

March 2024 - Info Expeditor

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CBFANC Social Media

Please connect with us!

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Events Around the Bay

- <u>P.A.E.I</u> Professional Association of Exporters and Importers
- www.paei.org.
- <u>OWIT NC</u> 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 CaliforniaWorld Trade Center Check Website for updates

A Word from CBFANC President

Sung Wook (John) Lee, CBFANC President



Sung Wook (John) Lee, SW Logistics, CBFANC Presidents

Happy 2024 Lunar New Year. Hope everyone got to go to one banquet to bring good luck. I would consider CBFANC State of the Port 2024 to be one. We had a great turnout as we continue to get back to normal.



Port of Oakland had their State of the Port, and during the event Executive Director Danny Wan highlighted clean port efforts and optimistic projections of more cargo coming into Oakland. Here is a picture taken by Susan Ransom/SSA. I don't think he is wrong, as I am busy with imports and entries and I did not see Oakland numbers but LGB just reported 28% increase in cargo volume as this article goes to print. This is the good news...

China's exports top forecasts as global demand returns

 <u>PTA.</u> - Pacific Transportation Association Check Website for updates Reuters The news is replete with articles about China doubling down on manufacturing and exports worldwide. This has some consequences as USA & EU reacts to the amount of goods being imported from China. I for one make my living from imports so I say more the better, but President Biden has different ideas about the imbalance of trade.

You may have heard about Nippon Steel Corporation (NSC) to Acquire U. S. Steel, Moving Forward Together as the 'Best Steelmaker with World-Leading Capabilities':: United States Steel Corporation (X) (ussteel.com) earlier this year. Do you remember Rahm Emanuel? He was the chief of staff for President Obama, then went on to be the Mayor of Chicago for a while, then got himself appointed as the Ambassador to Japan under President Biden. U.S. seeks to revive idled shipyards with help of Japan, South Korea - Nikkei Asia Rahm Emanuel was instrumental in baking up this strategy and during APEC 2024 in San Francisco, got a deal done with everyone involved at the highest level.

I guess this is pure speculation by me but President Biden FACT SHEET: Biden-Harris Administration Announces Initiative to Bolster Cybersecurity of U.S. Ports | The White House announced that cranes used at US ports are a cybersecurity risk and that it should be made in USA with the Nippon/US Steel. Terminal operators/ports don't like this as most of them have just upgraded their cranes to accommodate the new bigger ships that are carrying 16k-20k TEUS at great expense. Ports call out 'sensationalized' targeting of foreign container cranes - FreightWaves US Defense Dept does seem to be worried about the movement of their containers so I can't rule out this is completely fabricated.

What is important is that steel manufacturing is a national security concern. A country that does not make steel on their own, is a country that cannot project military power overseas. This will have direct effect on all the wind mills that will be built on the US West Coast (energy), EV automobiles in Tennessee, shipbuilding and the list goes on and on,

During the PCC Mission, Peter Friedman, our Man in DC openly warned us about the long list of recommendations that will be coming out of the <u>Select Committee on the CCP | (house.gov)</u>. A bi-partisan group in Congress that had no power but is influential and will drive foreign/trade policy. I have to think that <u>US unions ask Biden administration to probe Chinese shipbuilding | Reuters</u> and proposal to charge Chinese built ships calling US ports \$1 million dollars per voyage was something that if was not mentioned directly was in line with the 150 <u>Policy Recommendations | Select Committee on the CCP (house.gov)</u> is listed here.

All this as <u>China ends congress with a show of unity behind Xi Jinping's vision | AP News</u> concludes the annual party conference. So for 2024 we should see China power through their economic downturn with manufactured goods exports to USA and we should expect to see more efforts by President Biden to re-shore strategic industries back, or to one of our 'official' free trade partners

PCC Mission to DC 2024

Evey Hwang, Acting Legislative Chair



Evey Hwang, CBFANC Board Chair

February 4-6, 2024 CBFANC joined Pacific Coast Council association members from Seattle, Portland, Los Angeles and San Diego in Washington DC to the annual Mission. Every year Peter Friedmann and his Federal Relations team (Spencer, Rachel, Susan) facilitates interaction for mission attendees with CBP and agencies, FMC, Hill and trade facilitators. The Sunday PCC Board meeting valued for sharing of each port local concerns always provides great insights. Legislative briefing lead by Ray Bucheger on the ongoing Continuing Resolution ongoing; China trade relations; GSP extension (and retroactive refunds estimates); UFLPA, US exports and infrastructure updates.

