



Outreach

September 7, 2021

Thank you for your membership in and work with NAEGA

NAEGA Media of the Week

Key Trade Provisions in the U.S. Bipartisan Infrastructure Bill

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| <p>1</p> <h4>Investment in ports</h4> <ul style="list-style-type: none">▪ \$17 billion of spending in the Investment Infrastructure and Jobs Act will go towards ports▪ Half of this sum will be allocated to the Army Corps of Engineers for port infrastructure▪ The pandemic has significantly disrupted port operations; ships are facing steady delays at ports across the United States | <p>2</p> <h4>Investment in airports</h4> <ul style="list-style-type: none">▪ \$25 billion of spending in the bill will go to improving and expanding US airports▪ \$15 billion of this amount will be distributed via "airport infrastructure grants" through 2030▪ \$5 billion from the total will be reserved for air traffic control towers and systems▪ The remaining \$5 billion will be set aside for airport terminal development projects | <p>3</p> <h4>Build America, Buy America Act</h4> <ul style="list-style-type: none">▪ The bill includes the Build America, Buy America Act▪ Rather than facilitating trade, this legislation attempts to lower it, forcing federal agencies to purchase products made in the US for infrastructure projects▪ Agencies can get a waiver when buying American products isn't in the public interest |
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SOURCE: Investopedia, Financial Times, Congress.gov, Senator Brown.

Member Notices & Opportunities

- Hurricane Ida
- NAEGA Contracts Committee Meeting – September 7, 2021
- NAEGA Member Exclusive Contracts and Best Practices Seminar – September 8, 2021
- U.S. Coast Guard Alternate Security Workshop – Postponed
- Board of Directors Meeting – Postponed
- Plant Biotechnology Information Exchange
- U.N. Food Systems Summit
- USDA/APHIS Bulletin on Asian Gypsy Moth Inspections

- Contracts and Best Practices Seminars – Your interest requested.

Current & Ongoing Actions

- CFIA Proposes Changes to Canadian Feed Import Requirements
- CFIA Draft Guidance on Seeds Regulations
- USDA/APHIS Draft Guide to Submitting an RSR

Recent Actions:

- USDA/APHIS Proposal to Exempt Certain GE Plants from Regulation
- NAEGA Committee Meetings
- Egypt Single Window Customs System

News:

- U.S.-China Trade
- USDA Undersecretary for Marketing and Regulatory Programs Confirmed
- WTO Report on 2020 SPS Measures

Member Notices & Opportunities:

Hurricane Ida

In the aftermath of Hurricane Ida we want to extend our support to all impacted.

IMPORTANTLY, we have been informed that Clause 20 of the NAEGA 2 FOB Model Contract has been invoked by several sellers.

Clause 20 applies when delivery of a commodity, or any part thereof, is prevented at an elevator or port, or the forwarding of the commodity to the elevator or port is prevented by the following:

1. Riots, strikes, lockouts, interruptions in or stoppages of the normal course of labor;
2. Embargoes or exceptional impediments to transportation; or
3. Action by Federal, State or Local government or authority.

NAEGA considers certifying the validity and duration of cause under Clause 20 when an application is submitted by the seller. [Guidelines found through this link](#) provide for further details on the Clause 20 process.

The multiple circumstances related to Hurricane Ida, including navigation, facility condition and electric power, are often integral to consideration of certification.

In addition to Clause 20 considerations, we remind users that the standard provisions of the NAEGA 2 provide that any disputes are governed by New York law and subject to arbitration under the rules and procedures of the [American Arbitration Association's International Center for Dispute Resolution](#).

Please contact NAEGA staff if you have any questions or concerns.

NAEGA Contracts Committee Meeting

NAEGA's Contracts Committee will meet today, Tuesday, September 7 at 2pm Central Time to discuss items of interest and prepare reports. If you are not a member of one of the committee and would like more information on their activities, please contact Patrick (phayden@naega.org) or Gary (gcmartin@naega.org).

NAEGA Member Exclusive Contracts and Best Practices Seminar – September 8, 2021

All NAEGA member personnel are invited and welcome to participate in a virtual Contracts and Best Practices Seminar on Wednesday, September 8. Due to strong interest and to ensure those who have had to alter plans due to the impact of Hurricane Ida, we will be scheduling a second virtual seminar in the near future. Additionally, we will make edited video of the September 8th session available on the NAEGA website.

