



The Honorable Raul Grijalva
 Chair
 House Committee on Natural Resources
 U.S. House of Representatives
 Washington, DC 20515

The Honorable Bruce Westerman
 Ranking Member
 House Committee on Natural Resources
 U.S. House of Representatives
 Washington, DC 20515

The Honorable Jared Huffman
 Chair
 Subcommittee on Water, Oceans and
 Wildlife
 House Committee on Natural Resources
 U.S. House of Representatives
 Washington, DC 20515

The Honorable Cliff Bentz
 Ranking Member
 Subcommittee on Water, Oceans and
 Wildlife
 House Committee on Natural Resources
 U.S. House of Representatives
 Washington, DC 20515

July 9th, 2021

Dear Chair Grijalva, Ranking Member Westerman, Chair Huffman and Ranking Member Bentz:

Our associations represent U.S. seafood producers—harvesters and processors throughout the United States who take enormous pride in the American seafood they provide to people both here at home and around the world. Our industry achieves exceptional environmental outcomes, delivers nutritious food to consumers, and preserves vital cultural traditions. The U.S. fishing and seafood industry supports 1.7 million jobs in communities across the United States and generates more than \$200 billion in annual sales.

We write today to share perspectives on the U.S. Seafood Import Monitoring Program (SIMP). We are aware of heightened Congressional interest in the program, including specific legislative proposals in both the House and Senate to reform SIMP. We hope our views can help inform those deliberations.

SIMP in context

The United States leads the world in ensuring that fisheries are sustainably harvested. The Magnuson-Stevens Act and science-based management through the eight Regional Fishery Management Councils are safeguarding healthy U.S. marine fisheries for the benefit of this and future generations. Although we are not alone—the United Nations Food and Agriculture Organization (FAO) estimates that more than 78 percent of marine fish landings globally come from biologically sustainable stocks—unsustainable fishing practices remain a concern in certain foreign and international fisheries. Instances of illegal, unregulated and unreported (IUU) fishing activity—fishing not managed through regulations, or not sanctioned by or reported to appropriate authorities—are an especially concerning and acute threat to conservation and responsible fisheries management. Furthermore, while the United States has strong laws in place to protect the rights of workers across all industries, credible reporting on instances of horrendous human rights abuses in parts of the global seafood supply chain remind us that not every country prioritizes or enforces such protections.

Illegal and unethical practices in the production of foreign seafood not only can cause harm abroad, they also can create unfair competition for the U.S. seafood producers we represent. For these reasons we strongly support longstanding U.S. Government efforts to combat IUU fishing. These efforts include a vast array of initiatives focused on improving enforcement, capacity-building, and international cooperation. Many of these ongoing efforts are now coordinated through the Interagency Working Group on IUU Fishing, and are detailed in the Working Group's [current workplan](#).

SIMP can be a useful tool against IUU fishing, but improvements are needed

We highlight this broader context because a starting point for any serious consideration of improvements to the SIMP program must be an understanding that SIMP is just one tool in a vast U.S. Government toolbox, which is in turn part of a long-term global effort to combat the complex and varied causes of IUU fishing. A recent [report from NOAA Fisheries on SIMP implementation](#) wisely starts from that premise, and provides candid insights into the strengths and limitations of the existing SIMP program. We commend the report to your Committees.

Our primary recommendations for program improvement echo a number of themes in the NOAA Fisheries report. Specifically, we believe that in order to meet stated program objectives, SIMP must improve in four key areas:

1. *Working in tandem with other federal initiatives, SIMP must improve our ability to deter the importation of IUU product into the United States.*

Recognizing that SIMP was not designed to stop all IUU products from entering U.S. commerce, nor serve as attestation to the legality of any given seafood import, it must do a better job of deploying scarce resources to achieve greater deterrence outcomes. Lack of auditor familiarity with foreign fisheries—and with the kinds of documentation and background information that could help verify legal catch—raises the concern that SIMP audits to date have often amounted to little more than highly burdensome box-ticking exercises.

We are therefore encouraged by the plans NOAA Fisheries details in its SIMP implementation report to gather granular information about specific international fisheries and their management, which may help with “streamlining the process of verifying legal harvest documents”. Further, we support the agency’s plan to “find methods to verify the documents we gather from importers against the information provided by trading partners to determine rapid methods of detection of fraud or falsification of the documents provided to the importer by the supplier”. This is an essential prerequisite to SIMP audits actually resulting in instances of substantive behavior change by suppliers and importers, which may in turn reduce incidents of IUU product entering U.S. commerce.

2. *SIMP must develop an adaptive risk-based approach.*

A stark message of the NOAA Fisheries implementation report is that program scope must be calibrated to available resources. We agree. SIMP is not, and was not designed to be, a silver bullet against IUU; moreover, federal resources to devote to SIMP are finite. The focus of U.S. policy must be on constructing a mature SIMP program that is more effective, more efficient, and more carefully targeted towards the highest-risk sources of IUU product. In this context, we view the push to expand SIMP to all species as deeply misguided. Requiring NOAA Fisheries to extend the program to all seafood imported into the United States would overwhelm NOAA Fisheries and partner agencies and unacceptably hinder legitimate trade flow without adding meaningful counter-IUU benefit. Doing so would siphon scarce federal resources away from the fight against IUU and worsen the plight of U.S. seafood producers. Rather, the U.S. Government must focus relentlessly on those areas where IUU risk is most prevalent and devote agency resources to those areas where SIMP has the potential to ultimately incentivize actual reductions in IUU activity.

