



## November 6, 2020 Volume 1, Nr. 10

As we watch day three (four?) of "Election Night" unfold, America, her citizens, and businesses are starting to make plans for what 2021 holds. While neither side has conceded, economists, think tanks, and trade associations are planning for a Congress with a similar makeup and a TBD executive. Both sides have their foreign policy, trade and economic, and businesses agendas and are trying to orient and position themselves to be ready to go.

### Links and stories of interest:

#### Houlton Border Patrol Explorers Collect 1,820 pounds of Food Donations

Nationwide, the Border Patrol sponsors approximately 50 Explorer Posts with nearly 1,000 Explorers.

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## Government Actions and Trade

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

The significant increase in the prevention of duty evasion since FY 2017 is a testament to CBP's ability to ensure a level playing for American businesses through EAPA.

#### 134 Pounds of Meth Worth \$1.2 Million Seized by Cincinnati CBP

CBP officers seized 134 pounds of methamphetamine from nine separate shipments addressed to people in in the United States and Australia.

#### Democrats' Complaints About USMCA Enforcement May Not Predict Future Conflicts

Sen. Ron Wyden's criticism will gain significance if Democrats take the majority in the Senate

## Trump Changed How the U.S. Trades, But Not Necessarily as Intended – Graphs

Economic data so far shows mixed results from that effort, with some sectors gaining at the expense of others, but with little change in the overall U.S. trade deficit for goods and services.

## U.S. Trade Deficit Narrowed in September as Exports Rose

Trade has recovered faster than many economists predicted after a collapse in global commerce in March and April, when most world governments were enforcing strict lockdowns to contain the emerging pandemic.

## Taiwan Shrugs Off Pandemic to Deliver Surprise Growth

Taiwanese manufacturers incentivized by subsidies, are relocating from China and hoping to evade tariffs and other complications from U.S.-China tensions over trade and technology.

## Join us for our next webinar!

November 18th from 10:00 - 11:30 PST join us for "Customs: How CBP is responding to challenging times with the trade" featuring CBP's Jorge Garcia and Carmen Perez and moderated by Anne Hilsabeck. Click on the image to download the event flier.

Members: \$25.00

Non-members: \$45.00

Sponsorship available: \$200.00

**REGISTER TODAY**



**FTA**  
Foreign Trade Association

**Customs How US Customs and Border Protection is Responding to Challenging Times with the Trade:**  
Focus on CBP's Electronics Center of Excellence & Expertise and CBP's New Trusted Trader Program

**Ticket Prices**  
\$25 for membership and  
\$45 for non-members  
\$200 Sponsorship Available

**Date:** November 18, 2020  
**Time:** 10:00 a.m. - 11:30 a.m. PST  
**Location:** Zoom Webinar

[Register Here](#)

Please join us for this valuable discussion that will cover topics such as:

- Managing Work in the CEE and within the Port
- How to effectively work with the CEE
- Update on the Divisions within the CEE (Partnership Division, Validation and Compliance Division, Enforcement Division)
- Looking Ahead with CBP in 2021
- Managing Work in the CEE Trade Remedies, Protests & Petitions, Reconciliation, Requests for Information
- Progress Report on CBP's Trusted Trader Program
- CTPAT Trade Compliance Portal Update



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## Environmental

### Big Bets on Ship Exhaust Systems Cast a Cloud Over Vessel Owners

Cargo operators who bought pricey scrubber systems made the wrong move.

### World's biggest iceberg is on collision course with British Atlantic island South Georgia, posing grave threat to local penguins and seals

If the iceberg gets stuck it could stay in position for 10 years and disturb South Georgia's economy as well as its ecosystem.

## **Aker Arctic Designs New Swedish and Finnish Icebreakers**

The “next generation” icebreaker design incorporates the latest environmental technologies and will be capable of assisting the larger merchant ships.

## **Maritime**

### **Venezuela Oil Exports Fall to New Lows as Clients Wind Down**

The United States set an October-November deadline for PDVSA’s oil swaps it had authorized this year as exceptions to sanctions on Venezuela.

### **New ICS Report Sheds Light on Diversity in Shipping**

The report revealed 30 percent of companies employ women on their board and close to 60 percent of companies have female officers, however just 7.5 percent of total seafarers were female.

### **ONE Containership Diverted to Tacoma Due to Collapsed Containers**

The MV One Aquila “suffered collapsed containers due to severe weather conditions” as the vessel was en route to Long Beach, California.

