



September 3, 2021 Volume 2, Nr. 35

On behalf of the Board of Directors and members of the FTA, we want to wish everyone a happy and safe Labor Day weekend. There is nothing traditional this year heading into this "end of summer" weekend signaling entry into the traditional "peak season". We hope everyone can take a few days to recharge, enjoy family and friends, and come back starting the sprint to the holiday shopping season a little more rested; ready for whatever comes in these last four months of 2021.

Number of the Day:

44

Number of container ships waiting off the ports of Los Angeles and Long Beach for berths on August 27, a new record, according to the Marine Exchange of Southern California.



FIRMs Code: W517

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CA Supply Chain Success Initiative

We want to hear from you!

CITT has partnered with the Governor's Office of Business and Economic Development (GO-Biz), the California State Transportation Agency (CalSTA), and the Port of Long Beach to engage the diverse spectrum of stakeholders along the supply chain to identify the key challenges facing us all in moving freight through the state and beyond. We are also soliciting inputs on creative solutions to these challenges.

This California Supply Chain Success Initiative includes a Sep. 1 virtual workshop that will provide a forum for industry, community, and policy makers to refine and prioritize the solutions that will be critical in igniting collaborative discussion and problem-solving, as well as a follow-up in-person summit for decision makers to identify some solutions-driven and mutually agreed upon next steps to resolving them.

[REGISTER FOR WORKSHOP ON SEPTEMBER 1, 2021 AT 10-12 PM PT - CLICK HERE](#)

An important part of our engagement strategy, and one that will help to expand the discussion at the two workshops, is soliciting short videos from a wide variety of stakeholders that explain the urgency in resolving the challenges the supply chain is facing.

We are seeking responses to any of the following:

- *Are there ways of doing things better that add value to the supply chain?*
- *What does supply chain success look like for you or your organization?*
- *What is the biggest obstacle preventing you from getting there?*
- *What are the risks of doing nothing?*

Submit your video response to the questions listed made on a smart phone, no longer than 40 seconds via our [Google form](#). We ask that you include your name and affiliation.

With your help, we can initiate a dialogue that will facilitate broader collaborative engagement and kick start action to ensure California's position as the nation's leading trade gateway!

If you have any questions please contact the Center for International Trade and Transportation at (562)985-2875 or visit www.cpie.csulb.edu.

Government Actions and Trade

US-China Trade War Timeline: Key Dates and Events Since July 2018

The US-China trade war began in July 2018 under the administration of then-US president Donald Trump, eventually leading to tariffs on some US\$550 billion of Chinese goods and US\$185 billion of US goods.

Steel Buyers' Coalition Says Section 232 Steel Tariffs No Longer Needed

The Coalition of American Metal Manufacturers and Users noted that the price of steel in the U.S. continues to climb, and the gap between U.S. prices and European prices is \$734 a ton, up \$118 in the last two weeks, while Chinese manufacturers pay \$1,334/ton less than U.S. buyers.

CBP Officers Seize Assault Weapons and Ammunition at the DeConcini Port of Entry

The seizure occurred on the evening of August 28, at the DeConcini Port of Entry in downtown Nogales when officers assigned to outbound operations selected a tan 1999 Chevy S10 pick-up truck traveling to Mexico for inspection. The vehicle was referred for a non-intrusive imaging examination where anomalies could be seen in the rear quarter panels on the left and right side of the pick-up bed.

Shenzhen's 'Made in China, Sold on Amazon' Dreams Undercut by Merciless Crackdown

A large number of exporters in Shenzhen engaged in a business model known as "made in China, sold on Amazon" have hit hard times as the US e-commerce giant moves to shut down their stores over suspected abuses of the customer review system, exposing their vulnerability of relying on this platform to reach consumers overseas.

Canada Joins Consultations Over USMCA Auto Rules of Origin

Canada formally joined Mexico's call for consultations, it announced Aug. 26. Canada says that, like Mexico, it does not agree "with the interpretation of the United States of the relationship between the core parts and vehicle regional value content calculations."

U.S. Department of Transportation Appoints Port Envoy to Address Supply Chain Disruptions

Disruptions in global shipping and rapid shifts in demand have led the cost of shipping containers between China and the West Coast to grow more than 90% compared to 2019.

Assistant USTR for Southeast Asia Named

Dawn Shackelford, the assistant U.S. trade representative for the World Trade Organization and multilateral affairs, has been chosen to be assistant USTR for Southeast Asia and the Pacific, which covers Australia, New Zealand and the Pacific islands, in addition to Southeast Asia.

