

# FINDING COMMON GROUND

PRIVATE SECTOR FEEDBACK FOR  
IMPROVED SIMP IMPLEMENTATION

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2022-2023





# OVERVIEW

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The seafood industry can act as a powerful catalyst for policy change. FishWise recognizes that industry perspectives are critical to an inclusive regulatory process. By sharing their in-depth knowledge of supply chains, seafood companies can support the development and implementation of ambitious and achievable fisheries and trade policies.

The United States imports 70 to 85 percent of its \$6.3 billion seafood market, and in 2019, it imported an estimated \$2.4 billion worth of illegal, unreported, and unregulated (IUU) seafood. The Seafood Import Monitoring Program (SIMP) has been the primary regulatory tool for preventing IUU-sourced seafood from entering U.S. commerce since coming into effect in 2018. The products subject to SIMP include some species at elevated risk of IUU fishing and seafood fraud. SIMP requires product data and supply chain documentation from seafood importers and currently covers roughly 45% by volume of U.S. seafood imports.

From 2018 to 2020, FishWise solicited and compiled feedback from domestic and international seafood companies regarding their experiences complying with SIMP. This work aimed to unpack the private sector's complex perspectives on the program, identify missing voices, and find common goals. In the first two years of research, FishWise conducted interviews and surveys with over 70 companies across the supply chain and consolidated that feedback into key findings and takeaways for how the U.S. government could improve the program's implementation. From 2020 to 2021, FishWise surveyed U.S. importers of record and customs brokers to identify which proposed changes to SIMP implementation resonated with those stakeholders. This summary report summarizes input and learnings from both projects.

Participation in all studies and interviews was voluntary and unpaid, and FishWise made every effort to be inclusive of all viewpoints. FishWise did not target industry feedback from public opponents or proponents of SIMP but engaged directly with both. This report does not represent a consensus view or that of any specific sector or company. This research was an independent project and was not conducted on behalf of any U.S. government agency. To read more deeply about our methods and results, click [here](#).

FishWise hopes that sharing its findings will encourage a collaborative dialogue between government, industry, and NGO stakeholders and shed light on the considerable amount of common ground among these groups when it comes to strengthening the implementation of SIMP.



## Self-Reported Industry Perspectives

# TRANSPARENCY

## 90%

OF RESPONDENTS MENTIONED CONCERNS OVER DATA VERIFICATION, UNCERTAINTY IN THE AUDIT PROCESS, AND GENERAL CONFIDENCE IN SIMP-REQUIRED DATA

**Many within the seafood industry are concerned that SIMP is not effectively deterring IUU products from entering U.S. commerce because there is a lack of communication around how the program is using and verifying that data.**

*"The government is receiving all this information, but [we] don't know what's being done with it. How do they verify sources? Is there enough human capacity to comb through all this data?"*

*- Small tuna importer/processor/wholesaler*

## 85%

OF RESPONDENTS CITED A GENERAL NEED FOR INCREASED TRANSPARENCY AND COMMUNICATION FROM THE U.S. GOVERNMENT (I.E., NOAA) BACK TO THE REGULATED INDUSTRY

**A majority of respondents are unsure of SIMP's overall impact in combating illegal seafood in trade, often citing a lack of communication or transparency around data use, enforcement efforts, and the program's overall efficacy.**

*"Yes, there has to be a perceived value in order for there to be a demand for [documentation]. Most people in the industry understand the need for SIMP, but there needs to be some benefits communicated to fisheries or places. There are questions related to transparency."*

*- Medium multi-species importer/distributor*



# 60%

OF PARTICIPATING COMPANIES HAD BEEN AUDITED AT  
THE TIME OF PROVIDING FEEDBACK BETWEEN MARCH  
2019 AND MARCH 2020

**Industry holds overarching concerns about the lack of transparency around the audit process. Concerns include the lack of document prescriptiveness, auditor subjectivity, and the general auditing process. Respondents noted unanswered questions about how NOAA identifies companies for audits and how the results of those audits support SIMP's overarching efforts to combat IUU fishing.**

