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Export Sales Reporting Program of U. S. Agricultural Commodities

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General Comment

Thank you for allowing me the opportunity to comment on the Export Sales Reporting Program of U.S. Agricultural Commodities (OMB Control number 0551-0007) [1]. My focus is primarily on categories 1701 and 1702, which are concerned with the export of Fresh, Chilled, or Frozen Muscle Cuts of Beef and Pork.

My first point relates to the nature of the reporting data. As it stands, the USDA is reliant on the exporters to identify and report the muscle cuts accurately, which includes the potential to misclassify or incorrectly include offals in this category. In order to improve accuracy and consistency, a comprehensive guide or clear definitions on what constitutes a muscle cut could help to reduce this ambiguity and improve the quality of the data being reported.

My second point pertains to duplication in reporting. From my interactions with other exporters, it is common for a U.S. company to sell to another U.S. company for delivery to a foreign destination. In these instances, both companies could potentially be reporting the same export, leading to inflated export numbers. To rectify this, a mechanism to cross-verify reports and eliminate duplications should be put in place.

I believe these two shortcomings in the data gathering process contribute significantly to inaccuracy in current USDA reports. Our company exports these products across the world and market knowledge is crucial in our business, but due to the inaccurate data, our staff does not find these published reports useful in their current condition. However, while the ESRMS 2.1 system of data gathering requires additional data points from exporters, it does not address either of these issues.

I propose the utilization of the Customs and Border Patrol information already being entered by exporters through the ACE system as a potential solution to these issues [1]. This system logs every export from the U.S., along with the Schedule B code for the product (which indicates whether the product is a muscle cut or offal). This could serve as a much more accurate and comprehensive source of information for the

USDA reports, and would also reduce the incidence of duplicate reporting.

The agency's estimate of the burden of the collection of information - approximately 30 minutes per week for exporters, is accurate in my estimation, after the necessary systems are customized to produce the information needed. However, this customization requires time and significant IT funding - I estimate at least ten thousand dollars, which is a considerable burden on the exporters.

Lastly, in relation to the ESRMS 2.1 system, despite testing and efforts to rectify known issues, many problems persist. For instance, the system is still unable to accept a bill of lading date that is outside the delivery period, transactions in draft mode cannot be deleted, and the upload feature intermittently fails without providing a detailed error message. All these issues have been raised, yet remain unresolved. Furthermore, the system lacks a comprehensive manual that explains its operations in detail, which is essential for understanding and optimally utilizing it.

In conclusion, while I understand the need for a more robust system and the efforts put into developing ESRMS 2.1, more needs to be done to address its shortcomings, ensure its efficiency, and eliminate reporting inaccuracies. I strongly believe that a committed approach to improving the system, a thorough explanation of its operations, and a reconsideration of the burden it places on exporters will go a long way in addressing these issues.

Today's date: 2023-07-13 [1].