Canadian National Voting Trust for Kansas City Southern Deal Denied by Regulator

Canadian National Railway Co. 's \$30 billion bid to buy Kansas City Southern ran into a major obstacle Tuesday, with regulators ruling the Canadian railroad won't be permitted to complete a deal using a temporary voting trust that was a crucial part of the offer.

China's Coronavirus Strategy Deals Blow to Aviation Sector, but Could be Shot in the Arm for Home-grown Planes

With China intent on sticking with its zero-tolerance coronavirus strategy, the recovery of its domestic aviation industry remains uncertain.

Analysts have said loss-making airlines may be forced to push back the deliveries of new foreign-made planes, meaning China will have to boost production of domestically made aircraft to manage growing costs.

BACM Asks CBP to Withdraw Proposal to Expand Use of Part 102 Rules

CBP should take a different approach than the one it proposed for the rules of origin used on non-preferential claims and procurement under USMCA (see 2107010045), the Business Alliance for Customs Modernization said in comments to the agency.

Report: Mexican Imports Cost Florida Farmers Up to \$4B in Annual ‘Lost’ Sales

The Florida Department of Agriculture & Consumer Services (FDACS) this week released an 84-page report that documents how expanded Mexican imports annually cost Florida farmers up to \$4 billion in “lost” sales, which “equates to between 17,870 to 35,741 Florida jobs lost.”

Panel Established to Review China’s Compliance with Ruling on Certain Farm Product Imports

At the meeting of the Dispute Settlement Body (DSB) on 30 August, WTO members agreed to the establishment of a dispute panel at the request of China to determine whether China complied with an earlier WTO ruling regarding the administration of its tariff rate quotas (TRQs), including those for wheat, rice, and corn.

China Pledges to Help Rebuild Afghanistan and, While Blaming US for Chaos, Insists it Pays Too

In a sign that tensions between the two rivals will persist, the Chinese foreign ministry issued its criticism and demands for the United States on Tuesday, following Washington’s announcement that its mission in the Central Asian nation had ended.



TRADE AND TRANSPORT ATTORNEYS

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FTA NEWS

September 30, 2021 1-Day Customs Valuation Course

This full day class is intended for compliance professionals with responsibility for U.S. and/or global customs compliance, and for management with finance responsibilities that impact the customs valuation of goods moving in cross-border transactions. The course will provide an in-depth review of the rules for customs valuation used in WTO member countries, with a particular emphasis on U.S. customs regulations and recent developments. It will also cover practical advice for managing compliance with customs valuation rules and for reporting value adjustments.

Date:
Wednesday, September 30, 2021

Time:
9:00 AM - 3:00 PM PDT

Credits:
4 CCS Credits

Location:
Virtual Event

Cost:
Member Price: \$175 Partner
Non-Member Price: \$300

**NEI
NCBFAA
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Foreign Trade Association
100 West Broadway, Ste. 660
Long Beach, CA 90802
P: 888-223-6459
E: info@foreigntradeassociation.com

Cancellations must be received in writing five business days prior to the event to receive a refund or to avoid being charged. Payment for this event is not deductible as a contribution or gift under federal law, but is most likely deductible as an ordinary and necessary business expense.



Foreign Trade Association Presents
Customs Valuation - 1-Day Virtual Course

DESCRIPTION:
This full day class is intended for compliance professionals with responsibility for U.S. and/or global customs compliance, and for management with finance responsibilities that impact the customs valuation of goods moving in cross-border transactions. The course will provide an in-depth review of the rules for customs valuation used in WTO member countries, with a particular emphasis on U.S. customs regulations and recent developments. It will also cover practical advice for managing compliance with customs valuation rules and for reporting value adjustments. Topics will include:

- Transaction value and the alternative bases of appraisal
- CBP's policy on reporting transfer price adjustments
- Identifying and valuing assists
- Product development and engineering costs
- Royalties and license fees relating to intellectual property and technology
- Validating related party transfer prices
- Management fees and other inter-company charges that can impact customs value
- "First sale" and other duty saving structures
- Calculating deductive and computed value
- Reconciliation and other methods for reporting value adjustments to Customs
- Responding to Customs inquiries and audits related to valuation
- Penalties and how to avoid them

INSTRUCTORS:
Erik Smithweiss, Partner
Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP
Erik Smithweiss is a partner with GDLSK LLP. Erik has over 25 years of experience in the field of customs law and procedure and related litigation. Mr. Smithweiss represents clients on issues before U.S. Customs and Border Protection, Department of Commerce, Office of Foreign Assets Control, Food & Drug Administration, Consumer Product Safety Commission and other agencies that regulate the international trade in goods. His practice involves import restrictions, rules of origin, preferential trade agreements, marking and labeling, valuation, tariff classification, anti-dumping and countervailing duty compliance, trademark and copyright protection, Fish & Wildlife restrictions, and similar matters.

