

ISSUE BRIEF Proposed DOE Import Data Collection Requirements

March 17, 2016

What change(s) are being proposed?

Under proposed changes to the U.S. Department of Energy's (DOE) Energy Conservation Program, companies importing to the U.S. a wide variety of products and equipment covered by energy conservation standards – including plumbing, refrigeration and electric motors, just to name a few – will need to submit a certificate of admissibility before each arrival at a U.S. port of entry through the U.S. Customs and Border Protection's (CBP) Automated Commercial Environment (ACE). Currently this information is submitted annually through DOE's Compliance and Certification Management System (CCMS). The proposed requirement, which would apply to all final and component products including customized replacement parts, would require submission of duplicate information to DOE's CCMS and CBP's ACE.

DOE engaging CBP in the collection of this information is an effort to fulfill Executive Order 13659, Streamlining the Export/import Process for America's Businesses, requiring federal agencies to "significantly enhance their use of technology to modernize and simplify the trade processing infrastructure." Under the proposed change, ACE is to create a "single window through which businesses will electronically submit import-related data." Unfortunately, as proposed, the rule would require companies to submit information twice, annually to DOE's CCMS and with each shipment to CBP's ACE.

NAFEM and others have expressed concern over how the proposed certification would be administered and potential unintended consequences that could result in delayed border entries. Without more careful consideration and collaboration with industry, the proposed rule could also unintentionally increase consumer prices, which could negatively impact the use of energy-saving products. Additionally, requiring importers to identify all components (and subcomponents) will be burdensome, if not impracticable, especially for customized replacement parts.

What organization is considering implementing the change(s)?

The U.S. Department of Energy (<u>www.energy.gov</u>) is considering this change to meet Executive Order 13659 requirements to streamline processes addressed above.

How will this proposed change impact my business and the food service industry?

Instead of submitting certification of energy conservation standards annually to DOE alone, companies would submit the same information for each shipment to CBP as well via ACE. The agencies would then work in real-time to review the information provided and determine admissibility of products and equipment.

What is NAFEM doing to address this issue?

NAFEM addressed its concerns about the proposed rule at a DOE Public Meeting. We also submitted written comments individually as well as collectively with the Association of Home Appliance Manufacturers, Consumer Technology Association and Information Technology Industry Council. NAFEM will continue to be actively involved in this issue.

What should my company be doing to address this issue?

NAFEM members should review the <u>notice of proposed rulemaking (NOPR)</u> to determine the proposal's impact on their businesses. We may ask member companies to join the conversation with DOE, so being able to share details of the impact of the proposed approach to your company will be important. NAFEM will continue to keep members updated on this issue. Also visit the Advocacy section of <u>www.NAFEM.org</u> to learn more.

Who should I contact with questions?

For questions on this topic, please contact Charlie Souhrada, CFSP, Director, Member Services at NAFEM headquarters: csouhrada@nafem.org or 312.821.0201.