*"The openness of the list of documents that can be sent to the auditor can be abused by the auditor due to the vagueness."*

*- Large tuna and shrimp importer*

*"For the last three audits, we needed fishing permits, but the previous 4-5 audits, we didn't have to do that."*

*- Medium tuna importer*





## Self-Reported Industry Perspectives

# DATA COLLECTION

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## 83%

OF RESPONDENTS HAD CHALLENGES ASSOCIATED WITH  
COLLECTING SIMP DATA

**Respondents report that overseas suppliers are sometimes unable or hesitant to share product data through the supply chain, commonly citing privacy concerns (i.e., data is proprietary). Companies feel that SIMP provides minimal leverage to influence or control data sharing with international suppliers or overseas supply chains.**

*"Harvest record and shipment information are perceived as proprietary information from a competitor; thus companies don't want to give that info."*

*- Large multi-species processor/wholesaler*

## 75%

OF RESPONDENTS REQUESTED MORE PRESCRIPTIVE  
FORMS TO STANDARDIZE THE REPORTING PROCESS

**Data reporting challenges often stem from increased paperwork and a lack of consistency with data reporting formats, requiring more of a company's time and resources in order to comply with the program.**

*"3-inch thick binder for a single shipment. You can imagine the work that went into it. It took me a week to gather what was needed for one shipment."*

*- Medium multi-species importer/processor*

*"The NOAA 370 form and the SIMP model catch certificate are really redundant for things like species codes; didn't do a good job at integrating the forms."*

*- Large tuna and shrimp importer*



# 33%

OF RESPONDENTS FAVORED INTEROPERABILITY  
BETWEEN THEIR TRACEABILITY SYSTEMS AND THE  
AUTOMATED COMMERCIAL ENVIRONMENT (ACE) PORTAL

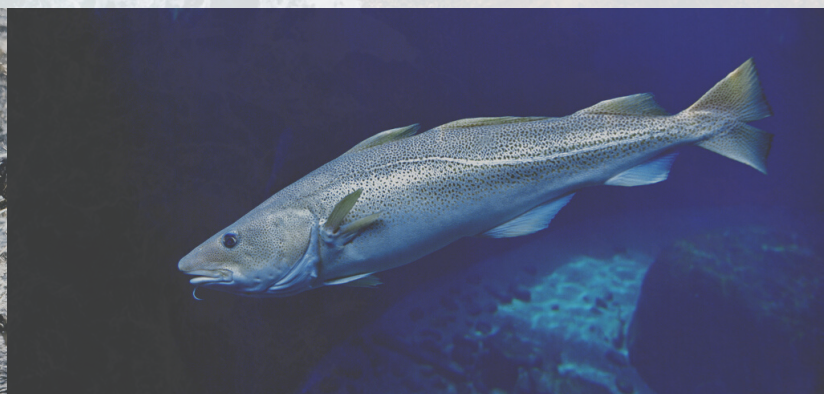
**Although many importers rely on customs brokers to submit accurate SIMP data to the U.S. government, the final submission of that data goes unverified by importers, leading to non-substantive errors (e.g., misspellings) that can trigger agency follow up including audits.**

*"There is a challenge relating to brokers entering the data by lines (shipment line entries), and so there may be multiple lines of shipments going in and out. It is hard to interact with the broker. I think NOAA thinks that we can see what the broker sees, but we can't. It's proprietary, so they won't show us, so we don't go around them. The broker has probably 7-8 sheets of information they answer for the shipments, and the brokers have all created unique software solutions."*

*- Medium multi-species processor/importer*

*"I started having my assistant double-check all of the entries before we sign off on them. It isn't sustainable, and we can't keep doing that forever."*

*- Medium tuna importer*





## Self-Reported Industry Perspectives

# CAPACITY BUILDING

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# 60%

OF RESPONDENTS INDICATED A NEED FOR CAPACITY  
BUILDING SUPPORT

**Respondents whose sales or imports consist of mainly SIMP products (>75%) indicate the most substantial need for capacity-building efforts. These efforts include publishing guidance on the chain of custody record requirements, audit clarity, training for company staff and suppliers, more significant assistance in developing appropriate traceability documentation, and help navigating government processes.**

