



March 2018 - Info Expeditor

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Some Observations from the PCC Mission to DC 2018

Chris Garcez, Legislative Committee Chair



Brenda Smith has been addressing our Monday morning meeting with CBP for several years now. The opening address generally speaks to agency change from the 30,000 foot level and uses very broad brushstrokes. This year, the now Assistant Commissioner Brenda Smith talked about four pillars, the odd one being *intelligent enforcement*, using predictive analytics. I take this to mean better and smarter digital ways to make the haystack smaller to find bad actors while allowing legitimate trade to move through. She also mentioned some staples: *secure trade lanes* (eCommerce, export and trusted trader); *next generation facilitation* (wants our priorities here); and *resource optimization* (targeting funding).

Many parts of our meeting with CBP addressed the Trade Facilitation and Trade Enforcement Act, or TFTEA. Broker vetting of importers has been on the table for many years, but TFTEA imposes deadlines for CBP to come up with the new requirements. The proposal is still at OMB, and we won't see

2018 Educational & Program Events

Valuation Issues, What Information is Required to Ensure Proper Valuation
04/18/2018

CBFANC 2018 Educational Seminars
05/16/2018

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

CBFANC 2018 Educational Seminars
12/12/2018

Agriculture Transportation Coalition - 30th Annual Meeting

AgTC: Amazon and More! Powerful Speakers added!

Amazon - ag shippers: you need us, we need you -- Josh Dolan, Director, Global Inbound Supply Chain & Logistics, Amazon

The ONE - 3 Japan carriers merged -- Jeremy Nixon, CEO Ocean Network Express

China-US Trade War - turmoil in the ag export supply chain -- Walter Kemmsies "the economist that other economists listen to".

Trucking Crises, what shippers need to know - Ken Kellaway, CEO RoadOne, nation's largest drayage

an NPRM for a while. No details on a hard or a soft list of requirements. But it's the law now – brokers get the penalty for non-compliance, not the importer.

The de minimis danger is a major concern for brokers and also for CBP. The big take away this Mission is that after CBP consulted the COAC on this topic, there seems to be little will to change the system as it is currently; no will to slow business down. However, they say the matter is a "top priority." Oh and there's no more funding to do anything about it in ACE. A few days after we came back from DC, CBP expanded its page on eCommerce (<https://www.cbp.gov/trade/basic-import-export/e-commerce>) and posted an eCommerce Strategy document. Probably good to read as the topic heats up.

For the breakout session with FDA, John Verbeten (Division Director of Import Operations) presented again this year. The question on everyone's mind was how will filer audits change? One issue brokers raised was the treatment of RLF entries. Since FDA does not wholly work in ACE, that kind of specificity isn't possible for them. They have been saying that for quite a while, but now it's official: in the new audit program, one office will be audited on RLF entries for that port even if filed by a related office in another port.

Attention! Brokers will now be audited on a new number of lines. Small filers (under 1,001 lines per year including those disclaimed) will be audited on 50 lines. Larger filers will be audited on 100 lines. This took people's breath away.

Shifting to our day on the Hill to lobby, how wonderful to have eight people! Although we only split up three times, as opposed to the normal four to five, having two solid groups of four people helped us immensely. Hopefully you know that we offered five stipends of up to \$2,300 dollars for professional members to join us. If you did not know this, write to info@cbfunc.org and express interest for next year. We normally travel in winter. But DC had temperatures in the 70s the week before we arrived. Even by Bay Area standards, the weather we encountered was moderate.

One of the highlights this year for me was the dinner that CBP attends every year. Peter Friedmann, PCC Counsel, has each guest sit at a different table for about 20 minutes, and then rotate to another table. It was a true pleasure talking with AC Brenda Smith, and Commissioner Rebecca Dye of the FMC was utterly charming. Since I normally attend the FDA breakout session, I usually miss the FMC. This dinner provides a great opportunity to ask questions and get acquainted with leaders in the agencies we work with.

