

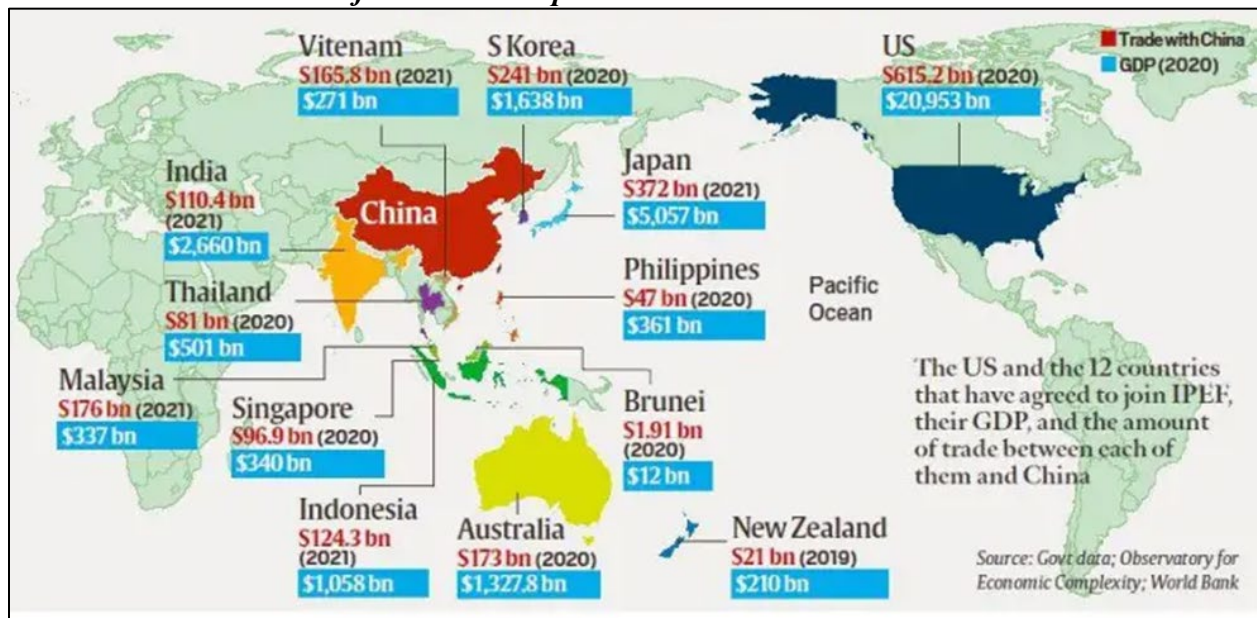


Outreach

May 31, 2022

Thank you for your membership in and work with NAEGA

Media of the Week: GDP of IPEF Participants and their Trade with China



Source: World Bank, Forum IAS

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Member Notices & Opportunities:

Compliance Considerations for Russia Sanctions

Governments around the globe continue to issue economic sanctions against Russia, its central bank and financial sector, as well as numerous individuals close to and including Russian President Vladimir Putin in the wake of the Russian invasion of Ukraine. Exporters from all origins must contend with increased compliance obligations that may affect commercial operations. Members are reminded that violations of sanctions can occur in various places in an export contract from the direct counterparty to indirect counterparties, vessels, vessel owners/charterers and financial institutions.

The U.S. Treasury's Office of Foreign Asset Control (OFAC) issued a fact sheet entitled "Preserving Agricultural Trade, Access to Communication, and Other Support to Those Impacted by Russia's War Against Ukraine". OFAC states that U.S. sanctions issued in response to Russia's invasion of Ukraine "do not stand in the way of, agricultural and medical exports, nongovernmental organization (NGO) activities, Coronavirus Disease 2019 (COVID-19) relief, the free flow of information, humanitarian assistance, and other support to people impacted by Russia's war". The document, [found here](#), offers guidance to the Trade on navigating OFAC sanctions and General Licenses.

NAEGA will continue to monitor government actions related to sanctions, most notably those of the United States and Canada as they may have more direct implications on exports from North America. Additional U.S. sanctions information from the OFAC can be [found through this link](#). Canadian sanction information [can be found here](#).

