



NOAA FISHERIES

Webinar: Seafood Import Monitoring Program

Presenter: Brian Vauble, Chief of Seafood Inspection Office, Office of International Affairs and Seafood Inspection

Date: June 18, 2018, 2:00 pm CT

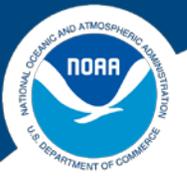
Facilitator: NWX-DOC Conferencing (US)

Coordinator: Welcome and thank you for standing by. All participants are in listen only mode until the question and answer session of today's conference. At that time you may press star followed by the number 1 to ask a question over the phone. Today's conference is being recorded. If you have any objections you may disconnect at this time. And now I will turn the meeting over to (Heather Brandon). Thank you. You may begin.

Heather Brandon: Okay. Thank you. Hi, my name is (Heather Brandon). I work for the International [Affairs and Seafood] Inspection Office at [NOAA] Fisheries. I work on the [seafood] import monitoring program and in particular doing outreach for this program.

We have all of you on the phone. We also wanted to share live that we're having some technical difficulties with the WebEx portion. So you unfortunately today won't be able to see the slides unless we get that issue ironed out. But we'll still make the presentation on the phone and I would like to introduce Brian [Vauble] who is the Chief of [Seafood] Inspection Office in St. Petersburg, Florida and he will be presenting today.

And after the presentation we will take any questions and the operator will tell you how to dial to get in the queue to ask a question. So (Brian) you can take it over from here.



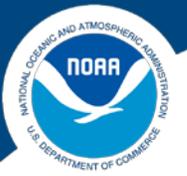
Brian [Vauble]: Yes, thank you very much for the introduction (Heather) and good afternoon everybody from Florida. Again I would like to apologize as well for the technical difficulties in getting you the slides.

I'm going to work through this presentation today with that in mind that you don't have slides in front of you and talk through them. And just provide you information on what the Seafood Import Monitoring Program is. You know it is a regulation that's currently in effect now. However, upcoming will be inclusion of both shrimp and abalone at the end of this year.

So the webinar that we're giving today mostly targets those individuals involved with shrimp and abalone. Some of you are probably already very familiar with (SIMP) because again it's an implementation for other species currently. It may be a little redundant for all of you, however, you know this presentation will actually cover the Reg as a whole so it really is relevant for pretty much anyone wanting to learn about the regulation.

So again my goal is to provide you just a better understanding of this program so as seafood brokers and those involved, you can best be prepared and be ready for compliance for both shrimp and abalone at the end of 2018.

I think the most important anyways out of any presentation is the questions and answers. We will get to that and the team here will help answer any questions that you all may have and again, we will get the slides available - we'll get them up on our website at some point we will get them to you.



Celeste Leroux: Hey (Brian) sorry to interrupt you. This is Celeste Leroux also with SIMP it looks like we can see the slides now. They're on (Heather's) computer so I think people can see it now (Heather). If you could just continue with advancing the slides.

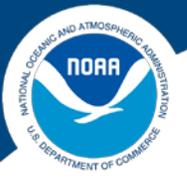
Heather [Brandon]: Okay we'll do. Yes.

Brian [Vauble]: Oh I see them too. Let me get caught up with you guys. Okay. Great. This is excellent. So we'll progress through these slides. Again first I'll give a basic interview, a little bit of history and then cover the main elements. So perfect timing. If you could go to the next slide.

So first of all what is it? It's a U. S. regulation that applies to certain specific seafood products that are imported into the United States that requires that certain harvest traceability information, chain of custody information for those products be declared at the time that those products enter into the United States.

Really at its fundamental core, what it is, is a traceability program to the point of harvest or in the case of aquaculture farming. Traceability and harvest data is being collected again at the time of entry. So why is this being done? This is really being done to address a couple of things and that's to prevent [IUU] or illegal, unreported, unregulated seafood, also misrepresented or fraudulent seafood from entering into our commerce in the United States.

We're trying to make our market off limits to those products and our goal is to protect our market, protect our economy, protect our - promotes



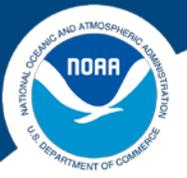
sustainability and also sustain our food security and it undermines the trade that currently occurs in \$96 billion seafood market. And this slide with bullet points kind of outlines the reasons that kind of drive the regulation and kind of brought it into existence. So with that next slide please.

Thank you. So let's talk a little bit about the history. You've got a timeline in front of you that brought us SIMP going way back to 2014. It's not on the timeline in front of you, it's kind of off the chart a bit, but [NOAA] and other U.S. agencies were directed to come up with a list of recommendations on steps that could be taken to combat IUU and seafood fraud and out of those recommendations at the time a list of species most at risk to IUU and fraud were established.

In 2016, all the way there on the left of the timeline in front of you, the proposed rule for SIMP was completed - almost a year later at the end of the year, the final rule for the Seafood Import Monitoring Program was released.

In the beginning of 2018, mandatory compliance started for all the priority species except for shrimp and abalone. At the time they were delayed or stayed and the reason being is that with SIMP we're not asking anything that the United States does not do in and of itself. So we did not have a robust kind of reporting and traceability for domestic shrimp and abalone and it was stayed until those gaps could be resolved.

