Public Webinar: Seafood Import Monitoring Program

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Office of International Affairs and Seafood Inspection (NOAA Fisheries)

Facilitator: NWX-DOC CONFERENCING

Coordinator: Welcome and think you for standing by. At this time all participants are in a listen-only mode until the question and answer session of today's conference. At that time you may press Star 1 on your phone to ask a question. I would like to inform all parties that today's conference is being recorded. If you have any objections, you may disconnect at this time. I would now like to turn the conference over to Kerry Turner. Thank you, you may begin.

Kerry Turner: Welcome everyone. Thank you for joining us. This is the NOAA Fisheries Webinar series on the Seafood Import Monitoring Program. Again, this is a webinar presentation about the Seafood Import Monitoring Program.

My name is Kerry Turner. I'm a communication specialist here at NOAA Fisheries' Office of International Affairs and Seafood Inspection. This is an opportunity that we have provided to discuss the program and to answer any questions that you may have about the program and its implementation.

We have today with us who will be presenting, Laurice Churchill. Laurice is the Region Chief of the Southwest for our office of International Affairs of Seafood Inspection. She's also joined by Christopher Rogers and Chris is the Assistant Director of our International Fisheries Division for the Office of International Affairs and Seafood Inspection. They'll be doing a brief presentation and you can follow that on the website and then after that presentation, we will open it up for your questions and answers and I'll let you know after the presentation how you can get into the [queue] to ask your questions.

If at any time you may have any difficulties viewing the presentation, you can go to our website at www.iuufishing.noaa.gov and that will also have the presentation there as well.

So Laurice please go ahead.
Laurice Churchill: Thank you Kerry and good morning to everybody and welcome for joining us. It might be afternoon some places so, thank you for coming in and taking the time today to learn more about NOAA’s Seafood Import Monitoring Program.

We can move along to the next slide which presents us with a timeline of how this rule has developed. The key dates here are going to be that the rule has become effective and it was effective as of January 9, 2017 and has a mandatory compliance date of January 1, 2018. It is the new program (unintelligible) establishes permanent data reporting and record keeping requirements for the importation of certain priority fish and fish products into the US market that have been identified as particularly vulnerable to IUU fishing and/or seafood fraud.

The intent of the program is to prevent IUU or illegal, unreported and unregulated caught fish or fish products or misrepresented seafood from entering US Commerce. It also supports obviously global efforts combating IUU fishing. NOAA and its US government partner agencies are engaged in numerous efforts internationally and has the enforcement strengthening partnerships in establishing seafood traceability. The NOAA Seafood Import Monitoring Program is the first phase of a risk based traceability program. It requires the importer of record to provide and report key data from the points of harvest or harvest events to the point of entry into US Commerce. It includes an initial list of imported fish and fish products identified as particularly vulnerable to IUU fishing and/or seafood fraud. Also again referred to as the priority species.

So let’s move to the next slide. The key points that are listed here we’ll go through those first and then I will follow that by going into greater detail though I really want to make sure you understand the rule establishing the NOAA Seafood Import Monitoring Program applies only to seafood entering the US from a foreign country, the importer of record will be required to keep records regarding the chain of custody of the fish or fish products from the harvest point to the entry into the US. So in other words, where did it go, where has it been, keep records (unintelligible). The data collected will allow these priority species of seafood to be traced from the point of entry into US Commerce to the point of harvest or production. That will allow us to verify that it was lawfully harvested or produced.

Next point is the collection of the harvest and landing information for these priority seafood species will be entered into the Customs and Border Protection International Trade Data System. Many, many brokers are already familiar with this and should not be a new system to many of them. The information collected into this program is confidential and the rule applies to reimported product of priority species originally harvested in the US. Okay so
these are the key highlights. Let's move on and we'll go into much more detail.

Next slide please. Through the rule making process, it was determined that for the priority species to which this rule applies, equivalent information is already being collected for the products that come from US domestic fisheries. They're already under regulation by various state and federal fisheries management and reporting programs and because of that we do have a traceability program in place again for domestic fisheries or domestic produced seafood. So this rule making focused on imported seafood and everybody pretty much recognizes the US does import about 90% of the seafood consumed on an annual basis in the current marketplace.

So based on the input, the rule making process and comments a final list of priority species was adopted in conjunction with the minimum standards and necessary data for a seafood traceability program.

