



February 2021 - Info Expeditior

What's New?

- [CBFANC President Reports on Ports, Demurrage & Detention, Export Barriers](#)
- [Acting Port Director Bruce Murley Speaks at CBFANC's 2021 State of the Port](#)
- [Biden Administration Steps Include US Rejoining WTO, and Paris Climate Accord](#)
- [Coast Guard Presentation at State of the Port: Challenges Persist From Pandemic, Port Congestion](#)
- [Watch and Share Howard Terminal Video](#)
- [FMC Posts Information Demand on Demurrage and Detention Practices](#)
- [Peter Friedmann Gives DC Update at CBFANC State of the Port 2021](#)
- [EPA Targets False COVID-19 Virus Claims](#)
- [US Senate Finance Committee Considering Reform to CBP Process for Withhold Release Orders \(WRO\)](#)
- [CBFANC BIS Seminar Well Attended](#)
- [Oakland to Release Draft Environmental Impact Report on Oakland As Stadium Project at Howard Terminal](#)
- [New ILWU Contract Negotiations to Start in 2021](#)
- [KEEP CALM AND WEAR YOUR MASK AND GET VACCINATED](#)
- [CBFANC Social Media](#)

CBFANC President Reports on Ports, Demurrage & Detention, Export Barriers

Evey Hwang, CBFANC President, Alba Wheels Up



Above, Evey Hwang, CBFANC President, Alba Wheels Up *Many Challenges Face Our Industry in 2021*

With report of ships congregating in LA/LB, it's now hard to miss ships anchored outside of Oakland Port. And because Coast Guard restricts how many ships can anchor in SF Bay, there's even a few vessels "hanging out" with others by Santa Cruz!



Truckers Speak About Congestion, Long Wait Times, ERD Issues

Tuesday February 23rd, Port of Oakland called an "emergency" Truck Work Group meeting. It was meant for Port to hear from truckers and as could be expected, the truckers had a lot to complain about. Along with container and appointment availability, the congestion is causing chassis shortage and long wait times. For exports, changing Earliest Return Date (ERD) came up once again as a pain point. With the vessel

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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

delays to berth at port, valid ERD has been difficult to keep track and worse, the carriers still exact detention. A request was made for space at the Port to allow export containers to park and be a staging area waiting for vessels. Maritime Director Bryan Brandes promised to check into some acreage to be used for export parking.



Work Continues with the FMC. Container Shortage for Exports Continues to be a Big Problem

Peter Friedmann, our Pacific Coast Council DC Counsel and Executive Director of AgTC, has been busy advocating on shippers behalf. After his work done last year with Federal Maritime Commission for the Interpretive Rule on Demurrage and Detention Under the Shipping Act, much of the work now is on enforcement.

<https://www.fmc.gov/fact-finding-29-advice-to-the-trade/>

Now Peter and Ag shippers are fighting the practice of carriers returning empty containers to origin and cutting off exporters access to containers to get their goods out to global markets. Article below was shared by Peter offers some startling numbers and loss to US commerce in 2020.

<https://www.cnbc.com/2021/01/26/shipping-carriers-rejected-us-agricultural-exports-sent-empty-containers-to-china.html>

Acting Port Director Bruce Murley Speaks at CBFANC's 2021 State of the Port



Acting Port Director Bruce Murley

The new Acting Port Director details the challenges faced by CBP in 2020.

Last year was a difficult year. Passenger counts at SFO

dropped to 10% of normal, we expect recovery will take time. CBP staff was moved from SFO to other areas such as cargo operation, and this cross training will have a positive impact on CBP in the long run. There are new tools being introduced that will increase efficiencies in passenger processing, such as facial recognition at SFO and San Jose (the hope is to expand this capability to other airports, as well).

Concerning agricultural imports, pest interceptions are up 125% due to the huge volume of ecommerce consignments.

Beetle and other wood packaging pests continue to be a big problem, and so it is a really good thing that fumigation services have been revived for the port. Many thanks are owed to Ron and his company Impact Transportation for all the hard work they did to get the fumigation site up and running.

[APD Murley's presentation continues here...](#)

Biden Administration Steps Include US Rejoining WTO, and Paris Climate Accord

Sandra Alvarez, Flexport LLC, CBFANC Legislative Committee



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USMCA, China Trade Issues, EU/US Relations Could Be Affected

President Biden is very eager to reduce carbon emissions, nationally and globally; it was a major component of his platform, specifically to shift to electric vehicles and manufacturing. He also campaigned on an improved relationship with the European Union. Already we've rejoined the World Trade Organization, and the Paris Climate Accord, while President Biden has reached out to establish friendly relations with some European leaders.

