



September 2025 - Info Expeditior

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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

CBFANC Board of Directors

President - Director:
Sung (John) Lee

CBFANC President's Letter

Sung Wook Lee, President



Sung Wook Lee, CBFANC President

Government shutdown

You're probably wondering what my opinion on the government shutdown coming at the end of this month. The Federal Government fiscal year begins October 1. I do not have some miraculous insight into the future to make such prediction, but I am going to wing it anyway. The CR - Continuing Resolution has already passed the house and failed to pass the Senate 217-212. Considering that GOP controls the Senate 53-47 it is a surprise that it did not pass. Let's check the rules here. Senate only needs a simple majority to pass the CR but needs 60 votes to overcome a filibuster. Herculean efforts of Senators in the past have held it up for a day or so, and I guess if all the senators took turns to filibuster, it may come to a week but one would think CR will pass to avoid a government shutdown.

Industrial Policy for the United States: Winning the Competition for Good Jobs and High-Value Industries by Marc Fasteau, Ian Fletcher, Cambridge University Press.

Event was at SFSU on September 18, 2025, and I have been thinking about why free trade doesn't work.

Election of President Trump for the 2nd time is a good reminder that the President was elected on his idea of trade over the Biden/Harris policies.

I would say his main idea is that US should formulate a hybrid form of trade where the government does invest, does direct, does protect domestic industries to varying degrees to achieve the needs of national security in supply chain of various industries, emerging technologies and trade balances.

Most of the goods US imports via ships and airplanes will continue to go on, I don't see that changing much despite the

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CBFANC Social Media

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- **LinkedIn - Customs Brokers and Forwarders Association of Northern California (CBFANC) | Groups | LinkedIn**
- **Facebook - CBFANC**

trade wars, but when we change policy to a net saver nation for which most manufacturing, export-oriented economies are, we will have less spending money, disposable income to enrich our lives.

US Flag Ships

Former Federal Maritime Commissioner-turned lobbyist, Louis Sola gave an interview about the subject of US Flag Ships.

[Ex-FMC chief warns: U.S. maritime push needs deeper look](#)

Everyone in Washington DC wants more US built ships, more US ship repair and more US Merchant Marines running these ships. China, Korea and Japan all subsidize their shipbuilding industry in one way or another and US needs to find a political solution to revive the ship building industry.

In US, subsidy is a dirty word, but it looks like President Trump has found a FDI Foreign Direct Investment solution that is a win-win. Recently South Korean conglomerate Hanwha announced that 10 LNG tankers will be built at Hanwha's shipyard in Philidelphia. With earlier acquisition of US Steel by Nippon Steel, looks like we have the Japanese making steel and Koreans in shipbuilding revival of sorts with our closest allies in the Pacific.

Immigration raids at the Korean owned Hyundai Automobile factory or President intervention into layoffs at steel plants does make the foreign investment projects more costly and difficult, but necessity is the mother of invention here and these are strategic goals that we all agree is necessary.

SAN FRANCISCO STATE UNIVERSITY
Lam Family College of Business

Ian Fletcher
Member, Advisory Board of the Coalition for a Prosperous America
Economist
Author

Featuring insights from his new book:
Industrial Policy for the United States:
Winning the Competition for Good Jobs and High-Value Industries
Ian Fletcher & Marc Fosteau
Cambridge University Press, 2025

Thursday September 18, 2025
4:30 pm - 6:30 pm
Library Rm 289
San Francisco State University

Co-Hosted by the LFCoB Department of Economics and LFCoB Department of International Business

Accelerate Trade Update

Ray Bucheger, Partner Accelerate Strategies



Ray Bucheger, Partner, Accelerate Strategies

Hello PCC:

We covered a lot of ground during our bi-weekly call - thanks for everyone that attended. As follow-up, here are two documents that we discussed yesterday and that were posted to the Federal Register today:

USMCA 6-Year Review

USTR issued a [Federal Register Notice](#) announcing the beginning of the public consultation process in advance of USMCA 6-year review.

Additional background:

Recall that while the USMCA is not set to expire until 2036, 16 years after it went into force on July 1, 2020, there is a six-year review process whereby the three countries can decide every six years to renew the USMCA for another 16 years. A successful first review in 2026 would extend the agreement until 2042.

- As part of the review process, the USMCA implementing law requires the incoming Trump administration to publish a notice in the Federal Register the second half of 2025, asking for public comment and setting a date for a public hearing on whether the United States should agree to extend the pact. That is the FRN linked above.
- USTR is also required to deliver a report to Congress by early January 2026 on any issues the United States wants to address in the review.