In April of this year, the delay on shrimp and abalone was lifted as directed by Congress and now we're in a period of leading up to mandatory compliance at the end of the year, December 31, 2018. Next slide please.



The Seafood Import Monitoring Program next slide thank you. So now we'll get into some details about what this regulation requires. Actually I mentioned earlier that SIMP requires traceability back to the harvest or farm for certain species. It does this through three different foundational elements, permitting data reporting, recordkeeping - I refer to this as the three legs of the SIMP stool and we will actually get into those in a bit, however, next slide please.

We're going to talk to one more slide. We're going to talk about the species, the at risk priority species that were identified and to which the regulation is applied. You can see there are 13 species categories in front of you. They're - I say species categories because it's not really a 13 species as you can see some of them are actually species groups. Like tuna's at the end there - you can see actually multiple species.

There's other ones too - grouper and so on. And so these are the 13 groups that are covered by the rule. Currently, right now as of today, SIMP is mandatory compliance for everything except for shrimp and abalone and that's the purpose of this webinar is to provide information for those that may be getting involved for the first time come at the end of December this year.

Next slide thank you. So now we'll kind of circle back to the three legs of the stool permitting data reporting and recordkeeping. Next slide please. Thank you. As for permitting the U.S. importer of record is the responsible party under the rule and must obtain a [NOAA Fisheries] issued International Fisheries Trade Permit (IFTP).



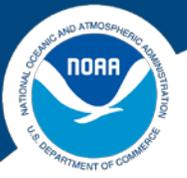
The permits are easy to acquire. It can all be done online very easily for those that have not done so already. There's the yellow URL in front of you is where you will go to get that permit. It's a very quick process. It asks for some basic information and it costs \$30 and must be renewed annually.

For purposes of the rule of the international fisheries trade permit holder and the importer of record are really one and the same. Again that is the responsible party, so the importer of record that must provide the data, that must keep the records - they will be that individual will be the permit holder as well. They will have to declare certain data elements at the time of entry into U.S. commerce, as well as maintain chain of custody records that backup the data that was provided.

Just to be more clear records are not provided to the U.S. Government at the time of entry so all of these chain of custody records is just at the importer is responsible to have them.

So that if they were to ever be audited and the data they supplied the U.S. Government at the time of entry, if that were ever to be audited then they would have to provide those chain of custody records to corroborate what they provided at the time of entry. Again the importer of record will be the party audited for all SIMP related activity. Next slide please.

This what you see in front of you here is the mandatory data that is collected at the time of entry. You can see harvest events, offloading - again this covers actually what you see in front of you covers both wild and aquaculture and all of this data is reported - provided to the U.S. Government through



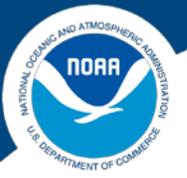
the international trade data system at the time of U.S. Customs clearance for these species.

This is currently the system that is already being used to report to different agencies data that needs to be collected. So it's just being added on to the existing framework. This is not something that is new and is really quite seamless once brokers in the software and once those things are operational and working. Again it's not a new separate reporting, it's taking advantage of a system that's already there.

Each bullet point again, each bullet point that you see in front of you is the data that will be asked for and will need to be collected at the time of entry. So go ahead. Next slide please.

There is an exception to this rule for small scale fisheries reporting. You can see this applies to very specifically fishing vessels under 12 meters, under 20 gross tons and for small agricultural deliveries under 1,000 kilos or equal to 1,000 kilos. Instead of reporting each harvest event individually on its own, that data may be aggregated together for all deliveries to one location in one day.

So as long as they share a common location, as long as it is within one day and it meets the *shipping vessel requirement [correction: harvest vessel size] or the [aquaculture] delivery requirement, it may be aggregated. And this is important because it gives some reporting relief to a certain number of fisheries. Go ahead and next slide please.



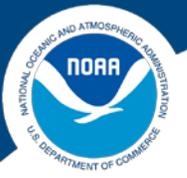
Five key points. One more slide. Going through and cycle through all of them if you would thank you. Some major key points. Number one it is only seafood entering the U.S. from a foreign country. It does not apply to any domestic seafood or any seafood that has already entered the United States.

I will make a point here that any seafood that may originate in the United States gets sent to another country for whatever reason, many times processing and gets reimported back into the United States, that will be subject to the Seafood Import Monitoring Program. Okay number two the importer of record must maintain an international fisheries trade permit. They also must hold a U.S. residence.

Number three the traceability data required for collection is reported electronically through ITDS, chain of custody records - again they need to corroborate the data supplied, must be maintained for two years and could be audited.

And number four the information collected is confidential. It's protected by the systems in place to protect confidential information. It's not something that is disclosed. Again it's confidential information and is treated as such. And lastly number five again December 31st, that is the mandatory compliance date for shrimp and abalone. Next slide please.

Okay. Preparation. Thank you. What steps can you take between now and the end of the year to be ready? Check your current supply chain. Make sure the data and records are available. You know don't wait until December 31st, check it now. If not, work to close those gaps in your supply chain.



