



October 16, 2020
Volume 1, Nr. 7

Thanks so much to Su Ross and Cameron Roberts for our extremely successful and well-attended webinar this week. Thank you ask well to MSK, and ACI Law Group, our sponsors for Tuesday's webinar.



Links and stories of interest:

[China-Australia relations: Canberra 'keeping the door open' as questions swirl over cyou as oal import ban](#)

[Chinese envoy Cong Peiwu warns Canada against granting asylum to Hong Kong protesters](#)

Government Actions and Trade

[Trump Steel Tariffs Bring Job Losses to Swing State Michigan](#)

Nationally, the steel industry has been shedding jobs for the past year - since before the wider economic downturn caused by the COVID-19 pandemic.

[Second Largest Border Meth Bust in History](#)

U.S. Customs and Border Protection officers seize more than 3,100 pounds of narcotics based on information developed by DEA, working jointly with HSI.

[CBP Notice on Customs Broker Examination administered on October 8, 2020](#)

CBP to withhold release of exam content.

Trump Memo Calls for More Fines for Imported Counterfeits Trafficked Through E-Commerce Platforms

Enhanced measures outlined in an Oct. 13 presidential memorandum target e-commerce counterfeit imports.

Cincinnati CBP Agriculture Stops About 1,300 pounds of Mooncakes

U.S. Customs and Border Protection (CBP) agriculture specialists in Cincinnati recently confiscated 1,272 pounds of mooncakes and 359 pounds of other prohibited items during Special Operation Over the Moon. In anticipation of the Chinese Mid-Autumn Festival, which was celebrated October 1, specialists intensified inspections on freight coming from China, Hong Kong, and Southeast Asia during the first four days in October.

China Growth Limits Global Economic Damage From Pandemic, IMF Says

The global economic collapse caused by the coronavirus won't be as severe as estimated earlier, but China will be the only major economy to grow this year.

China Exports Supercharged by Medical Equipment and Work-From-Home Gear

Beijing is also fulfilling phase one trade deal commitments signed with the U.S. in January, which includes promises to increase imports of American agricultural and energy products.

Attend an Upcoming FTA Webinar:

FTA
Foreign Trade Association

Event Sponsor:
Port of LONG BEACH
THE PORT OF CHOICE

The State of West Coast Port Competitiveness

Ticket Prices
\$25 for membership and
\$45 for non-members

Date: October 20, 2020
Time: 1:00 p.m. -2:00 p.m. PST
Location: Zoom Webinar

[Register Here](#)

Please join the Foreign Trade Association for this valuable discussion on the topics below:

- Are ports of Los Angeles and Long Beach losing favor as the West Coast gateway into the United States?
- Will the new Zero Emissions Executive Order by California Governor Newsom continue to drive discretionary cargo to other ports?

JOHN MCLAURIN
President
Pacific Merchant Shipping Association

BILL MONGELUZZO
Senior Editor, Long Beach
Journal of Commerce

PMSA
PACIFIC MERCHANT SHIPPING ASSOCIATION

JOC
JOURNAL OF COMMERCE

www.foreigntradefederation.com | 888-223-6459 | info@foreigntradefederation.com

The State of West Coast Port Competitiveness

Don't miss your chance to hear from John McLaurin, President of the PMSA and Bill Mongelluzzo, Senior Editor of the Journal of Commerce. Are Los Angeles and Long Beach losing favor with shippers? Will the new zero emissions rule drive discretionary cargo to other ports? Join us from 1 - 2 PM on Tuesday, October 20th. Sponsored by the Port of Long Beach.

Members: \$25.00
Non-Members: \$45.00

The Cause & Effect of

Soaring Spot Rates and What the Future Holds

Join the FTA to hear from Steven Hughes, owner of HCS International for a discussion on what is causing the current chaos in spot rates. Tuesday, October 27th from 1 - 2 PM on Zoom. Sponsored by Gemini Shippers Group

Members: \$25.00
Non-Members: \$45.00



FTA
Foreign Trade Association

Event Sponsor:
GEMINI SHIPPERS GROUP

The Cause & Effect of Soaring Spot Rates and What the Future Holds

Ticket Prices
\$25 for membership and \$45 for non-members

Date: October 27, 2020
Time: 1:00 p.m. -2:00 p.m. PST
Location: Zoom Webinar

[Register Here](#)

Please join the Foreign Trade Association and our speaker, Steven Hughes, owner of HCS International, for this valuable discussion on what is causing the current chaos in ocean freight and spot rates? We will go over the various causes of the current spike in spot rates, show an example of how spot rates impact profitability, explain which shipping avenues are available and appropriate for your size business and how to be better prepared for the next shipping crisis...



STEVEN HUGHES
Owner
HCS International

Steven Hughes has been in the automotive aftermarket since 1973, giving him 47+ years of Supply Chain experience working in the industry. He is currently Chairman of the Import Vehicle Community for the Auto Care Association, Chairman of the Public Affairs Committee for CAAVA and is a former executive board member of the Foreign Trade Association. He has led three industry coalitions on ADD investigations at the ITC and served on the Automotive Industry Trade Advisory Committee (ITAC 2) for the DOC and USTR.

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REGISTER NOW

Environmental

The IMO Can't Prevent This Massive Oil Tanker From Spilling

The United Nations has warned that the Safer, stranded since 2015, could spill four times as much oil as the 1989 Exxon Valdez disaster near Alaska, but access to the vessel has been complicated by the war in Yemen.

