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World Headquarters:
1660 Lincoln Street
Suite 2800
Denver, CO 80264
303-623-MEAT (6328)
Fax: 303-623-0297
www.USMEF.org

July 7, 2023

Ms. Amy Harding

U.S. Department of Agriculture, Foreign Agricultural Service

1400 Independence Avenue SW, Room 5531

Washington, D.C. 20250

Re: OMB Control number 0551-0007

Export Sales Reporting Program of U. S. Agricultural Commodities

Revision of a currently approved information collection

The U.S. Meat Export Federation (USMEF) appreciates the opportunity to submit comments concerning the proposed revisions for information collection for the Export Sales Reporting Program. USMEF is a non-profit trade association that represents the export interests of the U.S. beef, pork, and lamb industries through its network of offices and representatives in foreign markets. USMEF's membership includes a broad cross-section of American agriculture: farmers; meat packers, processors, purveyors and traders; agribusinesses with an interest in U.S. meat exports; and other agricultural organizations. USMEF also works closely with the United States Department of Agriculture and is a long-standing partner of the Foreign Agricultural Service through the Foreign Market Development Program and Market Access Program.

For Export Sales Reporting (ESR) specifically, USMEF has partnered with FAS over the years, including to help launch the pork export sales reporting in 2012 and 2013. USMEF has helped to get more exporters into the ESR system and assists with FAS communications to the exporters regarding the ESR, through our Exporter Update. USMEF also compiles a summary, tables and charts of the weekly exports and sales each week and shares through the Exporter Update and on the USMEF website. We also appreciated Paul Trupo's update to the USMEF Exporter Committee in Minneapolis on May 25, 2023.

One important distinction that needs to be considered for the proposed revisions is that the weekly export sales reporting system is unique from other export data sets. The data cannot be directly compared to the monthly export data from Census or to the weekly export sales data from USDA/AMS Mandatory Price Reporting. The product included in the ESR is uniquely defined as "whole muscle cuts" and the reporter and reporting mechanism is unique to the ESR. The proposed revisions to the reporting requirements will not make the weekly export sales data line up with other export data.

With this context, we will address the specific requests within the Federal Register notice.

1. Whether the collection of the proposed contract by contract information, rather than aggregated sales information, will help improve the timeliness and reliability of the data in USDA's Export Sales Reports

- a. No, the collection of contract by contract information introduces additional room for error and significantly increases the reporting burden on exporters.



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There is often a gap in time between the initial sale and the completion of additional details. Contract by contract reporting could actually delay the data entry and thus would be entirely counter-productive to the goal of improving timeliness. Also note that there are many small companies involved in the export business, and they do not have the staff to allocate to additional data reporting requirements.

2. The accuracy of the agency's estimate of the burden of the collection of information including validity of the methodology and assumption used;

The Federal Register notice says:

While an initial increase in exporter administrative activity associated with the addition of specific contract information via the "FAS-ESR Contract Data Upload form" is anticipated, the reporting burden is expected to decline as export companies complete any necessary modifications to their systems to allow their export sales data to be transferred to the new ESRMS via the bulk upload option using CSV or JSON files.

The average burden, including the time for reviewing instructions, gathering data needed, completing forms, and record keeping is estimated to average 30 minutes once the exporters are familiar with the new system and the bulk upload option.

- a. Companies generate hundreds to thousands of contracts (sales) each week. When the initial sale is made and reported the mode of transportation, vessel name, rail name, trucking company and bill of lading date will not be available to include on the report to FAS. This information for each contract (sale) will only be available at a much later date, which will require that each contract (sale) reported will need to be amended at a later time. Exporters would need to amend several hundred to thousands of contracts per month. Either additional staff would need to be hired or a massive IT project would need to be undertaken by each company.
- b. Requiring an ESRMS contract number to be assigned to every contract (sale) reported and requiring the reporting exporter to keep a record of this ESRMS contract number: This requires companies to assign the contract number to the order/sales management system number so that they can then reference it to amend later in ESRMS and this is not possible within current systems. Under new ESRMS requirements companies will need to amend every contract they report at a later time to add additional information that is not available at the time the sale is initially reported. So, this ESRMS contract number will have to become part of the order management system data so that it can be accessed later for amendments. Again additional personnel will be needed.

3. ways to enhance the quality, utility, and clarity of the information collected;

- a. There haven't been as many corrections lately, but in the past when corrections or late reported data were added, the volumes were not back-allocated. Having the ability to revise the historical data in the query system to adjust exports and sales for the specific week rather than a lump data entry with no relevant timeframe associated to the delayed or corrected reporting would be a significant improvement for the quality, utility, and clarity of information for all users or the data.



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- b. There is still uncertainty by the exporters about what products are to be reported in the ESR. There needs to be further guidance, for example on not reporting variety meats (feet, bone products, heads, etc.).
- c. We have also raised questions about who reports into ESR, for example when a packer sells to a trader, knowing it is for international.
- d. From the data-user perspective, the format of the new system in August 2022 was not acceptable. We and other data users have built pivot tables and reporting systems based on the current data reporting mechanism's output files. Changes must be compatible with the old reporting, and query outputs should maintain the current column format in the legacy system. Or it must be easy to download the historical data into a new Excel table so the historical context is not lost. In short, the current download and query system is workable for USMEF, and we have built tables and charts with the system. Those attributes must be maintained.

4. and ways to minimize the burden of the collection of information on those who are to report, including through the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

- a. Packers already report export sales data to USDA/AMS twice per day. As we have discussed, if there were a way to streamline reporting or reporting systems, that would be helpful.

FAS is also proposing to add variables to be reported by the exporters.

Current reporting includes:

- the quantity of sales transactions
- the type and class of commodity
- the marketing year of shipment
- the destination
- shipment information to include vessel name
- quantity shipped
- any changes in previously reported information, such as cancellations and changes in destinations.

In addition to the data currently required to be submitted, FAS proposes to require data on the following:

- (1) Contract terms (FAS, FOB C&F, etc.) including volumes, destinations, buyers, and dates,
- (2) Mode of transportation (e.g., ship, rail, truck, & container),
- (3) Mode of transportation identifier (e.g., vessel name, rail name, trucking company name), and
- (4) Bill of Lading date.

USMEF does not think requiring these additional details on a contract by contract basis into ESR will improve the accuracy of the data. As noted above, it will increase the burden on exporters and increase the risk for errors, while also complicating any needed changes



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to reported sales and inhibiting the ability to track the sale through to shipment within the reporting system. The additional details would not be reported to the public, so there is no benefit to requiring all the extra information.

USMEF appreciates the cooperation with FAS on the ESR over the years and we want the best system possible for both the exporters and the data users. Please don't hesitate to contact us if you have questions or need further information.

Sincerely,

Dan V. Halstrom
President and CEO

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Suite 2800
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