Section 232 Inclusions Process

The Department of Commerce Bureau of Industry and Security (BIS) issued a Federal Register Notice announcing the opening of the window for submitting inclusions requests. The inclusions window will be open from until September 29.

Additional background:

The Department of Commerce announced this new tariff inclusion process for derivative aluminum and steel articles back in April, which was done in response to proclamations from the White House directing the Secretary of Commerce "to establish a mechanism for expanding the scope of steel and aluminum tariffs to cover "derivative" articles that contain steel or aluminum."

The inclusions process allows U.S. manufacturers and trade associations to request the inclusion of new derivative articles under Section 232 steel and aluminum tariffs during any of three defined periods each year, at the beginning of May, September, and January. BIS [approved](#) the first tranche of "inclusions" several weeks ago.

Let me know if you have any questions.

Ray



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CBFANC Board of Directors 2026 Elections

CBFANC Chairperson Evey Hwang

***A special opportunity to serve your port and
trade community***

CBFANC Board of Directors 2026 Elections



We are seeking member participation on the CBFANC Board of Directors. If you are a professional member of CBFANC and are interested in serving on the CBFANC Board of Directors, please request another member to nominate you for the upcoming elections. [Nominations can be sent to info@CBFANC.org](mailto:info@CBFANC.org)

If you know a fellow CBFANC professional member who you think would be a great addition to the Board of Directors, contact the person and endorse with a [nomination in their favor to info@CBFANC.org](mailto:info@CBFANC.org)

Board terms are for three years. The board meets every month for dinner or online meetings.

This is your chance to be an industry leader, engage with agency partners and help shape the future of our trade. Nominations will be welcomed through October with elections held by November 3, 2025. The election results will be announced at our annual meeting/holiday gathering to be held on **December 4, 2025**

Holiday Party & Annual Meeting

CBFANC Program Committee



Time to Get Ready and Celebrate!

FRIENDS • FUN • FOOD • RAFFLE • LAUGHS

CBFANC cordially invites you to our 2025

Holiday Happy Hour and Annual Membership Meeting

Please join us in-person for our annual meeting with the current CBFANC Board of Directors.

We'll announce the winners of the 2026 year elections and see members and colleagues of our community to celebrate the holidays!

We look forward to seeing and celebrating with you!

Remember to bring an unwrapped toy to benefit Toys for Tots

and get a free raffle ticket!

**Thursday, December 4, 2025
4:00pm-7:00pm
Kincaid's Fish, Chop & Steakhouse
60 Bay View Place
Burlingame, CA 94010**

**Tickets:
Members: \$50.00
Guests: \$65.00**

**Enjoy festive hors d'oeuvres and cocktails!
Plus a chance to win Raffle Prizes!**

[Register Here:](#)

An Invitation to Sponsor

CBFANC Program Committee



An Invitation to Sponsor our "Holiday Happy Hour" Event

**December 4, 2025
4:00-7:00pm**

Kincaid's Fish, Chop & Steakhouse
60 Bay View Place
Burlingame, CA 94010

The holidays are just around the corner and CBFANC is getting into the Holiday Spirit! We are incredibly excited to celebrate this great event and enjoy a spectacular time to be had by all.

Through your sponsorship, you are supporting an organization that works to benefit its members through continued education and improved service standards. In addition, the association is dedicated to keeping its members current on issues affecting our industry. Sponsor this holiday event and assure your company's direct exposure to old friends and potential new customers by creating a festive positive memory.

Here are ways to support and be recognized:

**Sponsor – Platinum \$1,500 includes 2 attendees
Sponsor – Diamond \$1,000 includes 2 attendees
Sponsor – Gold \$750 includes 1 attendee
Sponsor – Silver \$500
Sponsor – Bronze \$250**

**All sponsorships include exposure on our website and signage at the event.
Do not miss out — secure your spot as a primary sponsor.**

Call us at 510-864-2233 or Email

to info@cbfanc.org about any questions.

[**Sponsors Register Here!**](#)



NCBFAA Provides Insightful Tariff Flowcharts

Courtesy of NCBFAA

NCBFAA Provides Insightful Tariff Flowcharts

The NCBFAA Customs Committee and Counsel of Sandler, Travis & Rosenberg, P.A., have developed various tariff scenario flowcharts which provide a helpful presentation for how our Regular Member customs brokers should approach the affected imports.

The tariff flowcharts specifically cover:

- Section 232 Tariffs for Automobiles and Automobile Parts
- Section 232 Tariffs for Steel and Aluminum Articles and Derivatives
- IEEPA Fentanyl Tariffs for China, Canada, and Mexico
- IEEPA Brazil for 40% Additional Tariff
- IEEPA Russian Oil (India) for 25% Additional Tariff
- IEEPA Reciprocal Tariffs for All Countries as of Aug. 7
- Section 232 Tariffs for Copper and Copper Derivatives

Additionally, two insightful attachments provide a timeline of the 2025 HTSUS Revisions and details related to Chapter 98 Applicability.

