



China Trade Problems Unresolved Despite Assurances

The People's Republic of China attempted to allay concerns over that country's import restrictions that have disrupted trade in soybeans during an Aug. 26 meeting in Washington.

Following the meeting with Allen F. Johnson, chief agriculture negotiator for the U.S. Trade Representative's (USTR) Office, and Undersecretary of Agriculture for Farm and Foreign Agricultural Services Dr. J.B. Penn, the U.S. government issued a statement saying the Chinese had provided what was termed assurances that recent Chinese import restrictions will not disrupt U.S. trade in soybeans and other agricultural commodities. The Chinese acting ambassador said his country was committed to maintaining a "win-win" situation in U.S.-China soybean trade, according to the statement issued jointly by USDA and USTR.

But the assurances provided by China's Charge d' Affairs Lan Lijun did not include a suspension or rescission of the sanitary and phytosanitary rules – the so-called "Decree 73" – that country issued on June 16 that precipitated the trade disruptions. That decree mandates that all standards implemented by China's General Administration of Quality Supervision, Inspection and Quarantine be incorporated into the sales contracts of Chinese importers. The practical effect of Decree 73 is to impose arbitrary, non-transparent and non-science-based zero tolerances on the presence of soy diseases, pests, agricultural chemicals and certain seeds that may be found in foreign material, which if present in a cargo would absolve Chinese importers of their responsibility to pay the exporter.

That reality was echoed in the U.S. government statement, which reiterated the U.S. request that China suspend or rescind
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USDA Approves Pending Requests from Federal Grain Warehouses to License Previously State-Licensed Storage Space

The U.S. Department of Agriculture notified the NGFA this week that it is in the process of approving requests from several existing federally licensed grain warehouse operators to license additional storage capacity in warehouses that formerly were state licensed.

Specifically, USDA said it was taking "immediate action" to review and approve the requests submitted by nine federally licensed grain warehouses in Iowa, Kansas, Kentucky, Minnesota and Ohio to add approximately 12.532 million bushels of grain storage space to their federal licenses that previously had been state licensed. Of the requests, three each are from Iowa and Kansas, with the remainder involving single locations in Kentucky, Minnesota and Ohio.

On June 30, USDA had approved, with the consent of the Kansas Department of Agriculture, a request from a federal grain warehouse licensee to change 33 of its warehouse locations from state to federal licensing.

USDA stressed that it continues to abide by the statutory moratorium enacted in 2003 as part of the omnibus appropriations bill (P.L. 108-7), which included a prohibition on

the department using funds to grant new federal licenses to grain warehouses that were not federally licensed as of Jan. 1, 2003 – even though that moratorium technically expired on Aug. 18. USDA noted that it was approving requests from existing federal licensees – which had acquired through mergers, consolidations and realignments additional storage capacity that previously had been state licensed. USDA still continues its stance of not considering or approving applications from state-licensed grain warehouses seeking to switch to federal licensing.

The moratorium was put in place in large part to provide time for a Grain Warehouse Working Group to determine if a consensus approach could be reached on changes to the federal grain warehouse program to clarify federal preemption while providing additional protection to depositors and for producer grain payables.

As has been reported previously by the NGFA, two of the organizations that had been participating in the Grain Warehouse Working Group – the National Association of State Departments of Agriculture and the Association of American Warehouse Control Officials – decided in early

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NGFA Board to Tackle Major Issues at Fall Meeting

As an industry-driven organization, your National Grain and Feed Association relies heavily upon the willingness of dedicated industry volunteers to donate their time and expertise to work proactively on issues affecting the grain, feed and processing industry for the mutual benefit of member companies.

We're blessed to have more than 300 such individuals from a diverse array of NGFA member companies who are serving in one or more capacities – as officers, as members of NGFA committees and task forces, as arbitrators and in a host of other capacities.

But there is no more dedicated group than the 64-member Board of Directors, which will be meeting to address a plethora of issues on your behalf on Sept. 10-11 in Boston. While the size of the Board is large from an operating standpoint, it is structured in a way that provides representation from all types and sizes of NGFA member companies, as well as geographic locations. About one-fourth of the Board is comprised of directors appointed by State and Regional Grain and Feed Associations affiliated with the NGFA.