In the immediate term, we urge NOAA Fisheries to review the species currently subject to SIMP requirements based on an updated assessment of IUU risk. Any updated risk assessment framework must be advanced transparently, and with mechanisms for stakeholder input. Decisions as to whether any species should be added to or removed from the program must be based on the best available data. Furthermore, as the program evolves—including, hopefully, through the deployment of more dedicated staff and auditor expertise; through an increasingly sophisticated dataset that provides federal regulators more granular information about IUU risk; and through the deployment of predictive analytics and other technology—our hope is that NOAA Fisheries will develop mechanisms to advance more dynamic and performance-based approaches to risk-based implementation, in which species may be either added to or removed from the SIMP system as conditions change over time.

3. There must be a substantial reduction in the compliance burden SIMP imposes on U.S. seafood producers.

Some U.S. seafood is sent abroad for value-added processing before being reimported for sale to U.S. consumers. The experience of U.S. seafood companies reimporting U.S.-harvested product is that SIMP compliance requirements have been unreasonable.

To take one example: auditors reviewing documentation relating to U.S. Pacific cod have lacked familiarity with U.S. harvest record systems. Indeed, they have routinely refused to accept product tracing to a harvest event in the Alaska Region eLandings interagency digital catch accounting system as sufficient to satisfy program documentation requirements. Auditors have instead requested that Alaska producers collect and provide importers with images of vessel and skipper licenses that were already verified at the time of landing through the eLandings system—a system with a primary function of verifying the legality of, and managing catch accounting for, all landings in Alaska Region fisheries.

We urge NOAA Fisheries to review and reform the way U.S. harvest documentation is evaluated within the SIMP process, consult with U.S. producers on solutions, and make every effort to streamline the compliance burden of re-importation. For example, the burden of proof for re-imported seafood originally harvested in the United States should be limited to documentation that the raw material was indeed harvested in U.S. waters—an attestation that is already provided by NOAA for exports requiring certification of legal catch. We are encouraged by the implementation report's commitment to "streamlining the process of verifying legal harvest documents", and we believe that process should start by ensuring that all legal U.S. harvest documents, including electronic records, are included in the comprehensive repository that the agency proposes to develop. We also agree with the SIMP implementation report's assessment that "dedicated full-time SIMP auditors are essential to allow for more effective implementation".

In a similar but separate vein, U.S. producers are aware that, under World Trade Organization rules, the United States cannot impose any requirements on imports that are not also required for comparable U.S. products. If SIMP is expanded to all species and/or requires new data elements not already required in comparable U.S. fisheries, it could lead to new costs or requirements on U.S. producers. Any such costs to U.S. industry must be understood up front.

4. SIMP must avoid undue burdens on trade that invite retaliation.

SIMP has been characterized by many advocates as a way to “level the playing field” for U.S. seafood producers, and therefore a clear benefit to U.S. industry. Yet if SIMP comes to be viewed as an undue burden on trade, it is likely that other countries will respond in kind, imposing new hardship on U.S. producers who depend upon fair access to export markets.

We applaud NOAA Fisheries for stating clearly and consistently their interest in minimizing the impacts of SIMP on legitimate trade flow. We look forward to working with the agency to do more to streamline the program and reduce compliance burdens shouldered by importers and producers. Consultation with the U.S. seafood industry on these points will be a vital component of SIMP review and regulatory updates.

Conclusion

Thank you for considering our perspectives on this important program. As your Committees exercise oversight responsibilities with respect to SIMP implementation, we hope the interests of U.S. harvesters and processors will be carefully considered. Furthermore, as legislative proposals to reform SIMP come before your Committees, we urge you to carefully review them in the context of lessons learned from program implementation to date, and within the lens of the capabilities of SIMP as a targeted, risk-based program. With a careful approach that methodically builds towards a realistic goal, we believe SIMP can evolve to become a more effective and targeted program that benefits the entire seafood sector.

Sincerely,

Julie Bonney
Executive Director
Alaska Groundfish Data Bank

Malcolm Milne
President
North Pacific Fisheries Association

Rebecca Skinner
Executive Director
Alaska Whitefish Trawlers Association

Frank O'Hara Jr.
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Chris Barrows
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Dan Waldeck
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Chris Woodley
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Leigh Habegger
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Annie Tselikis
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Brent Paine
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Heather Munro Mann
Executive Director
Midwater Trawlers Cooperative

Lori Steele
Executive Director
West Coast Seafood Processors Association

cc:

The Honorable Nancy Pelosi, Speaker, U.S. House of Representatives
The Honorable Kevin McCarthy, Minority Leader, U.S. House of Representatives
The Honorable Richard Neal, Chair, U.S. House Ways and Means Committee
The Honorable Kevin Brady, Ranking Member, U.S. House Ways and Means Committee
The Honorable Gina Raimondo, Secretary, U.S. Department of Commerce
The Honorable Alejandro Mayorkas, Secretary, U.S. Department of Homeland Security
The Honorable Katherine Tai, United States Trade Representative