If you are interested in attending a PCC Mission, I would encourage you to take an extra day of PTO beforehand to help with the time change. I just hit the 50 milestone, and I can tell you that extra day pays dividends in lessening sleep deprivation. Plus you can do something fun. Last year I went to the Holocaust Museum. This year I went to the National Gallery and took a tour. Said hi to the new Obama portraits at the National Portrait Gallery. No, I still could not get tickets to the African-American Museum. But the trip is what you can make it. My best advice is to lobby your employer for the time off now!

trucker; plus, ag exporters tell steps they are taking to survive

Trucking Crises, a Solution - PepsiCo, James Farrell, VP, Logistics

Investigation - per diem, demurrage, detention charges-Rebecca Dye, Federal Maritime Commissioner

[CLICK HERE TO SEE THE FULL ANNUAL MEETING AGENDA](#)
[Discover Tacoma -- Click here!](#)

[Chambers Bay](#) golf course hosted the 2015 US Open - free clubs and discount for Meeting Attendees; email info@agtrans.org if you want to join a foursome.

[Museum of Glass](#), home of [Chihuly's](#) masterpieces, across the street from our hotel

[America's Car Museum](#), (our Annual Dinner and Reception take place in the midst of the world-reknown, most amazing collection)

[Mt. Rainier National Park](#)

JOIN US! 30th Annual Meeting - June 12-15 in Tacoma, WA

[More details and register here](#)

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NCBFAA Commends Senate on Confirmation of New CBP Commissioner Kevin McAleenan

Courtesy: NCBFAA

[The National Customs Brokers](#)

PCC Mission to DC - CBFANC & Friends on the Job!

The CBFANC contingent to the 2018 PCC Mission to DC went to the Dirksen Senate Office Building for a meeting with staffers from the Senate Finance Committee. Shown entering the building are Jack Hubbard, Sarah Stroth, Evey Hwang, Chris Garcez, and Felicia Addison (waving). Following Felicia are members of the San Diego Customs Brokers Association.



PCC Mission to DC - Angela's Gift

A highlight of the PCC Mission to DC is the yearly address by Angela Ellard, Chief Republican Trade Counsel, House Ways and Means Committee. This year was no exception. The CBFANC contingent was proud to commission an original portrait of Angela from a fine artist in the Fisherman's Wharf area of San Francisco. This portrait was transported across the country to Washington DC, where it was signed by all 40+ members of this year's PCC Mission and then presented to Angela in the conference room at the Ways & Means Committee chambers. We are extremely grateful to Angela for her years of good work on behalf of free and fair international trade and for her willingness to share her time with the PCC Missionaries every year.

and Forwarders Association of America, Inc. (NCBFAA) would like to congratulate Kevin K. McAleenan on his confirmation by the U.S. Senate to serve as Commissioner of the U.S. Customs and Border Protection (CBP) at the Department of Homeland Security (DHS.)

"On behalf of the nation's leading freight forwarders, customs brokers, ocean transportation intermediaries (OTIs), NVOCCs and air cargo agents, the NCBFAA commends the Senate for the confirmation of Kevin McAleenan as Commissioner of CBP," said NCBFAA President Geoffrey Powell. "Over the years, Commissioner McAleenan has shown time and time again his commitment and dedication to the enforcement and facilitation of trade. We are confident in his leadership and look forward to our continued partnership now and into the future."



PCC Mission to DC in Attendance

During a break at CBP Headquarters in the Reagan Building on February 26th, CBANC President Chris Ramos confers with CBFANC board member Evey Hwang. Next to Evey is Milo Ott, a first timer from CBFANC at the Mission this year. Over 45 people attended the 2018 PCC Mission to Washington D.C.



Port of Oakland Trucker Work Group Bulletin on Ocean Network Express (ONE) April 1, 2018

To: Motor Carriers, Truck Drivers and other Stakeholders

As a follow up to yesterday's meeting update on the Ocean Network Express, here's some additional helpful information that the TWG Co-Chairs have put together specifically for Oakland:

Ocean Network Express Pte. Ltd. (referred to as "ONE") has announced that it will commence business operations on April 1, 2018 and began accepting bookings since February 1, 2018.

