



National Grain and Feed  
Association



North American Export  
Grain Association

1250 Eye Street, N.W., Suite 1003, Washington, D.C., 20005-3922  
NGFA: (202) 289-0873 NAEGA: (202) 682-4030

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July 5, 2012

Desk Officer for Agriculture  
Office of Information and Regulatory Affairs  
White House Office of Management and Budget  
Washington, D.C.

Departmental Clearance Office  
U.S. Department of Agriculture  
OCIO, Mail Stop 7602  
Washington, D.C., 20250-7602

**Re: *Request for Comments on End-Use Certificate Program***  
***OMB Control Number: 0560-0151***

Dear Sir/Madam:

The National Grain and Feed Association (NGFA) and North American Export Grain Association (NAEGA) submit this joint statement urging the discontinuation – effective August 1, 2012 – of the End-Use Certificate Program administered by the U.S. Department of Agriculture’s Farm Service Agency, in response to the notice published in the June 4, 2012 Federal Register requesting comments on this information-collection request.

The NGFA is comprised of 1,050 member companies that operate more than 7,000 facilities and handle more than 70 percent of the U.S. grain and oilseed crop. NGFA membership encompasses all sectors of the industry, including country, terminal and export grain elevators; commercial feed operations; biofuel producers; cash grain and feed merchants; end-users of grain and grain products including processors, flour millers, and livestock and poultry integrators; commodity futures brokers and commission merchants; and allied industries.

NAEGA, a not-for-profit trade association established in 1912, consists of private and publicly owned companies and farmer-owned cooperatives that are involved in and provide services to the bulk grain and oilseed exporting industry. NAEGA’s mission is to promote and sustain the development of commercial export of grain and oilseeds and their primary products. Through a reliance on member action and support, NAEGA acts to accomplish its mission from its office in Washington D.C., and in markets throughout the world.

Effective August 1, 2012, the Canadian Wheat Board (CWB) no longer will issue export licenses for shipments of Canadian wheat and barley, including products derived therefrom, exported from Canada to the United States and other foreign countries. As noted in the attached Customs Notice 12-019 issued by the Canada Border Services Agency, this policy change results

from legislation passed by the Federal Government of Canada in December 2011 that changed significantly the CWB's mandate. With passage of the Canadian Wheat Board (*Interim Operations*) Act, all types of export licenses currently managed by the CWB – including special licenses issued on an *ad hoc* basis, no longer will be issued by the CWB.

In addition, the NGFA and NAEGA have been informed by Canadian authorities that the Canadian government intends to notify their U.S. government counterparts that it will discontinue its end-use certificate requirements for U.S. wheat exported to Canada on or about August 1, 2012. Existing U.S. regulations [7 C.F.R. Part 782 Section 782.11] obligate the United States to suspend its end-use certificate requirement within 30 calendar days following the date Canada eliminates its end-use certificate requirement on imports of U.S. commodities.

Thus, the pending end of the Canadian Wheat Board's export monopoly control and its forthcoming notification eliminating the end-use requirement for U.S. wheat legally obligate the United States to likewise suspend its end-use certificate requirements currently applying to U.S. importers of record of Canadian wheat and barley. On these grounds alone, the continuation of this information-collection request must be denied, and the current collection discontinued.

The end-use certificate requirement as imposed by USDA – and expanded in March 1999 to require collection of additional data such as the grade, protein and moisture content, dockage and date of sale – have been intended at least in large part to make more transparent – the activities and pricing practices of the Canadian Wheat Board. In its March 16, 1999 end-use certificate final rule, USDA expressly stated that the information-collection expansion was driven by the desire to “mitigate some of the misinformation and misunderstanding surrounding the Canadian Wheat Board's sales into the United States.” USDA further noted that, “in response to previous requests from the United States for this type of information, Canadian officials have encouraged the United States to use its own data-gathering sources.” That rationale, too, no longer exists.

Finally, the end-use certificate requirement is unnecessary and redundant given:

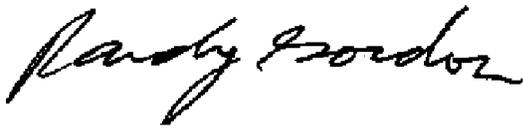
- The U.S. Customs and Border Protection's (CBP) harmonized schedule of customs declarations, which already require Canadian exporters to declare and provide information on wheat and barley exported to the United States;
- The prior-notice requirements under the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Bioterrorism Act), under which all importers of agricultural commodities intended for use as food (*which encompasses all food for humans and animals, as defined under the federal Food, Drug and Cosmetic Act*) are to provide electronic notification to the Food and Drug Administration using CBP's Automated Broker Interface/Automated Commercial System (ABI/ACS) or FDA's Prior Notice System before such products enter the United States; and
- Domestic-origin recordkeeping long required by USDA of grain warehouses that sell grain or processed commodities to USDA for export or other purposes to protect the sanctity of these programs. These records routinely are reviewed by USDA warehouse

examiners as part of their regular examination procedures. USDA has provided no evidence that imported Canadian wheat has ever received assistance under U.S. export programs, including prior to implementation of the end-use certificate requirement.

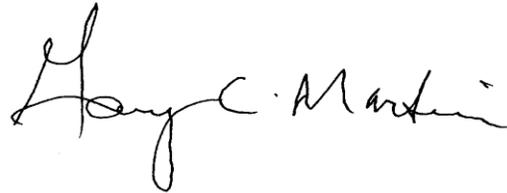
Simply put, it is time for the United States to discontinue this unnecessary, burdensome and costly information-collection.

The NGFA and NAEGA appreciate your consideration of our views, and urge that this information-collection requirement be discontinued effective August 1, 2012 for the reasons cited herein. We would be pleased to respond to any questions the agency may have.

Sincerely,



Randall C. Gordon  
Acting President  
National Grain and Feed Association



Gary C. Martin  
President and Chief Executive Officer  
North American Export Grain Association



Ottawa, June 20, 2012

# CUSTOMS NOTICE 12-019

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## **Termination of the Role of the Canadian Wheat Board in Issuing Export Permits**

1. This notice is to advise exporters, that effective August 1, 2012, the Canadian Wheat Board (CWB) will no longer issue export licenses for shipments of wheat, durum, and barley (including products) leaving Canada. This change in policy is a result of legislation passed by the Federal Government in December of 2011 that changed significantly the mandate of the CWB. With the passage of the *Canadian Wheat Board (Interim Operations) Act*, all types of export licenses currently managed by the CWB, including special licenses issued on an annual basis and individual licenses issued on an ad hoc basis will no longer be issued by the CWB.

2. For the current crop year (August 1, 2011 to July 31, 2012) individual export licenses will be issued by the CWB up to and including July 31, 2012. Exporters will need to apply through the CWB for an export license until that date. Also note that all special licenses issued by the CWB on an annual basis will automatically expire on July 31, 2012.

3. For additional information regarding this notice, please contact:

Canada Border Services Agency  
Export Programs  
150 Isabella Street, 10th Floor  
Ottawa ON K1A 0L8

Telephone: 613-954-7160

Email: [export@cbsa-asfc.gc.ca](mailto:export@cbsa-asfc.gc.ca)

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