IGTC London Grains Week Events – June 6-7, 2022

NAEGA members are invited to register to join us virtually on June 6-7, 2022 for the International Grain Trade Coalition's (IGTC) meetings taking place alongside the International Grains

Council's 2022 Conference. Registration is required for the IGTC meetings [and can be found through this link](#). There is no charge for attendance.

Monday, June 6:

The following IGTC meetings have been scheduled on June 6 with virtual option provided. All times below are British Summer Time (BST):

- **8:15-9:00am:** Phytosanitary Issues
- **9:30-10:15am:** Maximum Residue Levels
- **10:15-11:00am:** Low Level Presence
- **11:15am-12:00pm:** Cartagena Biosafety Protocol
- **12:15-1:00pm:** Plant Breeding Innovation
- **2:00-4:30pm:** IGTC Strategy Session.
- **4:30-5:15pm:** Electronic Trading Documentation Working Group Meeting.

Tuesday June 7:

IGTC will host a Global conversation on Glyphosate over lunch with Bayer Crop Science. In person participation will be on INVITE ONLY. There is no restriction in numbers on virtual participation. [Please register here](#) for participation in the Global conversation on Glyphosate virtually via MS Teams.

If you have any questions, please reach out to Patrick or Gary.

U.S. Agricultural Export Development Council FAS Attaché Seminar – July 13-14, 2022

NAEGA members are invited to join NAEGA staff at the U.S. Agriculture Export Development Council's (USAEDC) annual Attaché Seminar and Workshop on July 13-14 at the Hilton McLean Tysons Corner in McLean, VA. An agenda has not yet been released. USAEDC will be hosting its "speed dating" session between cooperators and USDA FAS attaches. The seminar is being held in-person for the first time since 2019. USAEDC is not offering a virtual option.

Online registration and a preliminary agenda will be available soon. If you have an interest in attending, please contact Gary or Patrick.

U.S.-Canada Grain Trade Website

The modernized U.S.-Canada Grain Trade Resources website can be found at <https://uscanadagrainsite.org/>. This website, initially launched in 2012 during the implementation of Canada's Marketing Freedom for Grain Farmers Act, is updated and modernized to reflect the impact of the U.S.-Mexico-Canada Agreement, as well as other developments, on the cross-border grain trade between the U.S and Canada. The site contains question and answer modules for [American](#) and [Canadian](#) grain producers, as well as the [commercial grain trade](#), and will be updated regularly. Users are encouraged to review the modules and submit additional questions, which may be included in future updates.

Trade and Global Food Security Library

NAEGA's has renamed the U.N. Food Systems Summit (UNFSS) Library the Trade and Global Food Security Library to reflect a new focus on assembling resources related to other international processes of impact to international agriculture trade and investment. The UNFSS resources

remain, and a collection entitled “Food security: Facts, opportunities and challenges” has been added.

The Library is constantly being updated with reports on initiatives related to food systems, trade and global food security as well as outcomes from the UNFSS. Recent entries include several new documents and resources from the APPAMEX-NAEGA forum and an address by the U.N. Secretary General on food security and conflict.

NAEGA members can access the Library [through this link](#) or through [the Trade and Global Food Security](#) page on the NAEGA website. If you have a NAEGA Member’s Only website login, you should not have any issues accessing the site at its new address. If you need login credentials, or are having any trouble logging in, please let Patrick know.

Plant Biotechnology Information Exchange

The [NAEGA Plant Biotechnology Information Exchange \(PBIE\)](#) continues to be improved and updated. Your feedback is welcome! 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 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!

Contracts and Best Practices Seminars

You can now view all or individual segments of the recently curated video from the seminar held on Wednesday, September 8, 2021. The recording of the session has been edited into two two-hour videos which have been posted to the NAEGA Member’s Only website. Your comments about the utility of the digital content on the Website as well as advice and questions about the NAEGA 2 Contract are welcome – please use this new email address for comments and questions: MemberQuestions@naega.org.