ONE is a joint venture of Kawasaki Kisen Kaisha, Ltd. (referred to as "K"Line"), Mitsui O.S.K. Lines (referred to as "MOL"), and Nippon Yusen Kabushiki Kaisha (referred to as "NYK").

Publicly available information collected below is subject to

View from Washington, DC: Buffeted by change

Peter Friedmann Our Man in DC

The following are personal non-partisan, observations of the Executive Director of the AgTC, and does not constitute the views or opinions of the AgTC or any of its members.

change. It is expected a few changes could be finalized by next week. Update to follow.

For more information visit the ONE website:
<https://www.one-line.com/>

CSMS# 18-000240 - Additional Duty on Imports of Steel and Aluminum Articles under Section 232

CSMS# 18-000240 - Additional Duty on Imports of Steel and Aluminum Articles under Section 232

03/22/2018 11:39 PM EDT

Automated Broker Interface

Additional Duty on Imports of Steel and Aluminum Articles under Section 232 of the Trade Expansion Act of 1962

BACKGROUND:

On March 8, 2018, the President issued Proclamations 9704 and 9705 on Adjusting Imports of Steel and Aluminum into the United States, under Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862), providing for additional import duties for steel mill and aluminum articles, effective March 23, 2018. See the Federal Register, 83 FR 11619 and 83 FR 11625, March 15, 2018. On March 22, 2018, the President issued Proclamations on Adjusting Imports of Steel and Aluminum into the United States.

These duty requirements are effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on March 23, 2018.

COMMODITY:

Steel mill and aluminum articles, as specified in the Presidential Proclamations.

COUNTRIES COVERED:

March 23, 2018 through April 30,

Change is happening so fast around here, it's unprecedented. The pace only appears to be picking up!

On the trade front, we haven't seen such a deluge of major trade policy decisions, of such scope, impact and velocity, as we have over the past 18 months.

First, after six years of negotiations, the US drops out of the TransPacific Partnership. It is not quite right to blame (or credit, depending on your point of view) the President alone for this, as TPP did not have anywhere close to a number of votes it needed to pass Congress. Nonetheless it was a shock to our Pacific Rim trading partners when we slammed the door.

NAFTA negotiations continue even under threats to walk away from the 25 year agreement. Whether a negotiation strategy or a sincere willingness to shut down NAFTA (and the trillions of dollars of trade between the US, Canada and Mexico each year), remains unclear

Next up, steel and aluminum tariffs; while the primary targets are China and Korea, the announcement proposed tariffs of 25%, regardless of source country. Immediately the European Union compiled a retaliation list of exports from the United States that might concern Members of Congress. For instance, Europe would slap duties of 25% on Bourbon from Kentucky, the home state of Senate Majority Leader Mitch McConnell. And rice, cranberries, sweetcorn and other targeted agricultural exports that are of constituent interest to congressional leaders. The President has also announced that countries could come to the United States with proposals as to how they would reduce their own existing tariffs against the United States in return for an exemption from the steel and/or aluminum tariffs. A number of countries are coming forward to plead their case. First was Canada and Mexico, our NAFTA partners. The president acquiesced, providing an exemption as long as progress is being made towards favorable resolution of issues of concern to him in the NAFTA negotiations. The European Union has come forward to explain why it should not be subjected to the steel duties; so has Brazil. Whether those supplicants offer something adequate to convince the President they deserve an exemption, remains to be seen.

And if this uncertainty was not enough, the President has this week announced intention to impose draconian duties on imports from China, under the long-established section 301 process -- designed to protect US companies from intellectual property abuse. Clearly China is a massive violator of international intellectual property principles. It mandates technology transfer of companies such as Apple, Boeing, Google and automobile makers who wish to manufacture or sell in China. Counterfeit goods, drugs, electronics, and just about everything else, continue to flow into the US from China.