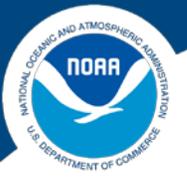
Audit your data, and as well as your records to see what you have or you don't have. So make an assessment.

Importers need to obtain an IFTP permit if they do not already have one. Entry filers, customs brokers - make sure your software is adequate prior to the deadline. We strongly encourage you to participate in pilot testing to work out technical bugs that - so you can report the data between your software systems without any technical issues or technical problems. Next slide please.

Okay, pilot software testing. One more slide please. All right I'll talk a little bit more again about the pilot testing of the software. We currently have an implementation guide available for technical requirements on our website. So if this is something that you are interested in or if you are involved with that part of it, definitely review that document. We will have - this fall we will have two levels of testing - certification testing and production level testing.

Again strongly encourage you all to participate through coordination between different parties, along with [NMFS] and [CBP]. At the end of this slide you'll have a point of contact where you can get some more technical and specific information if this is something that you're interested in and next slide please.

This slide outlines the basic process - the kind of it's very technical now. The technical process of how the testing will work, an account profile is set up and the series of technical steps are kind of outlined what you have in front of you. Next slide please.

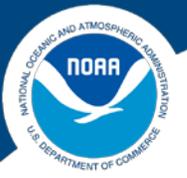


And the trusted trader program. This is a program that will be offered with a final rule we expect towards the end of this year. The idea behind this is pretty simple, it's to reduce the compliance burden on - reduce compliance for certified permit holders. So if you are a participant in the program, too reduce that burden upon you thereby reduce targeting and inspections. You know it's more streamlined entry, expedited flow of trade and then improved implementation.

So this is definitely something to be on the lookout for. Once we have a final rule to see if it can benefit you. That final rule is not out yet, so exactly what that program will look like that's - we will be finding out in the not too distant future. So next slide please.

The last day of 2018 - December 31st, shrimp and abalone will be required. Mandatory compliance importers will be responsible - they will be the responsible party to get their data to get their imports cleared. Chain of custody records must be maintained by the importer. Must be kept to document the data reported in Number two. All right next slide please.

Thank you. Looks like we've gotten to the last slide here. I want you to take a special note of the resource link that you have in front of you [www.iuufishing.noaa.gov]. That website is a one-stop shopping for all things related to SIMP. So if you get there you will basically have access to everything so it's kind of your springboard into all the information that you need.



So definitely take advantage of that resource. But most importantly at the bottom of the slide are two points of contact both Celeste and (Dale). They're very happy to assist you with any questions or concerns you may have. Again thanks everybody and I believe we can go ahead and get into the question and answer phase. Thank you.

Heather [Brandon]: Thank you (Brian). This is (Heather) again and I just wanted to also let folks on the phone know that we have several experts that are prepared to answer questions in addition to (Brian) and myself, we have these two subject matter experts on the phone.

We have Celeste Leroux, she's the lead for the Seafood Import Monitoring Program implementation and we also have (Dale Jones) on the phone and he is our main point of contact that interacts with Customs and also software developers for trade programs within NOAA's (trade).

So with that you have all the experts on the phone and we're ready to answer questions and I think the operator will tell all of you need to dial in order to get into the queue to ask questions.

Coordinator: Thank you. We will now begin the question and answer session. If you would like to ask a question over the phone please press star 1. Please unmute your phone and record your name clearly when prompted. To withdraw your request you may press star 2. One moment please while we wait for questions. Again to ask a question star 1.

(David Glockey) your line is open.



(David Glockey): Thank you very much. (Dave Glockey) with Seaport and I had a - I know it's probably way too early to be definitive on the trusted trader program, but the whole concept --tell me if I'm wrong-- is just to reduce the number of audits or is it to be such that the custom brokers doesn't have to do all the datasets for all the containers that come in. It just kind of bypasses that. So could you clarify that if you can? I appreciate it very much. Thank you guys.

Celeste Leroux: So this is Celeste Leroux. I can clarify that point. So we've proposed the trader program and it provides flexibility in both of those areas as proposed. So we have suggested that the program limit the amount of information that the broker would need to file for every entry to their international fisheries trade permit number and the three letter, three alpha species code associated with that harmonized [tariff] scheduled code.

And then the additional SIMP dataset would not be required for entry. Secondly the importer of record would be able to retain chain of custody records throughout their supply chain rather than retaining all of those records themselves. And they would have a little bit more time to provide records to [NOAA] as needed in an audit.

And there are a couple of additional requirements of the importer to gain trusted trader status that were laid out in the proposed rule.

(David Glockey): Well thanks very much. I appreciate it.

Coordinator: Our next question comes from (Cheryl Clifton) Global Forwarding, your line is open.



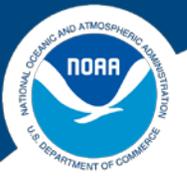
(Cheryl Clifton): Yes, (Clifton) with the regards to the IFTP format, since we'll transmitting both types of permits until all of them are replaced, is there going to be any additional information provided to Customs with regards to the formatting? Right now we have 33X - so 33 spaces and it can be alpha, numeric and special characters and you know it appears to me that we're just going to need alpha numeric characters. But just wanted to see if there is any special information being sent to customs or that we'll see in the future?

