



July 2020 - Info Expeditior

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A Special Message from the Chairman of the CBFANC Board of Directors

Chris Ramos, Chairman, CBFANC Board of Directors



Above: Chris Ramos, KSI Corporation, Chairman of the CBFANC Board of Directors

With the Pandemic still a predominant factor affecting our day to day lives - SIP and working remotely have become the new normal. Our industry has put forth much effort to successfully adjust and evolve to the point where very few of us are still going into the office, and the majority of meetings are held via an electronic medium (ie Zoom, etc).

Despite all of these changes, your elected CBFANC representatives continue to conduct business as usual, on your behalf. Since March, all of our seminars and board meetings have been held via Zoom. Our quarterly PCC meeting/Happy Hour was also conducted via Zoom. It was well attended and enjoyed by all participants. Upcoming in the Fall/Winter we will have our yearly elections for directorship, annual meeting with the membership (December), and the State of the Port at the beginning of 2021. We are continuing to explore 'in person' venues for these events, however there is a real possibility that the Pandemic situation will dictate them to be virtual. We welcome all suggestions for creatively adjusting to this new normal, while we are planning these upcoming events. Please contact our secretariat to share your ideas!

WESCCON 2020 WILL BE VIRTUAL, SAVE THE DATE, OCT 1 & 2, 2020!!

WESCCON 2020 GOING VIRTUAL!



Due to the COVID19 pandemic, WESCCON 2020 cannot be held at the Loews Resort in Coronado, CA this coming October. As such, **PCC President Eduardo (Lalo) Acosta and the WESCCON Committee are converting this year's conference to a virtual event!** It will be online and available on the device of your choice! Improve your business and your career with workshops, panels, roundtable discussions and town hall meetings on important issues facing our industry. Registration details will be soon available!

CBFANC Educational Events Schedule

Topics

August 19 - Classification Webinar
 September 16 - CBP CEE Seminar
 October 21 - Valuation
 November 18 - Export focused webinar
 December 9 - Happy Hour (Holiday) or CBP Importer/Broker Audit Assessment or BOTH! TBA.

CBFANC Social Media

Please connect with us!

Twitter - [@cbfanc](#)

LinkedIn - [CBFANC](#)

Facebook - [CBFANC](#)

Events Around the Bay

Local Broker Gets \$4900 Demurrage Refund

Soon Wook John Lee, CBFANC Board



Pictured Above: S W John Lee, SW Logistics, CBFANC Board, Ocean Committee Co-Chair

(Editor's note: The activism of CBFANC and its work with the PCC and the FMC made possible a sizable demurrage refund to a CBFANC member. This is an example of your association's dedication to the greater good and to your interests.)

Local broker gets reimbursement of \$4900 in demurrage charges paid to carrier, based on new FMC guidelines regarding demurrage and detention at port. By Sung Wook Lee, Ocean co-chair, Op-ed

Many of you know that CBFANC members went on mission to Washington DC in Feb 2020, and our members visited The Federal Maritime Commission, covered in our March 2020 newsletter

https://www.cbfanc.org/docs/March_2020_Newsletter.pdf discussed how the FMC came out with guidance for carriers and terminal operators regarding demurrage and detention while the containers were at port.

Basic rule was that if there was no opportunity for the importer to pull the container out to mitigate charges, then the importer should not be charged for what is a basically a congestion charge at the terminal. Final FMC guideline is here https://www2.fmc.gov/readingroom/docs/19-05/19-05_fnl_rul_fr.pdf and covered in our May 2020 newsletter https://www.cbfanc.org/docs/May_2020.pdf by Peter Friedman.

Recently a local customs broker had a client, import a container of sporting goods into the Savannah, GA port. It was over the Memorial holiday and CBP ordered NII exam and then further Intensive exam.

[This story has a happy ending and it continues here!!!](#)

CBFANC President's Report for an Unusual Year

Evey Hwang, CBFANC President

- [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



Pictured Above, Evey Hwang, Alba Wheels Up, CBFANC President

CBFANC 2020: Unbelievable that a number of us were in Washington D.C. at the end of February, right before everything changed. In fact, as we were meeting staffers at the Congressional offices on February 25th there was news hourly on pandemic concerns. Now nostalgic, CBFANC annual event State of the Port on January 28th with 275 registrants may be the last large gathering we'll be in. COVID-19 became real for California with March 16th Shelter-in-place order – and working from home became our new normal.

