



## October 23, 2020 Volume 1, Nr. 8

Congratulations to the staff and volunteers who worked tirelessly to create a virtual WESCCON for 2020. Even with a bigger lead time to prepare and plan, it was no less a collaborative or team effort to deliver a virtual event. Kudos to all their sponsors and exhibitors and attendees and everyone cannot wait to be back together again in person in 2021.

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### **Links and stories of interest:**

#### **America's Cup: Gamble or Investment?**

**The new America's Cup class boat, the AC75 is a bold and ambitious project. Here's how the radical 75ft foiling monohull will fly (video).**

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## **Government Actions and Trade**

### **Covid-Era Subsidies Are Only Going to Worsen Global Trade Frictions**

Tariff wars were already agitating the world economy; fiscal bailouts will be under the microscope from the World Trade Organization, enforcing rules against unfair public assistance in otherwise free global markets.

### **U.S. Says It Has Evidence of Forced Labor in Chinese Sweetener**

Customs and Border Protection cited “conclusive evidence” that a Chinese company used forced labor to make extracts of the sweetener stevia, with American ports now directed to seize any shipments.

### **CSMS #44486180 - October 8, 2020 Customs Broker License Exam**

A thorough investigation was conducted and it was determined that there was no time lost for the majority of CBLE testers. Individual CBLE results will be sent to test takers in *approximately* three to five weeks.

## Section 301 Plaintiffs Face ‘Sliding Scale’ of Statute of Limitations

### Options: Lawyer

Section 301 litigation clients might consider a “sliding scale” of filing options to recover duties paid if the suits are successful.

## CBP's Smith Says EAPA Expansion Part of 21st Century Customs Framework

The Century Customs Framework discussion will include an Enforce and Protect Act proposal addressing malfeasance beyond the evasion of antidumping or countervailing duties.

## JOC Rankings: COVID-19 drags down U.S. resin export growth

Major end markets for U.S. resins shrink in automobile parts manufacturers in Europe and China.

## CBP in Minneapolis Intercept Railcar Carrying Unregulated Tire Rims

NHTSA determined that the Thailand—based company is not a registered manufacturer and the rims, with a domestic value exceeding \$47,500, were inadmissible.

## CBP Prevents \$287M of Duty Evasions through “Game-Changing” Enforce and Protect Act

Enforcement Shields U.S. Businesses from Unfair Competition

## Attend an Upcoming FTA Webinar:

### 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.

[www.foreigntradeassociation.com](http://www.foreigntradeassociation.com)    888-223-6459    [info@foreigntradeassociation.com](mailto:info@foreigntradeassociation.com)

**REGISTER NOW**

## Environmental

### **Shipping containers in Los Angeles becoming homes for the homeless**

Recycled shipping containers provide cost-effective housing for those experiencing hard times during the coronavirus pandemic.

### **International Maritime Prize for 2019 goes to Mr. Peter Hinchliffe (ICS)**

The prestigious International Maritime Prize for 2019 recipient is Mr. Peter Hinchliffe, former Secretary-General, International Chamber of Shipping (ICS), a strong advocate for IMO and the role it plays as international regulator.

### **Caribbean Threatened By 1.3 Million Barrels Of Oil From Sinking Oil Tanker**

The spill would be five times worse than the 1989 Alaskan Exxon Valdez oil spill. The Nabarima is a Venezuelan oil tanker caught up in U.S. sanctions since disputed elections questioned the legitimacy of the Venezuelan President.

### **CalChamber Co-Led Coalition Applaud Proposed Prop 65 Safe Harbor Framework**

Consistent with OEHHA's regulatory authority under the statute, the proposed regulation's regulatory framework promotes meaningful guidance to food companies and potential enforcers of the statute.

## Maritime

### **Drewry upgrades '20 carrier profit guidance to \$11 billion**

Drewry has upgraded its operating profit expectation for container shipping in 2020 by 16 percent to \$11 billion — a level not seen in a decade — following “meteoric third-quarter rate...

### **U.S. Blacklists Chinese Entities Over Iran Shipping Links**

The U.S. State Department identified Reach Holding Group (Shanghai) Company Ltd.; Reach Shipping Lines; Delight Shipping Co., Ltd.; Gracious Shipping Co. Ltd.; Noble Shipping Co. Ltd.; and Supreme Shipping Co. Ltd. for having dealt with Islamic Republic of Iran Shipping Lines (IRISL) and, in some cases, skirting U.S. sanctions.

