



April 2018 - Info Expeditior

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### GSP Claims May Resume; CBP Sets Forth Refund Processes

*Courtesy: Sandler, Travis & Rosenberg Trade Report*

U.S. Customs and Border Protection has announced that as of April 22 it will again accept claims for duty-free treatment under the Generalized System of Preferences for goods entered or withdrawn from warehouse for consumption.

In addition, CBP will automatically liquidate or reliquidate formal and informal entries of GSP-eligible goods that were entered on or after Jan. 1 through April 21 and filed electronically via the Automated Broker Interface using special program indicator code "A" as a prefix to the listed tariff number. CBP states that such entry filings will be treated as a conforming request for a liquidation or reliquidation and that no further

### 2018 PCC to Washington DC

*By: Jack Hubbard*



Photo of the US Capitol, by Jack Hubbard on Pennsylvania Avenue, Feb 26, 2018

I've attended the PCC Mission to DC about 20 times as a member of the CBFANC delegation--as Legislative Chair or committee member, President, or proud, professional member. Every year the event is meaningful and engaging. You could say that this year's Mission was no exception, EXCEPT that it was! Why? For starters, consider that the current Administration threatens to move forward with measures that seem to contradict the hard-won efforts of the past that have enhanced free and fair trade. Abandon NAFTA? ADD/CVD on steel and aluminum? Punitive tariffs on goods from China? Trade war, anyone?

Clearly, the 2018 PCC Mission to DC came at an extremely EXCEPTIONAL time.

On Monday, February 26<sup>th</sup>, we again met with Angela Ellard, Chief Republican Trade Counsel, House Ways and Means Committee, who provided valuable insights into the state of affairs of our nation's Capitol. NAFTA renegotiation was top on her list, as she was set to travel within days to Mexico to help guide the efforts to salvage (or "improve") this important trade agreement. While some of the rhetoric coming from the Administration is anti-trade, Angela stated that "Congress

action by the filer is required to initiate a retroactive GSP duty refund. To avoid confusion, importers should not submit post-importation GSP claims on tariff items filed with the SPI "A" at entry summary. CBP expects to begin processing automatic refunds for these entries shortly after April 22.

However, CBP will not automatically process GSP duty refunds for formal covered entries that were not filed electronically via ABI, nor for formal and informal covered entries that were filed electronically via ABI with payment of estimated duties but without inclusion of the SPI code "A." In both situations, requests for liquidation or reliquidation must be made no later than Sept. 19. Requests for liquidation or reliquidation of goods imported via the mail are also due by Sept. 19.

CBP notes that it will continue conducting verifications to ensure that GSP benefits are available to eligible entries only.

**2018 Educational & Program Events**

**[CBFANC 2018 Educational Seminars](#)**

06/20/2018

**[Free Trade Agreements - Interpreting FTA Rules and determining Tariff Shifts](#)**

07/18/2018

**[FDA Workshop - General Info & Hands-On Product Code Builder Training](#)**

08/15/2018

**[Electronics Classification Training & Working with the Electronics Center](#)**

09/19/2018

**[CBP Audits - What to Expect, How to Prepare, Who to Contact](#)**

10/10/2018

**[Drawback Processing, Recordkeeping Requirements and Updated Regulations](#)**

11/14/2018

has not changed" and that many on the Hill are still strongly committed to pursuing the benefits that free trade brings to the economy of the United States. As we head to the Hill for our meetings, our message to our legislators should be: "Do no harm." The U.S. economy is thriving and we should remind our representatives that trade is a big component of this prosperity.

Wednesday, Feb 27<sup>th</sup>, was our day to visit our elected representatives on the Hill, and we began the day with a breakfast speech from John Gold of the National Retail Federation. Mr. Gold advised that "retail is alive and well!" Yet, many harbor serious concerns about potential loss of the benefits that free trade brings, and that retailers of all stripes (ecommerce or brick and mortar) face new challenges wrought by the Administration's hostility toward existing trade agreements, as well as its threats of new tariff barriers.

Our first meeting after breakfast was with Greta Peisch, Senate Finance Committee Democratic International Trade Counsel, and Queen Fan, Senate Finance Committee Policy Advisor. We spoke at length about Sec 321/de minimis issues, and presented our concerns regarding CBP and PGA enforcement, the possible dangers to the safety and health of the US consumers, and our government's lack of preparedness for the tidal wave of de minimis shipments that have started to hit the US border (mystery: what will be the role of our \$3 billion system called ACE?). Another topic stressed by our delegation was the importance of drawback to U.S. exporters, and the problems that drawback filers have encountered with the adaptation of drawback to ACE. Concerns were also raised about the loss of accelerated payment under TFTEA, which creates huge financial burdens for both claimants and filers of drawback.