New and Virtual World With necessary change-up from in-person seminars to online webinars, CBFANC board had a lot to discuss. How to provide information, education and communication for our membership. Since April we held two port terminal/stakeholder workshops and a well-attended FDA-CBP PPE Webinar. In May Pacific Coast Council President Lalo Acosta together with our PCC Counsel Peter Friedmann started weekly virtual calls which are keeping everyone connected and informed on trade and port concerns.

[President Hwang's report continues here](#)

HR 2261 Will Help Protect Brokers From Financial Perils of the COVID19 Crisis

Chris Kammer, CBFANC Board



Pictured Above, Chris Kammer, Access Supply Solutions, CBFANC Board and Legislative Committee Chair

Below is the text of an email sent to the offices of Senators Dianne Feinstein and Kamala Harris regarding HR 2261:

I hope this email finds you well! As you know, customs brokers play an important role in the duty payment process at U.S. ports, serving as a pass-through entity for the collection and payment of duties to U.S. Customs and Border Protection (CBP).

Customs brokers collect duties from importers and pay CBP on the importer's behalf. The customs duties can be extremely high, and many importers have multiple shipments in a short period of time. The duties can amount to millions of dollars. In performing this role, customs brokers are often stuck with an unfair burden when an importer they work with declares bankruptcy. When an importer declares bankruptcy there is a 90-day claw back period and we, as the customs broker, have to pay back any duties paid to us in those 90 days. However, CBP has already received those duties from the customs broker. We are left in the middle holding the bag.

H.R. 2261, the Customs Business Fairness Act, requests a technical change in the bankruptcy laws to provide relief for customs brokers who have paid duties to CBP on behalf of importers who subsequently file for bankruptcy. Please find attached an [overview of the bill](#) and [bill text](#).

[Chris' Message to Senators Feinstein and Harris continues here](#)

WESCCON 2020 WILL BE VIRTUAL, OCT 1 AND 2, 2020

UNPRECEDENTED EVENT: WESCCON 2020 WILL BE HELD ONLINE!



CBFANC President Hwang Reports on July 30th PCC Board Meeting

Evey Hwang, CBFANC President



The July 30th PCC board meeting was two hours of information sharing and virtual cocktail hour after! Pacific Coast Council consists of the five associations from Seattle, Portland, San Francisco, Los Angeles and San Diego. Each association presented updates, their port issues, CBP and PGA concerns. So PGA which stands for Participating Government Agencies will really make for a busier 2020 than busy 2020. Are you ready? In short order, transmitting in ACE soon:

- CPSC – On or after 9/10/20 with Two Way Messaging no earlier than 8/10/20
- AMS (Agriculture Marketing Service) of USDA – 9/2/20
- F&W – December 2020
- APHIS core – delayed to January 2021
- AMS-Organics – mid to late 2021

[PCC Report continues here](#)

Update on Oakland A's Ballpark Fiasco

Evey Hwang, CBFANC President



Play ball or protect the Port of Oakland?

A recent [letter](#) was sent to the Port of Oakland which states, "We emphatically agree with the Port Commission that

no project should be approved - whether a ballpark at Howard Terminal or any other ancillary development - without complete assurance that all potential impacts to the Port's primary and core business at the seaport are fundamentally avoided. Everyone, including the Oakland A's, acknowledges that the potential development of Howard Terminal as a housing-office-stadium project is facially incompatible with the heavy industrial maritime operations at the Port of Oakland and its continued success and growth."

Update on East Oakland Stadium Alliance: Efforts continue on opposing Oakland As dream of MLB ballpark at Howard Terminal. News outlets shined on As dark side in trying to delay/forgo on monthly lease on Coliseum, also on closed door meeting with Oakland City Council. Meeting with Bay Conservation Development Commission gained understanding of land trust process, as learning BCDC has an Environmental Justice Mandate. Bonus support from Sierra Club also citing environmental justice concerns.

Dear Port of Oakland: Who's On First?

John McLaurin, PMSA President



**By John McLaurin (pictured above),
President, Pacific Merchant Shipping Association**

Monday, July 27th, 2020

In a coronavirus-shortened season, the Oakland A's baseball season is about to start in a stadium filled with cardboard cutouts of fans. Ironically, the cardboard cutouts will probably break the A's attendance records of the past couple of decades.

According to the Port of Oakland in 2019, the Port and its partners provide 84,144 jobs in the Bay Area and contributed \$698 million to state and local taxes. Business revenue, consumer spending and value of goods and services create the Port's overall economic value of \$130 billion.

