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Webinar: Final Rule to Implement a Seafood Import Monitoring Program

Presenter: Christopher Rogers, Assistant Director, Office of International Affairs and Seafood Inspection

December 15, 2016, 4:30 pm ET

Coordinator: Welcome and thank you for standing by. At this time, all lines are in a listen only mode until the question and answer session. At that time if you'd like to ask a question, you may do so by pressing star then one and recording your first and last name. Today's call is being recorded. If you have any objections you may disconnect at this time. I would now like to introduce your host for today's call, Ms. Laurel Bryant. You may begin.

Laurel Bryant: Thanks (Lauren). And welcome and good afternoon everybody. We've got lots of folks on the line, which is great to see. My name is Laurel Bryant, I'm Chief of External Affairs, with NOAA Fisheries' Office of Communication.

And this is the first public webinar that we'll be having on the final rule for seafood import monitoring program. We will be conducting another one tomorrow morning. But, again, these are only initial. We will be conducting a very robust outreach effort throughout the year as we work toward full implementation.

For today, I'm joined by Chris Rogers, Assistant Director for International Programs in the Office of International Affairs and Seafood Inspection. Chris



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is going to walk you through briefly the key features and elements of the final rule, and then we'll open it up for Q&A.

But before I turn it over to Chris, I just wanted to mention two things. One, if you are not able to view the web portion of this, we do have a pdf of the presentation posted online. The transcripts and recordings of the calls will also be posted online once we've received those.

And finally, just a reminder, I know that there is an interface for questions to be received through the web portion. Don't use that, we're going to be using the audio only. I'm not able to watch both and keep it going. So, audio is best for everybody to both here and participating. And so, with that I will turn it over to Chris.

Chris Rogers: Okay, thank you very much Laurel. As Laurel said, I'm Chris Rogers with the Office of International Affairs and Seafood Inspection. Our office was the one that was working on the rule, of course it was an interagency process.

We had a lot of other partner agencies working on this rule. Anybody who has been following the presidential task force and its recommendations, implementations of those recommendations. It's been a number of agencies involved in this process.

The rule itself was filed with the Office of the Federal...I should say the final rule was filed with the Office of the Federal Register on December 8th. And published on December 9th. So, it's barely a week that we're out there.

But, it's been a long process and I'm sure a lot of folks on the line were following us through the proposed rule and comment period, as well as a lot



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of the public interaction that we had throughout the process of implementing the taskforce recommendations.

So, this final rule, and it's since established a program to monitor imports, so certain seafood products. There are permitting requirements on the part of importers of record for these designated products subject to the scope of the program.

There are reporting and recordkeeping requirements for the importers of record. And a reporting requirement with respect to the entry filing on the part of the Customs, well of course who would make the entries with Customs and Border Protection.

The purpose of the rule is to prevent the importation of illegally acquired fish products into the US commerce. And therefore, support the objectives, overall objectives of the taskforce to combat IUU fishing, illegal, unreported, and unregulated fishing. As well as combat seafood fraud, to the extent that the information reported will help us ascertain that the products for entry are properly represented and labeled.

Just a quick review of the timeline for this activity. The presidential taskforce was created by presidential memorandum in June of 2014. President requesting recommendations from the executive branch agencies for the implementation of the comprehensive framework of integrated programs to combat IUU fishing and seafood fraud, emphasizing areas of greatest need.

The taskforce itself was co-chaired by NOAA, Deputy Undersecretary for Oceans and Atmosphere, Dr. Sullivan, and Undersecretary of State, Catherine Novelli. So, those two individuals co-chaired the work of the taskforce. And



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included 10 federal agencies, and five executive offices, within the Office of the President.

Since then, the Taskforce has been transitioned to be a standing committee of the National Ocean Council for implementation and oversight of the action plan. Again, looking back to the timeline, the first public acknowledgment of the work of the taskforce was the release of the recommendations.

And those were 15 recommendations covering many aspects of how the executive branch could address the problems of IUU fishing and seafood fraud. In particular, recommendations 14 and 15 addressed the first phase of a risk based traceability program that would track seafood from the point of harvest to entry into US commerce.

In March of 2015, an action plan was released for implementing the regulations, or excuse me, the recommendations of the taskforce. And in February of 2016, for the recommendations 14 and 15, we issued a proposed rule for the seafood import monitoring program.