So in the upper right hand corner of this slide, you see a box with the priority species and on the left hand side you see some boxes that are referring to the harvest elements and again we'll go into more detail here.

The US Customs and Border Protection International Trade Data System is the existing system to support this effort. It's an electronic single window for collecting information on both imports and exports and it's important to point out a pilot program to practice data entry is under development and will be available before the end of the year. Also as a result of the considerations of the comments and what not, a Commerce Trusted Trader Program again, a Commerce Trusted Trader Program is under development and aimed at reducing the burden appropriately for those who could achieve a trusted traders status.

The data that we collect at the point of entry into US Commerce, the import or entry filing will include information on the harvest event and the harvest entity. So on the left hand side again you see the producing entity information that they would need to report and information about the fish the what, where and when.

The information collected as I said before is confidential. It's not available to the public unless it's an aggregate form so it has to be combined. The information itself is protected as confidential business information under both the Trade Secrets Act as well as the Magnuson Stevenson Fisheries Conservation and Management Act or also commonly referred as the Magnuson-Stevens Act.
In addition to reporting at the time of entry through the Customs and Border Protection ITDS system, the import of record on the US side will be required to keep records regarding the chain of custody of fish or fish product from the point of harvest into the US market. Now we're not mandating what those records must be but they must be able to support an audit from the point of entry into commerce traceable back to the harvest event that was reported by the importer. These records could include things like landings, landings tickets, just simple tickets, processor receipt, invoices, manifest, any type of documentation that are currently used in trade to support a chain of custody audit.

In addition, if a particular supply chain is making use of a 3rd party system such as a verification scheme or a regional fisheries management organization or RFMO, which have catch documentation or government program documentation, they can also be used to support the chain of custody audit. The records should be able to demonstrate the connection between the goods entered into the US and the harvest event reported.

Now, this also applies to reimported products. Seafood harvested in the US exported for cold storage goes through processing, reprocessing, and then is reimported back into the US, this rule does apply. The products reimported will have to demonstrate that they were originally of US origin. US harvest event records can be those from the local area of jurisdiction using whatever catch documentation system or catch record system that exists.

Interesting to note, you have a program to document harvest of fish and certification of that fish was not illegally harvested. Those EU documents can be used if the fishery is engaged in supplying the EU market as well. Now during the rule making a sample form or a model catch certificate was introduced and these are available for reference on the IUU web portal. These forms do not have to be used but say there's no other existing mechanism in the area of jurisdiction for that particular harvest event, that model form, the sample could be used in order to record the required information and transmit it through the supply chain. Also, it's important to point out that there does not have to be and there's no requirement to be on paper forms --an electronic scheme can be used.

Lower right hand box on this slide, the importer of record, the importer of record typically your brokers is the responsible entity and will identify themselves in the system with the permit that they will obtain from NOAA Fisheries. The permit number must be reported during the entry process and the results of that will be that the goods will be released at port. So if all the data is there, then the goods will be released.
The Harmonized Tariff Schedule, (unintelligible)will be used in the International Trade Data System to identify those import commodities that are subject to this program. The system will look for additional information about the import of record and the harvest event when processing that entry filing. It's important also and I want to make sure you know that there will be a pilot program to practice the data entry into the (unintelligible) later this year.

The importer of record is also responsible for maintaining those records for the chain of custody for a minimum of two years. The record support a trace back if that entry is selected for an audit from the harvest event all the way to the US import.

The harvest event or producing entity event does include the vessel and now we're back on the left hand side of the slide again in the upper box and the lower box. If the vessel has a unique identifier, this will be used to be entered into the system plus the identification information about the vessel, the type of fishing gear to be used and if it's an agriculture produced commodity, the name of the firm or agriculture facility would be entered.

It's important to point out in response to comments on the proposed rule a lot of concern is expressed with respect to the small scale operators and some fisheries abroad and the need to assemble information from a large number of small scale operators in a single calendar day to address the need to identify the harvest event for a consolidated shipment. In order to reduce that burden, we allow for simplified reporting for small scale operators. Basically small vessels, or small agriculture facilities can be consolidated.

The receiver of the fish, a fish dealer, a fish collector, consolidator at the ports or beaches or agriculture facilities where ever they are for small scale operators, can consolidate the records and have one simplified harvest event report that would then be carried through the supply chain.