Yet there is still uncertainty about whether the Port's commitment is to the trade community or the dream of luring the A's and their cardboard cutouts to the waterfront.

Way back in November 2019, long before the Coronavirus pandemic, the Port of Oakland hosted a meeting crowded with maritime stakeholders to discuss the proposed ballpark/hotel/housing/office development project at the port's Howard Terminal site. Also in attendance at this meeting were senior port staff and several port commissioners.

The purpose of the November meeting was to discuss "seaport compatibility measures" – mechanisms and safeguards to ensure that the A's proposed development wouldn't impact existing or future maritime operations, waterfront jobs, or the port's own future seaport revenue streams.

[John's Op-Ed Continues Here](#)

REMINDER: PierPass Announced TMF Increase to be Effective August 1, 2020



Beginning August 1, the TMF will be **\$33.47 per TEU (twenty-foot equivalent unit) or \$66.94 for all other sizes of container**. The TMF is charged on non-exempt containers. Containers exempt from the TMF include empty containers; import cargo or export cargo that transits the Alameda Corridor in a container and is subject to a fee imposed by the Alameda Corridor Transportation Authority; and transshipment cargo. Empty chassis and bobtail trucks are also exempt.

Will COVID19 Kill the Clean-Ship Movement?



Per the Wall Street Journal (July 1, 2020) the financial impact of the COVID19 pandemic is basically eliminating efforts to cut shipping industry emissions.

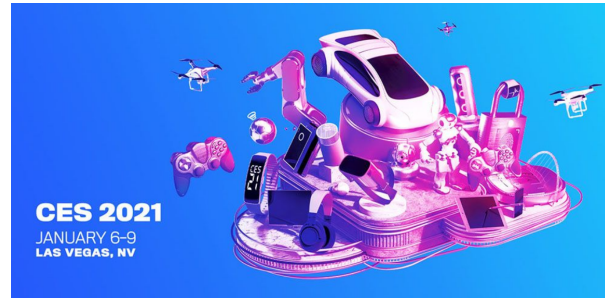
The International Maritime Organization (IMO) agreed to improve fuel efficiency by 30% by 2025 and further cut emissions by half by 2050 from 2008 levels. However, the priority for many shipowners will be staying in business, which means leaving climate-change considerations on the back burner.

The European Community Shipowners' Associations says an industry survey found that 75% of its members would either halt or reduce investments in cleaner ships. 30% said they would reduce investments, and 44% advised that putting money into decarbonization would no longer be possible. Shipowners say these efforts will cost around \$50 billion over the next four years.

Further compounding the situation is that mass producing new fuels will be a big challenge as proposed solutions like ammonia are carbon-intensive to produce, and thus fail to reduce emissions over-all. Similarly, the use of batteries

would substantially cut cargo space, so even existing trade volumes would require put more ships into the water. Known proposals and innovations are unable to yield the environmental benefits that are sought by the IMO.

Consumer Electronics Show CES to be All Virtual in 2021



Customs brokers and forwarders and logistics professionals have long considered CES held annually in Las Vegas to be one of the most important trade shows of the year. In 2021, however, the event will be strictly virtual due to COVID19 concerns. This development will have a big, negative impact on the struggling hospitality industry in Las Vegas. The CES is the largest event by exhibition space in the country, spanning nearly 3 million net square feet. More than 170,000 people from 164 countries, regions and territories attended the weeklong showcase earlier this year. The virtual CES 2021 will run from Jan 6 to Jan 9. (Source: *Wall Street Journal*, July 29, 2020)

KEEP CALM AND WEAR YOUR MASK



NCBFAA G-TEC to be Virtual Event Due to COVID-19

Below is an announcement from NCBFAA:



G.TEC 2020 - The Show Must Go On(line)!

With COVID-19 impacting business and our daily lives, including the cancellation of events of every size and scope, we wanted to confirm that due to continued restrictions, our 2020 Global Trade Educational Conference (G.TEC) originally scheduled for August 3-4 in Chicago, IL will now be held online.

We appreciate your patience as we work behind the scenes to make this shift. We plan to open registration next month, and thank everyone for their interest and patience. We look forward to offering you excellent educational content in August.

NCSD Webinars Schedule for June Through August 2020



**U.S. Customs and
Border Protection**

U.S. Customs and Border Protection's (CBP) National Commodity Specialist Division (NCSD) is hosting their next round of commodity-specific webinars and have released their schedule for June through August. Below is the list of available webinars.

[Read here for the schedule](#)

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