**In addition, respondents suggest that leveraging inter-agency and international relationships for capacity building, knowledge sharing, and even enforcement efforts could increase the U.S. government's ability to provide and act on up-to-date information and support the seafood industry and exporting nations.**

*"They're trying to enforce, but not teaching them how to meet those regulations."*

*- Small customs broker*

*"NOAA should get best practices implemented with other governments if they're not planning on standardizing documentation/forms. [What is] missing [is] good and verifiable catch documentation globally."*

*- Large multi-species processor/wholesaler*





## Self-Reported Industry Perspectives

# COST

50%

OF INTERVIEWEES MENTIONED COST IN THEIR  
FEEDBACK ABOUT THE PROGRAM

Our results indicate cost is top of mind for companies. In general, companies that import more shipments of SIMP species will expend more resources (money, time, staff capacity) to address the volume of data needed and potential audit requests than those whose shipments of SIMP species are relatively low.

Companies that import multiple kinds of SIMP species (regardless of volume) tend to have higher associated costs with SIMP compliance than companies that import a single SIMP species due to disparate supply chains, data requirements, and increased paperwork.

Smaller companies or those with low volumes of imported SIMP species can experience higher proportional compliance costs, especially if they have lower traceability investment (e.g., manual data collection or entry).

*"No benefit to small producers, no evidence that anything has changed, but there is a tremendous cost."*

*- Large multi-species processor/wholesaler*

Challenges in data collection and sometimes the cost of compliance for a given SIMP species are related to the supply chain structure for those products and the traceability investments across all stakeholders.

Companies report tuna and shrimp as the two most challenging and expensive SIMP species groups for data collection and reporting due to product aggregation during production, inconsistent data reporting formats, and the general complexity of their supply chains.

*"Shrimp is taking too long [to import data]. Had to increase [the] cost."*

*- Small customs broker*



**The reliance of many importers on customs brokers, whose systems vary in technical sophistication, has added costs to reporting for SIMP products.**

*"An entry that once took 15 minutes now takes 1.5 hours. We're working on how to expense this and pass the cost on to the importer."*

*- Small customs broker*

**35%**

**OF RESPONDENTS REPORTED MAKING TRACEABILITY  
INVESTMENTS AS A RESULT OF SIMP**

**For many companies, SIMP accelerated the adoption of more robust traceability practices. Others expressed that their companies made efforts to address traceability before SIMP implementation and felt their current data collection systems were sufficient to comply with SIMP requirements.**

*"Our [traceability] efforts go back several years; thus, SIMP did not drive those efforts."*

*- Large tuna and shrimp importer*





## Self-Reported Industry Perspectives

# EXPANSION

33%

SUPPORT SIMP EXPANSION

25%

ARE NEUTRAL TO SIMP EXPANSION

42%

DO NOT SUPPORT SIMP  
EXPANSION

**Not all respondents who disagree with expanding SIMP now would necessarily oppose it forever. Many companies who self-identified as neutral or opposed to expansion suggested that they would support a phased approach to full expansion coupled with complementary efforts to address existing implementation challenges.**

*"I'm a strong advocate of these kinds of regulations because I feel like it levels the playing field."*

*- Medium multi-species importer/processor*

*"As a company, we're open about commitment to IUU—why not include all species. That doesn't mean we're advocating for including other species until the program has been figured out, but it wouldn't be a burden."*