Note that in the thirteen priority species box there on the right there is an asterisk in front of abalone and shrimp. When the domestic reporting programs for the wild catch was analyzed, it was determined that we have existing systems in place for full scale traceability to entry into commerce for US produced commodities. However, in the US some agriculture of shrimp and abalone products have less complete information. Therefore, we need to go back to close those gaps in order to have a domestic traceability program for shrimp and abalone products produced in the US agriculture operations. Consequentially, rather than have a separate treatment with imported products of those two species shrimp and abalone we're delaying the implementation for shrimp and abalone. We will publish a Federal Register Notice in the future and announce a date when the program would be expanded to include shrimp and abalone.
Slide 5 please. For more detailed information go to the website iuufishing.noaa.gov or [www.iuufishing.noaa.gov]. There's a lot of detail there, a lot of FAQs. Remember that the rule itself is effective January 9, 2017 so it's in effect but it has a compliance date of January 1, 2018 and that's coming up. NOAA is moving forward with outreach globally to continue to inform the trade community to invest in the mechanisms, they need to comply with these rules. It's important to note that these efforts must and can start immediately and continue through January 1, 2018.

Any imports after that date are going to be checked for and screened for harvest event information. They will also be looking for the importer information and the harvest entity information.

Any seafood product produced now either through the cold storage, processing or shipping supply chain that are entering US Commerce after January 1, 2018 will need to comply with the reporting requirements. So advanced prep is now strongly advised.

We're currently engaged in this outreach phase doing a number of these webinars with the stakeholders seeking to gain an audience both with US importers as well as the exporters to the US market to make sure the industry understands the requirements that require their cooperation throughout the supply chain. The US importers of records will have to be permitted, report and keep records and those US importers obviously are dependent on the exporters and suppliers from abroad in order to assemble and keep that information. Look for the Trusted Trader Program to be proposed in the Federal Register later this year. We will certainly advertise it and hold public hearings before going to finalizing that with the program and if you have any questions concerning implementation of the Seafood Import Monitoring Program, please contact Celeste Leroux and her contact information e-mail is up on the website. If you’ve got questions specific to the Customs and Border Protection, International Trade Data System or ACE also ITDS programming, or about the pilot testing or the entry filing, contact Dale Jones and his e-mail is on the slide.

Again, this presentation has been about the NOAA Seafood Import Monitoring Program. Key points, the compliance date is January 1, 2018. The importer of record will be a permanent holder required to enter the harvest event data into the ITDS system. They will also retain the chain of custody records for two years and will be available if they’re audited all of which support traceability of those priority species identified commodities from the harvest to entry into US Commerce.
So that concludes our presentation. I'll turn it back over to Kerry and we thank you very much for your time today and look forward to hearing from your questions. Kerry.

Kerry Turner: Thanks Laurice. As Laurice mentioned, these webinars are part of NOAA Fisheries ongoing efforts to provide awareness to the industry and also support for compliance with the Seafood Import Monitoring Program and all the traceability that are reported and record keeping requirements. We wanted to have an open session for questions and answers about either the presentation, the program, Seafood Import Monitoring implementation timeline. Whatever questions you might have also about any of the upcoming timelines, events or anything like that. Shelia would you let everyone know how to get into the queue to ask their questions?

Coordinator: Absolutely. If you would like to ask a question, please press Star 1 on your phone and record your name clearly. If you need to withdraw your question, press Star 2. Again, to ask a question, please press Star 1 and we will take a few moments for questions to come through. Please standby.

Kerry Turner: While we're waiting for questions, a reminder [about] the IUU Task Force web portal and information is up on the slide. It's www.iuufishing.noaa.gov. There you can find a lot of the resource materials and reference to this program. You will find the compliance side, fact sheets, also some of the catch certificate forms are also available there, so the model catch certificate forms you can take a look at those as well and a list of upcoming events, webinars, we're also looking into in-person round tables in various regions throughout the US. So all that information and the updates will be on the web portal iuufishing.noaa.gov.

Coordinator: And again, as a reminder, if you would like to ask a question at this time, you can press Star 1 on your phone and record your name when prompted. One moment please for any questions. We do have a question from (Melanie Geffen), your line is open.

