



**Homeland
Security**

TO: INDUSTRY ASSOCIATIONS

FROM: DHS SUBGROUP - IMPORT SAFETY WORKING GROUP (ISWG)

RE: INDUSTRY PARTICIPATION AND CONTRIBUTION

The ISWG is reaching out to industry associations to ask for their assistance in notifying their members about this process, and to solicit and collect recommendations from their members, which are critical to ensuring that this process producing meaningful recommendations on improving import safety without unnecessarily impeding legitimate trade. Collected recommendations should be transmitted to the DHS Subgroup for processing, which will then be passed on to the larger ISWG for eventual consideration as part of the final Action Plan. **For additional information regarding this issue, please visit www.importsafety.gov**

Below are some general questions, key deadlines, a general description of how industry recommendations will be evaluated, and additional considerations for organizing industry recommendations, so that this input can be processed as efficiently as possible given the mandated time frame.

General questions for industry

- Working in partnership, how best can government and industry streamline existing processes to improve import safety?
- In what ways can import safety be improved without unnecessarily increasing regulation?
- As part of this process, how best can government and industry decrease liability exposure and protect product brands?
- How do we improve the partnership between government and industry to better mitigate health and safety threats to global commerce?
- Where are there opportunities in the product lifecycle to improve import safety:
 - By government?
 - By industry?
 - In partnership?
- How should industry take greater responsibility for supply chain verification?
- How should industry develop a culture of proactively sharing of best practices?
- What other areas/issues need to be considered?

Key deadlines

- Public release of strategic framework—September 10
- Public meeting of the ISWG—October 1— see Web site www.importsafety.gov
- **Deadline for industry recommendations—October 12**

Process for evaluating recommendations

- Recommendations submitted to DHS will be reviewed by the Directorate of Science & Technology, the Office of Health Affairs, the Policy Directorate, and Customs & Border Protection (CBP). Additional DHS components will be brought into the process as necessary.
- Recommendation will be considered based upon a series of general criteria including:
 - Technical feasibility
 - Potential for reducing risk from related imports
 - Ability to develop metrics by which an individual recommendation can be measured to determine efficacy
 - Resource requirements weighed against the resource requirements of other recommendations.

Additional considerations for industry recommendations

- Individual recommendations should not be longer than one page and should clearly identify the group/association of origin.
- Recommendations should be transmitted electronically to identified DHS point of contact.
- Each recommendation will be given due consideration, but there will be no formal response to submitted recommendations.
- Submitted recommendations will be balanced against many factors.
- The final series of recommendations produced by the ISWG will represent an amalgamation.

Avenues for Comment

- Go to the www.importsafety.gov website, select “Public Comment,” then select “submit comment,” and fill out the forms.
- Go to the www.importsafety.gov website, select “Public Comment,” then select “View FR Document for this Docket.” Scroll down to the bottom and click on the link to the FDA website. Then click the link “Submit Electronic Comments” and submit to the import safety docket.
- Write a letter directly to the President addressing your concerns about import safety. Mail it to The White House | 1600 Pennsylvania Avenue NW | Washington, DC 20500 or email it to comments@whitehouse.gov.

BACKGROUND ON WORKING GROUP

The 60-day executive order on import safety, signed by the President on July 18, 2007, mandated that all federal departments and agencies should, under the leadership and direction of HHS, provide recommendations to improve the safety of imported products. In accordance with the subsequent HHS tasking, DHS assembled 11 component agencies into a working group and submitted import safety recommendations.

The executive order was granted a 60-day continuance for the purpose of media and industry outreach by each department. In support of this outreach, DHS must develop a media strategy.

On July 18, 2007, President Bush issued Executive Order 13439, establishing an Interagency Working Group on Import Safety (Working Group). The Working Group, chaired by Health and Human Services Secretary Mike Leavitt, is comprised of senior level officials from 12 Federal departments, each with unique and critical import safety responsibilities. This Executive Order and call for a review was prompted by the recent concerns involving pet food ingredients, toys, seafood and other imported products. The mission of the Working Group is to review existing authorities and procedures, develop a Framework for going forward, and identify actions and appropriate steps that can be pursued to promote the safety of imported products.

This Strategic Framework will be followed by an Action Plan, which will include information gleaned from discussions with individuals and leaders representing all aspects of the import process, and written comments from the public. The Action Plan will set forth short- and long-term recommendations for improving import safety in the United States.

Issue

The United States currently imports approximately \$2 trillion worth of products from over 200 different countries around the globe. Analysts expect the volume of imports to triple by 2015 as American consumers continue to demand international products. The growth in imports is steady and rapid:

- The number of imported shipments increased 33%, from 23.5 million in FY 2000 to 31.3 million in FY 2006.
- The import value of all shipments increased by 67% since FY 2000.