We've had ongoing public engagement through federal register notices, public meetings, and demarches to other countries that export seafood products to the United States. So, a very robust effort to involve the public in this process. And then, culminating in the final rule for the seafood import monitoring issued on December 9th, or published in the federal register on December 9th.

The recommendations 14 and 15, just to look at the specifics of them. We're to, within six months, specify with input from US industry and other stakeholders, texts of information and operational standards needed for an effective seafood traceability program.



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And then within 18 months, implement the first phase of that risk based traceability program and look at access to information regarding domestic seafood harvest and landings already in place through federal and state authorities.

So, what we determined through that process was that for domestic production, we had effective operative catch reporting and record keeping programs in effect to use through state or federal authority. In some cases, joint authorities with the interstate fishery's commissions. So that the objectives of the taskforce for documenting lawful acquisition and entry into commerce for domestic production was already in place.

And therefore, the rulemaking focused on imports exclusively. And then taking the next step towards developing the proposal, we looked at several things. First and foremost, principal for identifying the priority species. This was necessary because the program was supposed to be in initial phase, looking at the areas of highest risk for illegal fishing and seafood fraud. So, we worked to identify those species for which we would begin the program.

We worked with public through federal register notices and comment periods on collecting some feedback on the criteria that would be used for identifying those priority species. Applying those criteria, we had a draft list of priority species. Again, sought public comment. And then a final list of species.

We also had a federal register notice requesting comments on minimum standards and necessary data, interoperability standards for collecting the data and transmitting it through the supply chain. We notified the public early on



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that because the National Marine Fisheries Service is a partner government agency in the International Trade Data System.

We would be using that mechanism to monitor imports at the point of entry into US commerce. That is a government-wide system operated by customs and border protection for electronic entry of information related to imports, import filings.

We also had, according to recommendation 10 in taskforce, a review of species names and codes. To the extent that refining any names and codes, FDA has an acceptable market names list, there are species names used in trade, and codes used to identify species. Not only in scientific circle, scientific information systems, but also for customs purposes, through the harmonized tariff schedules.

So, we looked at those species names and codes and made some recommendations regarding changes and elaborations that might help also with the collection of information at the border for entry filings. We considered how information can be shared amongst agencies.

We have shared responsibilities with other agencies, Fish and Wildlife Services, Department of State, certainly Food and Drug Administration with collecting information about the origin of seafood products. With respect to risk management, perhaps for health reasons or other criteria that...we looked at common information collection so that we could share information across the agencies, reduce duplication.

We also looked at development of a trusted trader program for which trusted traders, if they apply and are given trusted trader status, could have a reduced



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burden. Either in terms of reporting, recordkeeping, reduced incidences of audits, and streamline entry process.

We also considered the process for evaluation and expansion. Again, noting that the first phase of the program would concentrate on the priority species. But eventually the program would apply to all species of seafood traded in the US marketplace.

So, as I said, we had a number of federal register notices, a number of comment periods collecting comments. All those are visible, not only on our IUU fishing portal, which we'll have a reference at the end of this presentation on the slide. But also through the federal rule making portal, [regulations.gov](https://www.regulations.gov). So parties can review and see all the comments received along the way in this process.

So, again, the final rule itself that has been a combination of several years' work now. It establishes permitting requirements for the US importer of record, data reporting at the point of entry through the International Trade Data System, the ACE portal.

And recordkeeping requirements regarding the chain of custody of those products so that a link can be made to the harvest event that is reported, where the products came from, how they arrived at the US. So, the reporting requirement pertains only to the harvest event and the recordkeeping requirement pertains to the chain of custody. So, in the link between that harvest event and the goods that were admitted into the US marketplace.

The data that we'll collect will allow these priority species to be traced from that point of entry back to the point of harvest. And it will allow us discern



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and determine that it was lawfully harvested or produced. The collection of this information would be accomplished, as I said, through ITDS reporting. Lots of this is an issue for customs brokers, although we do recognize that some importers do make their own entry filings.

The information collected under this program is confidential, not only because of the trade secrets act, it is individual business entity information. But also, because we're collecting this under Magnuson Act authority, which does require that individual business information be kept confidential.

As I said, the importer of record is the party or entity that requires the permit and is required to keep records. And the rule would also apply to reimported products of these priority species.