(Dale Jones): Hi (Cheryl). This is (Dale Jones). I think I can respond to that and basically you're characterizing correctly. That field the way that Customs has it structured within the [CATAIR] allows for some dynamic changes there. So what happens really is we send a list as a reference file to customs that is composed of the valid [IFTP] permits.

So the only real difference is that they'll have list that contains two different formats than what they do have now which is just a single format. So when you submit that number whether it's a new format or the old format it will just be checked against their list that we give them and we update those every time there is any change to the list.

In other words if there is a new permit or an expired permit, or anything like that, we update it. So effectively there is really no need for Customs to change anything in their current [CATAIR] or their structure and it will check whatever you send them and determine whether it's a valid permit or not.

(Cheryl Clifton): Oh great. Thanks (Dale). That will help out with our training material just to let them know that it will accept both types of permits for a time period and



you're list will check against what's a valid permit. If it's not valid then supposing we were going to get a reject, but otherwise it will get processed.

(Dale Jones): That's correct.

(Cheryl Clifton): Thanks (Dale).

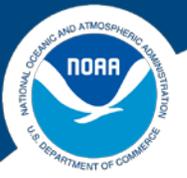
Coordinator: Our next question comes from (Jennifer Tapio) with Fresh Fish. Your line is open. (Jennifer) your line is open. Check your mute button or pick up your handset.

(Jennifer Tapio): Hi I wanted to know if some outreach is just regarding for shrimp and abalone.

(Brian [Vauble]): This webinar here was targeted because those are the new species added. Again for the other species that you saw on the list it's already into effect now. However, having said that really any of these webinars for anybody wanting information really on SIMP it's the same rule. So if that answers your question, again we're out reaching again at this point is because those two species are being added and we just want to make sure that we get to everybody.

(Jennifer Tapio): Okay.

Coordinator: Our next question comes from (Michael Urso) Conservation Systems your line is open.



(Michael Urso): Oh yes. I was just wondering what type of resources that are used for and how often company might be audited?

Brian [Vauble]: Yes, to answer that question as far as auditing, that's not something that we can really put out there. I will say that you know there will random and targeted auditing, but what that might look like or quantify in some way, none of us are really able to do that.

(Michael Urso): Okay. Thank you.

Brian [Vauble]: Yes.

Celeste Leroux: (Michael) this is Celeste Leroux. I believe we will be reaching out to you regarding your other questions that you sent to me.

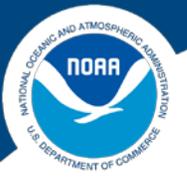
(Michael Urso): Yes. You already did.

Celeste Leroux: Okay.

(Michael Urso): Thank you very much.

Coordinator: Our next question comes from (Roger Clark) (Neums) Clark Company your line is open.

(Roger Clark): (Dale), Celeste, one question maybe you could clarify and this is in regards to foreign importers of record with Customs and Border Protection. Again they would be the importer as far as Customs is concerned, but as far as [NOAA] is



concerned that would not be able to be the importer of record because they are not U.S. residents.

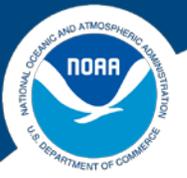
So again, would you clarify the hierarchy of the responsibility under those conditions and can that responsibility be subjugated to a U.S. agent even though there's a person that has a purchase order and has placed a sales contract with the access supplier?

(Dale Jones): Hi this is (Dale), (Roger). I appreciate the question and you have really outlined it essentially the way the structure works and that is that the importer of record for Customs purposes will still remain and fall within the scope of their definitions as it's existed for some time now.

However, the importer of record that being the person or the entity that is responsible for retaining the records for audits for the two year period has to be the person who is the International Fisheries Trade Permit holder, the IFTP holder who has a U.S. resident address.

So that importer of record for purposes of the SIMP program has to have the U.S. resident address and has to have and hold the IFTP permit. And that is the person or entity that would be contacted or followed up with for any audit that's conducted within the scope of the SIMP program.

(Roger Clark): Could a party that is not the actual purchaser of the goods like a U.S. agent obtain a permit and be the responsible party even though they have nothing with the contractual agreement?



NOAA FISHERIES

(Dale Jones): If they have agreed to actually obtain the permit and they are a permit holder and they agree to the other entities involved that they're coordinating with or working with that their permit can be used and that they will be responsible for holding the documents, then yes they can.

(Roger Clark): Thank you (Dale).

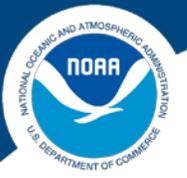
Coordinator: Our next question comes from (Joe Harnett) One World Protein. Your line is open.

(Joe Harnett): Thank you for your time. Currently we import canned tuna. The tracking criteria are we use our custom broker when the product arrives. Is there going to be any change once we go away from the P number with reporting information? Is there different information going to be required or is it the same list as what we have now?

(Dale Jones): When you refer to the P number - are you talking about the permit number? The 14 digit number?

(Joe Harnett): Yes, yes.

(Dale Jones): No there will absolutely be no change to what you are required to keep or retain. The only two differences that will result from that change is the format itself. Instead of starting with P and being followed by 13 numbers it will be the letters I-F-T-P followed by eight numbers. And then the second change is that number will remain permanent instead of changing every year.