Monday morning sessions are meetings with CBP; the afternoon scheduled for FDA and this year USDA Aphis; with split group meeting with FMC Commissioners Dan Maffei, Rebecca Dye and Max Vekich. Monday evening dinner mixer guests included Assistant CBP Commissioner Pete Flores, Valerie Newhart, as well as the FMC Commissioners. Below are some important takeaways from CBP and agency meetings to share with CBFANC members.

- HQ Broker Management shared 19 CFR111 Broker Guidance (click here)
- 1 million de minimus entries filed with 50% increases yearly
- More enforcement needed on fentanyl and pre-cursors
- ACS was completely retired December 2023
- Modernized ACE Portal to convert fully; CBP reminded to include Broker access
- Only 80% active filers submitted National Permits (as of February 5, before the February 9th deadline)
- Continuing Education will not need 36 hours for next Triennial; guidelines by summer 2024
- CBP pilot "Project Harvest" deployed January 16, 2024 with AI used to identified undeclared ADD/CVD.
 Brokers need to check for "bot" messages and to respond; check for accurate MIDs and; Best Practice for blanket non-reimbursement statements from Importers
- UFLPA and other targeting enforcement being evaluated.
- USDA Aphis team members update on Lacey Act Phase
 7 was eye-opening. Register notice to be published
 likely by April, 258 HTS will be flagged with mostly
 targeting furniture (indoor/outdoor). Lacey Phase 7
 will require country of harvest which is not same as
 country of origin. Phase 8 is next with flagging paper,
 pulp and mixed composites!
- FMC meetings were productive and much appreciation for a more active agency

Much appreciation owed to Myrna Aguliar-Sanchez with San Diego association for coordinating CBP and agency sessions. Along with Sandy Cody with LA Association, PCC President, both did a wonderful job moderating and culling critical responses.

Tuesday schedule started at the Capital Hill Club breakfast with South Dakota Representative Dusty Johnson (who coauthored the Shipping Reform Act with California Representative John Giramendi) and John Gold, Vice President of Supply Chains and Customs Policy, National Retail Federation. Discussion on de-risking and not de-coupling with supply chain lead to meaningful proposal on pre-check process for UFLPA. Rest of Tuesday were meetings on the Hill with Senate Finance for on ACE and technology discussions. Thanking Rachel Hunn for all the extensive scheduling with Congressional staffers for all five PCC associations.

By Tuesday evening, after the Hill visits, the Mission wrap up means another successful Mission to DC concluded as always with much accomplished for trade and logistics engagement. Kudos to our 2024 ambassadors this year: CBFANC President Sung Lee (SW Logistics); Membership Chair Peter Gong (Great Way Trading & Transportation); Member Lydia Luk (Elleo Global Inc) and acting Legislative Chair Evey Hwang CHB

CES Update

Urgent Message from the CBFANC Board of Directors:

CBFANC received Info Notice from the Port of San Francisco Customs Border Protections on the status of Seaport's Customs Exam Station CCS (Custom Goods). Effective April 1, 2024, all exam containers will be designated to PCC Logistics. Any current (residual) containers at CSS will be worked and all contact at CCS will continue to assist until exams are completed. Please continue use group email ces.oak@customspecializedservices.com for any container status, questions or inquires.

Please note CBP message and Information Notice 728-24-04

CBP Information Notice 728-24-04

CSS will no longer be available to brokers as an examination site after 3/31/24. Everything designated for exam at CSS prior to 4/1, will still be transferred to and examined at CSS. Starting 4/1/24, CBP will automatically send everything to PCC, even if it says CSS on the entry. Attached is an information notice that you may send to your membership. Please let me know if you have any questions.

Thank you,

Felicia B. Brown Assistant Port Director Tactical and Trade Operations (510) 463-6265 (415) 601-1320 cell

CBFANC - FDA PRODUCT CODE TRAINING

CBFANC Agency & Education Committees

CBFANC - FDA PRODUCT CODE TRAINING
April 10, 2024 | 8:00 a.m. to 4:00 p.m.
CHANGE IN LOCATION: 530 Water Street, Oakland,
CA 94607

CBFANC and FDA West Coast Import Division are pleased to announce FDA Product Code Training workshop for April 10 2024. Per FDA, the eight hours is necessary to provide comprehensive overview of FDA Import Process and cover: Structure of FDA Product Code; Product Code builder; Food and Food-related products; Medical Devices and Radiation Emitting Products; Cosmetics, Dietary Supplements and Drugs. Entry Filers new to brokerage or wishing to replenish FDA Product Code knowledge should enroll in this workshop.