While all agree 'something' must be done, the reality has many alarmed. In addition to the obvious injury to US retail when import duties increase the cost of retail goods imported from China, the possibility of retaliation has our exporter community very much on edge. China is the largest consumer of United States exports. In agriculture and forest products, virtually everything the United States produces can be sourced somewhere else in the world. As we've seen during periods when our maritime ports have ceased operations, China and our other trading partners are able to quickly pivot to other

2018: All countries of origin except Canada, Mexico, Australia, Argentina, South Korea, Brazil and member countries of the European Union (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom).

As of May 1, 2018: All countries of origin.

Please note this is based on the country of origin, not the country of export.

ENTRY SUMMARY FILING INSTRUCTIONS:

Steel Products

In addition to reporting the regular Chapters 72 & 73 of the Harmonized Tariff Schedule (HTS) classification for the imported merchandise, importers shall report the following HTS classification for imported merchandise subject to the additional duty:

9903.80.01 (25 percent ad valorem additional duty for steel mill products)

Aluminum Products

In addition to reporting the regular Chapter 76 of the HTS classification for the imported merchandise, importers shall report the following HTS classification for imported merchandise subject to the additional duty:

9903.85.01 (10 percent ad valorem additional duty for aluminum products)

Importers and filers failing to submit the required Chapter 99 HTS classifications with the entry summary information for imports under the specified Chapter 72, 73, and 76 HTS classifications for the covered countries of origin will receive the following reject

countries including from Holland, Germany, Poland, Turkey, Australia, New Zealand, virtually all of Latin America, and Canada, all of which are all too eager to supply the food, farm and fiber that China usually purchases from us.

Speaking of Asia, we have to contemplate a summit between our President and the leader of North Korea. Absolutely unprecedented and unexpected, but breathtaking in audacity, this meeting will have the world worlds eyes riveted.

Right inside the White House, the staff turnover seems to be accelerating and must be debilitating. The departure of aides within the White House, generally unknown and unseen, but critical to keep the wheels of the executive branch operational, may be creating more strain than the public can see or appreciate. More visible is the removal of the Director of the Federal Bureau of Investigation, the Secretary of State, and appointment of a new Director of the CIA. Changing the leadership of any one of these institutions would constitute a massive change this early in a President's first term. But changing all three at once is, once again --- simply unprecedented.

Just because it's unprecedented, such as his proposed meeting with North Korea's leader, does not necessarily mean it's a bad thing. But where it's all leading has many people nervous. Politicians may like to promise change, but this city doesn't really like change at all.

PCC Mission to D.C.: Free and Fair Trade/Enforcement

Milo Ott, Mid-America Overseas



The PCC Mission to Washington D.C. experience was quite enlightening. Being an Economics graduate, I found the Macro issues that we are dealing with now to be very interesting. I also have a much greater appreciation for those who attend the PCC mission every year and who are fighting

messages:

E1 IQ10 LINE SUBJECT TO QUOTA

E1 FQ09 QUOTA NOT ALLOWED FOR ENTRY TYPE

E1 FQ05 BANNED IMPORT

E1 RF998 TRANSACTION DATA REJECTED

Note: Quota is not in effect, but this ACE functionality is being used to validate entry summary transmissions and reject when validations determine the data is missing the required chapter 99 number.

Importers or filers receiving one of the reject messages above, who have researched their classification and dates to confirm the entry summaries were incorrectly rejected, should contact their assigned Client Representative with the results of their review.

Additional Information

Any steel or aluminum article subject to the Section 232 duties that is admitted into U.S. foreign trade zones on or after 12:01 a.m. eastern daylight time on March 23, 2018, must be admitted as "privileged foreign status" as defined in 19 CFR 146.41, and will be subject upon entry for consumption to any ad valorem rates of duty related to the classification under the applicable HTSUS subheading.

Any steel or aluminum article that was admitted into U.S. foreign trade zones under "privileged foreign status" as defined in 19 CFR 146.41, prior to 12:01 a.m. eastern daylight time on March 23, 2018, will likewise be subject upon entry for consumption to any ad valorem rates of duty related to the classification under applicable HTSUS subheadings imposed by the Proclamations.