So, if the products are caught in the US, as we said before they were outside the scope of this rulemaking because we already have reporting systems in place. Catch reports, log books, dealer reports, et cetera. Either at the state or federal level. But if those products are exported from processing and then reimported the processed products back to the United States, they would be subject to this rulemaking.

And the catch information would have to be reported at entry, and the importer would be required to keep records on the origin of those products and the chain of custody.

So, just to review the information to be collected, as I referenced before, the harvest event, certain aspects of the harvest event will have to be reported at the time of entry filing. The fish, what, when, and where. The species of fish,



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harvest state, product form, and weighted landing, the areas, fishing areas of wild capture.

I would note that the requirements also pertain to aquaculture products, so equally to wild capture fisheries. So, the location of the aquaculture facility would also be reported in the case of aquaculture products. A point of first landing, or delivery to a processing plant, the names of the entities to which a fish was landed or delivered.

On the part of the importer of record, in terms of the entry filing, the name, affiliation, and contact information would be given to a (unintelligible) fishery service in the permit application. So, that information would not have to be repeated for each entry filing. It would be on file with us through the permit application in what we call the International Fisheries Trade Permit.

But the trade permit number then would be part of the entry filing and would be verified that the entry is to be delivered to a permitted importer of record. Again, the importer of record then is responsible for keeping records regarding the chain of custody from that harvest event to the entry filing.

That information, chain of custody information, (unintelligible) not very prescriptive about what is required there, that requirement can be met through various means. Whether there is a third-party certification scheme in effect that the importer's working with. Whether there is a catch reporting scheme on the part of the foreign harvesters. Or whether they want to rely solely on commercial documents, the typical commercial documents.

So, information on transshipments, transshipment declarations, port inspections, carrier vessel manifests or bills of lading. All that information can



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be used to support the chain of custody recordkeeping requirements. Records on processing, reprocessing, and comingling of the product may come into play. But it's important to know that it's not essential that each individual component of the shipment be related to a particular harvest event.

In other words, in the aggregate, if three or four harvest events contributed to a shipment, all that is necessary is to report out of those contributing harvest events and not necessarily linking any carton or filet within the shipment itself to a particular harvest event.

On the harvesting or producing entity, the names, flag state of the harvesting vessel, evidence of authorization to fish which could be a permit or license number, unique vessel identifier if available.

Some vessels will get international maritime organization numbers or other numbers based on the documentation requirements of the flag state. Also, the type of fishing gear used, if it was aquaculture operation, the name of the farm or aquaculture facility.

As I said before, the program was designed to have an initial phase with priority species being identified for inclusion. Through that process that I referenced before of seeking public comment on the criteria for establishing high risk and defining the priority species, we came up with a list of 13 species.

I would note though that on the annual basis we, in the US, import about \$20 billion of edible seafood products. These 13 priority species comprise about half of that, about \$9 billion. So, even though it's a limited list of species



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subject to the initial phase of the program, it does capture a large fraction of annual seafood imports.

There is an asterisk here for two products on the list, abalone and shrimp. We'll have the late implementation for those. The rule itself says that the reporting requirements at entry, the recordkeeping requirements, the importer of record permitting requirements will come into effect and compliance will be required as of January 1, 2018.

However, abalone and shrimp are delayed until further notice because of some issues we had domestic data collection in the aquiculture sector for those species. And because we are a member of the World Trade Organization we have certain obligations for equitable treatment of domestic products and imported products.

So, consequently until we can address those domestic reporting requirements for aquiculture shrimp and abalone products, we are not going to require the information about imported shrimp and abalone product. But we will publish a subsequent federal register notice when we have closed those data gaps, domestically and therefore have avoided any national treatment issue with respect to those products as we have monitored the imports.

We did make some changes from the proposed rule. Again, the proposed rule issued February had a 90-day comment period. The...a large number of comments, particularly from some exporting nations that have small scale operators, a lot of small scale vessels in their fisheries were concerned about the number of harvest events that would be contributing to shipments.



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So, we looked at the EU IUU regulation program that does have a simplified harvest report for small scale fisheries. And decided to do a very...take a very similar approach. So, we have simplified reporting for small scale operators that can have a consolidated catch report.

We also comment explicitly on the needs for the trade to implement systems and adapt to the information collection requirement. And wanted to know what an appropriate timeframe would be for implementation of the rules. So, consequently we accept the compliance date for the rule of January 1, 2018.