The Division of West Coast Imports will conduct a one-day workshop for the purpose of training in the area of product code building and information requirements. The class will consist of the basic process of building the FDA product code for Foods, Dietary Supplements, and Cosmetics & Radiation-Emitting Products. It will give the students basic understanding and ability to build common FDA Product Codes. It will cover the Industry, Product Class and most importantly the Process Indicator Codes. In addition, FDA will explain the affirmation of compliance codes for products such as canned foods, radiation-emitting products, and medical devices. Please note, Prior Notice questions will not be covered and should be referred to the Prior Notice Center.

8:00 a.m. - 8:30 a.m. Registration 8:30 a.m. - 12:00 Noon Workshop:

Introduction and Part I

12:00 p.m. - 1:00 p.m. Lunch (on own)

1:00 p.m.

1:00 p.m. - 4:00 p.m. Workshop: Part II

and Q&A

Location: Port of Oakland's Exhibit Room, 530 Water
Street, Oakland, CA 94607

Port's Exhibit Room is next door to Port offices' entrance, ground level

- Laptop needed (for live classroom training)
- CBFANC will provide electrical extensions if needed
- · CBFANC will provide Wi-Fi access and site support
- Brown bag lunch/snack, beverages welcome (please tidy up after)
- Food stops nearby (within walking distance, adjacent Jack London Square)
- Parking structure nearby

Registration \$35 | 6.5 CCS Points available at checkout \$15.00

Click here to Register

Due to class-size limitation, additional registrants may be referred for 2nd workshop proposed for May 15, 2024 which will also be at 530 Water Street, Oakland. CBFANC hopes the alternative workshop day provides added option for individuals/companies. *This Workshop is intended for Customs Brokers. Please contact agency@cbfanc.org or education@cbfanc.org if self-filer (importer) or other concerns.

All About the Exports



Date: May 1 - 28 @ 10am - 11am PST / 1pm - 2pm EST

Join the U.S. Department of Commerce for a multi-part webinar series, featuring USG and private sector experts who will present on a multitude of export documentation and logistics topics. This webinar series features topics germane to both new and seasoned professionals.

Sessions Schedule:

 Monday, May 6, 2024: Export Documentation Awareness Training

- Tuesday, May 7, 2024: Logistics Knowledge Session related to Sales & Marketing
- Wednesday, May 8, 2024: How VAT can affect your International Shipments
- Tuesday, May 9, 2024: INCOTERMS for U.S. Exporters
- Tuesday, May 14, 2024: Buy America: Demystifying the Complexities of the Buy American, Made in USA, and Build Back better Legislation
- Wednesday, May 15, 2024: FTA's Qualifying your Product and Documenting Origin
- Tuesday, May 21, 2024: Canada Documentation and Logistics Overview
- Wednesday, May 22, 2024: Product Valuation Considerations
- Thursday, May 23, 2024: Mexico Documentation and Logistics Overview
- Tuesday, May 28, 2024: Export Compliance Considerations for your Shipping Department

To register, click here.

Demurrage and Detention Billing Requirements

A Rule by the Federal Maritime Commission

Demurrage and Detention Billing Requirements

A Rule by the Federal Maritime Commission on 02/26/2024

<u>Federal Register :: Demurrage and Detention Billing</u> Requirements

FMC Publishes Final Rule on Detention and Demurrage Billing Practices - Federal Maritime Commission

SUMMARY:

In accordance with the Ocean Shipping Reform Act of 2022, the Federal Maritime Commission (the Commission or FMC) is issuing regulations governing demurrage and detention billing requirements. This final rule requires common carriers and marine terminal operators to include specific minimum information on demurrage and detention invoices, outlines certain detention and demurrage billing practices, such as determination of which parties may appropriately be billed for demurrage or detention charges, and sets timeframes for issuing invoices, disputing charges with the billing party, and resolving such disputes. It adopts with changes the notice of proposed rulemaking published on October 14, 2022. Substantive changes allow consignees to be billed and clarify the timeframe for non-vessel-operating common carriers passing through demurrage and detention charges to issue their own invoices. Non-substantive changes improve clarity and remove drafting errors.

