

December 1, 2017

Dale Jones  
ITDS Program Coordinator  
Office of Science and Technology  
National Marine Fisheries Service  
National Oceanic and Atmospheric Administration (NOAA)  
1315 East-West Highway  
Silver Spring, MD 20910

Dear Mr. Jones:

With the January 1, 2018 deadline for the Seafood Import Monitoring Program (SIMP) fast approaching, NCBFAA is increasingly concerned about the trade's readiness and ability to meet these requirements without disruption.

The NCBFAA represents customs brokers of all sizes and geographic locations, and its members account for a vast majority of the firms that file over 95% of all customs entries. We serve as the interface between importers and Customs and Border Protection (CBP), as well as the Partner Government Agencies (PGA). Over the past decade, NCBFAA has been closely involved with CBP's and the PGAs' efforts to implement the Automated Commercial Environment (ACE) and the International Trade Data System (ITDS). NCBFAA has been at the forefront in advocating the need for ACE, supporting funding and endorsing the single window across all government for both import and export needs.

It is from this perspective that we express our concerns.

NOAA announced the initiation of its pilot program on October 4, 2017. Yet, only recently have our software providers completed the necessary system programming for brokers to enter the SIMP data in ACE. And many brokers are still struggling to work out the technical kinks in their systems. As a result, the pilot has been slow to get off the ground, with only around 8 seafood entries actually filed in ACE as of last week. With the January 1, 2018 mandatory date looming, this troubles us greatly.

Over the last two years, as CBP transitioned to ACE, and then to incorporating the various PGAs, we all learned this important lesson: To avoid significant disruption in the supply chain, all parties to the transaction must have time to properly design, test and deploy their respective systems. As each agency began its implementation of ACE, months of pilot testing preceded the mandatory date. Even after full implementation, agencies provided "soft" compliance, creating contingencies for submitting entries and providing manual "hand-holding" to ensure that software glitches or unexpected problems did not cause delays at the border.

For NOAA's implementation of SIMP, the challenges are even greater and involve more than just making the software work smoothly. The 10+ data elements that

must be filed are brand new requirements for the industry and are scattered deep throughout the supply chain. Importers are working to figure out how they can accurately and efficiently gather this information, which resides with many different, and often unrelated, parties in the supply chain. Until all segments of the supply chain adjust to this new flow of information, the implementation will be difficult.

For example, one customs broker reports that his company's software is now ready to file the SIMP information, but he is not yet receiving any data from the importer for shipments that are now arriving at the border -- preventing the broker from testing his system in the pilot program. In turn, importers report difficulty in obtaining data consistently from the farthest points of the supply chain.

Our members continue to reach out to their clients -- the importers -- to inform them about the upcoming requirements and promote participation in the pilot, yet there remains much confusion and misunderstanding in many parts of the supply chain. Even when the U.S. importer is fully aware of his obligations, the task at hand is daunting. The global seafood supply chain is a very complex network of people and companies that catch, aggregate, process, pack, transport, store and import seafood, making the SIMP electronic filing data especially hard to gather -- particularly when a typical shipment mixes seafood from multiple sources. It requires the importer to gather details not just from his immediate foreign supplier, but data from his supplier's suppliers -- which can be many layers deep.

We appreciate the work, including extensive outreach, that NOAA has done to bring SIMP to where it is today. Yet, we can tell you with certainty, four to six weeks of pilot testing is not sufficient lead-time to ensure a successful implementation on January 1. We are not suggesting that the implementation date be delayed. But we do think it is imperative for NOAA to plan a "soft compliance" policy with regard to the new data entry requirements in ACE as the seafood supply chain adjusts to the SIMP requirements.

For instance, NOAA could make the some or all of the new data fields optional for an initial period of time, allowing importers and filers to fully develop a supply chain information infrastructure to ensure the correct information is known and available at the time of entry. This would enable filers to request and input the data from importers when it is available, yet not disrupt the flow of trade when it is not. NOAA could monitor these entries and follow-up with filers/importers who are having difficulty supplying the new data fields. This would present a strong reminder to filers, importers and foreign suppliers of their responsibilities to file the data, yet acknowledge the lack of readiness in the supply chain. Without some type of flexible approach, NOAA, CBP, industry and U.S. consumers can expect delays and disruption in the flow of seafood through the ports.

In addition, we urge NOAA to provide a War Room, staffed 24/7, to assist importers and filers during the initial launch and continuing until it is clear that the seafood

entry transmissions are occurring routinely. We understand that NOAA is now planning only to maintain a Help Desk staffed with 2 people Monday - Friday from 8:00 to 4:30 Eastern Time.

This coverage is not adequate for the complex entry data requirements that NOAA is about to implement. Not only does it leave West Coast importers high and dry for almost half of every business day, but it ignores the fact that trade at ports around the country is not confined to regular business hours. Shipments arrive for entry processing on the weekends or at virtually any hour of the day. Seafood products - some of which are perishable - cannot be held up for days, waiting for an answer from a 2-person Help Desk operating only during regular East Coast business hours.

NOAA has suggested that filers can turn to their CBP Account Representative for assistance when they encounter problems. This ignores the reality that the Account Reps face their own challenges and are not equipped to provide immediate intervention to help clear a shipment quickly. Typically, a response from an Account Rep can take days -- hardly a solution to NOAA-specific problems with seafood imports. Moreover, CBP Account Reps will not have the answers for substantive questions about SIMP policies and requirements.

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NCBFAA urges NOAA to consider these actions to help ensure a successful landing as the seafood supply chain adapts to the new requirements. Let me also take this opportunity to offer our assistance with outreach to brokers and importers, through our various means of communications, including perhaps a webinar sponsored by the NCBFAA Education Institute (NEI). We look forward to working with you in the weeks and months ahead and hope that you can advise us on how we best can assist you in helping the trade prepare for implementation.

Sincerely,



Geoffrey C. Powell  
President