The merchandise covered by the additional duties may also be subject to antidumping and countervailing duties.

for us and our customers in the Brokerage/Freight forwarding industry. If there is one thing that I took away from this, it is that without our association groups such as PCC/CBFANC, NCBFFA, Peter Friedmann, etc. no one would hear our concerns. As it is, our voice is small compared to the giants, but it is heard and sometimes, it even makes a difference. My concern is that we are at a point where if we do not speak out even louder to try to level the playing field with the disrupters, our ability to compete will continue to diminish. Anything in retail will be left to the major players and the small to medium size importer will struggle to survive. If there ever was a rally cry needed to have us and our customers speak out, it is now.

Due to the new \$800 de minimus import threshold, it is soon estimated that 30% of all imports will be coming into the U.S. without ever going through the new multi-billion dollar CBP ACE system. In this increasingly automated e-commerce environment, this 30% will still be reviewed by Customs personnel via manifests, without utilizing ACE's automated ability to target security, consumer safety, and other commercial risk assessments. This means that if the foreign supplier improperly describes the product, there will not be an FDA, USDA, F&W, CPSC, TSCA, quota, Anti-Dumping, etc. filed to target possible illegal or harmful substances, nor will lost or stolen revenue even be noticed.

There also seems to be a sea change from the U.S. Importer of Record being responsible for "informed compliance" to an increasingly "uninformed compliant" Foreign Manufacturer/Importers of Record who, increasingly, are able to get products to the consumer faster, but without the scrutiny of an informed U.S. based importer who better understands our laws and recognizes their responsibilities and liabilities. In our new security chain, it seems that the manufacturer is now king, for both domestic and foreign shippers. Can we, the small to medium size working brokers/forwarders/importers, rise up and demand a level playing field? CBP should either lower the de minimus amount back to \$200 or require all shipments to be screened through the ACE system with the HTS number being used to help target commercial, safety, and security improprieties and allow all of us, regardless of the size, to play by the same rules.

Another issue, besides drawback that we focused on was Free Trade. There is nothing more sweet than an Entrepreneurial Free Market with Free Trade. As Ed Yardeni says, there really are only two types of real Economic Systems, either a Free Market economy or a corrupt Economy. Fair Trade is a popular "buzz" word coming from the executive branch. There really is a consensus of the importance of Free Trade in the middle of both political parties. However, on the outer fringes of both parties, there is a strong Protectionist leaning that seems to think fondly of the old fallacy that we will create more and better jobs if we raise tariffs to protect certain industries and that Trade deficits are bad for America workers. When in reality, there are many more jobs that will be lost by the U.S. industries that currently buy the protected products than jobs saved/created by the protected industries. It is not a zero sum game when it comes to free trade and free trade agreements. For example, since passing NAFTA, our trade deficit with Canada has narrowed considerably while our trade deficit with Mexico has increased. There are so many moving parts, pieces, and factors that it is ridiculous to assume that just because we have a deficit that it has hurt our jobs. Any job

CBP will issue additional guidance on entry requirements for any products excluded from these measures, as soon as information is available. CBP will also issue updated guidance if there are any changes to these measures, including any changes to exempted countries and any new requirements, such as quota requirements.

FOR FURTHER INFORMATION:

For more information, please refer to the Presidential Proclamations on Adjusting Imports of Steel and Aluminum into the United States, Federal Register, 83 FR 11619 and 83 FR 11625, March 15, 2018; and the March 22, 2018 Presidential Proclamations on Adjusting Imports of Steel and Aluminum into the United States.

Questions related to Section 232 entry filing requirements should be emailed to adcvdissues-hq@cbp.dhs.gov. Questions from the importing community concerning ACE rejections should be referred to their Client Representative.

CSMS# 18-000188 - ACS Query Functionality to be Turned Off

CSMS# 18-000188 - ACS Query Functionality to be Turned Off

03/01/2018 05:17 PM EST

Automated Broker Interface

The following changes will be effective with the deployment beginning 03/31/2018 at 2200 hrs.