While the NGFA's Bylaws vest policy-setting authority in the Board of Directors, the NGFA's 17 different committees are responsible for developing well-deliberated policy recommendations and official positions that represent a consensus view on issues where they have expertise. Prior to the meeting, a report summarizing each committee's major actions and activities during the previous six months is sent to the Board for review. Then, during each Board meeting, NGFA committee chairs discuss strategies and check policy signals with the Board on major issues that have been addressed – and those that are on the horizon. The additional time provided by the fall Board meeting allows for breakout sessions that further enhance two-way interaction between committee chairs and the Board.

During this year's fall meeting, your Board will be addressing and developing strategies on a host of key issues confronting grain elevators, feed manufacturers and integrators, processors and exporters. Here's a summary of just a few:

► **International Trade Issues:** Our strategic alliance and co-location with the North American Export Grain Association – whose president, Gary C. Martin, attends and participates in the Board meeting – has enhanced the collaboration and effectiveness of both organizations in addressing several major trade irritants. A classic current example is our work together to

encourage a global governmental response to oppose China's recent actions that disrupted soybean trade. We'll be discussing with the Board further actions in that regard, as well as our strategies through the International Grain Trade Coalition to address biotech adventitious presence issues to facilitate international trade in grain, feed ingredients and grain products.

► **Feed Issues:** We're at an important juncture in the Food and Drug Administration's rulemaking concerning BSE-prevention, and this Board meeting will give us a great opportunity to touch base on the NGFA's proactive position concerning potential changes to existing feed rules. The NGFA's position has been developed by the Feed Legislative and Regulatory Affairs Committee, with input and involvement from our other two principal feed-related committees – Animal Agriculture; and Feed Manufacturing and Technology. The Board also will be discussing some innovative new feed safety initiatives that the NGFA is pursuing through the Association of American Feed Control Officials; the Animal Agriculture Committee's initiatives to promote that sector of the industry and to build upon existing relationships with various species groups; and the Feed Manufacturing and Technology Committee's initiatives to enhance feed safety and quality assurance.

► **Warehousing:** The Board will be deliberating strategy on how the NGFA can most effectively preserve regulatory choice between strong and effective federal and state warehouse programs as we continue to seek a consensus with farm groups and others on potential changes to the federal warehouse program.

► **Transportation:** Our industry has serious issues to address with rail carriers in terms of service, fuel surcharges and other matters. And we'll be getting the Board's thoughts on strategies for jump-starting badly needed renovations on the Upper Mississippi and Illinois River System.

► **CRP Reform:** Likewise, we'll be mapping strategies with other pro-economic growth sectors of U.S. agriculture to avert idling productive farmland in the Conservation Reserve Program as acres begin expiring in 2007.

I can't do justice, in this short column, to all of the issues that your Board will be asked to grapple with next weekend. But on your behalf, I do want to take this opportunity to thank Board members for the seriousness with which they take their responsibilities, and for the outstanding work they do for your Association.



Appropriations, Overhaul of U.S. Intelligence Agencies Await Congress

Congress returns on Sept. 7 from its six-week summer recess, with appropriations bills and a legislation that would overhaul the organization of U.S. intelligence agencies headlining the front-burner issues to be addressed.

It's virtually certain Congress will miss its targeted adjournment date of Oct. 1. But during a presidential election year, with the Nov. 2 vote looming, only a bill with the national importance of reforming the U.S. intelligence apparatus likely will be scheduled for floor consideration in either chamber after Oct. 1.

Here's a look at some other issues that may be addressed prior to that date:

► **Water Resources Development Act (WRDA):** The Senate Environment and Public Works Committee approved a WRDA bill that includes an authorization to finance renovation of the locks and dams on the Upper Mississippi and Illinois Waterways. The project would include new locks and dams at 20, 21, 22, 24 and 25 on the Upper Mississippi River, and LaGrange and Peoria on the Illinois River. In addition, the navigation plan calls for extensions at locks 14 to 18, switch boats at locks 11 to 13 and moorings at locks 12, 14, 18 and 24.

