



## October 30, 2020 Volume 1, Nr. 9

Thanks so much to Steve Hughes for his very informative webinar on the state of the port and congestion. We all know what we're facing in Southern California with forecasts that volumes will remain high through Lunar New Year, 2021. We're hopeful the steps the community takes working together will help alleviate the situation today and help us optimize and improve on the fly for the next several months.

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

#### **All Souls Day: CBP Reminds Travelers of Potential Agriculture Risks**

Penalties for personal importations of undeclared, prohibited agricultural items, depending on the severity of the violation, can run as high as \$1,000 and up to more than \$250,000 for commercial importations.

#### **Proposition 22 Supports California's Economic Diversity**

Often referred to as the "Uber" or "Lyft" initiative given their financial support, this ballot measure will protect the unique work opportunity provided to millions of Californians through the gig economy.

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## **Government Actions and Trade**

### **New Trans-Pacific capacity injections spark demand doubts**

Despite economic forecasts of waning consumer demand, capacity management discipline is critical to prevent rate destruction in the trans-Pacific trades.

### **Ag shippers slam carriers for refusing some export loads**

At least one trans-Pacific carrier is rejecting low-revenue US agricultural exports in order to expedite the return of empty containers to Asian load ports

to carry much higher-paying US imports of consumer merchandise.

### **USBP Arrests 21 During Maritime Event**

San Diego Sector Border Patrol agents arrested 21 migrants Monday who landed their boat at Imperial Beach in south San Diego County.

### **CBP Officers Seize Bluetooth Speakers, Chainsaws at International Falls Port of Entry**

CBP officers discovered Bluetooth speakers in violation of intellectual property rights (IPR) regulations and chainsaws in violation of the EPA Clean Air Act.

### **Tariffs Didn't Fuel Revival for American Steel**

6,000 jobs were added to the U.S. steel industry's workforce after tariffs started in 2018, according to the Census Bureau. By the end of 2019, though, those gains evaporated as steel demand and prices sank.

## **Environmental**

### **Meet the World's First Digital Smart Ship, the Japanese Built LNG-Fueled PCTC Sakura Leader**

A Big Step Toward CO2 Reduction Targets, the vessel is a "remarkable step toward achieving NYK's environment management target," which is to reduce CO2 emissions per ton-kilometer of transport by 50% by 2050

### **FSO Nabarima Is 'Upright' but Crude Transfer Could Be Risky**

The facility is laden with 1.3 million barrels of Corocoro crude. Images in recent months of the vessel leaning to its side have alarmed environmentalists.

### **Crowley readies dive into offshore wind farm work**

Several coastal states and offshore wind farm developers are eager to begin full-scale installation work within the next several years.

## **Maritime**

### **Windward partners with shipping firms for digital transformation**

AI-powered predictive intelligence platform will reduce the risk and financial losses, boost workflow processes, and expand vessel partnerships.

### **The Real Life of Seafarers Like Those on 'Hijacked' Tanker Nave Andromeda**

While the heroic efforts of members of the Special Boat Service in resolving the situation have been highlighted, little public attention has been paid to the seafarers working onboard the tanker who were caught up in the incident.

## **Arctic Shipping Creates Insurance Headaches as Routes Open**

Experienced polar captains are coveted for cost-saving Arctic voyages between Europe and Asia, but insurance companies are grappling with a fundamental question: If something goes wrong, who pays?

## **Venezuelan Oil Transferred at New Ship-to-ship Spot in the Caribbean**

PDVSA, whose exports have been hit by U.S. sanctions, in late 2018 tested the spot near La Borracha, about 16 kilometers (10 miles) off the coastal city of Puerto la Cruz, but it had not used it until now, according to shipping sources.

## **Mounting evidence that container spike could last into 2021**

Bullish news on container shipping keeps pouring in, implying demand strength through February 2021; new container prices have risen to \$2,500 per cost equivalent unit (CEU)

## **Is shipping ship-shape?**

Podcast - Containerized shipping is an odd business in normal times. What happens when you add a pandemic and a trade war? Eytan Buchman (Freightos) updates the status of the industry in 2020, and Woan Foong Wong (University of Oregon) explains why when some shipping costs go up, others automatically go down.

## **ILWU & PMA announce Election Day Schedule for West Coast Ports**

The announcement of the Election Day schedule covers all 29 ports on the West Coast of the United States, in California, Oregon and Washington.

## **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**

## How COVID-19 Will Change Vaccine and Drug Distribution

Robert Eubanks, director of healthcare and life sciences with West Monroe, discusses the changes in how vaccines and drug therapies are developed and distributed as a result of the COVID-19 pandemic.



## Logistics and Trade

### **US-Mexico truck freight down 11% in August**

Trucks moved \$33 billion in freight between the United States and Mexico in August, a 10.9% decrease compared to the same period last year.

### **Resisting supply shocks due to market volatility using data intelligence**

Supply chains operate on a lean, just-in-time basis, which can be effective and low cost when there are no disruptions. But during a crisis or a black swan event like COVID-19, the impending volatility forces businesses to create short-term procurement solutions.

### **Holiday 'shipageddon' update: Container sector scrambling**

The latest stats reveal a trans-Pacific trade that's largely maxed out just seven weeks before Christmas.

### **DSV makes e-commerce growth play with Prime Cargo acquisition**

DSV's targeted acquisition increases its e-commerce exposure as the coronavirus accelerates a shift from shopping in brick and mortar stores to online.

## Editorial

*This week's commentary comes from Cameron Roberts, partner in the firm of Roberts & Kehagiaras.*

### **Continuing Education for 10,000 Licensed Customs Brokers Will Increase Professionalism and Respect for Customs Brokers.**

Unlike other licensed professions, such as insurance and accounting, there is no continuing education requirement to hold a Customs Broker's license. Earlier this week, U.S. Customs and Border Protection (CBP) took a step forward to changing that and [published a Federal Register notice](#) seeking comments on a framework of continuing education requirements for licensed customs brokers.

The complex nature of trade and the ever-changing and expanding need to comply with international law and regulations require a high level of functional and accessible knowledge to stay efficient and compliant over time. Requiring customs brokers to obtain 40 hours of continuing education every three years will help achieve that goal.

Moreover, it may reduce the number of customs brokers. Scarcity should increase professionalism, demand, and compensation. Accordingly, customs brokers should embrace continuing education and leverage the opportunity.

## Other Upcoming Events

**November 18 - WEBINAR -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 1 - WEBINAR - What you need to know about the proposed Customs Broker Continuing Education Requirements - 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!](#)**

**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!](#)**