

# Directive

9180.58

September 30, 1998

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## **MODIFIED OBSERVATION OF LOADING EXPORT FARM SERVICE AGENCY PRODUCTS**

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## 1. PURPOSE

This directive establishes the procedures for performing a modified observation of loading inspection service of specific export products for the Farm Service Agency (FSA). The purpose of the service is to minimize the amount of damaged bags/ commodities loaded on vessels, and enhance the perception of U.S. agricultural commodities overseas and the integrity of the foreign food assistance programs.

## 2. PRODUCTS AND CARRIERS TO BE INSPECTED

FSA requires that the Grain Inspection, Packers and Stockyards Administration (GIPSA), Federal Grain Inspection Service (FGIS) personnel observe the loading of all noncontainerized (i.e., ships and barges) export shipments packaged in multiwall paper bags. These commodities include:

Corn Meal	Instant Corn-Soya Masa Flour
Soy-Fortified Corn Meal	Soy-Fortified Sorghum Grits
Corn-Soy Blend	Wheat-Soy Blend
Corn-Soya Milk	Wheat-Soy Milk
Instant Corn-Soya Milk	Powdered Milk

## 3. APPLICANT RESPONSIBILITIES

The steamship lines, or their representative responsible for transporting the commodities to the overseas destination, must request the modified observation of loading from the local FGIS field office. The steamship line must also inform the field office of the time and place of service and designate (and make readily available to the FGIS inspector) a local contact, i.e., an individual(s) at the loading location, to address any deficiencies found during loading.

## 4. INSPECTION PROCEDURES

- a. After receiving a request for inspection. Determine the number of inspectors needed to perform the service based on the number of holds to load. Limit the number of inspection personnel to the minimum number necessary to perform the inspection.
- b. Upon arrival at the loading berth. Notify the vessel and stevedoring representatives that FGIS will observe the loading at the request of FSA and locate the individual designated by the steamship line to address deficiencies. If the steamship line does not provide a representative to address deficiencies, contact FSA's Kansas City Commodity Office (KCCO) at (816) 926-6198 and record this information on the work records.
- c. Prior to loading. Before boarding, determine if it is safe to board the vessel. From a safe position on deck, observe the condition of the hold(s). Record observations on the form FGIS-992, Services Performed, or other locally generated worksheet. Note any deficiencies. Also record deficiencies of all other FSA cargo not being inspected (such as leaking vegetable oil cans or torn poly-weave bags, etc.). Repeat the prior to loading inspection each day before loading starts.

- d. Observation of loading. From a safe vantage point outside the hold(s), observe the loading of the commodity.
- (1) Record the loading start time(s), the type of product(s) loaded, the contract numbers on the bags, and the hold(s) loaded.
  - (2) Inspectors are not required to count the number of bags loaded and are not responsible for performing a condition examination of the product in the warehouse prior to loading. Product condition examinations are requested separately by FSA, if needed.
  - (3) Report any deficiencies found to the steamship line representative as soon as possible. If a steamship representative is not responsive in correcting deficiencies or is not readily available, report this to KCCO as soon as possible at (816) 926-6198 and document the situation on the work records. FSA defines deficiencies as follows:
    - (a) Damaged bags loaded and not removed from the vessel. Damaged bags removed from the vessel and damaged bags not loaded.

Bags with all layers punctured and the contents leaking or exposed are considered damaged beyond repair. Such damaged bags may not be recouped and should not be loaded.

Bags with torn outer layers, but with inner layers intact, may be repaired by taping and loaded.
    - (b) Spilled commodity not removed from stowage area.
    - (c) Bags loaded during rain or left exposed to rain before the hatch covers are closed.
    - (d) Debris, such as wood, paper drinking cups, and food wrappers, left in the stowage area(s).
    - (e) Any other detrimental or unsanitary conditions that are not corrected in a satisfactory manner. Examples of detrimental or unsanitary conditions include: bags soiled with hydraulic fluid, paint, grease, rodent excrement, and excessive dirt. If, during the course of the inspection, a serious detrimental condition is found, such as rodent or insect infestation that could be considered actionable by the Food and Drug Administration, report the finding as soon as possible to the steamship representative and KCCO at (816) 926-6198.

e. Record. Record the following information on the work record:

- (1) Any uncorrected deficiencies and the number of bags involved.
- (2) The number of damaged bags loaded and not removed, number of damaged bags removed, number of damaged bags not loaded, and their condition (e.g., torn, stained, wet, etc.).
- (3) The finish loading time.
- (4) The steamship representative's signature after each day's loading to indicate concurrence with the number of bags not loaded, this includes damaged bags removed. Also, print the representative(s) name on the work record for future reference. If a discrepancy exists, count the bags with the steamship representative to resolve the discrepancy.
- (5) The steamship representative's signature verifying the total number of bags loaded after loading is completed.

