



Outreach July 19, 2021

Thank you for your membership in and work with NAEGA

NAEGA Media of the Week

Key Points for Agriculture from U.S. President Joe Biden's Executive Order on Promoting Competition

The executive order addresses this issue by:

- **Directs the USDA** to:
 - Consider new rules that make it easier **for farmers to bring and win claims**, **stop chicken processors from exploiting chicken farmers**, and **create anti-retaliations protections for farmers**
 - Consider new rules surrounding **when meat can be labeled "Product of USA"** to ensure more accurate information for consumers
 - Develop a plan that **increases opportunities for farmers** in the form of accessing more markets and receiving reasonable returns
- **Encourages the FTC** to:
 - **Limit the power of equipment manufactures** in restricting consumer's ability to **perform their own repairs or use independent repair shops**

Key issues addressed

- Increased consolidation in various agriculture markets, such as seed, equipment, feed, and fertilizer, which has led to higher prices, fewer options for selling product, and a smaller share of the revenue for independent farmers
- Many companies import meat from outside the US, but are still allowed to label the meat as a "product of USA," so long as the meat is processed in the US; this misleads consumers and makes it more difficult for them to support American farmers
- Many equipment manufacturers use proprietary tools and technology so that customers are forced to return to them for repairs

Key data points

- As of 2019, four seed companies controlled over 60% of the global seed market
- As of 2019, farmer' revenue per dollar spent on raw food commodities has declined to ~15%, on average

Member Notices & Opportunities

- Register Now – Virtual Networking & Information Session – July 20, 2021
- USDA/APHIS Plant Health Technical Bilateral Meetings – July 2021
- U.S. Coast Guard Alternate Security Workshop – September 9, 2021
- Board of Directors Meeting – September 13-14, 2021
- Plant Biotechnology Information Exchange
- U.N. Food Systems Summit

- Contracts and Best Practices Seminars – Your interest requested.

Current & Ongoing Actions

- CFIA Proposes Changes to Canadian Feed Import Requirements
- USDA/APHIS Proposal to Exempt Certain GE Plants from Regulation
- USDA Grain Inspection Advisory Committee

Recent Actions:

- Comments to USDA on U.S. Standards for Wheat
- Egypt Single Window Customs System
- NAEGA Statement on Pesticide Residue Management
- USAEDC Attaché Seminar

News:

- U.S. Executive Order on Promoting Competition in the American Economy
- U.S. Government Launches Ransomware Resource Website
- U.N. Food Systems Summit Pre-Summit

Member Notices & Opportunities:

Register Now – Virtual Networking & Information Session – July 20, 2021

The Virtual Membership Networking & Information Session originally scheduled for June 29 has been rescheduled for July 20. You and any co-workers with an interest in NAEGA are invited and welcome to join the Session, on Tuesday July 20, from 2:00pm-3:00pm Central Time. This session will provide members updates on NAEGA activities, including the NAEGA Plant Biotechnology Information Exchange and will feature a spotlight presentation from non-NAEGA member Bayer Crop Science on glyphosate.

You can [register here](#) or through the [NAEGA Member's Only site](#). Once registered you will be sent the weblink you will need to join the session.

This event is part of a series of NAEGA member exclusive one-hour sessions that we began earlier in 2021 and are holding a least once a month.

All members may be featured during a future networking and information session. If you would like your company to take part in a session as a presenter, or if you have any questions, please let us know.

USDA/APHIS Plant Health Technical Bilateral Meetings – July 2021

Your advice related to upcoming bilateral meetings between the USDA's Animal & Plant Health Inspection Service and its counterparts is welcome. We would like to advise the Phytosanitary Issues Management (PIM) staff at APHIS upcoming virtual Plant Health Technical Bilateral Meetings. Currently plans are being considered for:

July 21 - U.S. - Vietnam

TBD - U.S. - Ecuador

The meetings are an opportunity to acquire, expand, or maintain export and import agricultural markets by:

- Exchanging information about specific commodities.
- Amending current phytosanitary requirements based on updated information.
- Documenting agreements made and next steps.
- Establishing time frames for completion of items/resolution of issues.
- Establishing joint working groups to explore and resolve issues of mutual concern.