ACS Extract Reference Query (Application ID FI/FR) will be modified as below:

1. Data will continue to be returned for Currency Conversion Codes (Input F109), Currency Queries (Input F108), and the Harmonized Tariff Schedule (Input F110).

2. ACS will stop returning data

increases from increased tariffs are more than offset by jobs lost in the industries that surround and buy products from the higher tariff protected Industries. As the largest consumer nation in the world, certainly we will always have a net trade deficit because we like to consume. If we suddenly lose our appetite for consumption and decide to increase our savings rate and buy less, we will become like Japan which has been in a trade surplus but stagnant economy for over thirty years.

Most in Congress, on both sides of the aisle, already support free trade agreements as evidenced by the passing of the bill to renew GSP privileges. A whopping bi-partisan 100% of the House members voted for its passage. It is the Executive branch, however, that we must lobby to continue existing Free Trade agreements such as NAFTA and join new ones such as TPP, etc. There is some hope, however, now that Larry Kudlow is the new top Economic adviser to the President to replace Mr. Cohn. Not sure of anyone more pro Free Trade than Mr. Kudlow. Maybe he will be able to temper the President's adverse trade actions.

Seemingly daily, we have topics of vital interest to our International Logistics/Customs Brokerage industry. It would be wise for us to continue to increase our numbers and let our voices be heard and encourage our customers to do the same.

I really enjoyed my first PCC Mission to D.C. and a big thank you to all who showed me the ropes and who put in the effort to make it possible every year.

PCC Mission to D.C.: Summary

Terri Soltis, SEKO Customs Brokerage

To begin the mission Peter Freidman had a lovely gathering at his residence Saturday evening. The theme was Chinese New Year, year of the dog. With most wearing red the winner of the golden cat was Lynnette Keffer from J&K Fresh. Lynnette was gracious enough to supply a case of champagne for the evening. Fun was had by all and the food was amazing.



for Antidumping/Countervailing Duty Cases (Separate Application ID IP/IT), Carrier Codes (Input F106), Country Codes (Input F102), Facilities Information and Resources Management System (FIRMS) Code (Input F111), Foreign Port Code (Input F104), Gold Price (Input F107), Import Specialist Team Assignments (Input F112), Region/District/Port Codes (Input F101), and Zip Codes and State Codes (Input F105).

- Gold Price query will not be supported in ACE.

- Import Specialist Team Assignments can be found at <https://www.cbp.gov/trade/centers-excellence-and-expertise-information/cee-directory>.

- ACE Import Specialist Team Assignments Query in ACE will also be permanently turned off. Please, use the link provided.

- All other Extract Reference Query data to be turned off in ACS can be found in ACE.

In addition to the Extract Reference Query, the following ACS Applications will also be turned off.

1. AD/CVD Queries. (Application IDs CN/CS & IP/IT) Please, use the ACE AD/CVD Query.
2. ACS Error Statistics Query (Application IDs #I/#R). Not supported in ACE.
3. Query Laboratory/Gauger (Application IDs GN/GS). Not supported in ACE.

Please, contact your assigned Client Representative for any questions.

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



Sunday started the board meeting of the PCC. Each of the associations gave updates of new board members and new officers. Giving details on how their areas were doing and upcoming events. Some items I took notes on that I feel would be a good fit for CBFANC are.

- Bring the PCC in to do seminars
- Obtain sponsors for seminars
- Putt Putt golf vs 18 holes
- Nights out to bring in the young group
- Citizen Academy is teaching classes for free on Wednesday night

The heavy hitter of the meeting was between section 321 de minimus and post departure filing for exports. Section 321/De minimus was one of the main topics among all the associations to speak about on the hill. Customs raised the value of a section 321 from \$200 to \$800. In the heavy freight world we have the invoices and the know how to classify and submit this type of entry to the PGA's. Express consignment groups need to manually pull PGA shipments from the manifest to present them to agency. It is felt that this is not being done correctly as there was an audit in New York and 48% of the freight was not presented to Customs correctly. Also, they do not have the knowledge of what all items could be just looking at a manifest example on manifest as a needle, is it a sowing needle or a needle that will be giving a person a shot by a doctor.