See the Regular Member-only NCBFAA Tariff Flowcharts [here](#). (Note: You must sign into the NCBFAA website with your username and password to access this guidance document. In addition, this guidance is for your internal corporate use only and is **not** intended for distribution outside your company via customer emails, social media posts, or publication on corporate websites.)

NCBFAA Regular Members should also note this communication is provided by the NCBFAA for educational and informational purposes only to Regular Members and does not constitute the rendering of legal counsel or other professional services. We do not assume legal liability for the accuracy, completeness or validity of the information contained in this communication. While NCBFAA has made every attempt to ensure credibility of all information included in the communication, we do not bear the legal liability for its content or that of any hyperlinks or other websites to which the communication refers. Before you act on any information

provided in this communication, you should seek professional advice regarding its applicability to your specific circumstances.

\$1.6 Million Penalty for Sanctions Violations

Courtesy of ST&R | Sandler, Travis & Rosenberg, P.A.

The Treasury Department's Office of Foreign Assets Control reports that an international freight forwarder based in the U.S. has agreed to pay \$1.6 million to settle its potential civil liability for apparent violations of multiple OFAC sanctions programs. OFAC explains that the forwarder, by failing to undertake sanctions screening or internal legal review (contrary to its own compliance policies and procedures), contracted with a blocked government of Venezuela airline to transport goods from Mexico to Argentina, which was done using a separately blocked aircraft operated by an Iranian company and crewed by Iranian nationals.

According to OFAC, the base civil monetary penalty applicable in this matter is the statutory maximum of \$2.15 million. Aggravating factors included the company's failure to voluntarily self-disclose the apparent violations and its reckless disregard for U.S. sanctions requirements despite being a large and sophisticated international organization. Mitigating factors included the company's substantial cooperation with OFAC's investigation as well as its remedial measures, which included "accelerating its broad and significant sanctions and compliance improvements that were already underway," such as modifying its air freight cargo contract templates, hiring additional sanctions compliance personnel, committing significant financial resources to compliance, and enhancing its auditing procedures.

More broadly, OFAC states, this enforcement action emphasizes the importance for international trade service providers to know their counterparties and recognize the risks of prioritizing urgent business demands at the expense of compliance. "In a complex operating environment," OFAC adds, "it is critical for all persons subject to U.S. jurisdiction—including senior personnel responding to urgent commercial needs—to understand potential sources of sanctions risk and take appropriate steps to prevent potential violations."

Link to Article click [here](#).

Entry Summary Limit Increase for Statements

CSMS # 66324213

U.S. Customs and Border Protection (CBP) recently released an enhancement in the Automated Commercial Environment (ACE) Certification (CERT) environment to increase the maximum number of entry summaries on a statement from 2,000 to 9,999. Following the recent suspension of Section 321 de minimis shipment duty exemption, CBP completed this CERT deployment to enable filers to test the processing of statements with more entry summaries. The Statement Processing: Daily Statement (v16) CATAIR document has been updated to reflect these changes and is available in the '[Draft Chapters: Future Capabilities](#)' section of CBP.gov. CBP plans to deploy this enhancement in the ACE Production (PROD) environment on October 7, 2025. For questions, contact CBP's Entry Summary, Accounts, & Revenue (ESAR) division at esar@cbp.dhs.gov.

GUIDANCE: Updated Entry Filing Guidance on Replacement Duties

CSMS # 66319804

This message updates CSMS #65475725, 65829726, and 66242844 to provide updated guidance for filing replacement Chapter 99 Harmonized Tariff Schedule of the United States

(HTSUS) duty classifications on certain imports of member countries of the European Union, Japan, and the United Kingdom.

ENTRY FILING INSTRUCTIONS

This guidance provides updated instructions for importers, brokers, and filers on submitting entries to U.S. Customs and Border Protection (CBP) pertaining to certain imports of member countries of the European Union, Japan, and the United Kingdom that are subject to a replacement duty under headings 9903.02.20, 9903.02.73, 9903.94.41, 9903.94.43, and 9903.94.32 of the HTSUS. See Federal Register notices [90 FR 37963](#), [90 FR 27851](#), and [90 FR 44638](#). There are no changes to the entry filing instructions for reporting duties under other Chapter 99 classifications for member countries of the European Union, Japan, and the United Kingdom.