If a vessel stops loading cargo requiring observation of loading to load other cargo and then returns to loading the original cargo, observe the condition of the hold prior to the resumption of loading. If it appears that the subsequent loading may have damaged the cargo previously inspected, place a statement on the certificate. If unsure as to the effect the loading may have had on the quality of the previously inspected cargo, include a statement on the certificate that cargo not requiring inspection (specify type of cargo) was loaded on top of the previously inspected cargo.

## 5. CERTIFICATION

a. Required information. Certify the inspection results on form FGIS-993, "Commodity Inspection Certificate." The certificate must contain the:

- (1) vessel name,
- (2) holds loaded,
- (3) steamship line,
- (4) port of loading,
- (5) commodity name(s),
- (6) stevedoring company,
- (7) dates and times of loading,
- (8) contract numbers located on bags,
- (9) number and type of damaged bags loaded,
- (10) number and type of damaged bags removed,
- (11) number and type of damaged bags not loaded,
- (12) deficiencies of previously loaded FSA cargo observed during prior to loading inspection, and
- (13) total costs and hours billed (including standby, travel, and inspection).

The attachment provides an example of a completed certificate.

b. Distribution. Distribute the certificate as follows:

(1) Original to: The steamship line or their agent.

(2) One copy to each of the following:

Michigan State University  
School of Packaging  
East Lansing, MI 48824-1223

U.S. Department of Agriculture  
FSA/P.D./C.B.  
P.O. Box 2415  
Washington, D.C. 20013-2415

U.S. Department of Agriculture  
FSA/KCMO/DMD/CPDB  
P.O. Box 419205  
Kansas City, MO 64141-6205

## **6. SUPPLEMENTAL INFORMATION**

Place the amount of product said to be loaded by the applicant on a piece of paper separate from the inspection certificate and attach this information to the certificates sent to Michigan State University and FSA in Washington, D.C. Include the certificate number on the paper in case the documents are separated.

## **7. BILLING**

Submit the bill for all services performed using the processed commodity hourly inspection fee to FSA at:

U.S. Department of Agriculture  
FSA/KCMO/DMD/CPDB  
P.O. Box 419205  
Kansas City, MO 64141-6205

*/s/David Orr*

David Orr, Acting Director  
Field Management Division

Attachment



U.S. DEPARTMENT OF AGRICULTURE  
FEDERAL GRAIN INSPECTION SERVICE

ORIGINAL  
NOT NEGOTIABLE

A-

COMMODITY INSPECTION CERTIFICATE

DATE OF SERVICE May, 6, 1998	ISSUED AT New Orleans, LA	LEVEL OF INSPECTION Original
APPLICANT Seaway Shipping Inc.	LOCATION OF COMMODITY Pensacola City Docks Pensacola, FL	
IDENTIFICATION M/V Smooth Sea	QUANTITY AND CONTAINER 25 KG Bags Corn-Soy Blend VEPD01234 25 KG Bags Soy-Fortified Corn Meal VEPD02090 25 KG Bags Corn Meal VEPD08050	

Observed Vessel Loading:

3/1/96, 0800 to 1700 Hours, Holds 1 and 2  
3/2/96, 0800 to 1500 Hours, Holds 2 and 4  
3/3/96, 0800 to 1000 Hours, Hold 4

Observations:

3 torn bags of corn meal left in hold 2  
An estimated 150 pounds of spilled corn meal left in hold 1  
6 cases of leaking vegetable oil left in hold 4  
12 bags corn-soy blend stained with hydraulic fluid left in hold 2

Number of Damaged Bags Removed From Vessel:

72 torn corn meal bags  
56 stained corn-soy blend bags  
105 torn soy-fortified corn meal bags

Number of Damaged Bags not loaded:

110 torn corn meal bags  
91 stained corn-soy blend bags  
105 torn soy-fortified corn meal bags

Steamship Line:

Seaway Shipping

Stevedoring Company:

Stackright Inc.

Hours Billed:

32 Total Hours	\$722.80
4 Hours Standby	89.60
26 Hours Regular Time	582.40
2 Hours Standby Time	50.80

*I CERTIFY THAT THE SERVICES SPECIFIED ABOVE  
WERE PERFORMED WITH THE RESULTS STATED.*

INSPECTOR  
Jane Doe

This certificate is issued under the authority of the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621 *et seq.*) and the regulations thereunder (7 CFR 868.1 *et seq.*) and is receivable in all courts of the United States as prima facie evidence of the truth of the statements therein contained. This certificate does not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act, or other Federal laws.

**WARNING** Sec. 203(h) of the Agricultural Marketing Act of 1946 provides that anyone who shall knowingly falsely make, issue, alter, forge, or counterfeit any official certificate, or aid, assist, or be a party to such actions, is subject to a fine of not more than \$1,000 or imprisonment for not more than 1 year, or both.

The conduct of all services and the licensing of inspection/grading/sampling personnel under the regulations governing such services shall be accomplished without discrimination as to race, color, religion, sex, national origin, age, or handicap.

FORM FGIS 993