NAEGA staff along with Senior Advisors Sam Bonilla and Tom Erickson will review and discuss the NAEGA 2 Model Contract. The interactive virtual seminar will take place between 10am-3:30pm Central time with the following agenda:

- 10:00am-12:30pm Central: Review of NAEGA II and addendum 1 (we plan to complete discussion of Clauses 1-8 at a minimum)
- 12:30pm Central: offline 30-minute break
- 1:00pm-3:30pm Central: Complete Review of NAEGA II Addendum 1

This Seminar is provided to NAEGA members as a service. NAEGA member personnel are welcome and there is no cost to attend.

We strongly recommend participation via the Microsoft Teams app.

Please [register here](#) or here on the [NAEGA Member's Only site](#). Registrants receive an e-calendar notice, the weblink to join the Seminar and a .pdf version of the Contract Seminar Sourcebook we will refer to during the seminar.

U.S. Coast Guard Alternate Security Workshop – Postponed

The U.S. Coast Guard plans to reschedule its annual Alternative Security Program (ASP) Workshop previously scheduled for on Thursday September 9, 2021. When the in-person meeting is rescheduled, we will let you know. NAEGA works with the USCG to administer the ASP to support compliance with the U.S. Maritime Transportation Security Act (MTSA). Grain export facilities operated by members in good standing are welcome to subscribe and use the ASP. If you would like more information on the ASP, please contact Patrick at phayden@naega.org.

Board of Directors in Person Meeting – Postponed

The NAEGA Board of Directors plans meet on September 13th and 14th have changed We hope to reschedule an in-person meeting in the DC area for later this year. We regret any inconvenience from the postponement of the in-person meeting. The combination of restrictions, cancellations, closings, and concern related to COVID 19, lack of key appointments by the Biden Administration and the ramifications from Hurricane Ida prompted this decision.

In person meetings with officials like the yet be nominated Chief Ag. Negotiator at USTR and Undersecretary for Farm and Foreign Agriculture Services at USDA as well as networking with colleagues located in the DC area are included in our objectives. We are currently looking at dates the weeks of November 8th, 15th, and 22nd.

Plant Biotechnology Information Exchange

The NAEGA Plant Biotechnology Information Exchange (PBIE) continues to be improved and updated and open to NAEGA members. 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. To gain access NAEGA Member representatives send the names and email addresses of designated company users to Patrick at phayden@naega.org. Each designated person is provided unique login information and instructions on use of the platform. Please let us know if you have any questions!

U.N Food Systems Summit

Policy Team– Your Involvement Requested!

Our policy team continues to engage with governments and relevant stakeholders on the [U.N. Food Systems Summit \(Summit\)](#). The policy team will be updating 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 trade in 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's U.N. Food Systems Summit \(UNFSS\) Library](#) has been updated to include four collections of documents relevant to the UNFSS, scheduled to take place on September 23, 2021. The collections include:

1. Modern agriculture and trade resources specifically mentioning UNFSS 2021
2. UNFSS Pre-Summit 26-28 July 2021 - resources and analysis
3. Background Library, tracking the origins of UNFSS Game Changers and other proposals
4. COP26 - 2021 United Nations Climate Change Conference

A briefing for NAEGA members on the activities leading up to the UNFSS [can be found here](#). A comprehensive report on the development of the library and recommendations for future action have been posted on the [NAEGA Member's Only UNFSS](#) page along with background documentation on the project. NAEGA will continue to update the library and report on outcomes from the UNFSS and other initiatives related to food systems through the end of the year.

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) 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 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 is now vetting the proposed change. Your input or comments are welcome.

CFIA Draft Guidance on Seeds Regulations

The Canadian Food Inspection Agency (CFIA) [released draft guidance](#) for determining whether a plant is subject to Part V of the Canadian *Seeds Regulations*. Part V of the *Seeds Regulations* provides a mechanism to verify that the release of new plant does not have a negative impact on the Canadian environment or human health. The draft guidance is designed to assist in determining whether a plant is subject to Part V.

Comments are due to CFIA by September 16, 2021, and the Production Technology Committee is considering a response. Your input or comments are welcome.

USDA/APHIS Draft Guide to Submitting an RSR

USDA's Animal & Plant Health Inspection Service (APHIS) [released a draft guide](#) detailing the information requirements and process for submitting a Regulatory Status Review (RSR) request, which determines the regulatory status of a plant developed using genetic engineering and is seeking public comment. APHIS will also host a webinar to provide an overview of the draft RSR guide on September 21, 2021 from 3-4pm Eastern. You may register to attend the webinar here: <https://www.aphis.usda.gov/aphis/ourfocus/biotechnology/meetings>

Comments are due to APHIS on October 25, 2021. The Production Technology Committee is considering a response. Your input or comments are welcome. Please review the draft guide and let us know if you have any comments or concerns.