The full Senate may take up the measure during the week of Sept. 13. Senate passage would set up a conference committee with the House to resolve differences between their respective versions of the bill. Major areas of divergence include a much more onerous U.S. Army Corps of Engineers "reform" package in the Senate version of the bill, and the absence of funding authorization for the Upper Mississippi-Illinois Waterways in the House version, since it was passed last year before the Corps had approved a draft feasibility study of the project. It is likely that the final version eventually agreed to by Congress will include the Upper Mississippi-Illinois navigation project and a compromise Corps reform package.

► **Highway Reauthorization Bill:** The highway bill would replace the Transportation Equity Act (TEA-21), which expired in September 2003, but has been extended five times to keep highway construction projects going. House and Senate conferees have been unable to bridge significant gaps after both chambers passed bills with different funding levels. In addition to its importance in maintaining the nation's highway infrastructure, the bill includes a provision that would codify the NGFA-supported truck driver hours-of-service agricultural exemption. The exemption is included in both versions of the bill and is likely to remain intact if a final version is approved by Congress.

► **FSC/ETI Corporate Tax Reform Bill:** Upon returning, a House-Senate conference committee will renew efforts to resolve significant differences between their chambers' respective versions of legislation that would reform the foreign sales corporation-extraterritorial income tax that has been ruled illegal by the World Trade Organization. Little progress was made during the August recess to bridge the major differences. There is a motivational factor to resolve outstanding issues: the punitive tariffs being imposed by the European Union that currently amount to 10 percent on a variety of U.S. products. The duties were authorized by the WTO after it determined that the FSC/ETI tax breaks represented illegal trade subsidies. U.S. industry sectors most affected are putting maximum pressure on legislators by showcasing the losses attributable to the increased tariffs.

Importantly for the grain, feed and processing industry, the measure includes a reduction in the corporate tax rate and a tax credit for short-line rail infrastructure improvements. The bill has a shot at passing in September, primarily because it would grant \$150 billion over 10 years in tax breaks and credits. Specifically, both the House and Senate versions of the bill would repeal corporate tax breaks deemed illegal by the WTO and replace them with a reduction in the top corporate tax rate from 35 to 32 percent for domestic manufacturers, producers, farmers and small businesses, which would generate \$78.5 billion in tax savings. In addition, both bills would provide \$4 billion in relief from the alternative minimum tax, and \$30 billion in tax breaks for U.S.-based companies involved in exporting by reducing double taxation.



Calendar

- Sept. 10-11, 2004: NGFA Board of Directors**
Fairmont Copley Plaza, Boston, Mass.
- Oct. 6-7, 2004: NGFA Feed Quality Assurance Workshop**
Holiday Inn Conference Center, Staunton, Va.
- Oct. 14, 2004: NGFA/GEAPS Safety, Health and Environmental Quality Committee Meeting**
NGFA Conference Room, Washington, DC
- Dec. 5, 2004: NGFA Country Elevator Committee Meeting**
Adams Mark Hotel, Denver, Colo.
- Dec. 5-7, 2004: NGFA Country Elevator Council Conference**
Adams Mark Hotel, Denver, Colo.



("Warehousing" continued from page 1)

August to exit the discussions in favor of seeking federal legislation that would prohibit USDA from preempting state grain dealer laws or regulations at federally licensed warehouses. The NGFA, American Farm Bureau Federation and National Farmer's Union continue to work collectively on the matter, and plan to meet with congressional staff shortly after Congress returns on Sept. 7 to determine how to proceed.

USDA Deputy Undersecretary for Farm and Foreign Agricultural Services Floyd D. Gaibler, in a letter dated Aug. 18, expressed appreciation to the Grain Warehouse Working Group but noted that absent a consensus USDA found itself in a situation in which it could no longer delay

acting on pending requests from existing federal grain warehouse licensees.

"Taking no action is creating a situation that is impeding these warehouse operators' ability to make critical business decisions and operational changes in an efficient and timely manner," Gaibler wrote. "The situation is deteriorating operational efficiencies and long-standing working relationships resulting in increased operational costs and in devaluing assets.... [I]f USDA does not address these most recent requests for federal licenses soon, we could very likely adversely affect producers as fall harvest approaches, especially considering the anticipated record crops."