U.S. Coast Guard Alternate Security Workshop – September 9, 2021

NAEGA-NGFA Alternative Security Program (ASP) Subscribers are welcome to attend the U.S. Coast Guard's annual Alternative Security Program (ASP) Workshop on Thursday September 9, 2021, at the offices of Witt O'Brien in Washington, DC. NAEGA provides the ASP to help grain export facilities comply with Maritime Transportation Security Act (MTSA). Facilities operated by members in good standing are welcome to subscribe and use the ASP. If you are interested in attending or would like more information on the NAEGA-NGFA ASP, please contact Patrick at phayden@naega.org.

Board of Directors Meeting – September 13-14, 2021

The NAEGA Board of Directors will meet in person at the NAEGA Offices in Arlington, VA on September 13-14, 2021. In advance of this meeting, NAEGA Committees will meet to discuss items of interest and prepare presentations to the Board. More information on the Board and Committee meetings will be releases in the coming weeks. We are looking forward to seeing many of you in person in September!

Plant Biotechnology Information Exchange

NAEGA members are also invited to register to access the Plant Biotechnology Information Exchange (PBIE). Developed by and at the request of membership, the PBIE contains detailed information on commercialized and pre-commercialized gene-edited and transgenic seeds used to produce the crops you use and market. To our knowledge, the PBIE is the first and only platform to contain a searchable database of gene-edited seeds.

Currently, only NAEGA members have access to this unique tool. As part of membership your company is allowed up to 5 unique users for the PBIE at no cost. Member representatives should send the names and email addresses of their company's users to Patrick at phayden@naega.org. He will connect with them individually with login information and guide them in the use of the platform. Please let us know if you have any questions!

U.N Food Systems Summit

Policy Team– Your Involvement Requested!

As we continue to engage with governments and relevant stakeholders on the [U.N. Food Systems Summit \(Summit\)](#), NAEGA is forming a policy team to help guide our efforts. The policy team will be reviewing and you are welcome to comment [on this draft NAEGA statement](#).

Your involvement is requested! As part of the NAEGA Policy Team on the UNFSS, members will work through virtual meetings to help guide our multifaceted effort to promote the positive contribution of the trade of grains and oilseeds to sustainable food systems. We plan to convene the first meeting of this team as soon as we are able. If you or a colleague has an interest in joining this policy team, please contact Gary or Patrick.

Member's Only Document Library

NAEGA has launched a new section of our [Member's Only website dedicated to the U.N. Food Systems Summit](#). In addition to different forms of media and links to outside resources, the page provides access to [a trade document library](#) that is exclusive to NAEGA members. The library was developed with a unique trade policy lens to review documents, declarations and outcomes related to the 2021 UNFSS. There are two "Collections", the first with resources directly linked to the UNFSS, and the second with background pre-UNFSS resources. The library is operationalized by Agriculture Dialogues International (ADI) and is for the use of NAEGA members only. NAEGA members can contact ADI directly through the library website.

Contracts and Best Practices Seminars – Your interest requested

We are now scheduling virtual Contract and Best Practice Seminars for several NAEGA members companies over the next several months. We are also considering virtual and in person **private** (staff from only one company) and **public** (staff from two or more companies). See the calendar below for currently scheduled seminars.

The seminars are an intensive and informative review of commercial and official practices taught in an interactive environment. We recently completed extensive work with Senior Advisors built around a private Virtual Contracts and Best Practices Seminar that included critical review of trade execution documents.

Please let us know when, how and where you would like to participate in the NAEGA Contracts and Best Practice seminars. [Click here](#) for more information on the in-depth, interactive programs NAEGA conducts!

Current & Ongoing Activities:

CFIA Proposes Changes to Canadian Feed Import Requirements

The Canadian Food Inspection Agency (CFIA) has announced a proposed amendment to Canada's feed regulations that would require all grain used for feed, as well as single ingredient grain and oilseed meals feeds, be imported by a license holder or that the products would either need to be registered, or the product manufacturing facility would need to be registered. Feed importers would be required to provide Feed importers will have to provide the following information at the time of import: importer name and address; name and address of person who they received the feed from; country of origin; address of first destination of feed in Canada and description of the feed. The proposed changes [can be found here](#).

Comments are due to CFIA by September 10, 2021 and the Grades & Inspections Committee will be considering this issue. Your input or comments are welcome.