More than half of all imports come from five countries: Canada (\$304 billion), China (\$275 billion), Mexico (\$192 billion), Japan (\$143 billion) and Germany (\$86 billion).

The scale and complexity of the import network is vast, with over 825,000 importers in FY 2006 making shipments to over 300 ports, land border crossings, postal facilities and other points of entry.

This rapidly-growing and changing environment has wide-ranging ramifications. Increasing imports bring consumers the benefits of a greater variety, availability, and affordability of goods in the marketplace. However, border officials must process larger volumes of imports, from more developing countries, consider more complex risk scenarios, use more sophisticated screenings and examinations, and employ new technologies to ensure product safety.

Executive Order: Establishing An Interagency Working Group on Import Safety

By the authority vested in me as President by the Constitution and the laws of the United States of America, and to ensure that the executive branch takes all appropriate steps to promote the safety of imported products, it is hereby ordered as follows:

Section 1. Establishment of Interagency Working Group on Import Safety. The Secretary of Health and Human Services shall establish within the Department of Health and Human Services for administrative purposes only an Interagency Working Group on Import Safety (Working Group).

Sec. 2. Membership and Operation of Working Group.

(a) The Working Group shall consist exclusively of the following members, or their designees who shall be officers of the United States appointed by the President or members of the Senior Executive Service:

- (i) the Secretary of Health and Human Services, who shall serve as Chair;
- (ii) the Secretary of State;
- (iii) the Secretary of the Treasury;
- (iv) the Attorney General;
- (v) the Secretary of Agriculture;
- (vi) the Secretary of Commerce;
- (vii) the Secretary of Transportation;
- (viii) the Secretary of Homeland Security;
- (ix) the Director of the Office of Management and Budget;
- (x) the United States Trade Representative;
- (xi) the Administrator of the Environmental Protection Agency;
- (xii) the Chairman of the Consumer Product Safety Commission; and
- (xiii) other officers or full-time or permanent part-time employees of the United States, as determined by the Chair, with the concurrence of the head of the department or agency concerned.

(b) The Chair shall convene and preside at meetings of the Working Group, determine its agenda, and direct its work. The Chair may establish and direct subgroups of the Working Group, as appropriate to deal with particular subject matters, that shall consist exclusively of members of the Working Group. The Chair shall designate an officer or employee of the Department of Health and Human Services to serve as the Executive Secretary of the Working Group. The Executive Secretary shall head any staff assigned to the Working Group and any subgroups thereof, and such staff shall consist exclusively of full-time or permanent part-time Federal employees.

Sec. 3. Mission of Working Group. The mission of the Working Group shall be to identify actions and appropriate steps that can be pursued, within existing resources, to promote the safety of imported products, including the following:

(a) reviewing or assessing current procedures and methods aimed at ensuring the safety of products exported to the United States, including reviewing existing cooperation with foreign governments, foreign manufacturers, and others in the exporting country's private sector regarding their inspection and certification of exported goods and factories producing exported goods and considering whether additional initiatives should be undertaken with respect to exporting countries or companies;

(b) identifying potential means to promote all appropriate steps by U.S. importers to enhance the safety of imported products, including identifying best practices by U.S. importers in selection of foreign manufacturers, inspecting manufacturing facilities, inspecting goods produced on their behalf either before export or before distribution in the United States, identifying origin of products, and safeguarding the supply chain; and

(c) surveying authorities and practices of Federal, State, and local government agencies regarding the safety of imports to identify best practices and enhance coordination among agencies.

Sec. 4. Administration of Working Group. The Chair shall, to the extent permitted by law, provide administrative support and funding for the Working Group.

Sec. 5. Recommendations of Working Group. The Working Group shall provide recommendations to the President, through the Assistant to the President for Economic Policy, on the matters set forth in section 3 within 60 days of the date of this order, unless the Chair determines that an extension is necessary. The Working Group may take other actions it considers appropriate to promote the safety of imported products.

Sec. 6. Termination of Working Group. Following consultation with the Assistant to the President for Economic Policy, the Chair shall terminate the Working Group upon the completion of its duties.

Sec. 7. General Provisions.

(a) Nothing in this order shall be construed to impair or otherwise affect (i) authority granted by law to a department, agency, or the head thereof, or (ii) functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right, benefit, or privilege, substantive or procedural, enforceable at law or in equity, by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

GEORGE W. BUSH

THE WHITE HOUSE,

July 18, 2007.