Register Now!

DETAILS SOON TO FOLLOW!

2021 Maritime Industry Salute Dinner

The International Seafarers Center's Maritime Industry Salute Annual Dinner honoring the ILWU and ITF

RESERVE NOW!

Join us **Sept. 16, 2021** **USS Iowa**

Dinner Raffle Prizes 50/50

5:30 p.m. Reception, 6:30 p.m. Dinner

Proceeds benefit the International Seafarers Center

Various tables & sponsorships available. Individual tickets: \$150/person. Proceeds benefit ISC. Eligible for tax-deductible donations (Fed. ID#33-0162030) to: "International Seafarers Center," 120 S. Pico Ave., Long Beach, CA 90802 Ph: 562.432.7560, email: iscpolb.la@iscpolb-la.org.

Registration/payment online: www.iscpolb-la.org -Electronic Tickets We accept American Express, MasterCard, Visa or check.

The International Seafarers Center of Long Beach-Los Angeles

presents

2021 Maritime Industry Salute Dinner

Honoring the ILWU and ITF Aboard USS IOWA
Date: September 16, 2021 - 5:30 p.m

The international Seafarers Center (ISC) for the ports of Long Beach and Los Angeles is a non profit humanitarian organization. This event will help support ISC's mission to vaccinate all of the seafarers that come to the ports. So far, ISC has vaccinated over 5000 seafarers at no cost to them.

REGISTER/SPONSOR HERE

Environmental

In CA, College Students Now Considered an Environmental Menace

Enrolling more students at one of America's best public universities might be bad for the environment.

California Superior Court Judge Brad Seligman ordered the University of California–Berkeley to temporarily freeze the number of students it admits every year under the California Environmental Quality Act, putting crowded classrooms in the same category as heavy infrastructure like highways and airports.

Recycling Isn't as Clear-Cut as You Might Think

More than 90% of plastics generated in the U.S. each year winds up in landfills or incinerators, according to the Environmental Protection Agency. Only about 9% is recycled.

U.S. Forces Are Leaving a Toxic Environmental Legacy in Afghanistan

The end of the two-decade American occupation has not only produced a fraught political situation; it has also created an environmental one.

Revised Data Shows Shipping's Increased Emissions in the EU

Shipping makes up about 14% of greenhouse gas emissions from transport within the European Union, making it the third-biggest emitter behind road vehicles, which account for 71%, and just behind aviation, according to data in the new report.

Hurricane Ida Makes Landfall in Louisiana, Disrupting Shipping

All ports within the Port of New Orleans captain of the port zone have been closed since Saturday afternoon, except for the port of Venice on the outermost reaches of the Mississippi Delta. Merchant vessel traffic on the Mississippi has been shut down between Lettsworth, Louisiana (200 miles upriver from New Orleans) and the river's mouth. The Gulf Intracoastal Waterway has also closed in affected areas.

Ida's Devastation Shocks as Fuel Shortages Hinder Recovery

With President Joe Biden due to survey the destruction for himself on Friday, Louisiana Governor John Bel Edwards issued a plea for emergency fuel supplies to assist a million homes and businesses without power, and 600,000

people without water.

Special Presidential Envoy for Climate John Kerry's Travel to Japan and the People's Republic of China

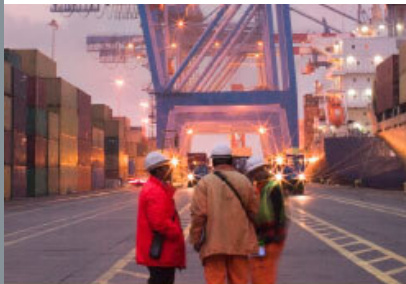
The Special Envoy's travel bolsters the United States' bilateral and multilateral efforts to raise climate ambition ahead of the 26th Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change (UNFCCC), which will be held October 31 to November 12, 2021, in Glasgow, United Kingdom.



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](#)



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HELLO!

New Members!

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.

Brenda Noyola, Student

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Maritime

Explained: Why China's New Maritime Law Might Spike Tensions in South China Sea

Foreign vessels, both military and commercial, will be henceforth required to submit to Chinese supervision in "Chinese territorial waters," as per the new law.

Carriers Double Container Ship Orders in 2021 as Freight Demand Shows No Signs of Slowing

"619 container ships are now on order for future delivery. Of those, 381 have been ordered in 2021 alone and never has 3.44m TEU been ordered in such a short time span," according to BIMCO Analyst Peter Sand.