### **European Commission Reacts To Industry's Concern About IHM Compliance**

The December 31, 2020 deadline is rapidly approaching for the European Union's Ship Recycling Regulations (EUSRR) Inventory of Hazardous Materials (IHM), providing shipowners temporarily relaxed guidelines to meet IHM obligations.

### **Maersk Honam Final Report Inconclusive on Fire's Source**

The ship caught fire on March 6, 2018 in the Arabian Sea carrying 7,860 containers, and despite the firefighting efforts, including the vessels' CO2 system, the fire spread uncontrollably for week, damaging the entire bow from the superstructure forward.

### **Diminishing seafaring appeal to tighten officer availability**

Officer availability varies significantly by nationality and rank, with important implications for recruitment, retention and wage rates.

## **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**

### **The Second Transatlantic Pillar: Strengthening U.S.- E.U. Ties**

*hosted by the Carnegie Endowment for International Peace.*

A conversation with the German Ambassador to the United States, Emily Haber, and the former U.S. Ambassador to the European Union, Anthony Gardner. They discuss U.S. Ambassador Gardner's his new book, Stars and Stripes: The Essential Partnership between the European Union and the United States, and how the U.S. and E.U. have worked together before-and what the two partners should collaborate on in the future, including trade with China.



# The Second Transatlantic Pillar: Strengthening EU-U.S. Ties

## Logistics and Trade

### **Zim offers Alibaba shoppers direct e-commerce ocean services**

Alternatives to capacity-constrained air freight driven by accelerated online shopping demand, fuels expansion of e-commerce ocean services.

### **DCSA wades into port call optimization discussion**

The study released Tuesday by the non-profit group Digital Container Shipping Association promotes new data definitions for terminals and container lines to coordinate port calls.

### **Commission Grants Temporary Relief Requested by CMA CGM**

The tariff publishing requirements exemption applies only to cargo received on or after the date of the order.

### **Last-Mile Logistics are a Challenge in the Goods Industry**

Last-mile logistics are the new challenge in the consumer goods industry, comprising 28% of the total delivery cost.

### **Global Air Cargo & Freight Logistics Market Emerging Trend 2020**

An analysis of threats and weaknesses of leading companies, key players, key geographies, drivers, restraints, opportunities, and challenges, utilizing Porter's five force analysis and SWOT analysis.

# President's Message

*This week's commentary comes from Pedro Villanueva, President of the Foreign Trade Association.*

At the risk of sounding trite repeating it, this year has been very difficult to everyone because of the pandemic and the Foreign Trade Association has not been an exception. We were not able to celebrate the World Trade Week, meet with colleagues as we do every year and had to do our Customs Broker class via Zoom, to mention a couple. However, the FTA has not remained still and has been working to keep the organization relevant for international traders today and for future generations.

As you have probably noticed, the website has new features and soon we will be moving into a new platform that will make our web page more appealing and friendlier to use for members and FTA officers.

You may have noticed also that our Newsletter has significantly improved in content and look. I will encourage all of you to review it and send letters or emails to the editors if you would like to see additional articles published or if you have suggestions for improvement. You can see current and past versions of our newsletters in our website and also [join our mailing list](#).

We had to adapt to the new virtual reality and hope you have taken advantage of the multiple Webinars we have been offering and will be offering in the future. Please [see the Events section of the FTA website](#) so you can see what is coming.

Finally, we are looking forward to seeing you in person soon but in the meantime enjoy the virtual world that the FTA is offering to you.

## Other Upcoming Events

**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.](#)

**October 29 - WEBINAR - LACBFFA's "Importer Security Filing (ISF) Round Table"** - 1:30 - 3:00 PM PST - A CBP Discussion on the Importer Security Filing (ISF) Requirements, Enforcement Strategy at the Los Angeles Long Beach Seaport, Cost of Non-Compliance to Importers. [Join the program](#)

**November 18 - An update on the CBP Center's for Excellence and Expertise, from Electronics Center Director Jorge Garcia** - 1:00 - 2:00 PM PST - [More details to follow!](#)

**December 8 - WEBINAR - Getting to know the Centralized Examination Stations of LA/LB, and how to keep your cargo moving through the process** - 1:00 - 2:00 PM PST -Come hear from all three CES sites as they share the 'tips and tricks' that will keep your cargo flowing. [More details to follow!](#)