USDA Announces First Enrollments in Conservation Security Program

The U.S. Department of Agriculture announced Aug. 26 that it had enrolled in the new Conservation Security Program (CSP) nearly 2,200 farmers and ranchers.

Those producers operate nearly 1.9 million acres in the 18 watersheds in the 22 states designated for the program in fiscal 2004, USDA said.

USDA said it expects to use the entire \$41 million authorized by Congress for the CSP in the current fiscal year, which ends Sept. 30. The program provides payments to producers implementing various levels of conservation practices on working farmlands. USDA said

payments will begin immediately under the three tiers of conservation contracts authorized under the program.

Enrollment data show that 37 percent of the accepted applicants qualified for Tier I payments (\$20,000 each annually); 40 percent for Tier II payments (\$35,000 annually); and 23 percent for Tier III payments (\$45,000 annually). Tier I contracts last for five years, while Tier II and III contracts are for five to 10 years.

USDA said approximately 4,800 producer contracts were submitted for consideration during the first signup for the CSP.

USDA Earmarks Funds for Grouse, Quail 'Recovery' Programs

The U.S. Department of Agriculture announced Aug. 26 that it had earmarked \$2 million in Grassland Reserve Program funds for special projects to protect grouse habitat in Colorado, Idaho, Utah and Washington. Each state is to receive \$500,000 to "protect and enhance sage grouse habitat" on Grassland Reserve Program easement lands.

The Grassland Reserve Program, administered by USDA's Natural Resources Conservation Service and Farm Service Agency, is intended to "help viable ranching and farming operations protect and enhance grassland, rangeland, shrubland and certain other lands, and provides assistance for rehabilitating grasslands" through easements and rental agreements. The \$2 million

for grouse habitat is in addition to the nearly \$70 million announced previously by USDA for fiscal year 2004 financing to enroll land in the Grassland Reserve Program (\$54.2 million in financial assistance and \$15.3 million in technical assistance).

In a separate, but related, announcement, USDA also earmarked \$1.2 million for 11 selected studies in nine states as part of its previously announced bobwhite quail restoration project. Seven universities, two state wildlife agencies and two nongovernmental organizations – the Nemours Wildlife Foundation in South Carolina and Tall Timbers Research Station in Florida – were awarded grants for 2004. The bobwhite quail initiative is to create 250,000 acres of habitat by increasing grass buffers along agricultural field borders.





STB Conducts Hearing on Small Carrier Abandonment Procedures

The federal Surface Transportation Board (STB) conducted a public hearing on Aug. 31, concerning whether to adopt a class exemption that expedites the abandonment of rail lines by Class II and III (shortline and regional) carriers [*Ex Parte No. 647 - Class Exemption for Expedited Abandonment Procedure for Class II and Class III Railroads*].

The hearing was in response to a petition filed in May 2003 by the 65 self-designated “small carriers.” Under the STB’s current procedures, to avoid starting an expensive case to prove the need to abandon a rail line carriers use an existing class exemption that permits lines that have originated or terminated no local traffic for two years to be abandoned simply through a notice procedure. As a result, according to the small carriers, the process “often is not initiated for months or even years, thus commencing a death-spiral for the line.” According to their collective testimony, it is during this “pre-filing period” which begins when a railroad first determines that a line is not viable that carriers commonly raise rates and reduce service, maintenance and capital expenditures on the affected line to drive away traffic and meet the two-year out-of-service standard. Ultimately, the small carriers testified, railroads’ applications for abandonment almost always are approved. In those few cases where abandonment authority is denied, the carrier likely would have succeeded by permitting further delay and degradation of the system, they maintained.

The small carriers’ proposal would allow them to file a notice of exemption when they make a business decision that a given line no longer is economically viable. They testified that this would, “eliminate current regulatory incentives for small carriers to delay abandonment while letting the traffic base and physical condition of low-density lines deteriorate; subject the entry into, and exit from, the rail industry to market forces; and substantially increase dissemination of important commercial information into the market in an effort to preserve lines...” The small carriers also argued that the public interest is best served by allowing potential purchasers to assess and acquire the line before, rather than after, it deteriorates and the traffic disappears.

