



March 19, 2021 Volume 2, Nr. 11

We've reached that time when we start to get statistics from the local ports on the previous month's performance and, unsurprisingly to all of us affected by it, the figures remain in record high territory.

The Port of Los Angeles processed 799,315 Twenty-Foot Equivalent Units (TEUs) in February, [a 47% jump compared to February 2020](#). It was the seventh consecutive month of year-over-year increases and the strongest February in the Port's 114-year history. The most telling stat? Empty containers, heavily in demand in Asia, **surged 104%** compared to February 2020 reaching 285,223 TEUs.

In Long Beach, [there were 771,735 twenty-foot equivalent units in February](#), a 43.3% uptick from the same month last year and marking the largest year-over-year increase for a single month in the Port's 110-year history. Imports jumped 50.3% to 373,756 TEUs, while exports declined 4.9% to 119,416 TEUs. Empty containers climbed 69.6% to 278,563 TEUs.

AN IMPORTANT MESSAGE FROM THE FTA TO THE FEDERAL MARITIME COMMISSION

Please see the letter below from the Foreign Trade Association to the Federal Maritime Commission regarding the efforts on the issues of unreasonable demurrage and detention charged as a result of the congestion in the San Pedro Bay and all US ports.

March 19, 2021

Dear FMC Commissioners,

The Foreign Trade Association (FTA) is the largest and oldest trade association in Southern California. The FTA was founded in 1919 to promote international commerce and economic growth in California and worldwide. The FTA offers robust educational programs, training opportunities and sponsors regular meetings with featured guest speakers to encourage networking and job opportunities within the trade industry. The membership is represented by a cross-section of major exporters, importers, manufacturers, customs brokers,

freight forwarders, international bankers, attorneys and other prominent service industries.

As has been reported by many companies and trade associations, over the past several months the congestion at the Ports of Los Angeles and Long Beach (and elsewhere in the U.S.) has become critical. While it is true the volume of cargo resulting from the pandemic has exacerbated situation, the existing congestion challenges do not result from a single cause, the situation has been deteriorating over time, and now results in U.S. exporters being denied empty containers and space on vessels to ship goods their goods to overseas buyers. As a result, our members are severely impacted.

Among the causes of the current headaches are the actions of the vessel operator alliances and the way they load and unload cargo, the lack of a meaningful appointment system which would allow the orderly pick up and return of containers, the lack of consistent availability of space to return empty containers when the relevant pier or terminal is too congested, the demand of the vessel operators that cargo owners pay significant sums for demurrage, detention and similar charges even when the vessel operator itself cannot release or receive containers, the ever dwindling number of truck drivers and equipment, the aging and productivity of the longshore workforce and other equally significant causes.

As the Commission is already aware, a coalition of Southern California based organizations joined forced to make specific practical recommendations to the vessel operators which service Los Angeles/Long Beach, not one of which to this point has been fully embraced:

- At least 48-hours advanced notification of empty receiving locations by the ocean carriers published and displayed in a centralized location that will be easy for the trucker and cargo owner to find.
- Establish a minimum threshold for dual-transactions of at least 50% at each marine terminal and facilitate a strategy to incentivize this benchmark.
- Work towards strategies and best practices that reduce costs to shippers, increase gate productivity, and reduce the carbon footprint of the maritime community through operational efficiencies and not onerous and expensive mandates.

The situation is so serious that it is no longer possible for industry alone to solve it. We are aware of the November 2020 expansion of Fact Finding No. 29. Where we stand now is none of the recommendations thoughtfully proposed by the Commission from its earlier investigation have been voluntarily adopted by any of the vessel operators. As such, we, too, request the Commission take prompt and expeditious action with its revived Fact Finding investigation. Make no mistake, this is a crisis situation. The lack of meaningful, timely and cost-efficient solutions can be expected to seriously undermine the economic recovery everyone hopes to see as circumstances with the pandemic start to ease.

The FTA will continue to work closely with the ports of Los Angeles and Long Beach and all stakeholders to advocate in favor of international trade and welcomes any collaboration with the FMC. Please do not hesitate to reach out if you have any questions.

Respectfully,



Cathy Thrasher
President
Foreign Trade Association

Links and stories of interest:

Government Actions and Trade

Senators Plan Bipartisan Revamp of National-Security Tariffs

A bipartisan group of senators introduced a bill to revamp a 1962 trade law that former President Donald Trump used to justify tariffs on billions of dollars worth of imports on national-security grounds.

Russia Faces Wheat Trade Disruption Caused by Complex Export Tax

Russia's complicated wheat export taxes could disrupt trade from the world's top shipper just as the next crop begins filling silos.

