NAEGA is evaluating if and how to respond. Your advice is welcome. Comments are due to the WTO on October 13, 2020

### **USTR requests input on Foreign Trade Barriers**

The Office of the United States Trade Representative (USTR) [is seeking comments](#) for the National Trade Estimate Report on Foreign Trade Barriers (NTE Report). USTR is inviting interested persons to submit written comments to assist in identifying significant barriers to U.S. exports of goods and services. Comments related to the following categories of foreign trade barriers are encouraged: agricultural commodities, U.S. intellectual property, U.S. foreign direct investment by U.S. persons, especially if such investment has implications for trade in goods or services, and U.S. electronic commerce. The NTE report is published annually and is used U.S. negotiations aimed at reducing or eliminating these barriers and is a valuable tool in enforcing U.S.

trade laws and strengthening the rules-based trading system. USTR will use this information to prepare 2021 report. The deadline to submit comments is October 29, 2020.

NAEGA is evaluating if and how to respond. Your advice is welcome. USTR indicates it is most interested in practices that violate U.S. trade agreements, new or updated information on the barriers covered in the [2020 report](#), or information on new barriers.

### **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 will review comments regarding the list, including suggestions of pests or diseases that should be added or removed and APHIS may adjust the list based on these comments. APHIS's current list of 59 pests and disease can be found [through this link](#).

NAEGA is evaluating if and how to respond. 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:***

#### **Bayer XtendFlex Soybeans Receive EU Authorization**

The European Commission (EC) [has granted authorization](#) for Bayer Crop Science's MON 87708 x MON 89788 x A5547-127 soybean (HT3 soy - XtendFlex soybean) for food, feed, import and processing into the EU for 10 years. This was the final approval Bayer needed to commercialize the XtendFlex soybean, and [they have announced](#) that they intend to move forward with a full launch in the U.S. in 2021. Bayer has notified NAEGA that they are updating the [BioTradeStatus website](#) to reflect this approval.

#### **EXIM and USDA MOU on U.S. Agriculture Commodities**

The Export-Import Bank of the United States (EXIM) and the United States Department of Agriculture (USDA) [have signed a Memorandum of Understanding \(MOU\)](#) for a three-year collaborative effort to promote the export of U.S. agricultural commodities. The MOU is designed to facilitate engagement between EXIM and USDA to "identify opportunities to increase the export of U.S. agricultural commodities, as well as the development of an educational program to increase awareness of export opportunities among small agribusinesses and cooperatives."

#### **WTO Rules Against U.S. Section 301 Tariffs on China**

[A World Trade Organization \(WTO\) dispute settlement panel](#) has ruled that the United States' imposition of additional tariffs on \$234 billion worth of imports from China from violated U.S. obligations under WTO rules. The tariffs in question stem from a Section 301 investigation by the Office of the U.S. Trade Representative (USTR) which determined that China's "acts, policies,

and practices related to technology transfer, intellectual property, and innovation are unreasonable and discriminatory”.

The WTO panel ruled that the Section 301 tariffs are inconsistent with the General Agreement on Tariffs and Trade (GATT), and recommended that the U.S. “bring its measures into conformity” with its obligations under the GATT. Observers note that the ruling will likely have little to no immediate effect on the tariffs as the WTO Appellate Body is still unable to operate and the U.S. has argued that the tariffs are justified under U.S. law.

### **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](#).

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

#### **Contracts and Best Practices Seminars – Your interest requested**

This week NAEGA concluded a private Virtual Contracts and Best Practices Seminar. 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. Please let us know when, how and where you would like to participate in the NAEGA Senior Advisor led seminars. [Click here](#) for more information on the in-depth, interactive programs NAEGA conducts!

#### **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](#).

#### **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](mailto:phayden@naega.org).

### ***Calendar & Member Notices:***

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

#### **2020**

##### **October**

- 5 - 6** - DBTG Operational & Technical Conference – Rotterdam, The Netherlands – Hybrid with Virtual participation
- 7** – IGC Webinar - Food demand and grains sector trends after the Covid-19 crisis
- 6-10** – G-20 Meeting - Virtual
- 12** – IGTC Management Council Meeting - Virtual
- 15** – APEC Policy Partnership on Food Security – Virtual
- 27-28** - Global Low-Level Presence Initiative (GLI) 2020 - Virtual

##### **November**

- 3-4** – IGTC General Assembly –Virtual
- 3** - U.S. Presidential Election
- 12** - APEC Annual Meeting - Virtual
- 21-22** – G-20 Annual Summit – Virtual
- 16-19** – Extraordinary Meetings of the Convention on biological diversity (CBD) COP 15 and COP-MOP 10 - Virtual

##### **December**

- TBD** – NAEGA Board of Directors Meeting

#### **2021**

##### **March**

- 14-16** – NAEGA Annual Meeting Alongside NGFA Annual Convention – San Diego, CA

##### **May**

- TBD** – Meeting of the Convention on biological diversity (CBD) COP 15 and COP-MOP 10 - Kunming, China - Tentative

##### **June**

- 7-11** – London Grains Week – London, UK

#### **2022**

##### **December**

- TBD** – COP 16 – CBD – Turkey

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