Testifying on behalf of the Association of American Railroads, former STB Chair Linda Morgan fully supported the small carriers’ petition. Importantly, the AAR requested that Class I carriers also be permitted to avail themselves of the same expedited process when the line for which the small carrier seeks abandonment is leased from a Class I carrier or connects with a Class I line. The AAR further requested clarification that purchasers of rail lines under this procedure would have no greater trackage rights over a Class I carrier, and be subject to the same terms (including insurance and indemnification requirements) as the small carrier that sought the abandonment.

The rail carriers’ position was opposed by the United Transportation Union and the Rail Labor Division of the AFL-CIO’s Transportation Trades Department. Collectively, they challenged the claimed justification for the expedited abandonment proce-

dures, pointing out that, “most of the ‘small’ carriers petitioning the [STB] here are owned by extremely wealthy ‘holding’ or ‘parent’ companies,” for which the current abandonment procedures are not an undue burden. The unions argued that the procedures sought by the small carriers would lead to an overall increase of abandoned rail lines. They also expressed particular concerns that the small carriers’ proposal could provide a “backdoor” mechanism, whereby Class I carriers would transfer rail lines to small carriers for them to abandon under the expedited procedures. On this point, the small carriers seemed to concede that some holding period applicable to lines acquired from Class I carriers would be appropriate. In response to the carrier’s argument that expedited procedures would facilitate the purchase of rail lines at issue, the labor groups also pointed out that carriers already are free to sell a line that they deem unprofitable without delay under the current procedures.

In response to the testimony, STB commissioners questioned why carriers found it necessary to sell what they see as valueless lines only after an abandonment filing. Under the law, when a line is abandoned, the owner is required to make it available to a purchaser for net salvage value. But as pointed out at the hearing, there is no barrier to the railroad doing so prior to abandonment and deterioration of the line.

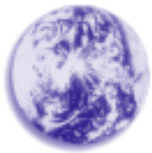
The small carriers asked the agency to initiate a formal rulemaking in their petition. The NGFA has reserved the right to comment in any rulemaking that may be instituted.

NAS to Issue Waterways Study

The National Academies of Sciences’ National Research Council has announced that it will release in September or October the second of its three scheduled reports on the U.S. Army Corps of Engineers’ feasibility study concerning rehabilitation of the Upper Mississippi-Illinois River System.

The second NAS/NRC report is scheduled to provide a comprehensive evaluation of the Corps’ feasibility study. The first report, issued earlier this year, was an interim evaluation of the models used by the Corps to estimate future traffic levels on the Upper Mississippi-Illinois River System, and faulted the agency for its demand forecasts for grain exports. The 66-page first report also recommended that the Corps implement an “efficient system for managing waterway traffic” – such as scheduling systems, tradable arrival slots or imposition of contingent fees – in lieu of, or in addition to, construction of new, longer locks on the river system. It also recommended that the Corps more fully consider non-navigation aspects of the inland waterways system, such as recreation, fishing and hunting, and sightseeing. A third NAS/NRC report is to review the Corps’ responses to the recommendations made by the NAS/NRC panel.





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Decree 73 until China has properly notified the World Trade Organization and has considered the comments of other WTO member nations, as it is required to do under its WTO accession agreement.

Earlier this month, the NGFA had joined the North American Export Grain Association (NAEGA) and National Oilseed Processors Association (NOPA), as well as their counterparts in Brazil and Argentina, in urging a similar global response by the governments of exporting countries to oppose China's trade restrictions. The NGFA understands that officials from the U.S., Brazil and Argentina will be meeting next week in Washington in part to coordinate further joint actions to address the China trade issue.