Right now when you apply for a new permit at the conclusion of a year when your permit expires you get a whole new number and the way this will work is you'll get that IFTP number and it will stay the same and stay with you as an entity as long as you are a current and valid permit holder.

(Joe Harnett): Perfect. Thank you.

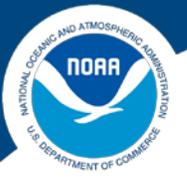
(Dale Jones): Yep.

Coordinator: No other questions queuing over the phone at this time. If you'd like to ask a question over the phone, please press star 1.

Celeste Leroux: This is Celeste. I know we went very quickly over a slide that talked about programming. Perhaps (Heather) you could go back to that and (Dale) could speak to that in a bit more detail?

(Dale Jones): Okay again. I think that (Brian) did a good job in really outlining the fact that the real key is for brokers to coordinate with their software developers and that whoever the importers are and the persons responsible for bringing in the product would be coordinating with them as well.

So you really could have potentially four entities involved here and that would be the foreign exporter that is bringing the goods to the United States, the importer of record who is the IFTP permit holder and then their broker or filer whoever is submitting that data and then the software developer who sets up the software for them to assure that the data can be filed.

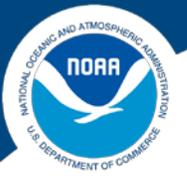


So what I would emphasize here really is that to be sure that whoever the foreign exporter is and the U.S. importer that they are coordinating together with their broker, that they be sure that - that broker has the correct information and then that broker coordinate directly with their software developer to be sure that it can be entered properly.

So persons who are already importing for SIMP and already using the software for other programs with [NMFS] would pretty clearly understand I think what needs to occur by looking at the implementation guide. But just to be sure, we would suggest that they conduct some certification level testing. We hope to have that open hopefully by the end of the summer even, so that fictitious data could be used by the broker, set up with their software developer to submit data and see that that's working correctly.

And then once we open this which will probably be late October or early November, or production level testing we would encourage filers to take actual import cases and attempt to file those and see if everything can go through properly that they're set up correctly.

The other person to coordinate with this on if there is any problems is your customs client representative and they can help us to assure to ensure things are working properly. So if you want to test and you do get to these points with certification late this summer and with the production level testing in the fall, feel free to contact me and contact your client representative or customs and let them know you want to do that and we can double check what you're submitting.



We'll look at the entries and be sure that everything's coming through correctly so that once December 31st does roll around we'll know that you're up and running properly and ready to proceed with any SIMP filing that's related to the shrimp and abalone and any of the other species listed for that matter.

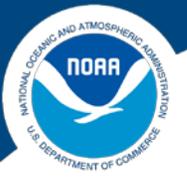
Again if you have questions in the meantime, feel free to contact me through the email that was provided there. We can make sure you have what you need relative to the implementation guide or clarify any questions there that you or your software developers might have.

Coordinator: We have a question over the phone from (Roger Clark) (Neums) Clark Company. Your line is open.

(Roger Clark): (Dale) one more technical question and this is regards to shell on shrimp. The customs harmonize tariff breaks down shrimp by size basically nine different harmonized numbers. [NOAA] and the main fisheries requires just the weight and the harvesting location by date.

So now we could end up having nine times whatever the number of dates of harvest times whatever if it's not broken down by size, at the harvesting point, then you would have to repeat those same number of ponds let say, multiple times for each one of the harmonized numbers. Is that not correct?

And then the weight would have to be duplicated because they would not know it by size so we would have to duplicate the weight. So you can see we would come up with thousands of possible combinations in that scenario.



NOAA FISHERIES

(Dale Jones): Right.

(Roger Clark): We have had even as many as 210 different ponds from one entry. So if you multiply that times the number of dates of those harvests, times each harmonized number, you could come up with thousands of numbers.

Celeste Leroux: (Dale) please chime in. But I just want to start by saying that our intent is to record down to the farm level, not the pond level.

(Roger Clark): Well the pond many times is the farm.

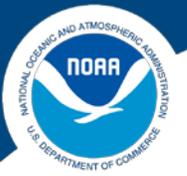
Celeste Leroux: Right, but is there multiple ponds in a farm we wouldn't need those to be designated.

(Roger Clark): Now again that could also be aggregated but I'm talking about harvesting over 1,000 pounds from multiple different harvesting points...

(Dale Jones): Mm-hm.

(Roger Clark): ...whichever each individual ponds and individual farmers. Which many times in some third world country Indonesia, Bangladesh, India that's the case, it's not a combination. But again what I'm referring to is we'd have to repeat those same quantities, those same weights, over and over is that not going to warp what information you're getting?

(Dale Jones): Well generally what should happen and again it's easy to generalize now, until you actually test a few samples as to see really how it's going to structure, but I think the way you characterized it (Roger) is correct.



You'd have - if you had one entry that was being filed and then you had let's just say for the sake of discussion to keep it simple, you had three different (HTS) codes because they were different sized shrimp.