On the matter of post departure filings, Customs has testing going on with pilot companies and is working closely with COAC. Upcoming will be a conference call to talk more on this matter and filing requirements.

Monday was full of many good speakers from Customs, FDA and FMC. Brenda Smith talking on security, next generation, intelligent enforcement and resource technology and people. She finds the UK E-Commerce interesting, pulling parties into transactions and making data available.

Many other subject talked about by Customs and FDA were:

- CBP proprieties
 - Section 321
 - TFTEA
 - Ocean
 - PGA enhancement
- IOR program - 114
 - New form 5106

- [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

CBFANC Social Media

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Facebook - [CBFANC](#)

- All process being looked at
- Validating importers - 116
 - Define material that must be collected
 - Every broker will vet in the same way
 - Public & federal websites to verify information
 - Broker can get penalty for not collecting information
 - Ten data points brokers will check
- Broker regulations – 111
 - One national permit holder without other license holders
- Forced labor – 910
 - CAATSA and North Korea Sanctions
 - Vendor will be posted on CBP.gov
- Importer risk – 115
 - Pilot in April for three to four months
 - Focus on one line entries
 - AD/CV new non-resident importer
- In-Bond
 - July 2 no more paper
 - August 5 close out paper
 - Arrival and export electronic firms code for arrival
 - Cannot divert arrival port
 - Notify Customs if diverting in-bond where goods are 30 days once arrived
 - Arriving via air does not apply yet
- Exports
 - Post departure
 - Electronic manifest
 - House bill level
 - EIN exporter 11 digit level
 - Regular commodities EAR99
 - Good standing
 - 25 privilege
 - No licenses
 - Export program required
 - Is already approved re-apply to be vetted
 - Approval 3-4 months
 - Test activity
 - Carrier must file export manifest
 - There will be an official pilot
- FDA
 - Goal on site for filer evaluation
 - If questions on product code go to your local office
 - FSVP
 - 3-19 who preventive control
 - Less than 500 employees exempt
 - Small supplier will not be exempt
 - Unless the 500 employees or less
 - Need the Duns number no longer can use UNK
 - Check to see if FSVP importer
- VQIP
 - 10-1 importer open to accept trusted trader
 - Food
 - 3rd party verification
 - Access foreign supplier
 - Foreign supplier inspected
 - Green land may proceed
 - Sample top of list
 - Use fee 17k – 18k per year

We ended the day meeting with Angela Ellard, Chief Republican Trade Counsel for the House Ways & Means Committee. Presented to her was a cartoon picture made in San Francisco of her, which we all signed. Angela talked about the goings on with congress, GSP, NAFTA and provide valuable insight on what to speak about on the hill.

Tuesday we spend the day on the hill meeting with members and staff representing the congressional districts. We spoke about the section 321 de minimus that I spoke of earlier. We found that the offices knew nothing about what was happening and many were ready to write letters on the matter.

After walking about six miles we all gathered to talk about how each area felt their meeting went. It seemed like the other groups found the same as we did.

I believe the mission is very important to our industry. It is a way to talk to the members who can vote on our issues and make things happen.

PCC Mission to DC - Third Time's the Charm...

Felicia Addison, Newsletter Chair



The first time I went on the Mission was in 2015 and I did not know what to expect; so I mostly observed and was amazed at how much my fellow Missionaries knew and how supportive they were to not only our mission, but to each other. I learned so much that first mission and was in awe at listening and speaking with those in Congress and other Governmental Agencies that pretty much facilitate how things are accomplished within our industry. This was during the time that ACE was the thorn in our sides and more than answers we required results. Considering how far ACE has come and even though it still feels like a thorn with additional spikes in our lives, I know that our mission that year helped push its progress.

The second time was in 2017, I can't say I felt like a pro at it but I did feel a bit more comfortable. It was great seeing the

Missionaries that I had seen previously as well as new faces.