UPDATE

HTSUS 9903.02.20, EU reciprocal tariff:

For a product of the European Union with a Column 1 rate less than 15 percent, the total of the Column 1 and the reciprocal tariff is 15 percent.

- Report the 15 percent duty amount on heading 9903.02.20.
- Report 0 duty amount and line value on the Chapter 1 to 97 HTSUS classification.

HTSUS 9903.02.73, Japan reciprocal tariff:

For a product of Japan with a Column 1 rate less than 15 percent, the total of the Column 1 and the reciprocal tariff is 15 percent.

- Report the 15 percent duty amount on heading 9903.02.73.
- Report 0 duty amount and the line value on the Chapter 1 to 97 HTSUS classification.

HTSUS 9903.94.41, Japan Section 232 automobile tariff:

For an automobile that is a product of Japan with a Column 1 duty rate less than 15 percent ad valorem, the total of the Column 1 and the Section 232 tariff is 15 percent.

- Report the 15 percent duty amount on heading 9903.94.41.
- Report 0 duty amount and the line value on the Chapter 87 HTSUS classification.

HTSUS 9903.94.43, Japan Section 232 automobile parts tariff:

For an automobile part that is a product of Japan with a Column 1 duty rate less than 15 percent ad valorem, the total of the Column 1 and the Section 232 tariff is 15 percent.

- Report the 15 percent duty amount on heading 9903.94.43.
- Report 0 duty amount and the line value on the Chapter 1 to 97 HTSUS classification.

HTSUS 9903.94.32, United Kingdom Section 232 automobile parts tariff:

For an automobile part that is a product of the United Kingdom with a Column 1 duty rate less than 10 percent ad valorem, the total of the Column 1 and the Section 232 tariff is 10 percent.

- Report the 10 percent duty amount on heading 9903.94.32.
- Report 0 duty amount and the line value on the Chapter 1 to 97 HTSUS classification.

EXCEPTION FOR DRAWBACK:

If importers plan to file a drawback claim for the Column 1 tariff for an automobile that is a product of Japan, or an automobile part that is product of Japan or the United Kingdom, and subject to HTSUS classifications 9903.94.41, 9903.94.43, or 9903.94.32 with combined duty rates, the Section 232 duties are not eligible for drawback. Report the duties as follow

For a line with HTSUS 9903.94.41 or 9903.94.43, report the Column 1 duty amount and the line value on the Chapter 1 to 97 classification, and report the duty amount based on the difference between 15 percent and the Column 1 tariff on the Chapter 99 HTSUS.

For a line with HTSUS 9903.94.41 or 9903.94.43, report the Column 1 duty amount and the line value on the Chapter 1 to 97 classification, and report the duty amount based on the difference between 15 percent and the Column 1 tariff on the Chapter 99 HTSUS.

Example:

For an automobile that is a product of Japan, classified under HTSUS 8703.22.01, the column one tariff rate is 2.5 percent. The combined total column one and Section 232 duty rate under HTS 9903.94.41 is 15 percent.

On HTSUS 8703.22.01, report the duty amount based on the 2.5 percent rate.

On HTSUS 9903.94.41, report the duty amount based on the 12.5 percent tariff rate (15 percent – 2.5 percent).

On the drawback claim, claim only the column one 2.5 percent duty amount. The Section 232 duty is not eligible for drawback.

POST SUMMARY CORRECTION:

Importers who may have incorrectly reported the total duty amounts under the entry summary lines with headings 9903.02.20, 9903.02.73, 9903.94.41, 9903.94.43, and 9903.94.32 of the HTSUS should file a post summary correction to update their entry summary information.

If you encounter any errors in filing an entry summary, contact your CBP client representative or the ACE Help Desk.

Related Message Number(s): 65475725, 65829726, 66242844

Technology and Social Media Committee

Chris Kammer, Tech & Social Media Committee



Chris Kammer, Technology & Social Media Chair

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CBFANC Needs YOU!!

Please feel free to contact us with your feedback, ideas and topics that should be considered.

Whether you're a legal eagle or proverbial party animal, editor and journalist, nerd or geek - we have a spot for you!

Join one of our committees where you can put your talents and interest to use for the betterment of the organization and our community.

Travel to Washington and lobby for causes important to our industry and the security of our country.

Dreaming of improving standards in our trade - join our Education team:

- Go to WESCCON - The premier international trade event in the country!
- Write that expose you always dreamed - join the Newsroom
- Always wanted to hob-knob with the who's who in the trade - join The Agency or Customs
- Are you a graphic designer at heart - come to the virtual side of things on our web committee

To learn more about our wonderful committees and find an area you would like to volunteer for, please click [here](#). As always, any questions at all, please reach out to us at info@cbfanc.org. Thank you!