(Melanie Geffen): Yes, I'm just kind of curious I work for a fisherman's association and on the (brewery) list ---I see tuna on the (brewery) list for now. I'm curious from a harvester prospective, you know, our guys here normally sell to a broker so from the harvester prospective, what is required from them like the actual harvesters themselves at point of sale to that broker so that we can make sure that chain of custody is in place?

Chris Rogers: Hi this is Chris Rogers here in Silver Spring. Thanks for that question Melanie. So the harvester would insure that the catch record that was reported in the slide we see harvesting producing entity fish what, when, where so make sure all that information is recorded. If there is an existing system in
place with a catch report, a log book or catch document that must be produced in the local jurisdiction, that could be used. If there is no specific requirement that pertains to that harvester, the harvester could independently use the model catch certificate that we refer to and is available on the website or an electronic scheme in association with the broker or the processor. So as long as that information is recorded and transmitted through the supply chain, and is available to the US importer of record when they make their entry filing, that will satisfy the requirements of the program.

(Melanie Geffen): Okay, thank you.

Coordinator: Our next question comes from (Harathonia) your line is open.

(Harathonia): Yes good morning. Well thank you for this webinar. I'm a fisher from Iceland with the International organization. We have been comparing this together with government for quite some time and we are interested in the pilot program and we already have drafted a form including that information you needed and my question is, is it a possibility for us to introduce this to you and it's only a pilot program and how would it go forward with this? We already drafted a form we would like to introduce to you. Thank you.

Chris Rogers: Thank you for that question. It's great that Iceland has a form. I'm sure Iceland is already involved in many case documentation schemes for some of the regional organizations as well as the EU program. So if you have drafted a particular form to meet the US program requirements, that's great. Please send it to us, send please to celeste.leroux@noaa.gov, the e-mail address is on the last slide from the presentation. We will take a look at that and give you any comments we have.

With respect to the pilot program, we have submitted all of our requirements to US Customs and Border Protection. They are working on the programming for that International Trade data system interface to accept the data elements for this program. As soon as they certify the software is operational, we will work with them to announce the opening of the pilot test. So until Customs complete the programming and certifies the software, we can't open up the pilot test but as soon as that is available, we will do, make some announcements through Customs and Border Protection as well as our portal here on the website and if it happens soon because of scheduled webinars, we will certainly make that announcement through these webinars.

(Harathonia): Okay thank you very much. One simple question. Could you send us the slide show?

Chris Rogers: Yes.
Laurice Churchill: The slides are also available on the website iuufishing.noaa.gov.

(Harathona): Okay. I will pick them up from there. Thank you.

Coordinator: As a reminder, you can press Star 1 on your phone and record your name if you have a question. Our next question is from Steven Thompson. Your line is open.

Steven Thompson: Hello, thank you very much for this webinar, it's been informative. However, there was a reference earlier to the importer of records sometimes being the broker. Could you please more clearly define the importer of records responsibilities versus the broker's? Thank you.

Chris Rogers: Okay this is Chris Rogers again. Thanks for that question, very important clarification Steve. While a US importer can certainly make an entry on their own behalf but more often than not because they hire a custom's broker to make entry for them. In which case the custom's broker identifies, can identify in an entry filing several entities, a consignee, a nominal consignee, ultimate consignee, importer of record and what we needed to do in terms of this regulation and to monitor compliance and enforce the regulation, we had to identify a particular entity who would be responsible for obtaining the import permit, the fishery international trade permit and be responsible for the reporting and information on the harvest event reporting and also the retention of chain of custody records to support an audit.

So we have used the importer of record, the US import of record is an official and required designation in any entry filing to focus on that particular entity for the purposes of compliance and enforcement of this rule, the regulatory program. So whoever is identified as the US importer of record in that entry filing whether they're filing on their own behalf or using a custom's broker to do so, is the responsible party. Technically speaking the US importer of record when using a custom's broker, the custom's broker will be entering that information for them but the US importer of record obviously would have to obtain that information on the harvest event from the exporter and provide that information to the custom's broker so they can make the electronic entry. Hopefully that clarifies the relationships and roles in the entry process.

Coordinator: We are showing no further questions at this time but again as a reminder, you can press Star 1 on your phone and record your name if you have a question. One moment please for any additional questions.