### **LNG shipping rates just hit \$125,000 per day**

The more LNG that goes from the U.S. to Asia as opposed to Europe, the longer the voyages and the higher the vessel demand.

### **Colombo congestion spells more pain for Indian shippers**

Colombo commands the bulk of India’s transshipped volume, especially for trade in and out of the country’s east coast corridor.

## **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!

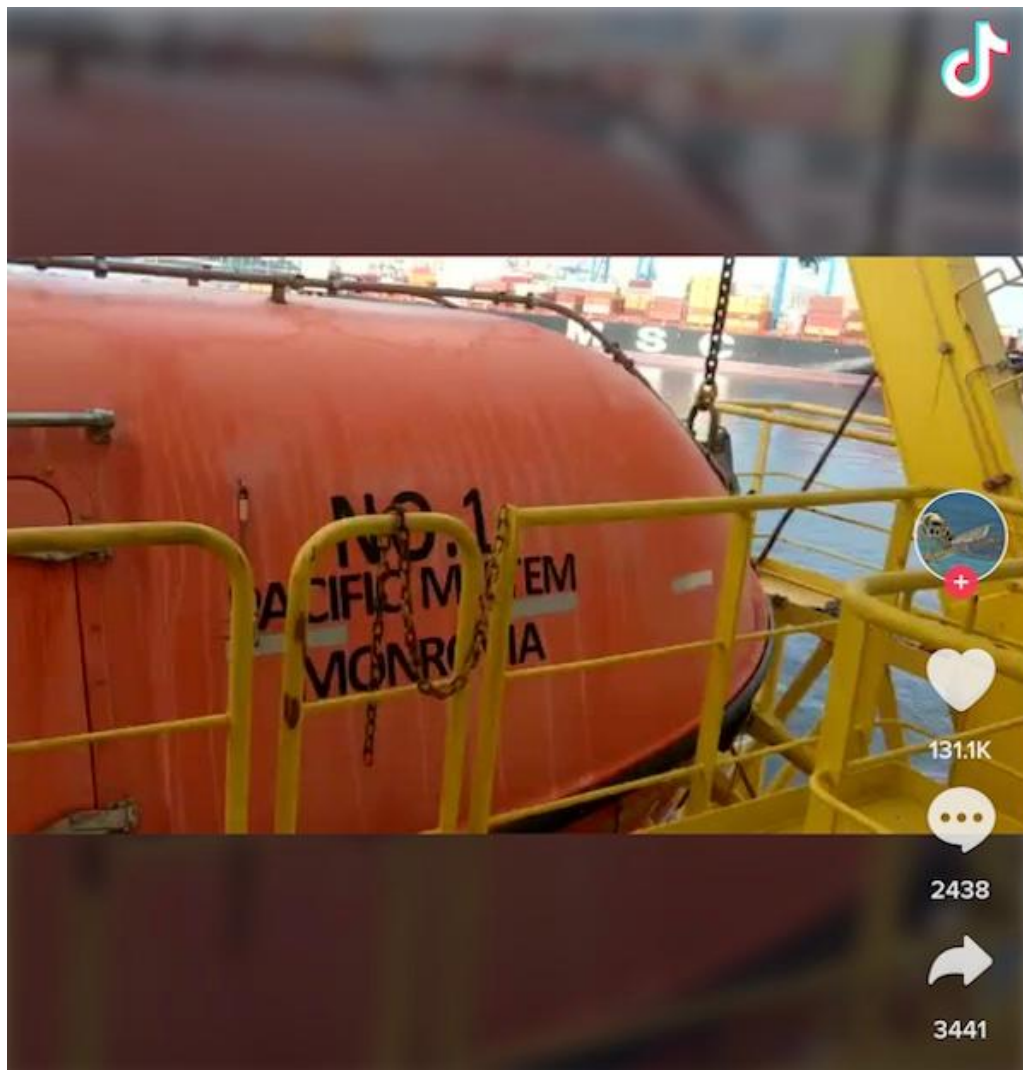
JOIN TODAY

## Videos of the Week

### Testing the lifeboat: Fall and fail.

While people get understandably caught up in the congestion and volume and chaos of international trade, we forget how dangerous life is for mariners, whether at sea or alongside a quay. This year, seafarers have been prisoners on their own vessels as the pandemic has limited the ports which allow them to disembark and return home when their tours are completed.

