



REMARKS

United States Department of Agriculture • Animal and Plant Health Inspection Service • Legislative and Public Affairs
4700 River Road, Riverdale, MD 20737-1234 • Voice (301) 851-4052 • Web: www.aphis.usda.gov

Remarks as Prepared for Acting Associate Administrator
Dr. Peter Fernández
Agriculture Stakeholder Conference:
“Pests, Pathways, and Partnerships”

(RIVERDALE, MD, July 17, 2012) Thank you and good morning. It’s a pleasure to welcome you to the Animal and Plant Health Inspection Service (APHIS) this week for this Agriculture Stakeholder Conference.

I want to specifically welcome Thomas Winkowski, U.S. Customs and Border Protection (CBP) Acting Deputy Commissioner; Acting Assistant Commissioner Kevin McAleenan; other CBP officials; as well as our valued stakeholders who represent other State and Federal agencies, importers, shippers, transporters, and producers.

We celebrated two major milestones this year. USDA marked its 150th anniversary, and APHIS celebrated its 40th anniversary. Next year will mark 10 years of collaboration between APHIS and CBP.

Following the events of September 11, 2001, the Office of Homeland Security, later the Department of Homeland Security (DHS), was created to safeguard the country against terrorism and the range of threats that we face. In March 2003, responsibility for the agricultural quarantine inspection (AQI) program at U.S. ports of entry was transferred from USDA to DHS, and 2,500 positions went from APHIS to CBP.

I was Associate Administrator of APHIS during that time, and I was involved in discussions and planning surrounding that transfer.

Since the transfer, APHIS has retained responsibility for establishing the regulations and guidelines that govern the import of agricultural products, along with training, pest identification, export certification, inspection of propagative plant material, and methods development. CBP enforces USDA’s regulations at ports of entry and has authority over inspectors, port facilities, and daily operations of the AQI program at ports of entry.

In addition to working with CBP agriculture specialists, APHIS has its own plant inspection stations, where we annually inspect about 1 billion imported plants and around 4 million pounds of propagative seed. And our Veterinary Services program is responsible for imports of livestock and animal germplasm, as well as some aquaculture commodities brought in through numerous ports.

APHIS' Smuggling Interdiction and Trade Compliance (SITC) officers work in other areas to identify smuggled and non-compliant imports. In fiscal year 2011, SITC was involved in 2,000 seizures at ports of entry, totaling 46 tons of plants and plant products, meat and meat products, and dairy products that could potentially harm American agriculture.

Partnerships and Streamlining

It's a competitive, thriving global marketplace. I've seen this firsthand throughout my career in APHIS. I've had the opportunity to work for APHIS in many parts of the world, on a wide variety of phytosanitary and sanitary trade issues, engaging with diverse groups of cooperators and stakeholders.

But, as we all know, right now America is still recovering from the worst recession since the Great Depression, and since 2010 the APHIS budget has decreased by about 10 percent. But we have a strategic and comprehensive approach to reduce spending, while still delivering the service and support our stakeholders rely on for their success.

Early in fiscal year 2011, APHIS began using a variety of models to review both our internal and external processes and determine where we could become more efficient in delivering service and results to stakeholders. The result was a series of business process improvements, or BPI.

Among the areas we targeted for streamlining:

- Risk assessment and rulemaking to address import petitions for animal and plant products, and
- The investigation and enforcement process for alleged violations of Agency regulations.

In some cases, the savings are staggering. For plant imports, we can reduce the time it takes to conduct risk assessments and complete rulemaking by as much as 76 percent—that speeds up the process by *years*. For investigations, we're reducing our backlog and focusing our resources on the most serious violations, so we can address the biggest risks to agricultural health.

I share this information with you because I think it's directly relevant to our work and partnership with CBP, and what we want to talk to you about, and hear from you during this meeting. We've come a long way and strengthened our partnership, but, given today's challenges and budgets, we need to continue to work together—to not only ensure that foreign pests and diseases do not threaten the livelihood of our growers or the health of our natural resources. But we also need to find ways to more seamlessly cooperate with each other and other government officials, and partner with industry to increase efficiencies, accuracy, and uniformity.

I think too we can find additional ways of streamlining and simplifying our processes and reduce administrative burdens. And if you look at what we've learned from our experience with business process improvement, I think we can reduce the complexity of filings for low-risk companies so we can concentrate more of our resources on riskier shipments.

I think we can do these things and provide better results, all while reducing costs to both industry and government.

Accomplishments Since 2008 Stakeholder Conference

This is our challenge today. But to meet that challenge, we need to hear from you. If we do, I think we can expect real results from this conference.

We hosted a stakeholder conference like this in 2008, in which we worked on ways to improve the safeguarding system. The biggest thing that came out of that conference was a dramatic improvement in how APHIS and CBP talk to each other. Since that meeting, our staffs have developed lines of communication at every level of the chains of command.