California Port Pileup Shatters Record and Imports Still Haven't Peaked

Hope for any relief this year has vanished. French carrier CMA CGM is the latest in a long line of market participants to push back its timeline on normalization. Capacity constraints "are expected to continue until the first half of 2022," CMA CGM warned on Friday.

C.H. Robinson Announces Drayage Congestion Surcharges

Beginning Wednesday, a surcharge of \$175 per container will apply to all inbound and outbound full-containerload cargo serviced at most of the nation's top container ports. The fee will also apply to all rail locations in Atlanta.

Consolidation in Ocean Shipping: A 20-year Journey Puts the Scrutiny on Carriers

After Hanjin's bankruptcy, carriers continued to band together to scale

operations and provide shippers a global footprint. Now the White House is taking a closer look.

JOC Rankings: 2M Alliance Atop Carriers for US Volumes

Mediterranean Shipping Co. sat on top of the rankings for ocean carriers handling US imports while its 2M partner Maersk was top carrier on the export side.

China's Shipping-container Costs Hit All-time Highs, and Shortage Will Further Push Up Prices in Coming Months

Prices of shipping containers have more than doubled in the past year, and container freight rates are up 351 per cent year on year, according to Drewry maritime consultancy

Maritime Booking Surge Suggests Capacity Could Get Tighter This Fall

Maritime bookings represented by the Inbound Ocean TEUs Volume Index (IOTI) show a 40% increase over the past two weeks, the strongest spike in activity since early spring.



Video of the Week

Aspen Security Forum Session: Three former USTR's weigh in on Biden's trade agenda.

When you get three predecessors of the current USTR on a panel to discuss "A Future Made in America," you're bound to be entertained. This panel runs an hour but is worthwhile to understand what the entirety of the Biden agenda is for trade and the pieces that are in play on the board.

ASPEN SECURITY FORUM



**A Future Made in America?
The Biden Administration's Trade Agenda**

Speaker

Myron Brilliant

Executive Vice President and Head of International Affairs, U.S. Chamber of Commerce

Mike Froman

former U.S. Trade Representative

Susan Schwab

former U.S. Trade Representative

Robert Zoellick

former President, World Bank and former U.S. Trade Representative

Moderator

Shawn Donnan

Senior Writer, Bloomberg

Logistics and Trade

Why Is the Supply Chain Still So Snarled? We Explain, With a Hot Tub

Utah manufacturer Bullfrog Spas depends on a complicated network to bring materials from across continents and oceans. The pandemic put it out of whack.

Five Factors Driving the Labor Shortage, and Their Near-Term Fixes

Help wanted notices and sign-on bonuses are more prevalent than ever, particularly among blue-collar and service industry workers. According to the Bureau of Labor Statistics, job openings rose to a record 9.3 million in April, 2021, an unprecedented number that has remained stagnant in the following months.

Ida Disrupts Freight Movement After Making Landfall as Category 4 Hurricane

Tropical storm Ida, which made landfall in Louisiana as a Category 4 hurricane Sunday, has shuttered ports, halted rail operations and could have long-term effects on manufacturing and supplies in the region.

Western Digital in Advanced Talks to Merge With Kioxia in \$20 Billion-Plus Deal

Western Digital Corp. is in advanced talks to merge with Japan's Kioxia Holdings Corp., according to people familiar with the matter, in a deal that could be valued at more than \$20 billion and further reorder the global chip industry.

Visibility Paramount in Supply Chain Management

Not too long ago, enhanced visibility options were viewed as a "nice-to-have"

perk, prompting some companies to put adoption on the backburner in favor of seemingly more urgent tasks. More recently, however, these solutions have started to be viewed as necessities.

Unfinished Tractors, Pickup Trucks Pile Up as Components Run Short

Shortages of mechanical parts, commodity materials and electronic components containing semiconductor chips have been disrupting manufacturing across multiple industries for months.

What 3G's Sunset Means for Tracking, Visibility Tech

Over at the Port of Los Angeles, the shipper's long-awaited goods probably arrived, but the freight forwarder doesn't know for sure because no data is transmitting. After all, it's 2023 and the container and truck are using 3G tracking devices...

One Stuck Box of Fertilizer Shows the Global Supply Chain Crisis

Somewhere in the world's busiest port of Shanghai, a container of fertilizer sits among tens of thousands of boxes, waiting for a ride to the U.S. It's been on the dock for months, trapped by typhoons and Covid outbreaks that have worsened major congestion in the global supply-chain network.