USDA/APHIS Proposal to Exempt Certain GE Plants from Regulation

The U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) [has proposed the addition of three modifications](#) that genetically engineered plants could contain and be exempt from USDA's biotechnology regulations. APHIS describes these modifications as "similar and functionally equivalent to modifications that could otherwise be achieved through conventional breeding." Notable modifications are:

- 1) The same or distinct loss of function mutations in the paternal and maternal alleles of a single gene resulting from repair of a targeted DNA break in the same location on two homologous chromosomes in the absence of a repair template.
- 2) A contiguous deletion or any size generated using an externally provided repair template, on one or two homologous chromosomes.
- 3) A change resulting from repair of two targeted double strand breaks on a chromosome, or at the same location on two homologous chromosomes, when the repair results in a contiguous deletion of any size in the presence or absence of a repair template, or in a contiguous deletion of any size combined with an insertion of DNA in the absence of a repair template.

[The *Federal Register* notice can be found here.](#) APHIS is accepting comments through August 18, 2021 and the Production Technology Committee is considering a response. Your input or comments are welcome.

USDA Grain Inspection Advisory Committee

The U.S. Department of Agriculture, Agriculture Marketing Service (AMS) [is seeking nominations for members of the Grain Inspection Advisory Committee](#). The Committee meets at least once annually to advise AMS on programs and services delivered under the U.S. Grains Standards Act.

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 August 9, 2021

Recent Actions:

Comments on U.S. Standards for Wheat

NAEGA has submitted comments to U.S. Department of Agriculture's Agricultural Marketing Service (USDA/AMS) on U.S. Standards for Wheat under the Grain Standards Act. The comments noted the important role that U.S. standards play in marketing and that changes should only be made if they can be shown to demonstrably improve or correct significant flaws in the existing standards. NAEGA believes the current U.S. Standards for Wheat are meeting their stated purpose and should be retained without change, while indicating support for further research and evaluation. The comments as submitted [can be found here](#).

Egypt Single Window Customs System

Egypt's new single window customs system (NAFEZA) and Advanced Cargo Information (ACI) pre-clearance system are now being implemented. We understand the ambitious project is

intended to create a single point of entry for trade data, eliminating duplicative manual processes by providing the data to all government ministries with responsibilities over imports and cover all imports of goods and commodities. Further NAFEZA window incorporates the ACI.

NAEGA staff attended a US Embassy in Cairo webinar featuring Mr. Gamal Kotb, General Manager of Misr Technology Services (MTS), the public/private company responsible for developing and administering NAFEZA. MTS has begun rolling out the NAFEZA for imports of some products and **all imported goods are subject to the online digitized information management system on October 1, 2021.**

IMPORTANTLY exporters to Egypt may need to register on CargoX to be a verified supplier in the ACI. CargoX is a blockchain system that automates “know your customer” requirements to establish a verified supplier identifier. Subsequent imports of goods are then inputted via the use of the CargoX token for the company and that information will, in turn become available to government agencies for their review. Consulting with brokers, agents and/or counsel for guidance on becoming a verified supplier and complying with the new single window requirements may be advisable. We understand:

- The obligations to register fall to “importers of record,” which include CIF sellers, but not necessarily FOB sellers.
- The system does not currently accommodate electronic Letters of Credit or Bills of Lading, but they are looking into such functionality for the future.
- 25,000 foreign suppliers have already registered on ACI, including 85 multinational corporations.

NAEGA will continue to monitor the implementation of the single window and report on any further developments. We stand ready to assist. Your advice and concerns are welcome.

NAEGA Statement on Pesticide Residue Management

NAEGA has issued a policy statement on Pesticide Residue Management. The statement notes that the management of pesticide residues, including the use of Maximum Residue Levels (MRLs) play an important role in providing for safe grains, feed and oilseeds entering the food value chain, and that NAEGA member’s commitment to providing for safe product is achieved by working to support strict compliance with pesticide residue management regulations. The statement also notes that “changing and uncertain policy governing pesticide residues often are inconsistent with best practice and are not harmonized. The associated uncertainty and trade distortion, negatively impacts supply chains for the products NAEGA member’s ship.”

NAEGA believes that products from countries with proven and effective safety regimes for pesticides, such as the U.S. and Canada, should be accepted globally for import and if import MRLs are used, the applied MRLs should be consistent with the national MRLs in the export market - not necessarily the MRLs applied to domestic production in import markets. Additionally, supplies from any country should not be subject to import MRL regimes that are not established with strong science risk assessment, and least trade distortive measures. The statement stresses NAEGA’s commitment to encouraging governments to adopt a science-based approach to MRLs in global, regional and bilateral agreements impacting trade and support of the use of Codex

Alimentarius Commission's international food standards, where appropriate, to help standardize food safety as well as fairness among agricultural importers and exporters.

