



# The Shrimp e-Advocate

Newsletter

March 2008

The Southern Shrimp Alliance (SSA) is a non-profit alliance of members of the U.S. shrimp industry in eight states committed to preventing the continued deterioration of America's shrimp industry and to ensuring the industry's future viability. SSA serves as the national voice for the shrimp fishermen and processors in Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Texas.

## Quick Links

[SSA Website](#)

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## BREAKING NEWS

### Williams to Congress: FDA Shouldn't Rely on Importers for Food Safety

Through the efforts of Representative Charles J. "Charlie" Melancon (D-LA) John Williams, executive director of the Southern Shrimp Alliance (SSA), was invited to testify as a member of the U.S. shrimp industry on food safety before the House Subcommittee on Oversight and Investigations of the Commerce and Energy Committee on February 26, 2008.

"Due to the repeated findings of banned antibiotics and pesticides in aquaculture products from developing countries, the EU, Canada, and Japan have increased measures to protect their consumers," explained Williams in a press release. "However, the FDA continues to rely on the unverified representations of importers instead of testing, except for one percent of seafood imports. The lax FDA food safety enforcement makes the United States the most attractive market for contaminated seafood."

"On behalf of the U.S. shrimp industry, I would like to thank the House Subcommittee on Oversight and Investigations of the Commerce and Energy Committee and Representative Melancon for inviting us to share our experiences with Congress," said Williams. "We appreciate their continued support for equal application of food safety requirements on imported and domestic seafood."

Rep. Melancon is a vice chair of the subcommittee that conducted the food safety hearing.

- Watch NBC coverage of the hearing: <http://www.ksby.com/Global/story.asp?S=7933933>

## LEGAL UPDATE

WTO Rules Against Duties on Thailand, Bonds on

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## Thailand and India

On February 29, a dispute settlement panel of the World Trade Organization (WTO) ruled that (1) the methodology used to calculate duties on Thai shrimp imports and (2) United States India and Thailand to post bonds to cover antidumping duties on imports of shrimp violate international trade rules. The rulings do not apply to imports from Brazil, China, Ecuador, or Vietnam. measures requiring

The U.S. government may appeal the panel's ruling to the Appellate Body. If no appeal is taken, the United States would then have the option of recalculating the antidumping duties on shrimp imported from Thailand using a different methodology or face retaliatory measures from the Thai government. The U.S. A recalculation of Thai antidumping duties without the use of zeroing increases the likelihood that the true amount of dumping will not be offset. calculated the antidumping duties using a methodology known as "zeroing," which is used to ensure that dumping of a particular product is not masked or diluted.

If no appeal is made, the U.S. government would also have the option to change (or not change) its "continuous bonding" requirement on India and Thailand shrimp imports based on the adverse WTO ruling. Without continuous bonding, Customs determined that there is a significant risk that shrimp importers may not be capable of paying antidumping duties owed on shrimp imports. If the duties are not collected, then U.S. shrimpers are denied trade relief from dumped shrimp imports.

These rulings continue a troubling trend of the WTO's refusal to allow the United States to enforce trade rules that were negotiated in the formation of the WTO. The increasing willingness of WTO panels to condemn any action taken by the United States to address unfairly traded imports means that it is vitally important that the United States appeal these improper decisions. The SSA is urging the government to do so.

## Criminal Investigations into Byrd Fraud

The Assistant United States Attorney in the Eastern District of Louisiana is reviewing certain claims by the U.S. shrimp industry made under the Continued Dumping and Subsidies Offset Act (CDSOA or Byrd Amendment). The companies under investigation will have to support or

substantiate with documentation their applications for funds. Anyone found making intentionally false claims in an effort to defraud the government or increase their claim may be held criminally liable.

The U.S. Attorney office's investigation is independent of the ongoing U.S. Customs and Border Protection (CBP) verifications of Byrd claims. The CBP reports to SSA that it is asking quite a few companies (exact numbers were not provided) to return some or all of the distributions made because of problems with the recipient's certification. Some of these companies have already returned funds or made arrangement to return funds. In addition, there were over 20 verifications still underway last quarter, according to CBP. The CBP's actions will help increase the monies available for all other deserving CDSOA recipients.

### **Third Administrative Reviews Begin**

SSA has submitted requests for annual reviews of many companies subject to shrimp antidumping duties. The third administrative review process is meant to determine the actual amount of dumping that occurred between February 1, 2007 and January 31, 2008. The antidumping duties paid by the companies can increase or decrease based on whether they were dumping more or less than the current antidumping rate.

### **LEGISLATIVE UPDATE**

#### **States Test Imported Seafood, Find FDA Oversights**

SSA has created a new webpage that documents the findings of certain illegal antibiotics and/or chemicals on imported seafood found by eight state governments. The test results highlight that FDA's one percent testing and the private sectors repeated assurances are not protecting U.S. consumers. View the information at:

[www.shrimpalliance.com/State\\_Testing.htm](http://www.shrimpalliance.com/State_Testing.htm).

#### **Recap of DC Shrimp Dinner and Meetings**

On February 12-14, U.S. shrimpers from eight states visited Washington, DC to bring priority issues to 35 congressional offices and the Administration. Items discussed included enforcement of U.S. trade laws, fair and equitable distributions of CDSOA (Byrd) funds, improved

imported seafood safety, and marketing among other matters. The issue of food safety received more attention this year as a result of the Chinese Import Alert on shrimp and a long list of other food safety recalls over the past year.

Despite rain and cold weather, the SSA had a good number of representatives of congressional offices and federal agencies attend the annual shrimp dinner, which provided the opportunity to meet shrimping families from their districts and to sample some U.S. wild-caught shrimp. A big thank you goes out to the South Carolina shrimpers that prepared their local catches for the event.

## **REGULATORY UPDATE**

### **Fisheries Ecosystem Plan**

SSA will be attending the South Atlantic Fisheries Management Council meeting on March 3-6 regarding the development of a Fisheries Ecosystem Plan to protect various species of deep sea coral found along the east coast of Florida up to North Carolina. Amendment 1 is expected to be finalized for the purposes of receiving public comment. SSA is supporting a recommendation to move one boundary of one of the four 'Habitat Areas of Particular Concern' east by six miles. This 6-mile area is part of a buffer zone, not coral habitat, as evidenced by the current frequent use of shrimp gear in this area. This proposal leaves roughly 95% of the total HAPC intact, but preserves access to the relatively small areas that are well documented royal red shrimp fishing grounds.

## **MEMBERSHIP UPDATE**

### **SSA Board Meeting in March**

The SSA Board, comprised of representatives from each state, is scheduled to have a meeting March 29-30 in Tampa. If you have any questions or concerns you would like to have raised, please contact your representative at the e-mail address to the left or John Williams at [john@shrimpalliance.com](mailto:john@shrimpalliance.com).

## WASI UPDATE

### Using Biodiesel in your Shrimp Boat

Wild American Shrimp will be hosting an educational workshop on March 20th in Charleston, South Carolina for shrimpers interested in learning about using biodiesel in their boats. The workshop is being put on by the Clemson University Sea Grant program and will feature Southeast Biodiesel, a biodiesel production facility located in North Charleston.

The purpose of the workshop is to share information about how biodiesel is produced and distributed, how it effects the operation and life of your boat engine, and to answer any other questions shrimpers might have about this alternative fuel. Local shrimpers will also be on hand to talk about their personal experience using biodiesel.

If you are unable to attend but would like more information on workshops in your area, contact Kara at Wild American Shrimp by email at

[Kara@wildamericanshrimp.com](mailto:Kara@wildamericanshrimp.com)

Or by phone at 843.937.0002.