This particular year I actually felt like I was on a mission because of the ongoing issues with ACE; to think they thought that it was completed LAST year(enter sarcasm here), 19 CFR 111 Rewrite and not to mention the new administration. I felt that I had to show up and participate. With what went on in 2016's elections and the various threats to our industry as we know it, I had to be there. No more couch potato and commenting from the sidelines. I had to hear it directly from the people that were involved.

So now I have been three times. This time I felt all of what I felt the two times previously, but this time I had something to say. With the De minimus value raising to \$800 it is estimated that within 5 years 30% of the imports will come in this way and besides avoiding duties they will also dodge the Participating Government Agencies that may be required for the products. Let that sink in your head. Imagine toys and electronics being purchased via e-commerce that have not been reviewed by CPSC or food items and medicines that have not been reviewed by FDA. In my mind this stretches well beyond my choice of career, but in the safety for my family and friends. There are several remedies that can solve this problem – one off the top of my head is making it mandatory that Sec 321 entries are filed in ACE where an HTS code is used, therefore flagging the PGA's instead of clearing it off of a manifest with general and often times misleading descriptions. So again let that sink in your head - THIRTY PERCENT. Keep in mind the growth of imports from now up until that point and then - THIRTY PERCENT. Free Trade is fine, wonderful even - but Free Trade without safety precautions is a nightmare waiting to happen. Would you want a loved one to be caught up in that nightmare? You never know, they could be a click away from a purchase that could be the beginning of that nightmare.

Other topics of discussion on the Hill were Drawback and Reconciliation which ironically was just being deployed on ACE while we were in DC. What was that about ACE being completed last year? Still so much work to do. We also championed for GSP to be renewed and it looks as if that might happen soon.

In closing I cannot state enough how important going to the Mission in DC is. We are a small group of people fighting for our industry, no one else will do it for us. It is our job and responsibility to do so. If you do not think it matters or you won't see anything come of it, believe me it does. Like I mentioned previously ACE would not be where it is today if people like us didn't tell them our issues and where they need to remedy the platform. They honestly thought they were completed last year! It was our voices that told them, uh NO! You can't stop working on it! Not to mention what really solidified it for me that what we do is of importance, was on March 6th exactly one week after we were on the Hill discussing our fears and the dangers of De minimus I happened to be surfing C-Span (I'm a nerd like that) and I came across this hearing on E-Commerce & Counterfeit Goods that was discussing the exact same thing we were telling everyone that would listen on the Hill the week prior. So yes, they were listening and our voices really do matter. To watch this hearing click [here](#). I really hope we see you next year for the Mission!

Trump Requests Extension of Trade Negotiating Authority

Courtesy: Sandler, Travis & Rosenberg Trade Report

President Trump submitted to Congress this week a request for a three-year extension of trade promotion authority, which allows the president to negotiate trade agreements that Congress must approve or reject within a specific timeframe but may not amend. Trump said an extension is “essential” to his ongoing efforts to revise NAFTA and to potentially negotiate new trade agreements with other countries, “including in Africa and Southeast Asia.” The request does not mention talks to improve the U.S.-Korea free trade agreement.

TPA is currently scheduled to expire June 30 but will be extended through June 30, 2021, unless either the House or Senate adopts a resolution of disapproval. While such a resolution would typically be considered unlikely with the president’s party controlling both chambers, some Republicans have voiced concern that the Trump administration has not fully adhered to the negotiating objectives in the current TPA law with respect to some of the proposals it has put forward in the NAFTA talks.

In addition, leaders of the New Democrat Coalition, which they noted was “integral” to the last congressional approval of TPA in 2015, expressed skepticism this week about a possible extension. The president “and his team have shown no serious commitment to consulting with or listening to Congress on trade,” the leaders said, and instead have “continually threatened to terminate NAFTA negotiations, taken punitive measures against our allies through broad reaching tariffs and barriers, re-opened KORUS with minimal consultation with Congress, and hurt American consumers and workers through unilateral trade actions.” The leaders called on Republicans to “join us in exercising greater oversight and demanding the Trump administration significantly step up their engagement” as a TPA extension is considered.

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