*- Large tuna and shrimp importer/processor*

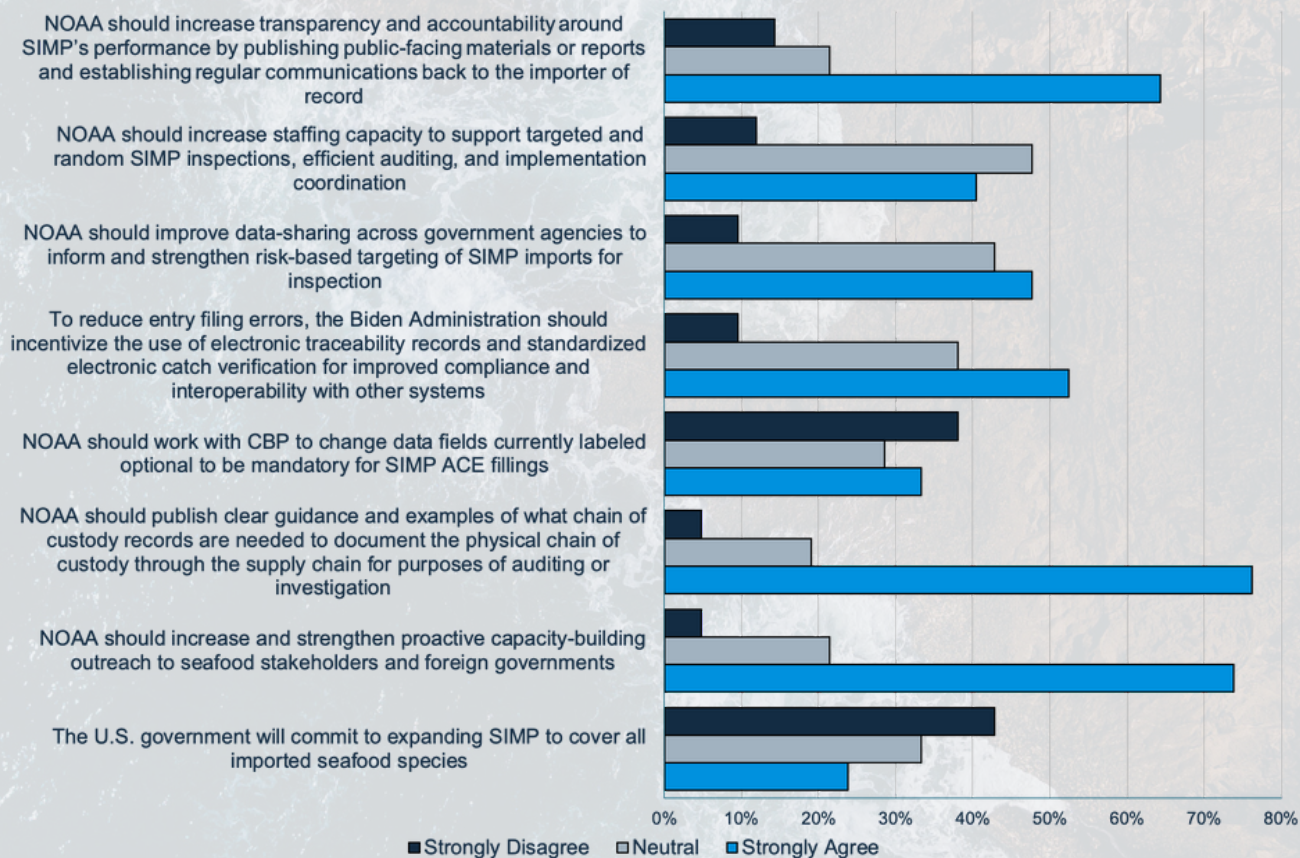
*"The distributor side of me says that it is going to be a nightmare to do more paperwork. We need to think of better ways to gather that information and verify it before any expansion. Share the data, use scientific resources, and enforcement."*

*- Medium multi-species importer/distributor*



# SUPPORT FOR PROPOSED SIMP RECOMMENDATIONS

**Figure 1. Survey Respondents' Support for Proposed Changes to SIMP Implementation**



As shown in Figure 1, six proposed SIMP changes received support from over three-quarters of the respondents. Only two recommendations—mandating optional key data elements (KDEs) and SIMP expansion—received support from less than half of the respondents.

These results indicated more alignment and agreement on how to improve SIMP and pointed to opportunities for multi-stakeholder advocacy.