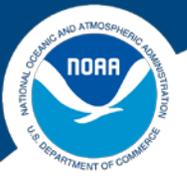
So you have three harmonized tariff schedule codes and then if shrimp came from different farms under each of those, what you would have then, you would have lines under each (HTS) code that would show the point of origin and the weight and all the information required for each of those farms.

Then you would have to basically, the weight itself would have to show the amount at that HTS code that came out of that particular farm and then who that particular farm first offloaded it to or provided the product to as it was coming out, unless it meant the aggregated level that you alluded to earlier.

So yes I think you have outlined the way that I would see that they would have to do that. So the paperwork would have to show how much product came from each farm at each separate weight and then you would have to reflect the way that the SIMP program is set up, you would have to reflect that in the subsequent lines under each HTS code.

(Roger Clark): Yes, if it's not harvested by weight at the point of harvest at the farm, but it's just a conglomerate of let's say shrimp of various sizes. You would then have to repeat each one of those on each harmonized line and it would be by date also.

(Dale Jones): That would be a question that I would not have the answer to because the intent is to really determine how much total weight came out of each - for



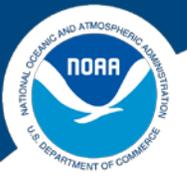
each (HTS) code so I would think what they would be looking for particularly when they came back to do the audit, is how much came out under each different size.

So that's conglomerated now and it's not separated out. I don't know if they would have to find or identify a way to do that or just do the approximations or how they would do that. We've had that question in the past for fishing vessels offloading at different points and what we've essentially instructed people to do is try to access how much weight came off at each point for each offload.

So I'm not quite sure how they would distinguish that for those different ponds at different product levels.

(Roger Clark): It would almost require having it at the size level at the pond level at harvest point. If you don't have that, then you're going to have to duplicate it and then you have a problem with Customs and Border Protection because you're certifying that everything that you're showing on that entry is true and correct. You can't estimate.

(Dale Jones): Yes, the only alternative that I could possibly see if the numbers added up correctly, so in other words even if you used the same total number that came out of each pond, it would have to somehow add up because otherwise it's going to look like somebody's fabricating information and you really have more shrimp coming in than is and that's really not going to make sense when it comes...



NOAA FISHERIES

(Roger Clark): You would want the weights to be estimated? Because again if we show the total weight from all of the ponds repeatedly then that was being given to my one officer, just to repeat the weight, you're going to end up as a total weight far more than the individual weights.

(Dale Jones): Yes, that's not what you're going to be looking for. I think at the very least you're going to have to approximate the weights and break it down so that the total weight taken out of that pond is the total weight broken over how many different (HTS) codes it covers, three or five or six or whatever. I think you would have to break it down and approximate it.

Because at some point, again some point somebody's weighing it, because they know what it is. So if they're tracking which pond it came out of and they know how much they got out of that HTS code, somebody's paying for it and buying it. So somebody knows somewhere along the way what that weight is for that product.

(Roger Clark): Wouldn't there be a business rules put out you know the technical [CATAIR] is fine for programmers but it's kind of difficult for business.

(Dale Jones): I would have to defer to the way that the rule is published. And I think if you look the rule you're going to see that - that is going to be what it requires. So that's really going to be your technical requirement as far as what you have to report.

(Roger Clark): Okay. Thank you.

Coordinator: Next is (Danielle Harper) Deep Sea Shrimp Importing. Your line is open.



(Danielle Harper): Hi. We've been importing Mexican shrimp my guess family business for 55 years and so this is all new for us. I know with the Mexican fisheries are working a new tracking system for all our boats. So that's the new thing that has to happen in Mexico - all the tracking systems. So is the main concern - the main things we need from Mexican shrimp, the area they're fishing in? That is going to main factor is the area for all the boats they are fishing in besides the size and the date.

So I'm assuming if it takes four boats to make up one load when I cross a boat, you want to know the area of the boat, the name.

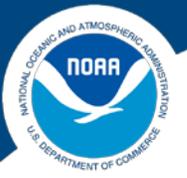
(Dale Jones): So we're talking about wild capture harvest here.

(Danielle Harper): Yes. That's all I do is will cap. We're big boats no [pangas].

(Dale Jones): Yes, so the implementation guide is going to really break this down for you, but in general what we're going to be looking for is yes, the area that the shrimp was harvested. Next we're either going to be looking for one thing or the other.

Either a bigger boat name if it was off loaded to a trans-shipment vessel or secondly if it was aggregated together then we're going to be looking for the place that it was offloaded and we're going to be looking for the name of the people or the company that it was offloaded to. Who took possession?

(Danielle Miller): So we're only talking one plant. So you just need have the name of the plant, the information of the plant, okay.



(Dale Jones): And we're going to want to know how many - if it's an aggregate harvest like that we're going to want to know how many small vessels were involved. So was it six...

(Danielle Miller): To make up a load - to make up a truckload.

(Dale Jones): Yes.

(Danielle Miller): To make up a truckload.

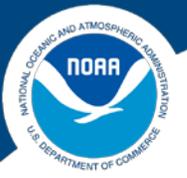
(Dale Jones): Seven vessels or two vessels or whatever then that's it. So those are going to be the basic things you're going to need upfront.

(Danielle Miller): Okay. Thank you.

Coordinator: The next question comes from (Corey Norton) (Tie Union). Your line is open.