U.S. Commodity, Farm Groups Get Involved: Meanwhile, six U.S. farm and commodity organizations have joined a growing effort urging the U.S. government to mount a global response to rectify China's agricultural

import restrictions and to encourage that country to implement "sound regulatory practices that facilitate trade." In a joint letter to Secretary of Agriculture Ann Veneman and USTR Robert Zoellick, the farm and commodity organizations urged the administration to use the recent success of the WTO framework agreement to resolve "impediments to trade created by China in the last year and to ensure that China meets its (WTO) obligations..." The letter was signed by the American Farm Bureau Federation, American Soybean Association, National Corn Growers Association, Wheat Export Trade Education Committee, National Association of Wheat Growers and U.S. Grains Council.

In a separate letter dated Aug. 20 to Ambassador Johnson of USTR, American Soybean Association Chief Executive Officer Stephen Censky provided a detailed analysis of what he termed China's "pernicious...de-facto import licensing system" and its potential adverse impacts on U.S. soybean exports.



USDA/APHIS to Conduct Scientific Workshop on Confinement of Biotech Crop Field Tests

A workshop to evaluate the past results and obtain new scientific information on the potential for gene flow from biotechnology-enhanced crops subject to pre-approval field trials will be conducted Sept. 13-15 by the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) at its center at Riverdale, Md., outside of Washington.

The first two days of the workshop are reserved for presentations by scientists concerning measures that can be taken to limit: 1) gene flow beyond the authorized biotech field test site; 2) accidental commingling with other crops; and 3) the persistence of transgenic plants in the environment following termination of the field trial. The third day – Sept. 15 – will be open to the public, and will feature presentations summarizing the results of the scientific discussions, as well as opportunities for public statements.

APHIS said the workshop will focus primarily

on biotech plants most frequently used to produce pharmaceutical and industrial properties, such as corn, barley, rice, safflower and tobacco. Among the issues to be addressed will be wind pollination of crops, using corn as a model; self-pollinated crops, using rice as a model; and insect-pollinated crops, using safflower as a model. Following the conference, APHIS said, a proceedings book will be published that "outlines methods for physical, temporal, spatial and biological confinement of transgenes incorporated into wind-pollinated, insect-pollinated and primarily self-pollinating crops, along with information regarding their efficacy and feasibility of implementation." The information will be used to "illustrate the interaction of available tools for gene confinement to form a comprehensive and flexible approach to field testing," the agency said.

The *Federal Register* notice announcing the conference is available by contacting Jackie Congress at the NGFA at 202-289-0873.





GIPSA Announces New Wheat Protein Calibration Method

The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) plans to switch to a new method for developing and maintaining wheat protein calibrations on official near-infrared transmittance (NIR) instruments.

The new calibration method, called "artificial neural network" (ANN), will be implemented beginning May 1, 2005, the agency announced this week.

Currently, GIPSA maintains individual wheat protein calibrations utilizing a statistical technique called "partial least squares" for the six major classes of wheat: hard red winter, hard red spring, soft red winter, soft white, hard white and durum. By switching to the ANN calibration method, a single ANN calibration can be used for all six classes of wheat, GIPSA said. Members interested in learning more about the benefits of the ANN calibration method may access GIPSA's evaluation and related information at: www.usda.gov/gipsa.

EPA Seeks Exemption from 2005 Methyl Bromide Phase Out

The Environmental Protection Agency (EPA) has proposed to exempt certain "critical uses" from a complete phase out of production and consumption of methyl bromide that otherwise is scheduled to begin Jan. 1, 2005.

As a party to the so-called "Montreal Protocol," the United States agreed to a gradual phase out of production and use of methyl bromide, culminating with a complete ban beginning in 2005. However, the protocol allows countries to extend phase-out periods "to permit the level of production and consumption that is necessary to satisfy uses agreed by them to be critical uses."

Methyl bromide is an odorless, colorless gas that is used as a fumigant to control a wide variety of pests, such as insects, weeds, rodents, pathogens and nematodes. The current-use restrictions on methyl bromide originally were adopted in 1988 in response to the 1987 signing of the Montreal Protocol on Substances that Deplete the Ozone Layer. The United States was one of the original signatories to the accord, and ratified it on April 21, 1988. Methyl bromide was added to the Montreal Protocol in 1992 as an ozone-depleting substance. Originally, the United States agreed to a complete phase out of production and use by 2001. In 1997, the signatories to the Montreal Protocol agreed to adjust the schedule so as to require a phase out for methyl bromide in 2005 in industrialized countries. But importantly, the Montreal Protocol provided that the 2005 methyl bromide phase out does not apply "to the extent the parties decide to permit the level of production or consumption...necessary to satisfy uses agreed by them to be critical uses."