U.S.-China Talks Linked to Australia Ties, Biden Aide Says

U.S. relations with China won't improve until Beijing stops its economic coercion against America's close regional ally, Australia, a senior aide to President Joe Biden told the Age newspaper.

Republicans Push Biden to Take Aggressive Stance Toward China

As President Biden devotes himself to dealing with the coronavirus pandemic, Republicans are striving to elevate China policy as a top issue, pressuring him to take an aggressive stance as Americans' opinion toward the global rival grows more negative.

CBP Guidance Needed by Auto Industry on 'Urgent' RVC Calculation Issues

CBP's interpretation of the "core or super-core calculation" within USMCA will have a major impact on the auto industry, with billions of dollars at stake.

Leonard to Take Over as Acting CBP Trade Lead After Smith Retires

John Leonard, CBP executive director-trade policy and programs, will take over as acting executive assistant commissioner at CBP's Office of Trade when incumbent Brenda Smith retires at the end of March.

Joint Statement by the Secretary of State of the United States of America,

the Foreign Secretary of the United Kingdom, and the Foreign Ministers of France, Germany, and Italy

The following statement was released by United States Secretary of State Antony J. Blinken, French Foreign Minister Jean-Yves Le Drian, German Foreign Minister Heiko Maas, Italian Foreign Minister Luigi Di Maio, and UK Foreign Secretary Dominic Raab on the occasion of the 10-year anniversary of the Syrian uprising:

Australia and EU to Pursue 'Self-interested' Targets Amid Free Trade Deal Talks

A new free trade agreement with the European Union is currently on the table for Australia although the deal has been called into doubt over an EU decision to ban vaccine exports.

Brexit: UK Hits Back at EU for Launching Legal Action Over Northern Ireland Brexit 'Breach'

The UK says extending a grace period for relaxed rules on goods arriving in Northern Ireland from Great Britain is not a breach.

Norway and China Strive to Complete Free Trade Agreement Negotiations

Norway and China held a video conference on March 11, 2021, between their chief trade negotiators, with a view to concluding a free trade agreement (FTA) in the near future.

Carriers Rejected at Least \$1.3 Billion in Potential U.S. Agricultural Exports From July to December

The maritime carriers' export decisions at these ports are under investigation by the Federal Maritime Commission. Commissioners are examining whether this denial of trade is in violation of the 1984 Shipping Act.

Biden White House Defends Trump China Tariffs in Legal Showdown

Attorneys for importers including Walmart, Disney, Lululemon, and Walgreens claim Trump illegally increased the number of Chinese goods subject to duties under Section 301 of the U.S. Trade Act of 1974.

Katherine Tai is Confirmed as U.S. Trade Representative.

The Senate on Wednesday confirmed Katherine Tai, a former trade lawyer for the Obama administration and Congress, as the next U.S. trade representative, making her the first Asian-American and woman of color to hold the post.

TRADE AND TRANSPORT ATTORNEYS



ROBERTS & KEHAGIARAS LLP
ATTORNEYS AND COUNSELORS AT LAW

[LEARN MORE](#)



Charting A Course for Trade and Digital Ledger Technology

Ticket Prices
 \$25 for members
 \$45 for non-members
 \$200 Sponsorships Available

Date: April 7, 2021
Time: 9:30 a.m. PST/ 12 p.m. ET
Location: Zoom Webinar

[Register Here](#)

From earliest days information sent bi-laterally, frequently hampered by missing or delayed documents & certifications, leading to significant barriers, fragmented processes, alongside overlooked regulatory requirements - has anything changed?

CBP addressed knowledge gap in information sharing models and has advocated a "transformative approach for the future of trade", yet we may be left wondering: what are some actual programs we can engage near term?

Come and see!



CHRIS FLOERSCH
Consultant
TRADE CUSTOMS LOGISTICS



JENS MUNCH
Head of Global Trade & Supply Chains
IOTA FOUNDATION

IOTA Foundation—a non-profit developing next generation protocols for the con-nected world. See interactive demo: Project Atlas Supply Chain DLT

Please join us in this valuable discussion regarding IOTA projects completed to date, current endeavors, and IOTA's approaches to DLT for Trade and Supply Chain. How does this stuff work? What problem does it solve? How can we learn more about it?

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

Charting a Course for Trade and Digital Ledger Technology

CBP addressed knowledge gap in information sharing models and has advocated a “transformative approach for the future of trade”, yet we may be left wondering: what are some actual programs we can engage near term? Come and see!