That gives a year for us to do our outreach and communication to the trade, and for the trade to build their information systems to allow the entry and their data and software development for their submissions sent through ITDS as part of the entry filing process.

But as I said, shrimp and abalone compliance will be phased in at a later date that would be reported and given sufficient lead time to come into compliance. In other words, we're not going to state, let's say January of 2017, that we've addressed the domestic reporting and record keeping gaps. And therefore shrimp and abalone will come online with the other products on January 1, 2018.

We'll give a similar lead time and allowing the trade to develop their systems for shrimp and abalone compliance. The effective of the rule is, let me see, January 9th. We gave a 30-day delay effective date of the rule. So, that way means that the rule will be published in the federal register, or excuse me, the code of federal regulations on January 9, 2017. But it won't be enforced.



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For those who are familiar with federal register notice, only you see an effective date. But we have separated it into an effective date and a compliance date. So, again, the effective date means when those regulations will appear in the code of federal regulations, that will be January 9, 2017. But the compliance date, when the rule will be enforced and mandatory to have the permits to the reporting is delayed until January 1, 2018.

So, we did publish, as I said, the final rule. It includes the responses to comments that we received, a lengthy response to comments section. We are embarking on a program of outreach engagement with US importers, foreign trading partners, and international seafood producers. We'll have a series of public webinars. As Laurel said, we have two this week, but more will be scheduled in January and February.

We have a session planned for Seafood Expo North America in March of 2017. And all of this information will be posted, is being posted, has been posted on the IUU taskforce web portal. And a factsheet as well about the rule. We are currently working with customs and border protection to affect the necessary changes to the International Trade Data Systems.

And the business rules, what we will do is, as soon as we've worked that our with customs and border protection, we'll post through the seed and feed website for ITDS, an implementation guide for this program. And that will be, for importers and customs brokers on how to structure the methods that would be required as of January 1, 2018.

We will also be working in the next few months on issuing a proposed rule for the commerce trusted trader program. And define the criteria for applying for,



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and receiving trusted trader status and how that might relieve trusted traders of certain requirements for the program and expedite their entry filing.

And then eventually, we will expand the seafood traceability program to include all species. But obviously, we will have to gain some experience will the initial phase beginning January 1, 2018 before we have a defined path for expanding to additional species.

All information, as I said, is on the IUU fishing portal. That's www.iuufishing.noaa.gov, and also on our international affairs website listed there. For questions from a regulatory perspective, regulatory requirements, you can send emails to me, christopher.rogers@noaa.gov.

For questions related to the International Trade Data System, domestic set requirements, you can contact Dale Jones. He's in our office of science and technology and is our key point of contact with customs and border protection on the message set and the implementation guide.

So, probably importers will contact me with their questions. But the customs brokers, the entry filers would probably find their questions are more aligned with Dale Jones' area of expertise. And of course, about the program at large and our outreach and communication program can be directed to our communications office with Laurel Bryant.

There's a slide of our IUUfishing.noaa.gov portal, with all the information. Not only about this particular rule, but the taskforce and all of the recommendations and the implementation of the action plans for all of the taskforce recommendations to date.



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So, at this point, I know I went through that rather fast. But we can take questions. Laurel, did you want to...

Laurel Bryant: Yes. (Lauren), do you want to remind folks how to get into queue.

Coordinator: At this time, I'd like to begin the formal question and answer session of the call. If you'd like to ask a question, please press star then one and record your first and last name. To withdraw your question, you may press star then two. Again, to ask a question, please press star then one, unmute your phone, and record your first and last name. One moment for the first question please.

Laurel Bryant: Don't be shy, there's a lot of you on the phone.

Coordinator: First question comes from (Manuel Angeles). Your line's open.

(Manuel Angeles): Yes. You mentioned the harvest in one of the slides. Now, is that they FAO area or is this going to be the specific area of harvest. Like for example, what GPS was to say?

Chris Rogers: Well, the rule itself specifies that the products are prohibited if they were illegal with respect to a foreign law or regulation. This is not a US requirement, we're not determining what is legal in the foreign situation. It's the competent authority over their fishing operation which determines the reporting, recordkeeping, registration requirements for a legal fishing activity.