Imagine being tossed about on the ocean in swells thirty or forty feet high and having your last, best hope of survival doing **this**.



## Logistics and Trade

[Alibaba launches South Korea logistics service](#)

The e-commerce giant asserts bundled package of import/export service saves five days transit time.

### **Matson offers inside glimpse of trans-Pacific pandemonium**

Matson's China-US volumes jumped 125% in Q3 2020

### **Supply Chain Bottlenecks; Delivery by Drone; U.S.-China Trade Prospects**

Bottlenecks in capacity-strained supply chains are becoming more evident in the earnings reports of U.S. retailers.

### **Maersk's Twill targets small shippers via digital sales channel**

Twill started as Maersk's play in the neutral digital forwarding space, but it has shifted its focus to funnel small shipper volumes into Maersk's logistics and vessel operations network.

### **Supply-Chain Delays Hit Retailer Restocking Efforts**

Supply-chain bottlenecks caused by a crush of imports heading into U.S. seaports are pinching retailers' efforts to stock up as consumers pick up their spending.

### **Warehouses must brace for COVID-19 vaccine distribution**

The political climate adds to the confusion, as politicians frequently state their own predictions regarding vaccine availability, creating nebulous and easily misinterpreted sound bites.

### **CBP Triennial Fee Report Due February 28, 2021**

A reminder for all individuals holding a personal customs broker license that the deadline arrives at the end of February. Beginning December 15, 2020, individuals can complete the report and submit their fee online.

## **Editorial**

*This week's commentary comes from Mark Hirzel, FTA Board Member.*

### **Weaponizing Trade**

For those of us growing up during the Cold War we lived under the threat of sudden military escalations. Missile launches resulting from political misunderstandings. Troops stood armed on both sides of the Iron Curtain, ready to pounce if the other stepped across 'the' line. Governments played a deadly game of chicken against each other as they raced to build the most sophisticated (and expensive) weapons to ensure their world dominance or mutually assured destruction.

Although the number of nuclear warheads aimed at each other have decreased, conflicts continue. ICBMs have been replaced with volleys from the US Trade Representative. Espionage has been replaced by currency

manipulation. Retaliatory tariffs are the economic bullet proof vests worn against dumping and other predatory trade practices.

Trade has become weaponized. Although the fear of being vaporized in seconds fades, the threat of supply chain uncertainty grows like an immense mushroom cloud.

Trade issues, once upon a time relegated to the shipping dock, have now risen to the 'C' Suite. Harmonized Tariff Schedule classifications previously determined by those with little product knowledge, are now debated among a horde of frenzied attorneys. Customs Decisions and conflicting Binding Ruling determinations are researched for justification for an alternate to the previously used Harmonized Tariff Schedule to avoid the additional 25% duties assessment as it is now subject to Section 301 of the Trade Act of 1974.

The Trade War Genie will never go quietly back in his bottle. Gone are the days where international trade is homely, boring, and dull.

Regardless of which Presidential administration sits at 1600 Pennsylvania Avenue, global trade will proliferate in volume and complexity. You have two choices; hide in a bunker or fight.

Networking with allies or discovering the nuance of pending regulations--- knowledge is power. The Foreign Trade Association is where you can acquire the 'Very Particular Set of Skills' necessary to triumph on today's battlefield of international trade.



## Got a story idea?

The FTA wants to hear from you! Is there a topic or industry that we're not covering that you'd like to see more of? Drop Mark Hirzel an email by clicking the button below with your suggestions.

[EMAIL MARK TODAY](#)

## Other Upcoming Events

**November 18 - WEBINAR -An update on the CBP Center's for Excellence and Expertise, from Electronics Center Director Jorge Garcia - 10:00 - 11:30 AM PST - [Registration now open here.](#)**

**December 1 - WEBINAR - What you need to know about the proposed Customs Broker Continuing Education Requirements - 1:00 - 2:00 PM PST - [Registration now open here.](#)**

**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!](#)

**December 17 - WEBINAR - POLB and The Logistical Benefits of the Replacement of the Gerald Desmond Bridge - 1:00 - 2:00 PM PST - [More details to follow!](#)**

**January 26 - WEBINAR - Forced Labor in today's global trade environment - 1:00 - 2:00 PM PST** This webinar will offer a unique perspective to importers looking to create or enhance their forced labor compliance programs. [More details to follow!](#)