April 7, 9:00 - 10:00 AM PT

Members: \$25.00

Non-members: \$45.00

Sponsorship Available: \$200.00

REGISTER TODAY

FDA 2021 and Beyond, It's Not Just About PPE

Hear FDA leadership share updates on food imports, the food safety modernization program, increased enforcement on shrimp and seafood and related challenges facing food importers and exporters. Please join us!


April 28th, 10:00 - 11:00 AM PT

Members: \$25.00

Non-members: \$45.00

Sponsorship Available: \$200

REGISTER TODAY



FDA 2021 and Beyond, It's Not Just About PPE


Ticket Prices
 \$25 for members
 \$45 for non-members
 \$200 Sponsorships Available

Date: March 17, 2021
Time: 10:00 a.m. - 11:00 a.m. PST
Location: Zoom Webinar

[Register Here](#)

Hear FDA leadership share updates on food imports, the food safety modernization program, increased enforcement on shrimp and seafood and related challenges facing food importers and exporters. Please join us!

SPEAKERS



Dan Sola
Acting Assistant Commissioner
Office of Enforcement and Import Operations

NEI
 NCBFAA
 1 CCS/MCS/CES/MES credit

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FTA's 95th Annual World Trade Week Event

World Trade Week (WTW) celebrates the industry and dedicates itself to informing the public on the benefits and importance of global trade on the overall economy through a series of



**95TH
WORLD
TRADE
WEEK**

VIRTUAL EVENT

SAVE THE DATE!

May 20, 2021
11 a.m. - 1:30 p.m PT

events and educational programs. Please join us for our 95th Annual World Trade Week event!

May 20, 11:00 A.M. - 1:30 PM PT

DETAILS SOON TO FOLLOW!

CELEBRATING WORLD TRADE IN MAY!

World trade significantly contributes to the nation's economy and has developed a vast new horizon for America's businesses. World Trade Week (WTW) celebrates the industry and dedicates itself to informing the public on the benefits and importance of global trade on the overall economy through a series of events and educational programs. Please join us for our 95th Annual World Trade Week event!

SPONSORSHIP OPPORTUNITIES AVAILABLE

 LEADERSHIP <i>Hear from experts on trending topics, best practice and practical solutions</i>	 EDUCATION <i>Access to tools, resources, and business development opportunities</i>	 NETWORKING <i>Connect with industry stakeholders and get exposure</i>
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Environmental

Top Japanese Lenders Join Shipping Industry Scheme to Cut Carbon

Leading Japanese lenders have joined an initiative that links the provision of shipping finance to cuts in carbon dioxide emissions as the sector accelerates efforts to go green

China Must Shut 100 GW Coal-Fired Power Capacity to Meet Climate Goals

China should quickly decommission more than 100 gigawatts (GW) of inefficient coal-power capacity and phase out most of the remaining plants by 2045 in order to meet its climate targets, a new research report showed on Tuesday.

Green Groups File FTC Complaint Against Chevron Over Climate Claims

Three environmental groups filed a false advertising complaint against Chevron with the Federal Trade Commission on Tuesday, alleging that the U.S. oil major has overstated its investment in renewable energy and actions to curb greenhouse gas emissions.

U.S. Renewable Fuel Credits Hit Multi-Year High as Oil Group Urges EPA to Act

U.S. renewable fuel credits this week hit fresh multi-year highs, while an oil refining trade group urged the Biden administration to use its authority to help stabilize the market.

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 us an email by clicking the

button below with your suggestions.



**EMAIL YOUR STORY
IDEA**



FTA New Member Thank You!

The FTA would like to acknowledge our new members each week in our newsletter. We sincerely appreciate their support and participation. Your FTA leadership continues to focus on delivering value during this time of social distancing and know that as we move back to in-person events that the opportunities will only continue to expand.

Kristy Schiller - Cal Cartage Customs Exam Station, LLC

Story Submission

Is an April Fools gift better than Christmas?

Instead of waiting until the perfect time, their birthday or Christmastime, why not send a gift for April Fool's Day? It's okay to be a little playful with your clients, and it may even be endearing to them. You might even include a fun fact or two about April Fools - Just don't go overboard with it!

In 1582, France pulled a "fast one" by switching from the Julian calendar to the Gregorian calendar. (The Julian calendar begins the new year with spring equinox around April 1st.) As a result, many people were slow to realize that January 1st became the new start of the year. These people were called – you guessed it – "April Fools!"

The April Fools jokes of yesterday were lighthearted, consisting of pranksters placing paper fish on the backs of those who were considered gullible. Today, with newspapers, television shows, and corporations, in on the fun, no one is safe! Even Taco Bell fooled the nation as it announced its plan to purchase the

Liberty Bell and rename it the “Taco Liberty Bell” in 1996!