I hesitate to make this article some sort of legal advise because I am not a lawyer, so when you read the FMC rule, please take care to:

- 1. Who can be invoiced
- 2. Properly Issued invoices
- 3. Timing of invoices
- 4. Timing of Disputes
- 5. Required Contents of invoices
- 6. Through Bills of Lading

CSMS # 59806365 - Broker Cybersecurity Incident Procedures

U.S. Customs & Border Protection

Cargo Systems Messaging Service

CSMS # 59806365 - Broker Cybersecurity Incident Procedures

The <u>Broker Cybersecurity Incident Procedures</u>, published on CBP.gov, explain the process and roles and responsibilities of U.S. Customs and Border Protection (CBP) and the brokerage community in the event of a cybersecurity incident affecting a broker. This guidance is a supplement to the one-page <u>Cyber Incident Guidance for Customs Brokers</u> published in March 2023 on CBP.gov.

Any questions regarding broker cybersecurity incidents may be directed to cyberincident@cbp.dhs.gov.

Seeking Your Input for GAO Air Cargo Throughput Challenges Analysis

NCBFAA Air Freight Sub-Committee

To All Beneficiary Cargo Owners – we are Seeking Your Input for GAO Air Cargo Throughput Challenges Analysis

The combined efforts of the NCBFAA and AfA have reached a tremendous milestone for the air cargo industry.

With urging of three U.S. Senators, we have successfully solicited a General Accountability Office (GAO) study for the air cargo industry to review the inefficiencies, causing additional cost, of air cargo throughput at major airports throughout the United States. We are specifically asking Congress to consider direct funding for air cargo to include, but not be limited to five focus areas. The Airforwarders Association (AfA) and the National Customs Brokers and Forwarders Association of America (NCBFAA) undertook a lengthy review of issues adversely affecting air cargo throughput at airports and the impacts of those delays. A nationwide survey of nearly 400 stakeholders in the public and private sector identified the critical issues and the airports where the challenges are greatest. A multidisciplinary committee of public and private sector experts reviewed the results and developed a set of recommendations. The full white paper containing the challenges and our suggested solutions can be found at: SAFEGUARDING THE FUTURE OF AIR CARGO

Members of the AfA Air Cargo Congestion Committee and the NCBFAA Air Freight Sub-Committee met with the GAO **review** committee members to discuss our executive summary - Safeguarding the Future of Air Cargo: Its Economic Importance and Critical Need for Investment – that we submitted to members of congress outlining some of the challenges and the high cost to both the economy and the environment due to long wait and dwell times at air cargo handling facilities for the drop off and pick up of cargo transport by air.

This why we are also reaching out to the **Beneficial Cargo Owners (BCOs)**, as these high costs for truck wait times, and other delays caused by poor infrastructure, lack of technology, and other operational disruptions, are **likely** passed on to you. **As a result, you may need to absorb these costs or raise pricing, making your product less competitive in the market.** Along with the high costs, there are negative effects on the environment with trucks idling and burning excess fuel.

The GAO committee is looking for individuals who would be willing to be interviewed as part of this case study. If you have been impacted (seen "wait time", "dwell time", "attempted p/u or delivery" on your invoice) we asked that you submit your name and contact details <u>as soon as possible</u> to NCBFAA Executive Vice President Megan

Montgomery at mmontgomery@ncbfaa.org. Thank you,
Donna M. Mullins,
NCBFAA Air Freight Sub-Committee Chair
AfA Air Cargo Congestion Committee Chair

Port/CES Tour - LinkedIn CBFANC Mention
Lydia Luk



Lydia Luk, LCB (She/Her) • 1st Entrepreneur, Licensed Cust... 5d • 🔐



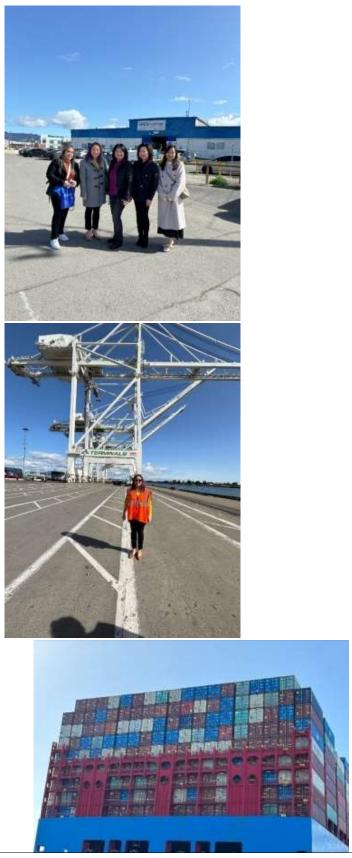
Yesterday, I had the pleasure of participating in a tour of our local CES warehouses and the Port of Oakland with CBFANC CBFANC. It a fantastic grown up "field trip"! A big thank you to everyone at PCC Logistics, Custom Goods, and SSA Terminals for their time and hospitality.











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