US Food Shipper Leverages Private Fleet to Drive Collaboration, Capacity

Johnsonville Transport & Logistics, an arm of Wisconsin-based sausage giant Johnsonville, is looking to collaborate with its retail customers and other food shippers and carriers to solve truck capacity, delivery challenges.

Chinese Factories Labor Pains—'We Can Hardly Find Any Workers'

Labor shortages are materializing across China as young people shun factory jobs and more migrant workers stay home, offering a possible preview of larger challenges ahead as the workforce ages and shrinks.

Geodis Leases Freighter to Secure Capacity in Tight Air Cargo Market

The forwarder said the A330-300 aircraft, which is leased for a minimum of five years, will also fly between China and Europe during peak season.

Fiberglass Shortage Disrupts Summer for Surfers, Boaters

The glittery, lightweight material goes into so many common outdoor products that it's hard to imagine summertime without it. The supply-chain snarls show how broader forces in international trade, supply and demand have rippled through industries in the past year, leading to higher prices and slowing commerce.

Upcoming Events

September 9 - LAACA's Luncheon Speaker Series - The Past, Present and Future of Air Cargo Security - 11:30 AM to 1:30 PM PT - The Bellamar Hotel, Manhattan Beach, CA and featuring Mike White - Register [here](#)

September 10 - HTA DrayTECH 2021 - 11:00 AM - 9:00 PM PT- The supply-chain is being digitized, equipment is getting cleaner and more efficient, and drayage is at the epicenter of it all. You can't afford to miss this year's HTA

DrayTECH Conference. Learn about the emerging innovations that will help revolutionize the drayage industry - Register [here](#)

September 12-15 ICPA Fall Conference and Valuation Seminar -Hilton DFW Lakes Executive Conference Center, Grapevine, TX - Register [here](#)

September 14 - PAEI Webinar: Overview of International Trade & Export Control Developments in Asia Pacific Region -6:00 PM - 7:30 PM PT - Join us for this interactive “webinar” with our industry experts on an overview of international trade and export control developments in the Asia Pacific region and implications for global supply chains - Register [here](#)

September 15 - CalAsian's Two-Part Human Resources Series: COVID Return to Work Policies & Vaccine Best Practices - 11:00 AM - 12:00 PM PT -Join Fisher Phillips Attorney Christopher Alvarez as he discusses all aspects of vaccines in the workplace including, mandates, exemptions, employer obligations, and best practices - Register [here](#)

September 16 - ISC 2021 Maritime Industry Salute Dinner - 5:30 PM PT - Honoring the International Longshore and Warehouse Unions and International Trade Federation - Register [here](#)

September 19-21 NCBFAA Government Affairs Conference - 8:00 AM - 5:00 PM PT - Grand Hyatt, Washington, D.C. - Register [here](#)

September 21-23 EXIM 2021 Virtual Annual Conference -Register [here](#)

September 30 - 1-Day Virtual Customs Valuation Course - 9:00 AM- 3:00 PM PT - The course will provide an in-depth review of the rules for customs valuation used in WTO member countries, with a particular emphasis on U.S. customs regulations and recent developments. It will also cover practical advice for managing compliance with customs valuation rules and for reporting value adjustments - *Details soon to follow*

October 5 -2021 CITT State of the Trade and Transportation Industry Town Hall Meeting "Chasing Supply Chain Sustainability: Balancing Economic Growth, Consumer Demand, and the Environment" - 7:30 to 10:00am PDT
A free in-person breakfast Town Hall meeting and Miretti Award Presentation
Hyatt Regency Long Beach, 200 S. Pine Ave., Long Beach, CA 90802 - Register [here](#)

October 12 - EXIM Webinar - Financial resources for building your export markets - 11:00 AM - 12:00 PM PT - *Details soon to follow*

October 13 - CalAsian's California Resiliency & Recovery Summit - 8:30 AM - 2:00 PM PT - *Details soon to follow*

October 14-17 – WESSCON 2021 – 9:00 AM – 5:00 PM PT- WESSCON offers one of the best opportunity to meet people in the global logistics industry – Register [here](#)

December 9 - LACBFFA Holiday Party 2021 - 6:00 PM - 10:00 PM PT -The Grand in Long Beach - Register [here](#)

December 31 - Webinar -LACBFFA APHIS CORE Webinar (Recording + Presentation Materials) - 9:00 AM - 5:00 PM PT - This workshop provides an overview on how to prepare for the mandatory APHIS Core filing date on

03/15/2021. Available resources and how to obtain admissibility guidance from USDA. Disclaimer tips and APHIS Core message set filing review - Register [here](#)