Nonetheless, the European Union is still threatening a tough tax on US digital leaders (Google, Microsoft, Facebook, etc.), and a US-EU dispute over trade in batteries may be emerging. Without those batteries, the President's promised emission reduction objectives could be stymied or delayed. This will play out in the coming months or years. But it demonstrates that intentions of better relations do not necessarily translate into sought-after policy changes.

[Sandra's report continues here...](#)

Coast Guard Presentation at State of the Port: Challenges Persist From Pandemic, Port Congestion



Coast Guard Deputy Sector Commander Howard Wright, above.

(Many thanks to Deputy Commander Wright, who stepped in at the last moment to speak at the CBFANC State of the Port. He replaced the scheduled speaker, Captain of the Port Marie Byrd, who was called away to an emergency oil spill in San Francisco Bay near Richmond.)

The Coast Guard controls vessel movements in and out of the port and beyond, as well as maintain safety zones, and provide permits to marine events (over 1,000 last year for SF Bay, and this is one of the busiest in the nation). Search and rescue operations are coordinated by the Coast Guard, which provides search planning, asset coordination (i.e. use of CBP helicopters, equipment from other government agencies). The Coast Guard also conducts marine inspections to ensure vessel compliance, and ensures that engineering and navigation systems are working properly. There is a "Federal Maritime Committee" which focuses on threats such as terrorism, or active shooter incidences. This will involve, for example, boarding teams and vessel security experts. The coast guard acts as a coordinator for multiple agencies in response to emergencies (such as oil spills).

There was a recent event at Humboldt Bay, where a 60 foot fishing vessel grounded. We were able to rescue all the crew and passengers, contain the fuel, and restrict access to the area until the wreckage could be plotted and cleaned up. The clean up was under Coast Guard oversight.

[Read here for more details about the Coast Guard's mission..](#)

Watch and Share Howard Terminal Video

East Oakland Stadium Alliance



Watch and Share New Howard Terminal Video

The A's often like to say that Howard Terminal is an underutilized piece of land on the working waterfront that could be better used for their stadium and luxury housing project. In an effort to help the public better understand the importance of Howard Terminal to the port and the West Oakland community, the EOSA has developed a video that shows Howard Terminal in action.

[Watch and share this video on your social media platforms!](#)

FMC Posts Information Demand on Demurrage and Detention Practices

Contributed by Sung Wook (John) Lee, SW Logistics



Above, Sung Wook (John) Lee, SW Logistics, CBFANC Ocean Committee

Commissioner Rebecca F. Dye will issue information demand orders to ocean carriers and marine terminal operators (MTOs) to determine if legal obligations related to detention and demurrage practices are being met.

from: <https://www.fmc.gov/information-demand-on-detention-demurrage-practices-to-be-issued/>

The orders are being issued under the authority Commissioner Dye has as the Fact Finding Officer for Fact Finding 29, "International Ocean Transportation Supply Chain Engagement". Targets of the orders will be ocean carriers operating in an alliance and calling the Port of Los Angeles, the Port of Long Beach, or the Port of New York & New Jersey. Marine terminal operators at those ports will also be subject to information demands.

[Read here for additional details about this crucial issue](#)

Peter Friedmann Gives DC Update at CBFANC State of the Port 2021



Peter Friedmann, PCC Counsel, and OurManInDC

Below is a partial transcript of remarks made by Peter Friedmann at the CBFANC State of the Port event:
Few Changes Expected Under the Biden Administration; FMC Tackles Detention and Demurrage Abuses

Under the Biden Administration we can expect all current tariffs and sanctions to remain until at least June. These have strong bi-partisan support, and the AFL-CIO endorses continuance. Biden recently issued a new executive order regarding sanctions against Myanmar, including factories that are owned by sanctioned officials. We can further expect added layers to import restrictions, regarding human rights (Uyghurs in China, for example), environmental concerns (lumber imports, ag imports). Keep in mind that the Uyghurs restrictions cover cotton sourced from that region, and the use of forced Uyghur labor and cotton in factories regardless of location. All of this means more compliance work for Custom House brokers.

FMC. Rebecca Dye led a commission regarding detention and demurrage charges. Best practices have been issued by the FMC but none of the carriers or terminals are complying.