NAEGA seminars can be conducted in-person and / or virtually. A private in-person seminar was held recently and both in-person **private** (staff from only one company) and **public** (staff from two or more companies) are being scheduled in 2022. Given the strong attendance and interest from Members, we expect to hold another public virtual seminar in 2022.

The seminars are much valued NAEGA member service. The intensive and informative reviews of commercial and official practices include interaction with all participants.

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!

Recent Actions:

2023 Unified Export Strategy

On Friday, June 20, NAEGA submitted a 2023 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 2023 program year. The 2023 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 impact of the Russian invasion of Ukraine on food security, inflation, global efforts towards decarbonization, the continued threat of COVID-19 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 2022. A copy of the 2023 UES application [can be found here](#). For more information, please contact NAEGA staff

APPAMEX- NAEGA Forum

NAEGA President & CEO Gary C. Martin attended and took part in the 27th APPAMEX-NAEGA Forum took place on May 19-21 in Puerto Vallarta, Mexico. The Forum featured presentations and updates on international grain and oilseeds markets and discussion on the future of North American agricultural trade, including Mexico's approach to biotechnology, the e-Phyto solution and the impact of the U.S.-Mexico-Canada agreement. Gary also had the opportunity to consult with U.S. and Mexican government and private sector thought and decision leaders on key issues impacting U.S-Mexico trade. A full trip report will be available soon.

NAEGA-NGFA New Orleans Regional Industry Workshop

NAEGA and the National Grain and Feed Association (NGFA) co-hosted an in-person regional industry workshop, on May 25, 2022 in Kenner, Louisiana. Presenters included Associated Branch Pilots, National Cargo Bureau, USDA's Animal & Plant Health Inspection Service and Federal Grain Inspection Service, the U.S. Army Corp of Engineers, U.S. Food & Drug Administration, and the U.S. Coast Guard. Copies of the presentations, as well as selected video will be posted to the [Grades and Inspections Committee page of the NAEGA Member's Only website](#).

NAEGA and NGFA thank Russell Marine Group and SGS for their sponsorship of this event.

Report on Decarbonization and the Future of the Grain Trade

A report prepared for NAEGA entitled "Building a Carbon Expertise: Important Considerations for the Future of Grain Trade" [is now available to view here](#). The report, commissioned as part of NAEGA's 2021 Unified Export Strategy, reviews current policy and market debates and responses to climate change and decarbonization and highlighted several that may have more direct effects on trade flows and the economics of agri-bulk exports. Findings in the report were include in NAEGA's 2023 UES application and will be considered as NAEGA develops an approach to addressing sustainability and decarbonization efforts.

Current & Ongoing Actions

Australia MRL Harmonization Proposal

The Food Standards Australia New Zealand (FSANZ)'s issued a call for requests for its 2022 MRL harmonization proposal, [which can be found here](#). FSANZ issues this request for submissions once per year and will only accept submissions for MRLs to be established/changed on products where trade is already occurring or an opening of the Australian market is currently being considered. [The MRL proposals page on the FSANZ website](#) provides guidance on which MRLs are being considered.

NAEGA's Production Technology Committee is considering a response and your advice is welcome. NAEGA members are welcome to submit harmonization requests on their own. Completed harmonization requests are due by 6pm Eastern time on Thursday, July 28, 2022. Please contact Patrick & Gary for more information.

U.S. ITC Request for Comments Impact of Section 232 and 301 Tariffs

At the request of the U.S. Congress, the U.S. International Trade Commission (ITC) is conducting a fact-finding investigation on U.S. trade, production, and prices in the industries directly and most affected by the Section 232 and Section 301 tariffs that were in effect as of March 15, 2022. A public hearing in connection with this investigation will be held beginning at on Thursday July 21, 2022, and written comments are due on August 24, 2022. The notice from ITC [can be found here](#).

NAEGA is considering a response and your advice is welcome.