During the remainder of the day, the CBFANC delegation had appointments at nine Congressional offices. At times, our group split in two to take full advantage of the jam-packed schedule of meetings and discussions with Hill staffers. By the end of the day my CBFANC team had met with Sarah Jackson, Legislative Assistance for House Minority Leader Nancy Pelosi; Crozer Connor, Legislative Aide for Rep. Mike Thompson (Ways & Means Committee); Miriam Goldstein PhD, Legislative Director for Rep. Jackie Speier; Eric Olsen, Press Secretary and Legislative Assistant to Rep. John Garamendi; and Tracey Chow, Legislative Assistant for Rep. Jeff Denham. We were warmly received by all offices, and our meetings were longer and more substantive than usual. A great deal of interest was shown regarding Sec 321/de minimis, and drawback. We extended an invitation to Rep. Speier to speak at another CBFANC event in 2018 (more to follow). Several of the offices followed up with emails asking for more details regarding de minimis. We truly felt that our messages were heard and taken seriously. I wish to thank all members of Congress who made themselves or their aides available to us.

I spent much of the day walking from building to building and from office to office with CBFANC's President, Chris Ramos. He had an app on his watch that kept track of his steps and he (and that means all of us) found that he walked over 13,000 steps on Tuesday! The adrenalin kept us going, and the Mission wrap up session (and glass of wine) at the end of the

**[CBFANC 2018 Educational Seminars](#)**

12/12/2018

**CBFANC Social Media**

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**Events Around the Bay**

- [P.A.E.I](#) - Professional Association of Exporters and Importers  
[www.paei.org](#).
- [OWIT NC](#) - Organization of Women in International Trade Check website for updates
- [Monterey Bay International Trade Association \(MBITA\)](#) - Monterey Bay International Trade Association  
Check Website for updates
- [Norcal W.T.C.](#) - The Northern California World Trade Center  
Check Website for updates
- [PTA](#) - Pacific Transportation Association  
Check Website for updates

day helped get us back to earth.

In addition to the above, we attended the PCC board meeting on Sunday, dinners sponsored by Avalon and Roanoke on Sunday and Monday, a full morning of meetings at CBP HQ on Monday, as well as afternoon sessions with FDA and the FMC.

The kick off was a wonderfully warm reception open to all PCC Missionaries by Debbie and Peter Friedmann on Saturday evening in their beautiful penthouse on Pennsylvania Avenue. It was a perfect way to start an action-packed PCC Mission to DC!

Many thanks to Peter and his crew—Abigail Struxness, Ray Bucheger and Stephen Hudson—for setting up all the meetings and attending to our interests in DC. Cheers to Our Man in DC, Ray, Abigail and Stephen!!

**Countrywide Tariff Exclusions for Steel and Aluminum Products**

*Courtesy: NCBFAA*



The nationwide tariff exclusions for steel and aluminum products may expire on May 1, 2018. It is not known if the exclusions will be extended for goods entered after May 1. Likewise, it is not known if additional duties will be

imposed on goods imported from China and what the effective date will be. It is highly likely, however, that the tariffs will be applied based upon the date of entry. Accordingly, individuals should be mindful that there may be measures available to select the date of entry prior to the effective date of the new tariffs.

For additional guidance, please refer to regulation [19 CFR 141.68](#).

**Merkel's White House wish**

*Courtesy: Adam Behsudi - Politico*

German Chancellor Angela Merkel will meet with President Donald Trump at the White House today for the second time, a visit that will represent, among other things, a last-ditch attempt to persuade the U.S. president not to impose tariffs on steel and aluminum imported from the European Union next week.

Trump granted the bloc a temporary exemption from the tariffs - 10 percent on aluminum imports and 25 percent on steel - that expires May 1 to give U.S. Trade Representative Robert Lighthizer time to negotiate a separate agreement to address U.S. national security concerns in some manner. With that deadline rapidly approaching on Tuesday, Merkel will likely pitch to Trump today why the EU, as one of the United States' closest allies and trading partners, should get a pass.

But even as they hope for the best, German officials are already preparing for the worst. Government officials in

Germany on Thursday told reporters that they expect Trump will not extend the EU's exemption beyond next week's deadline. Based on the current understanding of the situation, "we have to expect that the tariffs will come on May 1," one official said.

**A testy relationship:** Trump has made no secret of his disdain for the trade policies of the EU, particularly those of Germany, which is the biggest economy in the European Union and which runs a substantial trade surplus with the United States. Trump last year called Germany "very bad" on trade and has repeatedly blasted what he sees as unfair trade barriers and limited access for U.S. exporters to the European market.

The EU has threatened to retaliate if it is not granted a permanent exemption from the tariffs, generating a list of U.S. exports last month ranging from peanut butter to yachts that would be hit with new punitive duties. Member countries back the list, giving the European Commission room to roll out the duties if the U.S. doesn't permanently exempt the EU from steel and aluminum tariffs.

**A need for concessions:** The administration has yet to clearly define what exactly it wants to see from countries in order to grant permanent exemptions, but Larry Kudlow, Trump's top economic adviser, made clear on Thursday that concessions of some sort from Europe will have to be part of the package.

"I mean, for example, one of the issues cropping up is the equal treatment of automobiles. That's no secret," Kudlow said in an interview on CNBC. "We are looking at everything. ... There's a lot of discussion internally, and we'll let you know as soon as we figure it all out."