

e. *Option 5: Minimum prior notice time frame of 1 hour before arrival for vehicles, 4 hours before arrival for rail and air, and 8 hours before arrival for vessels; electronic submission of information; any change in information requires resubmission.* Option 5 requires that prior notice be submitted 1 hour before arrival for articles of food being imported by vehicle and 4 hours before arrival for articles of food being imported by rail or air modes of transportation. This option is a combination of the minimum prior notice times used in options 2, 4, and 8. By varying minimum prior notice times by conveyance type, option 5 provides flexibility for the importers where it is most needed.

Importers whose articles of food are transported by vehicle from Canada and Mexico are most constrained by facility proximity to the United States, so a 1-hour minimum prior notice time for these shipments is the least constraining possible while still allowing FDA the time needed to review the import information. Comments on shipments of food arriving in the United States by vehicle indicated that (specifically Mexican) food facilities are often close to the U.S. border, and thus requested that FDA require a minimum prior notice time of 2 hours rather than the proposed 12 noon the calendar day prior to arrival. A minimum prior notice time for vehicle traffic of 1 hour will be even less constraining on importers than the 2 hours requested by the majority of comments.

Importers whose shipments of food are flown in from the Caribbean, Central America, and Colombia, or importers whose food shipments are brought into the United States by train will be less constrained by minimum prior notice time than food shipments arriving by vehicle, but more constrained than food shipments arriving in the United States by vessel. Therefore, for this option,

importers bringing food into the United States by airplane or by train are required to give prior notice a minimum 4 hours before arrival. This timeframe is sufficient for even shorter flights from Caribbean countries and Central American countries to the United States. For example, though the actual flying time of a direct flight from the Bahamas to Miami is only 2 hours, the airplane must be loaded, taxied to the runway, cleared for take-off, and on arrival landed, taxied from the runway, and unloaded. A 4-hour minimum prior notice time will therefore seldom be constraining. A 4-hour minimum prior notice time for flights could be constraining for rush orders of food from Canada and Mexico. However, OASIS fiscal year 2002 data shows that only about 10,000 food entry lines were flown in from Canada and only about 20,000 lines flown in from Mexico. This is a very small portion, less than 1 percent, of total shipments from Canada and Mexico.

Option 5 requires that prior notice be submitted 8 hours before arrival for articles of food being imported by vessel. We do not specifically address food importation by vessel in this option because this mode of transport will not be constrained by an 8 hour minimum prior notice timeframe. The costs of this option for vessels will be the same as in the previous option.

(i) *One-hour minimum prior notice time for food arriving by vehicle.* Importers of perishable products from Canada and Mexico, whose articles of food arrive in the United States by vehicle, will have to submit prior notice 1 hour before arrival. This short, minimum submission time should eliminate the probability of having to resubmit prior notice for all but 2.5 percent of those perishable products imported from Canada and Mexico.

OASIS data indicates that approximately 44 percent of all

imported food shipments used land transportation to arrive in the United States for fiscal year 2002. These shipments must come from Canada and Mexico (or in some cases transshipped), as these are the countries that have land borders with the United States. OASIS data shows that only about 2 percent of imported food shipments arrived in the United States by rail in 2002, and less than 1 percent of shipments arrived from Canada and Mexico by air. Thus, at least 97 percent of all imported food shipments arriving from Canada and Mexico used vehicles as the mode of transport.

Using this 97 percent estimate, we calculate the proportion of the total retail value of highly perishable produce and seafood from Canada and Mexico that arrives in the United States by vehicle. We then use this new retail value, 97 percent of the total value, to calculate the lost product value (1 hour out of 168 hours for produce, 1 hour out of 48 hours for seafood) for the 2.5 percent of highly perishable produce and seafood from Canada and Mexico for which importers would have to resubmit the prior notice when the minimum submission time is 1 hour. Table 20 of this document shows the loss in value caused by the cancelled and resubmitted prior notice information for the 2.5 percent of imported Mexican and Canadian perishable seafood and produce affected.

We also do not include the cost of truck time with this option, because the minimum prior notice time for articles of food arriving by vehicle is only 1 hour. Given current border wait times and manufacturing/processing facility distance from the U.S. border, it is unlikely that articles of food will have to wait to enter the United States because of prior notice requirements.

TABLE 20.—LOSS IN VALUE CAUSED BY RESUBMITTED PRIOR NOTICE UNDER OPTION 5 FOR SHIPMENTS ARRIVING BY VEHICLE (1-HOUR MINIMUM NOTICE REQUIREMENT)

	Dollars
Perishable Produce:	
2001 Imported Mexican produce total retail value	\$3,458,525,000
97% of Total retail value for Mexican produce	\$3,354,769,000
0.6% Reduction in value for 2.5% of Mexican produce	\$503,215
2001 Imported Canadian produce total retail value	\$401,826,000
97% of Total retail value for Canadian produce	\$389,771,000
0.6% Reduction in value for 2.5% of Canadian produce	\$58,466
Total lost value for produce	\$562,000
Perishable Seafood	
2001 Imported Mexican seafood total retail value	\$112,277,000
97% of Total retail value for Mexican seafood	\$108,909,000
2.1% Reduction in value for 2.5% of Mexican seafood	\$57,177
2001 Imported Canadian seafood total retail value	\$1,863,218,000