Kerry Turner: While we wait for any additional questions, as a reminder when you go to the website and you click on Seafood Import Monitoring [Program], there's a link for that. On that page, you will see a spot where you can sign up for updates about the program. So we post a lot of that information in terms of the
timeline, events and things like that, any type of additional outreach we'll be
doing, that will be posted there but if you would like to sign up for updates,
there's a link on that web page you're able to do that and we will be routinely
sending out updates as we continue on for that.

Coordinator: You have another question in cue. Our next question is from Robert Kay.
Your line is open.

Robert Kay: Thank you ladies and gentleman. Rob Kay here from Cape Town South
Africa. We do quite a bit of business with foreign vessels that call into Cape
Town being on the point of Africa and just one thing to know, when you
mentioned that the documents that could be considered part of traceability
could include invoices. Does that mean that an invoice is sufficient and
copies of the fishing permits are not required? Thank you.

Chris Rogers: This is Chris Rogers again and thank you for that question Robert. The data
elements are what is required of the US import when they make an entry. So
the catching vessel, evidence of the authorization of that vessel and any catch
reports, you mentioned that foreign vessels may be making port calls or off
loading in South Africa so fishing authorization in that case would certainly
be the flag state fishing authorization and the permit should have that. So
when that information is transmitted via a copy of the permit, or just the
permit number itself, that information would be recorded. I assume Cape
Town South Africa you would be exercising your port state responsibilities
and fully documenting the catch working with the flag state, the vessel was
duly authorized and that you would be recording the information from the off
load obviously the point of landing, landing be the name of the entity to which
the fish were delivered. So certainly any documents that exist as part of the
fishing authorization process, inspection process, the commercial trade
process can be used to provide the initial information on the harvest event and
also to support the chain of custody to get that information in the hands of the
US importer so they can fulfill their obligations as a US importer. Hopefully
that clarifies for you.

Robert Kay: Yes. There's a small hiccup in that, that documentation is retained by the
South African Government and not necessarily by the importer in South
Africa.

Chris Rogers: Okay. When you say the importer in South Africa, you mean the party who
would…

Robert Kay: …would be importing the product from the foreign vessels to reprocess it for
export to the US.
Chris Rogers: So then the processor and the processing entity, the importer in South Africa who would eventually export to the US would have to work with the South African government to provide that information to the US importer. Whatever arrangements can be made is acceptable whether that would be in the electronic scheme or some other way for perhaps the US importer to get the information directly from the South African government rather than the importer. The key is that the US importer has a responsibility to report certain data elements. How that importer acquires those data elements, our system is very flexible. So it certainly sounds like there needs to have some discussion between the South African exporters, US importers and to bring the government and its port inspection capacity into the discussion to make sure the requirements of the program can be met.

Robert Kay: Yes, I think since we meet 100% of your requirements, it’s just in terms of how we get the correct documentation to the importers on your side and is something that we need to look at and also to address it through the channels here in South Africa.

Chris Rogers: Thank you.

Robert Kay: Thank you.

Coordinator: Our next question comes from (Darrell Lapier) your line is open.

(Darrell Lapier): Can the importer of record be a non-resident corporation?

Chris Rogers: Well under Customs Regulations, yes, however our program just require that the importer per say has an international fisheries trade permit issued by the National Marine Fisheries Service. We do have a website. That portion of the program is currently active and parties can apply and receive that permit at this time. We will not issue that permit to foreign entities. It must be a resident of the United States in order to obtain that permit. So it does provide for some complexities in the entry process who's filing as the importer of record. Again US Customs Regulations do allow for foreign entities to make entry provided they have a US resident agent for service of process perhaps holding a bond so our program is not intended to interfere with that process so some entity involved in the import process must have the international fishery trade permit and report that number as part of the electronic entry filing and it will have to validated against the currently valid permit list that National Marine Fisheries Service will provide to customs for validation of the entries as they are processed.

So in the case where a foreign entity is making an entry and is not eligible for the International Fisheries Trade permit, they can make arrangements with the consignee on the US side of the transaction for the that consignee to obtain the...
permit and report the information. However it's very important for that consignee to understand as the permit holder they would be responsible for the information that is reported and for the retention of the chain of custody records if those chain of custody records are maintained by the foreign party making the entry they would have to have an arrangement for the US consignee holder of the International Fisheries Trade Permit to have access to those records in the event of being selected for audit.