# RECOMMENDATIONS

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After almost four years of research, FishWise recommends the following actions be taken to improve the implementation and effectiveness of SIMP:

- NOAA should demonstrate the efficacy of SIMP by publishing public-facing materials or reports and establishing regular communications back to the importer of record.
- NOAA should increase staffing capacity to support targeted and random SIMP inspections, efficient auditing, and implementation coordination.
- NOAA should improve data-sharing across government agencies to inform and strengthen risk-based targeting of SIMP imports for inspection.
- To reduce entry filing errors, the Biden Administration should incentivize the use of electronic traceability records and standardized electronic catch verification for improved compliance and interoperability with other systems.
- NOAA should work with CBP to reduce the opportunity for unintentional errors in SIMP ACE filings.
- NOAA should publish clear guidance and examples of what chain of custody and electronic data records are needed to document the physical chain of custody through the supply chain for purposes of auditing or investigation.
- NOAA should increase and strengthen proactive capacity-building outreach to seafood stakeholders and foreign governments.
- Expansion of SIMP to all seafood would support the adoption of electronic traceability systems, standardization of supply chain management systems, and level the playing field for imports across all species.



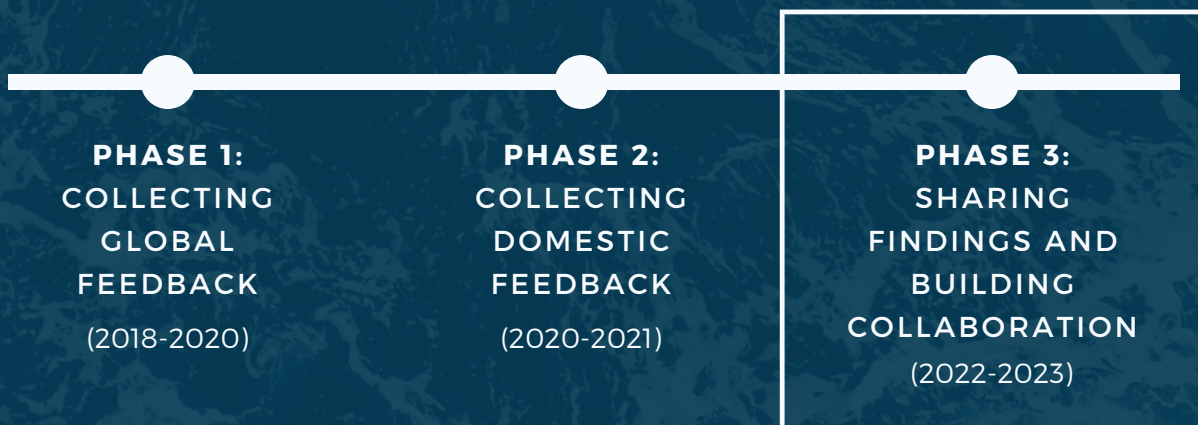
# TIMELY ENGAGEMENT IS VITAL

Now is a pivotal time for companies to engage with the U.S. government in strengthening SIMP implementation and improving the program's transparency. The Biden Administration recently called for an integrated and collective approach to tackling IUU fishing in its Memorandum on Combating Illegal, Unreported, and Unregulated Fishing and Associated Labor Abuses. In addition, President Biden mandated that NOAA initiate a rulemaking by the end of 2022 to expand SIMP to include additional species and species groups. This proposed rule would open a public comment period and create opportunities for specific public input on improvements. Continued dialogue with the seafood industry is critical for all stakeholders to understand the impacts of future rulemaking.

FishWise's four years of research demonstrates common ground exists across the seafood industry and NGO groups in terms of the challenges they see with SIMP's current implementation and proposed solutions to those challenges. This alignment provides an opportunity to shift toward solutions-oriented conversations with stakeholders. As such, FishWise's survey respondents indicated high levels of interest in SIMP-focused roundtable discussions with other companies and regulators. In response, FishWise plans to convene a series of dialogues with SIMP stakeholders to discuss further needs and proposed solutions relating to data and capacity building in order to support SIMP compliance.

FishWise would also like to offer support to companies interested in advocating for SIMP improvements via letters or other means. To learn more or participate in industry engagement on SIMP, coordinated by FishWise, please reach out to us at [simpfeedback@fishwise.org](mailto:simpfeedback@fishwise.org).

## PROJECT TIMELINE







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