The complete statement [can be found here](#).

USAEDC Attaché Seminar

On Thursday, July 8, NAEGA staff attended the 2021 U.S. Agricultural Export Development Council Attaché Seminar which took place via virtual meeting. Unlike previous years, consultation between Staff and USDA Foreign Agriculture Service (FAS) officers took place in the two months leading up to the July 8 event. Staff met virtually with FAS posts in Brazil, China, Japan and South Korea Italy, Egypt and Kenya, to discuss NAEGA and IGTC policy files as well as discuss country-specific agricultural issues. During the July 8th seminar, speakers included U.S. Secretary of Agriculture Tom Vilsack; Jason Hafemeister, Acting Deputy Under Secretary for Trade and Foreign Agricultural Affairs at USDA; and Dr. Julie Callahan, Assistant U.S. Trade Representative for Agricultural Affairs and Commodity Policy at USTR to provide updates and insight into the current status and future of U.S. agricultural trade.

For more information about NAEGA's involvement at the USAEDC contact Staff

News:

U.S. Executive Order on Promoting Competition in the American Economy

U.S. President Joe Biden [has issued an Executive Order \(EO\) on Promoting Competition in the American Economy](#). The EO is intended to promote fair competition in the American economy. Of note, the EO specifically references consolidation in the agriculture industry, noting that "Farmers are squeezed between concentrated market power in the agricultural input industries — seed, fertilizer, feed, and equipment suppliers — and concentrated market power in the channels for selling agricultural products". The EO also addresses consolidation in the maritime shipping industry, suggesting that such consolidation may disadvantage U.S. exporters and encourages the Federal Maritime Commission (FMC) "to ensure vigorous enforcement against shippers charging American exporters exorbitant charges and to "consider further rulemaking to improve detention and demurrage practices and enforcement of related Shipping Act prohibitions."

U.S. Government Launches Ransomware Resource Website

The [U.S. Government has announced](#) that the U.S. Department of Homeland Security (DHS) and the U.S. Department of Justice (DOJ), together with federal partners, have launched a new website to combat the threat of ransomware. [StopRansomware.gov](#) "establishes a one-stop hub for ransomware resources for individuals, businesses, and other organizations." The new site is a collaborative effort across the federal government and the first joint website created to help private and public organizations mitigate their ransomware risk. new resources and initiatives to protect American businesses and communities from ransomware attacks. DHS and DOJ notes that ransomware attacks continue to rise and that business and that around \$350 million in ransom was paid in 2020, a more than 300% increase from 2019, and that there have already been multiple notable ransomware attacks in 2021. [StopRansomware.gov](#) is designed to help organizations take simple steps to protect their networks and respond to ransomware incidents, while providing

enterprise-level information technology (IT) teams the technical resources to reduce their ransomware risk.

U.N Food Systems Summit Pre-Summit

The U.N. Food Systems Summit Pre-Summit will occur virtually and in Rome, Italy from July 26-28. Ahead of the Pre-Summit, a Food Systems Summit Business “Business Declaration on Food Systems Transformation” was released which will be the focus of the business session during the Summit. Registration for the Pre-Summit is open and free to anyone with an interest. An agenda is [available here](#) and the [registration portal is here](#).

Calendar & Member Notices:

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

2021

July

- 20** – NAEGA Membership Networking & Information Session - Virtual
- 21** - U.S.-Viet Nam Plant Health Bilateral Meeting, virtual, July 21
- 26-28** – U.N. Food Systems Summit Pre-Summit Events – Rome, Italy & Virtual
- TBD** - U.S. - Ecuador Plant Health Bilateral Meeting

August

- 9** – Application for USDA Grain Inspection Advisory Committee Due
- TBD** - Private Virtual NAEGA Contracts and Best Practices Seminar

September

- 14**– NAEGA Board of Directors Meeting – Arlington, VA
- 24** - U.N. Food Systems Summit

October

- 11-24** – Meeting of the Convention on biological diversity (CBD) COP 15 and COP-MOP 10 - Kunming, China - Tentative
- 30-31** – G-20 Summit – Rome, Italy

November

- 15-18** – USAEDC Annual Workshop – Baltimore, MD
- 29** - 12th WTO Ministerial Conference – Geneva, Switzerland

2022

March

- 13-15** – NGFA Annual Convention – Charleston, SC

December

- TBD** – COP 16 – CBD – Turkey

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