Around that same time, we also created a joint task force to establish concrete steps for both agencies to take to enhance the overall effectiveness of our efforts and to better support employees and strengthen their performance. This task force came up with 13 action plans, and we have completed 11 of those. The details of what we've accomplished and our goals for going forward will be detailed later today.

We also created the Agriculture Quarantine and Inspection Partnership Council, which allowed us to reach out to State officials, who in turn are informally getting information from other stakeholders.

Of course, we want to get even more input and feedback from you today and tomorrow. We're going to give you ample opportunity to tell us what's going well and what needs improve. We want to hear your thoughts on where we might streamline and become more efficient. As was the case in 2008, your input here will shape our efforts, and the results you'll see.

Asian Gypsy Moth

The most effective way to prevent foreign pests and diseases from entering the country is to target them before they even reach our shores. That has been the key to our success with Asian gypsy moth (AGM) , reducing ship interceptions by 90 percent.

To do this, APHIS has worked with the governments of Russia, Japan, South Korea, and China—and with the shippers calling on high-risk ports—to take steps to keep the moths from hitchhiking on their vessels, and to remove and destroy all egg masses they find prior to entering U.S. ports. This reduces the detections, and thus instances in which vessels are returned to international waters, thereby benefitting importers. In addition, CBP's training modules have focused on how inspectors as well as ships' crew members can better recognize AGM egg masses.

Wood Packing Material

APHIS and CBP also have had success preventing pests from hitchhiking on solid wood packing material (WPM).

As you probably know, WPM includes items such as pallets, crates, boxes, and pieces of wood used to support and brace cargo. Infested WPM has been linked to the introduction of several destructive invasive species, including the Asian longhorned beetle, emerald ash borer, and pine shoot beetle.

In response to an increase in interceptions of nonnative pests at U.S. ports of entry, APHIS revised its import regulations for WPM, requiring wood used for international trade to be treated and to be marked with the appropriate logo and coding.

APHIS and CBP have done a lot of outreach to make sure the industry knows about the treatment and marking requirements of the regulations as well as the phase-in timing of the enforcement. They also understand the time and costs involved if noncompliant wood packing material needs to be unloaded and destroyed.

More recently, APHIS and CBP are working extensively with the Canadian Food Inspection Agency and the Canadian Border Services Agency to ensure cross-border trade continues with as little disruption as possible. We are also developing extensive outreach programs to address the concerns of the rail and commercial trucking industries.

The stakes here are very high: Lumber and paper in the United States make up a \$262 billion industry. Forest pests threaten not only that industry, but billions more in residential property values, the maple sugar industry, and public lands.

Border Crossings

In recent months, APHIS and CBP have been involved in working together to protect our employees in dangerous situations along the U.S./Mexican border.

APHIS provides services for livestock importation from Mexico at 10 ports along the border. APHIS' inspections ensure that cattle and other livestock enter the country free of pests and diseases.

In fall 2010, State Department security concerns led us to relocate three cattle inspection ports from Mexico to temporary facilities in Texas. Those operations will continue on the U.S. side until the security situation in Mexico stabilizes.

This year, three other ports have been affected by security concerns and State Department travel restrictions requiring fully armored vehicles with police or military escort.

In March, we suspended inspections at the Columbus, New Mexico/Palomas, Chihuahua port, and cattle were redirected to another port an hour away. When the security situation improved, we began inspecting cattle again in Palomas on June 4.

Security concerns also caused us to close the port in Ojinaga, Chihuahua, near Presidio, Texas, for 3 days in May and 2½ weeks in June. We continue to monitor that situation, and we're

working with CBP to consider contingency plans in the event our veterinary staff cannot travel safely into Mexico.

The situation in Ciudad Acuña in the Mexican State of Coahuila required implementation of a substantial reworking of the port operations. Again because of safety-related travel restrictions, we discontinued inspections in Ciudad Acuña in March. We reopened July 3 on the U.S. side of the border, in Del Rio, Texas. To do that, we obtained use of facilities through a cooperative agreement with the Texas Department of Agriculture, and we worked with CBP to facilitate the movement of cattle to the inspection pens.

In all of these cases, we have worked out ways to maintain the volume and quality of inspections that we had prior to the suspensions. And we are continuing to discuss contingency plans should the security situation again deteriorate.

Conclusion

These are just a few examples of how APHIS has worked with CBP, State governments, industry, importers, and other stakeholders to address challenges and facilitate trade. We are looking to build on those successes and to garner input on how we can best serve the people who rely on us, like those of you here today.

Our focus is “Pests, Pathways, and Partnerships.” So, what steps can we take to better exclude pests from reaching our shores? How can we better communicate and collaborate in this effort? What ideas do you have to improve and streamline the safeguarding process? And how can we better serve you?

I look forward to some valuable and vigorous discussions over these issues in the next two days.

Thank you.

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