USDA/APHIS Changes to Phytosanitary Certificates

Late in 2021, APHIS began to make changes to its phytosanitary certificates (PCs) issuing practices consistent with the movement to a digital environment. On January 1, 2022 APHIS instituted a "plain paper" system. The Phytosanitary Certificate Issuance and Tracking System (PCIT) instructs users to print one original PC and verified copies on plain white paper. Both the original and copies include a "shippers original" label. Prior to this change, users printing PCs from PCIT would use special security paper, which included color, seals and watermarks, among other methods to provide for version control for the printing of the original PC. APHIS explained this transition to plain paper [in this November, 2021 notification to the WTO](#).

As is often the case with transitions, especially with respect to digitization of documents, NAEGA members have experienced some lack of understanding by counterparts. We were notified of at a least one major bank and some foreign governments refusing to recognize plain paper PCs. Some wet signature PCs, signed in blue ink, have faced issues due to the lack of security paper.

We are working with APHIS and continue to support their initiative.

We are focusing on communication and mitigation. Please let us know if you have a concern or experiencing a disruption of trade. Detailed information, including the specifics of who and where the concern originated from, is appreciated.

News:

IAG-IPPC Workshop – Guatemala

The ePhyto Solution Industry Advisory Group (IAG) , of which the International Grain Trade Coalition is co-Chair, and the International Plant Protection Convention (IPPC) Secretariat will hold their next virtual industry workshop with the National Plant Protection Organization (NPPO) of Guatemala on June 12, 2022. IGTC’s role in these workshops has been to co-chair the meetings, ensure industry presence from plant product sectors, and assist with logistics. The Guatemala workshop will provide an opportunity to advise Guatemala on the exchange of phytosanitary certificates faster, more secure, and more supportive of the global trade of plant products.

Indo-Pacific Economic Framework

U.S. President Joe Biden [formally introduced the Indo-Pacific Economic Framework \(IPEF\)](#) during his recent Asia tour. The IPEF is not a free trade agreement but has been [described by observers](#) as a “loosely defined economic bloc meant to counter China’s dominance and reassert American influence in the region”, as well as the Biden Administration’s answer to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CP-TPP), which the U.S. dropped out of in 2017.

The Framework, which includes trade and supply chain pillars, currently has 13 members: Australia, Brunei, India, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Thailand, the United States and Vietnam. This represents about 40 percent of the world economy. The IPEF includes a number of countries that are also part of the China-led Regional Comprehensive Economic Partnership (RCEP), which the IPEF is designed in part to counter.

U.S.-E.U. Trade and Technology Council

The U.S.-EU Trade and Technology Council (TTC) [held its second ministerial meeting in Paris, France on May 15-16, 2022](#). U.S. Secretary of State Antony J. Blinken, Secretary of Commerce Gina Raimondo, and United States Trade Representative Katherine Tai were joined by European Commission Executive Vice Presidents Margrethe Vestager and European Commissioner for Trade Valdis Dombrovskis to review progress, meet with a range of U.S. and EU stakeholders, and advance Transatlantic cooperation and democratic approaches to trade, technology, and security.

The ministerial meeting produced a pledge to “cooperate and coordinate...approaches to (food security)” in the wake of the Russian invasion of Ukraine. [Mr. Dombrovskis noted following the meeting](#) that the “corresponding increase in food prices and concerns about food security, countries are starting to take export restrictive measures... which can only actually aggravate the problem”. No formal agreement was made, but some observers have noted that this is a change in the EU’s position.

Calendar & Member Notices:

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

2022

June

6 – 9 – IGTC Meetings (Virtual and In-person) and IGC Annual Conference in London, UK
12 – IAG-IPPC Workshop – Guatemala

July

13-14 - U.S. Agricultural Export Development FAS Attaché Seminar – McLean, VA
TBD – NAEGA/NGFA Regional Industry Workshop – Great Lakes Region/Virtual

September

15– NAEGA Board of Directors and Committee Meetings – Washington, DC/Arlington, VA
21-23 – Inaugural International Plant Health Conference – London, UK

October

TBD – NAEGA/NGFA Regional Industry Workshop – Vancouver, WA/Virtual

November

TBD – IGTC General Assembly
17-18 – U.S. Agricultural Export Development Council Annual Workshop – Baltimore, MD

December

TBD – COP 16 – CBD – Turkey

2023

March

21-21 – NGFA 2023 Convention - La Quinta, California

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