EPA's Proposal: In the Aug. 25 *Federal Register*, the EPA proposed to grant such a "critical-use" allowance for a total of 8,942,214 kilograms of methyl bromide in 2005. This amount, EPA said, is needed to satisfy the demands of users for which loss of methyl bromide would create significant market disruptions. EPA also noted that

currently, there are no technically or economically feasible alternatives to methyl bromide.

The agency also sought comments on whether to allocate the total critical-use allowance on either a sector-specific or one of several other more flexible approaches. Under the sector-specific approach, different food sectors would be allocated a specific amount of methyl bromide in 2005 based upon past use. The bulk of allowances would go to vegetable and fruit producers, food processors – including millers and pet food manufacturers – which would be allocated approximately 393,500 kilograms of methyl bromide in 2005 under this approach. Methyl bromide is particularly important to the plant sanitation programs in the milling and pet food manufacturing sectors. Millers repeatedly have told Congress and EPA that loss of methyl bromide without having access to a viable alternative would have a damaging effect on quality-control programs. EPA said other industries also rely on methyl bromide to enhance quality and yields, including strawberry and tomato producers, forest and fruit tree nurseries, and processors of curried ham.

An alternative approach proposed by EPA would allow individual sectors to compete in the same marketplace for methyl bromide. This so-called "lump-sum" or "universal" approach is similar to the situation that has existed since 1994, EPA said. Other approaches under consideration would make allowances specific to a critical-use applicant and a hybrid-allocation system that would combine features from the previous three.

Submitting Comments: The deadline for submitting comments to EPA is Oct. 12. EPA said it prefers to receive comments using EDOCKET, EPA's electronic public docket and comment system. It can be accessed at: <http://www.epa.gov/edocket>. Refer to Docket ID number OAR-2003-0230 when submitting comments.



Membership Matters

by Todd Kemp
Director of Marketing

Excellent Education/Training Opportunity Available for Feed Mills

...Quality Assurance Programs Key to Customers...

One of the core services provided by the NGFA to the industry is in the arena of employee training and professional development.

The NGFA's high-quality annual conferences and smaller, more specialized seminars and workshops, offer an excellent opportunity for a wide range of employee education. And NGFA meetings are an excellent value, kept affordable with the help of numerous industry expert volunteers, generous NGFA-member sponsors, and a keen eye on keeping costs contained and managing efficiently.

One such opportunity is coming up next month – registration is open now:

Feed Quality Assurance Workshop: The latest workshop, the 19th in a series conducted by the NGFA, will be conducted at the **Holiday Inn Conference Center in Staunton, Va.** on Oct. 6-7. If your company manufactures feed, a quality assurance program is an absolute necessity. If you don't yet have one – or if you want a model program to compare yours against – this workshop can help!

The workshop features a totally revamped and updated edition of the *NGFA's Model Feed Quality Assurance Program* that was unveiled in 2002. It will feature showings of the NGFA's four feed quality assurance videos and will cover a wide range of topics essential for feed manufacturers. It's designed especially for mills that may not have big staffs to develop a program from scratch – and responds to demands from increasingly quality-conscious customers who prefer doing business with mills that have Q/A programs.

Who Should Attend? The workshop addresses all facets of Q/A at commercial feed mills. Among personnel who will benefit from attending are feed mill managers, mill operators, ingredient buyers, Q/A managers and truck drivers.

Excellent Value! This 1-½ day workshop is only \$175 for the first registrant and \$155 for additional registrants from the same company, if registrations are received by Sept. 24. Nowhere else will you find this combination of practical information and value. Visit the NGFA's web site at www.ngfa.org to print out a registration form, or call (202) 289-0873. Don't miss this opportunity!



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