(Corey Norton): Hi thanks. Maybe the flipside of the question in aquaculture situation - just looking at that model capsule, to get [information] for - there are lots of different types of companies mentioned from the landing (servant) or the processor, buying entity or the facility delivered to etc.

I was wondering could you possibly walk through roughly representative aquaculture shrimp supply chain and then kind of give us a sense of which of those entities (Section 4) you'd imagine or expect to be reported.



(Brian [Vauble]: So are you talking about then the model, the model documents that we have offered up? Right, right. (Heather) can you go back to the slide that has the data elements just backtrack that a little bit.

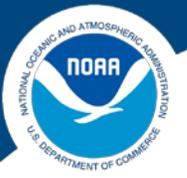
Right here so this is really kind of all of it that would be necessary. So I would say those example documents are just example documents. You know there could be situations where your supply chain that has its own kind of unique circumstances that something else may be more appropriate or documentation.

Again the whole idea here was to see the document that's already in place. I'll bet what you'll find is that the documentation [through] your normal, kind of travel up and down the supply chain already document a lot of what you see in front of you on the slide. So you know, if not of course that would need to be collected.

I don't have that model certificate that you had in front of you right now. Keep in mind some of these things may have been designed for more of a wild capture fishery type focus not as much on the agricultural side.

(Dale Jones): So this is (Dale), I'll just interject. If really what you're talking about you're looking at the slide as the last bullet on the right-hand side the entity or the facility that the fish was landed or delivered to, how do you characterize that?

And that there's a list that's a given set of codes and you do have to use one of those codes. But all we're really asking you to do is to pick the closest one that fits what you're doing. So that list is for example aqua cultural facility,



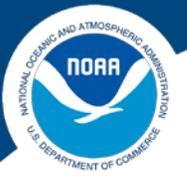
buyer, certifying entity, ponds entity, consolidator, exporter, exporting establishment, preparer or producer. So there's a whole list there. You just have to really pick one of those entity codes and use that and pick the closest one to what describes the entity that you've off loaded the fish to if I'm understanding your question right.

(Corey Norton): Yes and I think no that's helpful. Just let me say I appreciate you kind of drawing attention to that bullet. But just trying to assume the step from the previous one. If you're trying to distinguish between delivery location and delivery facility.

(Dale Jones): Yes. So the delivery location is really - there's a couple of places you'll put codes in and again you'll be working with your followers on this, but or your software developers - we're looking for really a country location there and they'll be codes for that in terms of where the entity is and where the off load occurs.

So the next to the last bullet there is what not to get too technical what we call (PGO 6) but it's source information as to where different things happen from harvest to offload and then there's what's called the (PG 19) records which are lists of who the person was or who the entity was and that's going to be the company or the name of the buyer and their address and contact information.

(Corey Norton): It sounds like kind of the main things that you're trying to make sure you have are the information about the harvest, the farm where the shrimp is being pulled from and it sounds like you're saying the delivery facility would



NOAA FISHERIES

be the processor that's processing into whatever form and packing up for export.

(Dale Jones): Yes.

(Corey Norton): Yes, those are the two points that are important to you guys?

(Dale Jones): Those are the main two keys. Yes. You are looking where it came from and who you first know the harvest point - where the first harvest came from and who it was provided to that the second person in the chain. And that's just talking though about just to be clear for that, I'm only talking about what you keystroke in when you do your entry.

But as far as records go to retain for two years about the harvest of this product, you would have to have documentation to show every point in the chain from the time that it was harvested out of the ponds or from the farm all the way to the point where it is imported to the United States.

Each point in the chain, everybody that was involved along the way has to be on that series of records.

(Corey Norton): But for the entry specific reporting, you're looking for the identity of just the entity that was the first buyer?

(Dale Jones): Yes, exactly. The first point of exchange after the harvest.

(Corey Norton): So even if there are parties they're after those are relevant for the chain of custody but not for the ace recording?



NOAA FISHERIES

(Dale Jones): That's correct.

(Corey Norton): Okay. Thank you.

Coordinator: Next question comes from (Jennifer Tapio) with Fresh Fish. Your line is open. (Jennifer) please check your mute button or pick up your handset.

(Jennifer Tapio): Oh sorry. I was wondering if we have to do a SIMP for all the species starting December 31st or is it just for - because right now I'm just doing it for Mahi and certain species but not all the species. So starting December 31st, are we doing it for all the species?

(Brian [Vauble]): So the slide in front of you all the species - all the species group that are on that list. All the single species and groups that are on that list.

(Jennifer Tapio): And that's it?

(Brian [Vauble]): Yes. They're currently right now at this time, these are the species that are involved with SIMP.

(Jennifer Tapio): Grouper.

(Brian [Vauble]): Other species may be added at some later point in the future, but this is what it is now.

(Jennifer Tapio): So expected December 31st, we're going to have to do red snapper on the SIMP.



(Brian [Vauble]): Red snapper you would have to now.

(Jennifer Tapio): Now?

(Brian [Vauble]): Correct. What you see in front of you every one is mandatory except for shrimp and abalone. Every other species or species group right on there, it's mandatory compliance now for those species.