However maintaining great relationships with your team, vendors and good clients is no joke. What could an off season, unexpected gift do for your brand and relationships? Team members love to be appreciated and so do clients. Thinking of them and acting on it with a small gift, expertly executed, could pay you well in dividends especially if done strategically.

Thoughtfully planned ‘surprise and delight’ gifts are the nice touches that will leave that lasting thoughtful impression you’ve been striving for all along. And if April Fools isn’t your thing, that’s okay, there will be other opportunities on the calendar that you can leverage.

Contributed by

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STORIES - OPINIONS

FTA story submissions and opinions are intended as fact-based opinions. The authors do their own research and present their opinion that is consistent with the FTA's mission and objectives. Our goal is to provide our readers with an informed point of view that will let them shape their own opinions on topics of the day.

Maritime

Iran Blames Israel for Blast on Container Ship in Mediterranean

Iran said Israel was likely behind an explosion that damaged an Iranian container ship in the Mediterranean last week, as the longtime foes trade accusations of attacks at sea.

MSC Joanna Involved In Major Drug Bust in Australia

Authorities in Australia are investigating the smuggling of approximately 200 kilograms of cocaine that was offloaded from an MSC ship to a boat at sea off the coast of Australia.

Oil Demand Drag Takes Toll on Tankers

U.S. refiners are scaling back on hiring ships for longer periods to save on costs in another sign of uncertainty over when global oil demand will return to pre-COVID levels, shipping and trade sources say.

China Seizes Ships in Sprawling \$770 Million Refined Oil Smuggling Ring

China foiled criminals seeking to smuggle nearly 1 million tons of refined oil worth 5 billion yuan (\$770 million), with officials seizing 11 ships and detaining 171 suspects in a sprawling swoop on Tuesday, customs authorities said.

Flood Knocks U.S. Buoy Data Offline

A flood at the U.S. National Weather Service’s headquarters in Silver Spring, Maryland has knocked out power to servers processing NOAA’s marine buoy data, rendering the data inaccessible to the public.

Total Awarded Singapore LNG Bunkering License

The Maritime Port Authority of Singapore has awarded Total with a liquified natural gas bunkering license as the world's largest bunkering hub seeks to become a key LNG bunkering destination for Asia.

Shipping Congestion at Los Angeles Ports Starts Easing

Shipping congestion outside the biggest U.S. gateway for imports from Asia showed signs of easing over the past week as dockworkers made progress reducing by almost half a backlog that peaked at 40 vessels six weeks ago.



Video of the Week

Heating up in Alaska

In this case, though, it has nothing to do with climate change. US Secretary of State Antony Blinken and National Security Advisor Jake Sullivan are meeting their Chinese counterparts in Anchorage at the end of a trip that included stops in Japan and Korea.

The normal protocols for time permitted for remarks were violated by the Chinese delegation right off the bat and the US pushed back. Reporting this morning, though, indicated that despite the opening public bluster, substantive and serious discussions between the two sides took place behind closed doors. CNN has excerpts of the raw footage.



Logistics and Trade

Nigeria Starts \$3 Billion Upgrade of Key Railway Line

The project marks the latest step in an ambitious plan to create a nationwide rail network intended to aid Nigeria's economic diversification away from crude oil.

Warehousing Hustlers for 'Hostlers' to Meet E-Commerce Demand

Greater use of drop trailer pools and e-commerce sales are generating demand for yard drivers — also referred to as hostlers — to handle trailers at warehouses and distribution centers, but those drivers are in short supply.

Air Cargo Rates Will Remain Elevated for Three Years: TIACA

Air cargo industry experts told the TPM21 conference the belly space that normally makes up more than half of all available freight capacity will likely remain sidelined as airlines continue to struggle with uncertain passenger demand.

Record U.S. Warehousing Demand to Continue Through 2021

Demand for warehouse and distribution space in the US continues to grow at record levels as e-commerce retailers and 3PLs seek larger facilities with more yard space to handle growing inventories.

Twill, Freightos Launch Instant Container Quote Pilot

Maersk's small shipper offering Twill and logistics software provider Freightos are testing a new workflow that will for the first time redirect shippers from the Freightos rate marketplace to a service provider's shipment management platform.

ShipBob Boosts UK, U.S. Ground Capacity for E-Commerce Shippers
ShipBob is adding capacity to its fulfillment network and boosting its delivery options by building out a last-mile delivery network for e-commerce customers.

Startup Grabs \$20 Million to Automate Reverse Logistics

ReverseLogix's cloud-based automation platform can help reduce the cost of merchandise returns by as much as 15 percent, according to founder and CEO Guarav Saran.

