



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

July 10, 2012

Kanwal Kochhar,
National Manager, Grains and Oilseeds Section
Canadian Food Inspection Agency
59 Camelot Drive
Ottawa, Ontario, Canada. K1A 0Y9

***RE: NOTIFICATION to World Trade Organization Committee
on Sanitary and Phytosanitary Measures: G/SPS/N/CAN/609; May 29, 2012***

Thank you for this opportunity to convey our concerns related to Canada's proposal that imports of whole seed and grain be subject to a phytosanitary certification requirement, with additional declarations stating freedom from *T. granarium* (Khapra Beetle), by all trading partners to mitigate the risk of entry of this quarantine pest into Canada.

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.

We understand Canada recognizes that the Khapra beetle is not known to occur in the U.S. and that export inspection and certification is not the least trade-restrictive measure. We believe these proposed requirements by Canada create the potential to be unduly restrictive to imports of grains and oilseeds from the United States. Canada may have yet to sufficiently consider viable alternative options for imports from the United States.

NAEGA and NGFA also believe that Canada needs to fully assess the impact of proposed changes to CFIA's import policy directives within the context of the upcoming welcome and unprecedented changes to the long standing bi-lateral U.S.-Canadian Grain marketing system is subject to welcome and unprecedented change. On June 20, 2012 Customs Notice 12-019, issued by the Canada Border Services Agency, provided formal notice that Effective August 1, 2012, the Canadian Wheat Board (CWB) will no longer issue export licenses for shipments of Canadian wheat and barley, including products derived therefrom, to the United States and other foreign countries. This important development may result in very significant changes to logistics related to trade of all grains and oilseeds moving both ways across the border between the U.S. and Canada. New and different pathways for pest introduction as well as new options for management of the risks related to the Khapra beetle and other quarantine pests need to be considered prior to any action in this regard. Time is needed to define, communicate and consider the impact, including the precedent that may be set and unintended consequences that may result, from the proposed as well potential related changes.

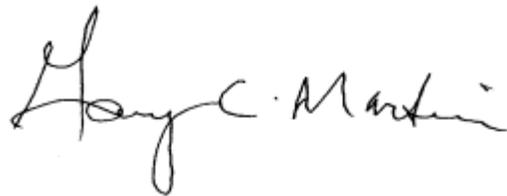
For these reasons, NAEGA and NGFA strongly recommend that more time be allowed for appropriate consultation with the U.S. Department of Agriculture's Animal and Plant Health Inspection service, grain and oilseed producers, traders and commodity organizations regarding alternatives to the proposed measures.

The NGFA and NAEGA appreciate your consideration of our views, and urge that implementation of the proposed regulations be postponed for the reasons cited herein. We would be pleased to respond to any questions you 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