So, to the extent that a harvest event is subject to a reporting requirement overseas, that would be the area that would specified. Let's say for example, Indonesia has certain fishing area designations and they are reported through a catch reporting scheme. Those areas would be reported.



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However, if a particular fishing operation is not subject to any particular area definition or are code, we are asking for then the FAO fishing area. So that we can determine the competent authority for that harvest event. In other words, if every import would come into the US and state that there was no area designation requirement in the fishing area of concern, we would not be able to verify that whether that is a true statement or not.

So, in the absence of any local requirement for reporting a fishing area in a certain way, we would request the FAO area. And that way we can determine who is the competent authority over that harvest event that was reported. And work with that competent authority to determine whether the acquisition was legal.

(Manuel Angeles): Okay. And then my second question. This information, is this in addition to programs such as the noaa370 and the swordfish statistical monitoring?

Chris Rogers: Yes. The way we have implemented ITDS for those other programs, if you're familiar with them, have participated in (unintelligible) since they became effective last September. There are message sets, and or document image files that are necessary for those reports. To the extent that the priority species for this program also pertain to those other programs.

In other words, the entry for let's say blue fin tuna is also subject to the ICCAT blue fin catch document. We're working with customs to avoid duplication of the reporter requirements. In other words, that the information necessary to satisfy both program requirements will have a compact message set.



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So, yes, there are situations where other requirements would pertain. And information for both programs would have to be satisfied. But, we can...since it would be electronic reporting we can work with CVP to minimize duplication on the datasets.

(Manuel Angeles): Okay. And then you always mentioned the evidence of authorization for a vessel to operate in a certain area. You said it would just have to be the permit number of the vessel?

Chris Rogers: Well, whatever the local requirements that would pertain to that harvest event. In other words, if the Philippines or South Korea or Vietnam had a licensing requirement for fishing vessels, it would be that fishing license to identify that vessel, that evidence of authorization to fish. For a small scale vessel, sometimes they don't have a licensing program so that would not be a mandatory field in that case.

What we need is enough information to identify the vessel so that we can go to the competent authority and say this is the information that was reported about the fish that were entered into US commerce. Can you help us determine that this was a lawful fishing operation that was duly authorized under your authority.

So, if it requires a permit number, fishing authorization number, that would be recorded presumably in some catch reporting system in that country. And it can be transmitted through the supply chain and reported at entry.

If there's no explicit authorization number, then we would again, work with the vessel. The vessel name, the fishing area, time of harvest, and determine



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who the competent authority is. And work with that competent authority to, again, determine that the fishing operation was duly authorized.

Laurel Bryant: (Manuel), did you have any other questions? We've got somebody else in the queue.

(Manuel Angeles): Sure, not a problem. That's all I have for now.

Laurel Bryant: Okay.

(Manuel Angeles): Thank you.

Coordinator: Next question comes from (Dean Hosier). Your line is open.

(Dean Hosier): How you doing? (Dean Hosier), Dean import.

Chris Rogers: Hey (Dean).

(Dean Hosier): Just a quick question with regards to the trusted trader program. Is there something that we can combine efforts like you just mentioned without duplicating paperwork as far as like our CT patch risk?

Chris Rogers: Well, yes. That's what we envisioned. We did put out one federal register notice. Basically, outlining an approach to a trusted trader program to receive some comments. So, we're still working defining the scope of that program, what the advantages and benefits to a trusted trader would be. And we'll actually put that out in the subsequent proposed rule. We're aiming for a March timeframe next year. And with a comment on that.



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But we're certainly looking at all ways of easing the burden while still meeting the requirements of the programs. So, if recognizing that there are programs, other customs and border protection programs to identify traders that may lend themselves to this program, we will certainly consider those.

(Dean Hosier): Wonderful, thank you.

Laurel Bryant: Anybody...yes.

Coordinator: Okay. Again, if you'd like to ask a question, please press then one and record your first and last name. One moment please. Next question comes from (Joe Frasier). Your line is open.

(Joe Frasier): Yes, hi. This is (Joe Frasier) with Ocean Beauty Seafoods. Can you tell us anything about what sort of auditing program is going to be associated with this rule for the importer of record?

Chris Rogers: Okay. So, the importer of record must have a permit, as I stated. That permit number must be reported in order for the entry to be processed. Then based on the importer of record defined in each entry filing for those commodities subject to the program, we will do audits at random. Or with screening and targeting criteria that we would develop over time based on any problems that we would encounter.