California Proposes Points System to Hold Warehouses Accountable for Truck Emissions

Road transport has been at the forefront of Southern California's emissions crackdown.

Upcoming Events

March 23 – Avalon Knowledge Webinar: Cyber Hackers Are Working Hard! Is Your Policy Working for You? - 1:00 p.m.-2:00 p.m. CDT - Cyber Crimes are at an all time high. Make sure you understand what your cyber liability insurance covers - not all policies are the same! - Register [here](#)

March 23 - WEBINAR - CBFANC CBP/FDA Agency Initiatives - 1:30 PM - 3:00 PM PT - FDA will update on remote inspections during COVID-19 restrictions, lab, and State Partnership Agreements. CBP and FDA will present on joint agency initiatives on One Refusal Initiative, Trusted Trader Program and more - Register [here](#)

March 24 – CBIFFAWS - NWSA/CBP Webinar – 9:00 AM – 10:00 PT- The Area Port of Seattle of U.S Customs and Border Protection and the Northwest Seaport Alliance invite you to an outreach event with local CBP leadership and officers who will provide updates and field your questions – Register [here](#)

March 24 – CalAsian Annual Legislative Summit – 9:00 AM – 1:00 PM PT- While we discussed the implications of the extreme pivots small businesses had to make last year, we will turn toward the future in this year's discussions – Register [here](#)

March 24 - LACBFFA APHIS CORE Webinar – 11:00 AM – 12:00 PM PT- This workshop provides an overview on how to prepare for the mandatory APHIS Core filing date – Register [here](#)

March 24 – LACBFFA How to Prepare for a RASA, a Focused Assessment & Other CBP Audits From the Perspective of a Former CBP Auditor & Audit Supervisor – 10:00 AM – 12:00 PM PT – Register [here](#)

March 25 – WITLA – Celebrating International Women's Day with Women in International Trade – 2:00 PM – 3:30 PM PT - WIT-LA is thrilled to present three successful business executives who will be sharing their experience and expertise in overcoming challenges as well as some useful tips for other business executives – Register [here](#)

March 28 – March 31 - 2021 ICPA SPRING CONFERENCE Grand

Hyatt, San Antonio, Texas - Join us in San Antonio, TX for the ICPA Spring Conference. If you are involved in Import/Export Compliance or Operations, Supply Chain Compliance or Security, Internal Controls or Government Relations this is the conference for you – Register [here](#)

April 7 – WEBINAR – FTA Charting a Course for Trade and Digital Ledger Technology – 9:00 AM – 10:00 AM PT - CBP addressed knowledge gap in information sharing models and has advocated a “transformative approach for the future of trade”, yet we may be left wondering: what are some actual programs we can engage near term? Come and see! - Register [here](#)

April 13 - April 15 – ICPA 2021 ITAR CONFERENCE– Springhill Suites by Marriott, Fort Worth, TX - Join us in Fort Worth, TX for our ITAR Conference – Register [here](#)

April 15 - WEBINAR - P.A.E.I. - Customs Valuation - 10:00 AM - 11:30 AM PT - Register [here](#)

April 28 - WEBINAR - FDA 2021 and Beyond, It's Not Just About PPE - 10:00 - 11:00 AM PT - Hear FDA leadership share updates on food imports, the food safety modernization program, increased enforcement on shrimp and seafood and related challenges facing food importers and exporters. Please join us! - Register [here](#)

May 2 - May 5 – 48th NCBFFA Annual Conference -Now in its 48th year, the NCBFAA Annual Conference brings together more than 600 of the international trade industry's top representatives from around the United States – Register [here](#)

May 6 – Los Angeles Chamber of Commerce 95th Annual World Trade Week – 8:30 AM - 12:00 PM PT - This years program will feature a panel on "The Future of Transportation and Supply Chains," addressing chain infrastructure, transportation challenges, and innovative solutions to increase the region's global competitiveness as we recover from the pandemic– Register [here](#)

May 11 - May 13 – Virtual Event - TIA 2021 Capital Ideas Conference - Meet virtually with top industry leaders and solutions providers and take advantage of over morning and afternoon live sessions with more than 12 hours sessions geared solely for 3PLs – Register [here](#)

May 20 – Virtual Event – FTA's 95th Annual World Trade Week Event - 11:00 A.M. - 1:30 PM PT. - World Trade Week (WTW) celebrates the industry and dedicates itself to informing the public on the benefits and importance of global trade on the overall economy through a series of events and educational programs. Please join us for our 95th Annual World Trade Week event! – ***Details soon to follow!***