Recent Actions:

Comments on USDA/APHIS Proposal to Exempt Certain GE Plants from Regulation

NAEGA and the National Grain and Feed Association (NGFA) submitted comments to USDA's Animal & Plant Health Inspection Service (APHIS) recommending that APHIS not add additional regulatory exemptions for plants derived from gene editing.

The proposed exemptions would fall under 7 CFR Part 340, the so-called "SECURE" rule. We state that current SECURE rule does not meet obligation of APHIS to protect the health and economic value of U.S. agriculture as it does not protect and advance access to markets. The rule allows tech providers to "self-determine" whether their plants are exempt from APHIS regulatory oversight making it possible for genetically engineered plants to be on in the market that are not recognized by USDA or the remainder of the food value chain. A significant risk for consumer transparency and trust, undermining the health and economic value of U.S. agriculture results. The comments as submitted [can be found here](#).

NAEGA Committee Meetings

The NAEGA Grades & Inspections Committee met on Tuesday, August 24 and the Production Technology Committee met on Wednesday, September 4, respectively, to discuss key issues facing the industry and develop reports. Background materials are available on the NAEGA Member's Only website. If you are not a member of these Committees and would like information on joining, please contact NAEGA staff (Patrick Hayden, phayden@naega.org and Gary Martin, gcmartin@naega.org).

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.

News:

USDA/FGIS Formula to Calculate the Supervision of Official Agencies Fees

USDA’s Agricultural Marketing Service (AMS) [published a final rule](#) to implement a standardized formula for calculating Federal Grain Inspection Service (FGIS) supervision fees. The change will enable FGIS to adjust supervision fees annually to maintain an appropriate operating reserve as required by the United States Grain Standards Act (USGSA).

In April of this year, NAEGA and NGFA submitted a joint statement, commending FGIS for incorporating our recommendations, beginning in 2016, of suspending the Supervision of Official Agency fees until the reserve trigger of 4.5 is reached. The statement fully supported the adoption of the proposed formula that AMS has now adopted.

The new rule goes into effect on October 1, 2021 (the beginning of FY 22). The fees for FY22 will be based on the 5-year rolling average of the amount of grain officially inspected and weighed in FY16-FY20 by delegated States and Officially designated agencies.

USDA/APHIS Bulletin on Asian Gypsy Moth Inspections

USDA’s Animal & Plant Health Inspection Service [has issued a mid-season bulletin](#) regarding Asian Gypsy Moth (AGM) inspections in foreign ports. The bulletin responds to reports that AGM inspections may not be available in some foreign ports due to COVID-19 restrictions on boarding vessels. Instructions for marine vessels entering United States ports which have called upon areas regulated for AGM and been refused an AGM inspection are included.

Calendar & Member Notices:

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

September

7 – NAEGA Contracts Committee Meeting

8 - NAEGA Member Exclusive Virtual Contract & Best Practices Seminar

9 – IGC Independent UNFSS dialogue: Resilience of the Grains Trade for the Benefit of the Global Food System - Virtual

- 17 – USDA/FAS Thailand and Vietnam Spotlight - Virtual
- 20-24 – USDA/FAS Europe Micro Regional Conference - Virtual
- 21 – USDA/APHIS Technical Webinar on Draft Regulatory Status Review Guide
- 23 - U.N. Food Systems Summit – New York, NY

October

- 11-15 – Meeting of the Convention on Biological Diversity (CBD) COP 15 and COP-MOP 10 – Part 1 - Virtual
- 18-23 – Potential NAEGA Regional Event in the U.S. Pacific Northwest
- 30-31 – G-20 Summit – Rome, Italy

November

- TBD – NAEGA Board of Directors Meeting
- 15-18 – USAEDC Annual Workshop – Baltimore, MD
- 16 – IGTC General Assembly
- 29 - 12th WTO Ministerial Conference – Geneva, Switzerland

2022

March

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

April

- 25 - May 8 – Meeting of the Convention on biological diversity (CBD) COP 15 and COP-MOP 10 – Part 2 - Kunming, China

December

- TBD – COP 16 – CBD – Turkey

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