What we would do then is contact the importer of record and say that we need to see the chain of custody records to be kept with the associated at that entry filing. And then do a traceback. So, we just do, in order to trace back from the goods that were released into the US commerce, released from customs. And



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go through the supply chain of record back to the harvest event that was reported for those products.

And, again, working with the competent authority over that harvest event to determine that the fish products were lawfully obtained, lawfully acquired in that area of jurisdiction. So, if we have any issues with respect to performing the traceback, again, we will contact the importer of record as well as the competent authority. And see what we can do to complete the chain of custody.

If we determine that the chain of custody is insufficient, or was falsified, misrepresented in some way, obviously, we would take sanctions against the US importer of record, that would be the focus of the rulemaking and why we require the permits of the US importer of records.

Laurel Bryant: Does that answer your question (Joe)?

(Joe Frasier): Yes. And one follow up. When would you anticipate to begin these audits given the compliance date?

Chris Rogers: Well, we can...what we hope to do, what we expect to do I should say, working with customs is start a pilot tech period well in advance. Hopefully at least six months in advance of the compliance date of January 1, 2018. And then we can do audits on a trial basis.

Basically, give the trade the opportunity to make the entry filings with the message, see how that goes. And try some audits, and see how that...the audit processing goes. So, we we'll obviously try to gain as much experience and provide as much guidance to the trade well in advance of the compliance date.



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But if you will, real audits could ensue as soon as the program is effective on January 1st. So, any entries after that date, we could start selecting for audits.

(Joe Frasier): Thank you.

Laurel Bryant: Thanks (Joe).

Coordinator: Next question comes from (David Gladky). Your line's open.

(David Gladky): Hello, this is (David Gladky) from Seaport. And I just wondered if you could just briefly talk about what source identification for a small artisanal fishery such as Mahi Mahi, the constraints are as far as volumes and, you know, size? And also, talk about (unintelligible) same kind of aggregation thing of a bunch of small individuals? Farmers aggregating, let's say, for black tiger shrimp aquiculture facility or pond, excuse me.

Chris Rogers: Well, (unintelligible) on the call, with respect to shrimp, the compliance date has been stayed. Again, because we need to resolve some domestic reporting recordkeeping issues. So, for the time being, we would not deal with shrimp until further notice. And will republish a date with some lead time.

But, presuming eventually that shrimp will be included in the program, we did set a standard or criteria for what we were small scale operations of both in wild capture and with respect aquiculture operations. Just making sure I've got the right numbers here, looking it up.

So, with respect to vessels in a wild capture fishery, it would be vessels of 12 measured gross tons or less or 12 meters' length overall or less that could be aggregated in harvest report. Any vessels exceeding that size would have to



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have an individual harvest report. With respect to aquaculture facilities, any delivery of 1,000 kilograms or less in a particular day would be eligible for aggregation into a aggregated harvest report.

Laurel Bryant: (David) did that...

(David Gladky): That answers it.

Chris Rogers: Yes.

(David Gladky): Thank you.

Coordinator: Next question comes from (Mike Craft). Your line is open.

(Mike Craft): Hi. I appreciate your guys efforts to kind of synchronize the collection of data from this and also the tuna tracking verification requirements. I've got a question specifically with the trusted trader program. I realize that it's still out for comment and in development. And I was wondering, the original, when it came out, proposal excluded participants in the tuna tracking verification program from being able to take advantage of a trusted trader program.

Is there any chance that in this next round that you guys are doing in your objectives, to kind of align this and streamline it? That would be reconciled so that we're, for entering data into one at one time to cover information for both that we would also be able to take advantage of a trusted trader program or is that beyond the scope of, does that open up other laws or regulations?

Chris Rogers: Well, the unique situation we face with tuna tracking and verification program, you may be familiar that we have been challenged on several



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occasions at the World Trade Organization for that program. The program, essentially for those not familiar with it, requires a documentation of the fishing operation if the tuna entered into US commerce will bear a dolphin safe label.

Basically, we need the information to determine that the fishing operation truly meets the definition of dolphin safe consistent with the labeling requirements under US law. And we have been challenged on that on several occasions, lost in some sense. And had to amend the regulations accordingly on the domestic requirements, including how we did observer or captain statements, and training and things like that.