A little complicated in that sense but again existing customs regulations do allow for foreign entities to make entries under certain conditions and our program will focus normally on the US import of record but if that import of record is designated in the entry filing, is a foreign entity under custom's laws and it's allowable then a US consignee would have to have the permit and then would become liable for the information reported as well as the record keeping requirements and furnishing those records in the event of an audit. Hopefully that can clarify rather than confuse the situation.

(Darrell Lapier): Yes thank you. It opens up more questions but I'm certain they'll be addressed as we progress.

Coordinator: If you would like to ask a question now at this time, please press Star 1 on your phone and record your name when prompted. Our next question comes from (Peter Kelton). Your line is open.

(Peter Kelton): Yes, thank you. I had a question about the document imaging system. Will the use of the DIS be required for all entries filed under this program?

Chris Rogers: We considered that use in terms of the chain of custody documentation but recognizing that under this program there may be many different varied complex supply chains that the level of documentation that would be required to support those chains of custody audits might be very voluminous and therefore we elected not to use the document imaging system that is part of the International Trade Data System, electronic single window. So the only requirement is the message check, the actual data part of it and that's the Harvest information. The rest of the record keeping on chain of custody is the responsibility for retention by the US importer of record to be furnished if selected for an audit.

Now how those records are provided or furnished to the fisheries service in the event of an audit, that could be scanned documents, mailed documents, if there's a proximity of the importer, place of business and a person or party of the seafood inspection program, might be an office visit so we will deal with exactly how to conduct the audit, how to furnish those records on a case by case basis but we will not be using the document imaging system as part of ACE the single window to collect those records.
(Peter Kelton): Great, thank you very much.

Coordinator: I'm showing no further questions at this time but again, if you would like to ask a question, you can press Star 1 on your phone. One moment please for any additional questions.

Kerry Turner: While we wait for any last rounds of additional questions, as a reminder as you can see on the slide, January 1, 2018 is the mandatory compliance date for this program. NOAA Fisheries will be continuing to do an outreach engagement for all affected and interested stakeholders for this rule.

If you have any questions related to the requirements, we suggest you contact Celeste Leroux her information or e-mail address is there. If you have any questions regarding the automated commercial environment or ACE ITDS a pilot testing that we mentioned as well, please contact Dale Jones he's in NOAA Fisheries Office of Science and Technology-- his information is there as well. Do we have any additional questions?

Coordinator: We're showing no additional questions at this time.

Kerry Turner: Thank you everyone for joining us, thank you Laurice Churchill who's our Region Chief of the Southwest for the International Affairs of Seafood Inspection Office and Chris Rogers our Assistant Director here. Thank you. I see one question that just jumped up. We will take that one last question.

Coordinator: One moment please. We do have a followup question from Steven Thompson, your line is open.

Steven Thompson: Hello we just want some clarification on the product that will be as of January 1, 2018, this will be required for. Will it be anything that was imported that is on inventory that already cleared customs or only be products that comes through customs as of January 1st.

Chris Rogers: This is Chris Rogers, thanks for that question Steve. It would be product that has not cleared customs. It may be brought into the US prior to January 1st in a bonded warehouse but has not been entered and released from customs custody. So that would be subject but if it has actually cleared customs and is in cold storage, then it would not be subject to the requirements.

If the complete entry was filed and there was (unintelligible) picked up at the port and put into cold storage or a warehouse if it is a shelf stable product, not covered by the program but if it comes in before, is in a bonded warehouse, entry has not been completed and the entry would be made after January 1st, then yes it would be subject to the program.
Steven Thompson: Thank you.

Coordinator: We're showing no further questions at this time.

Kerry Turner: Thank you. That was a very important question. We do strongly encourage preparation for compliance for this program as soon as possible and again, the information there, contact information if you have any additional questions for both Celeste Leroux or Dale Jones.

Thank you all for joining us today. Have a wonderful remainder of your day and again, feel free to reach out to us or visit the web portal iuufishing.noaa.gov for more information. Thanks.

Coordinator: This does conclude today's conference. Thank you for participating. You may disconnect at this time. Speakers please allow a moment to silence and stand by for post conference.

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