[Peter's comments at the SOP continue here..](#)

EPA Targets False COVID-19 Virus Claims

Mindi Li, MegaBrokers, CBFANC Agency Committee



Pictured above: Mindi Li, MegaBrokers, CBFANC Agency Committee

EPA Alert- Pesticide as Hand Sanitizer? A Pesticide is not necessarily a Covid-19 Disinfectant. EPA Targets False Covid-19 Virus Claims

It's growing compliance concern of pesticide products that are claimed to be disinfectant effective against COVID-19 without EPA approval. The Product label states that it "kills 99.9% of viruses" doesn't necessarily mean it is effective against the coronavirus until: 1) it has been determined by the agency that the product will not pose unreasonable risk and it will be effective when used according to label directions, 2) product on EPA List N -list of disinfectants that meet EPA's criteria for use against the virus that causes COVID-19, 3) EPA Registration No. (EPA's product review and approval), 4) EPA Establishment No. (EPA-registered location where product was produced).

[Links to EPA Site for Information, FAQs continue here...](#)

US Senate Finance Committee Considering Reform to CBP Process for Withhold Release Orders (WRO)

Ray Bucheger, FBB Federal Relations



Above, Ray Bucheger, FBB Federal Relations

U.S. Senate Finance Committee staff is exploring the possibility of reforming the WRO process at CBP – currently, CBP issues [Withhold Release Orders \(WROs\)](#), but it is not always clear how the trade can comply, nor is it always clear whether or not the WROs are effective.

Committee staff is seeking comments / questions / recommendations from PCC members that have experience navigation this process. If you have something to offer, please send me an email or give me a call.

Ray Bucheger

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CBFANC BIS Seminar Well Attended

Sung Wook (John) Lee, SW Logistics



This event was moderated and organized by Sung Wook (John) Lee of SW Logistics. He is also chair of the CBFANC Ocean Committee.

On February 17, 2021 over 70 people attended the CBFANC export oriented seminar on Export controls for freight forwarders and exporters.

Lani Tito from Bureau of Industry and Security BIS gave a

general overview of BIS and the export controls that govern licensed cargo. Topics discussed may include export controls, export licenses, ITAR, ECCN, Export Administration Regulations (EAR), Commerce Control List.

Janice Whitaker from Abbott Laboratories, managing a Customs and Trade Compliance team. Gave an exporter/freight forwarder point of view of trade compliance, AES filing requirements.

Video of the event is:

https://www.cbfanc.org/docs/CBFANC_BIS_Export_Control_Presentations.zip

https://www.cbfanc.org/docs/CBFANC_BIS_Export_Control_Rs11.mp4

DISCLAIMER: "The information provided in this video recording is for training purposes only and will become outdated. This is not a substitute for consulting the Export Administration Regulations (EAR) or other statutes, regulations, and other documents that apply. Refer to <https://bis.doc.gov> for the most up-to-date version of the EAR."

If you would like a copy of the power point files from this event, please e-mail Ocean Chair of CBFANC, Sung Wook Lee at ocean@cbfanc.org

Oakland to Release Draft Environmental Impact Report on Oakland As Stadium Project at Howard Terminal

East Oakland Stadium Alliance



The City of Oakland confirms that the Oakland Waterfront Ballpark Draft EIR will be released on Friday, February 26. The Draft EIR will be posted in the [Oakland A's Waterfront Ballpark District Documents section](#) on the City's website. Additionally, an informational workshop webinar about the Draft EIR will be held on Saturday, March 6, 2021, at 10:00 a.m. on Zoom. This workshop is not a formal public hearing to receive public comments on the Draft EIR.

Our next EOSA Coalition meeting will be on the afternoon of Thursday, March 11. A meeting invitation and agenda will follow in the coming days.

New ILWU Contract Negotiations to Start in 2021

David Onizuka, Port X Logistics



Issues facing the negotiators: Labor Costs, Automation, Loss of Business to Other Ports, Increased Pay and Benefits for ILWU Members

I received a request to write up a brief memo regarding the ILWU (International Labor and Warehouse Union) labor union contract with the PMA (Pacific Maritime Association). The current collective bargaining agreement in place expires on July 1, 2022, with discussions for the next contract likely to begin this year. Most of us are familiar with the ILWU; they represent the West Coast dockworkers. The PMA is an association made up of terminal operators and steam ship line companies that hire the ILWU to perform terminal operations on the West Coast terminals. The last union strike took place back in 2014-15, with negotiations taking longer than nine months to complete with intervention under President Obama needed to end the deadlock. In 2017, 67% of the ILWU agreed to extend that contract until 2022, with further guarantees in pay and benefits.

[David's article continues here...](#)

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