Shipping Needs Tighter Limits on Greenhouse-Gas Emissions

The International Maritime Organization's 2018 emission goals of reducing emissions 50% by 2050 are not on track, according to some analysts.

West Africa: Multinational Fishing Industries Plunder Region's Ocean as Artisanal Sector is Locked Out By Covid-19

Governments enabling systematic plunder of the oceans by foreign fishing vessels and the Fishmeal and Fish Oil (FMFO) industry, many trying to benefit from COVID-19 lockdowns.

Maritime

FMC Seeks Information from Public as Part of Examination of Carrier Billing Practices

The initiated Notice of Proposed Rulemaking (NPRM) would extend initial service contracts filings 30 days after the agreement's effective date.

FMC Considering CMA CGM Petition

Recent cyberattacks prompt CMA CGM to seek temporary exemptions from certain tariff publications and service contract filings.

Medium-Range Tanker Tests Biofuel Bunkers to Reduce GHG Emissions

Eastern Pacific Shipping (EPS) with biofuel supplier GoodFuels fueled the M/T Pacific Beryl to evaluate alternative marine fuels to significantly lower greenhouse gas emissions.

Port of Los Angeles Struggles With Surge Of Unscheduled Ships

The upward spike in cargo is causing backups with consequences for U.S. supply chains.

Norfolk, Wilmington Among Winners of \$220 million in US Port Funding

The US Maritime Administration's Port Infrastructure Development Program awards funds earmarked for "opportunity zones" in economically distressed communities.

Trouble Underway: Seven Perspectives on Maritime Cybersecurity

Seven experts, including contributors at the Scowcroft Center for Strategy and Security event on maritime cybersecurity, discuss these threats and protection policies.

FTA Membership Opportunity

Interested in becoming a member of the Foreign Trade Association?

The FTA is offering 50% off on Corporate and One Company Representative memberships for new members from now until the end of December.

- **Corporate = \$300 (Regularly \$600)**
- **One Company Representative = \$150 (Regularly \$300)**

To qualify as a new member, there must be at least an 18-month lapse from the previous membership. An individual who has left a company that was or is a member is also eligible for this promotion.

Other conditions and restrictions apply. Visit our website to learn more and join today!

JOIN TODAY

Videos of the Week

'Suicide' Drones.

Because, 2020?



Logistics and Trade

Supply-chain Upheaval Threatens Peak Plans, '21 Budgets

This year's peak season promises to be tumultuous, but 2021 could be just as difficult for shippers as 2020.

Shippers Rethinking Annual Trucking Procurement Cycles

Modified short-term "mini-bids" truckload contracting more dependent on technology to avert abrupt market prices swing disruptions.

Maersk Lifts Guidance, Will Cut 2,000 Jobs in Restructuring

Despite a faster-than-expected rebound in shipping volumes and freight rates, a \$100 million Q3 restructuring charge is needed cover the costs of 2,000 lost jobs.

Demand for Big-Box Warehouses Soars Under E-Commerce Surge, Report Says

The pandemic-driven online sales spike from quarantined consumers has companies battling for warehouse space.

Indian Shippers Face Cargo Surcharges Amid Mounting Delays, Rollovers

Carriers equipment surcharges or premium service charges raised to secure outbound vessel space in a market with disproportioned export: import growth.

Editorials - Opinions

This week's editorial comes from Cameron Roberts from Roberts & Kehagiaras LLP.

Unreasonable Merchant Liability For Demurrage and Per Diem

Who is a Merchant? According to MSC:

A Merchant: includes the Shipper, Consignee, holder of this Bill of Lading, the receiver of the Goods and any Person owning, entitled to or claiming the possession of the Goods or of this Bill of Lading or anyone acting on behalf of this Person.

This is a common definition. Merchants are, according to the bill of lading, liable for all charges, including demurrage and per diem.

The Federal Maritime Commission announced that it seeks comment on the *practice* of steamship lines, a.k.a. VOCCs, defining “Merchant” in their bills of lading to apply to non-parties to the bill of lading. 85 Fed. Reg. 65042. Generally, the Commission seeks public comment as to:

- how VOCCs apply the term “Merchant” in their bills of lading;
- whether the definition, as applied, subjects third parties who are not in contractual privity with the carrier to joint or several liability; and
- whether carriers have enforced the definition of merchant against third parties that have not consented to be bound by, or otherwise accept, the terms and conditions of the bill of lading.

If steamship lines have sued your company or threatened to lien unrelated cargo to force payment, tell the Commission. The Commission will only act if there is evidence of an unreasonable practice, i.e., multiple examples. **Comments must be received by November 6, 2020.** FTA members, especially arrival notice agents on freehand shipments, should tell their stories to the Commission.

Other Upcoming Events

October 21st - Trade Digitalization Trends in a Post-Covid World

COVID-19 has accelerated the digital transformation of global trade. Join the Chamber’s Global Initiatives Council to hear from Ed Achtner, HSBC head of digital banking and strategic change, for a closer look at the current and future trade landscape and how digital solutions are being leveraged to mitigate supply chain risks. Ambassador Robert Holleyman, partner, Crowell & Moring LLP and former U.S. deputy trade representative, will also deliver special remarks. [Join the program.](#)

October 22nd - 23rd [WESCCON](#) – Looking into the Future of Trade in a Virtual World

October 27 - WEBINAR - The Cause & Effect of Soaring Spot Rates and What the Future Holds. 1:00 - 2:00 PM PST featuring Steven Hughes, owner of HCS International, talking about what is causing the current chaos in ocean freight and spot rates. [Join the program.](#)