So, that's the concern is that we don't want to have an inadvertent consequence of a trusted trader program standing up another potential challenge to how we treat different countries with respect to the dolphin safe labeling requirements.

So, certainly something that we can consider. But that is the underlying constraint is that we want to make sure that there's fair and even treatment between the US and other nations, and across all other nations that are exporting tuna bearing the dolphin safe label into the US market.

So, it's a participation in the trusted trader program would set up another case for a challenge with respect to (unintelligible) treatment, it would cause a problem. But again, we'll look at it and see what aspects of trusted trader program might be able to be applied without setting up another potential challenge at the World Trade Organization with respect to the dolphin safe labeling program.



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Laurel Bryant: (Mike), does that help, did that answer your question?

(Mike Craft): Yes. I'd hoped for a different answer, but yes it answers my question. Thanks.

Laurel Bryant: I understand that.

Coordinator: Again, if you'd like to ask a question, please press star then one and record your first and last name. One moment please.

Laurel Bryant: And just kind of while we're waiting for somebody else, just a response to the last one. You know, it wasn't a proposed rule that went out on the trusted trader. It was truly kind of reaching out and getting ideas. So, (Mike), others, anybody, that's still open. Chris is there, you've got his email. And that's still very fluid at this point.

Chris Rogers: Right, so we'll be putting out a separate proposed rule, as I said, hopefully in the March timeframe, we'd like to get it out before this seafood expo if we could. And have a comment period on the operations of the trusted trader program.

Laurel Bryant: Great. Do we want to...

Coordinator: Next question...

Laurel Bryant: ...move to (Peter)?

Coordinator: Next question's (Peter Larkin). Your line is open.



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(Peter Larkin): Yes, thank you. So, in the rules is NOAA will audit shipments to review the report information. And consult with the competent authorities regarding the (unintelligible) information reported to NOAA. So, my question is, does NOAA plan to make public a list by country of what information competent authorities are deeming to be required?

Chris Rogers: Well, we will do our best to assemble that. Of course, other countries rules, regulations will change from time to time. So, I can't guarantee that we will have a comprehensive and accurate resource at every point in time. But, as we fix entries for audits, perform those audits, or work with countries to determine that their rules and regulations.

We can assemble that information and make it available on the website. But ultimately the US importer will have to work with the exporting source and make sure that the required information is transmitted with the goods in the supply chain. Again, the law under which we have implemented this program.

The Magnuson-Stevens Act references the prohibition for entry into US commerce of fish taking and violation of a foreign law or regulation. And therefore, it's the foreign law or regulation that pertains and becomes the standard by which we'll address admissibility of those products. And we will do our best to assemble and communicate what the foreign laws or relations may be.

But ultimately it will be up to the US importer to work with their suppliers and make sure that not only if it's a good spore, lawfully acquired. But that the information to support that lawful acquisition aspect or attribute of the products can be properly reported.



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(Peter Larkin): Okay, thank you. That answers the question.

Coordinator: I'm showing no further questions.

Laurel Bryant: We've still got time folks, so if anybody's got some others. And you certainly, on the presentation and posted online you've got Chris's number, you've got mine. As Chris mentioned, we are going to be having another one tomorrow morning, we did it morning time trying to hit different time frames for everyone. We'll be putting together more outreach.

And as Chris mentioned, the guidance with regard to the ITDS and the pilot program, when all of that comes together and gets ready for customs, then we will be aggressively pushing that and reaching out to you as well. I'll make note that the Seafood Expo North America, I think they've already posted their program. And (John Hendersheet) and Chris will be there.

And we have a session on the seafood import monitoring program as well as the MMPA import program. We will have rooms there and be available for the full three days. So, if anybody is interested in a side meeting, making certain that you get there, please feel free to contact me and we'll get that put together. We'll likely be having an open house there as well.

I'm not seeing anybody in the queue, nobody's lining up. You guys are a shy bunch, but you're a big bunch. I'm really glad everybody got on board. Again, this is just an initial walkthrough. And I think as you familiarize yourself with it, there will be other questions. And this is the beginning of a long process.

So, with that, operator, I think I will bid everybody a good afternoon and thank you very much for the time and attention. And we'll keep in touch.



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Chris Rogers: Thank you.

Laurel Bryant: Bye everybody.

Coordinator: This concludes today's call, you may disconnect at this time.

END