(Jennifer Tapio): So it would be automatically on there when I enter it - with (HTS) code. (HTS) code will lead me to the SIMP program.

(Brian [Vauble]): So if you're importing red snapper right now at this current point, right the data that we talked about, the chain of custody records, the International Fisheries Trade Permit, all of that would come into play and would be necessary right now to import red snapper. However, that's not the case again for shrimp...

(Jennifer Tapio): Is it exactly red snapper or any type of snapper?

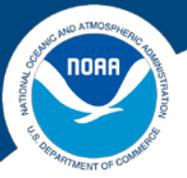
(Brian [Vauble]): Red snapper.

(Jennifer Tapio): Just red snapper.

(Brian [Vauble]): Correct.

(Dale Jones): Again you're right. The (HTS) codes are flagged for all those species.

(Jennifer Tapio): Okay.



(Dale Jones): So for everything on that list if there is an (HTS) code that you require that you report, it's already flagged by Customs and then shrimp and abalone won't be flagged for mandatory until December 31st of this year. However, when you have something like red snapper, you could have let's just say vermillion snapper and you bring it in and if you have the same (HTS) code it's going to get flagged first but then if you submit the three alpha code for vermillion snapper then they...

(Jennifer Tapio): What is the (HTS) code for the red snapper?

(Dale Jones): What was that?

(Jennifer Tapio): What is the (HTS) code for the red snapper?

(Dale Jones): I don't know them offhand. They're listed in that website that (Brian) shared with you earlier and so there all listed there.

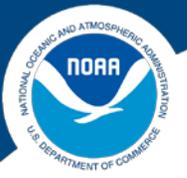
(Jennifer Tapio): Okay, I'm just confused about that. Because they bring in all different snappers. So it has to be a specific red snapper.

(Brian [Vauble]): Yes it's red snapper right. It's the particular species of red snapper.

(Jennifer Tapio): What is the scientific name for it?

Heather [Brandon]: It's *Lutjanus campechanus*

(Brian [Vauble]): Thank you (Heather).



NOAA FISHERIES

(Jennifer Tapio): And that's being flagged.

(Heather [Brandon]): That is the species that requires - that's the species of snapper - it's the HTS code that's flagged but then you would provide the species three alpha code.

(Jennifer Tapio): Yes.

(Heather [Brandon]): If you don't know what kind of [Lutjanus], you don't know what kind of snapper it is and you use a three alpha code that is just in general snapper then we would also require the harvest and landing data to be reported for that because it could contain red snapper - it could contain that species.

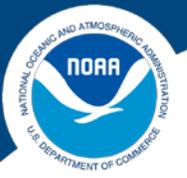
(Jennifer Tapio): Okay. Thank you.

(Heather [Brandon]): We have a list of species codes that are under the SIMP program and that list is also on the IUUFishing.NOAA.gov website.

(Jennifer Tapio): Okay. Thank you.

Coordinator: And as a reminder, if you would like to ask a question over the phone please press star 1.

Celeste Leroux: This is Celeste Leroux. I will just remind you this is the first webinar in a series that we're doing. We're trying to capture a series of various time zones. So our next webinar where we'll be going through the same presentation as tomorrow. We have another one coming up on Wednesday



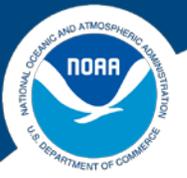
of this week and then next week on the 27th of June we'll be hosting another webinar like this. But it will have sequential translation in Spanish.

And I'll also note that we at this time are not planning on doing any in person in the U.S. stakeholder roundtables, but we're happy to take suggestions if there are cities where you think that will be particularly helpful. We are also offering outreach internationally, to either specific groups of foreign stakeholders or as needed in country engagement.

(Heather) and I were in Ecuador to support their compliance with SIMP and we'd be happy to hear your feedback on that. So you're welcome to email me with any questions and I was also thinking maybe (Heather) you could provide a little bit of information or (Brian) about the SIMP support line that we have.

(Heather [Brandon]): Sure. I can do that. We have a SIMP support team that are ready to answer your questions about SIMP and we are accessible and I'm part of that team. And we answer an email account and a hot line that you can call and I'll give you that information in a minute. But the team answers those emails and phone calls between 8:00 a.m. and 8:00 p.m. Eastern time.

So you know you have a 12 hour window there Monday through Friday where you can ask your questions. The toll-free phone number for that is 833-440-6599. There's also another number it's a Silver Spring number for that phone. It's 301-427-8301 and if you would rather email your question and get an answer in writing, you can email, SIMPsupport@NOAA.gov. So that's S-I-M-P-S-U-P-P-O-R-T at N-O-A-A.gov.



And we welcome any additional questions you might have and if you can't find resources on our website, we can point you in the right direction or email them as an attachment.

Celeste Leroux: So it appears we don't have any other questions in the queue. Maybe (Brian) is there any closing remarks that you would like to make, that would be great and we can wrap up.

(Brian [Vauble]): All right. Thank you everybody and thanks for having your patience as we resolved some of the slide show difficulties in the beginning. The team here is eager to help you out with any questions that you may have at any point. Thank you very much.

Coordinator: That concludes today's conference call. Thank you for participating. You may disconnect at this time.

END