



October 1, 2021
Volume 2, Nr. 39

[September 30th was IMO World Maritime Day](#) themed, "Seafarers: at the core of shipping's future." They're not wrong. Imagine signing a contract for a certain period of time on a ship, only to learn that sovereign pandemic policies and protocols restrict disembarking, discontinued return flights, and port arrivals exacerbated with ever increasing delays. Mariners have borne the brunt of the pandemic's impact; congested supply chains have a right to be seen, recognized, and respected around the world.

Number of the Day:

427

Number of container ships tied up waiting for berths at ports worldwide last week, up 14% since the start of September, according to VesselsValue.



FIRMs Code: W517

DISCLAIMER: The weekly FTA Newsletter includes content from recognized and respected national and worldwide sources. Some of these sources may link a paywall, requiring a subscription.

**Customs and Border Protection's Newest
Modernization Efforts - WE NEED YOUR INPUT
AND TODAY'S THE DEADLINE.**

The Foreign Trade Association is part of a private sector national coalition working to advise Customs and Border Protection ("CBP") regarding CBP's

21CCF efforts. The coalition is identifying topics of interest to the trade community so that when CBP finishes its drafting efforts, we are ready to engage with a clear picture of trade community priorities.

21CCF is the acronym for 21st Century Customs Framework and is the vehicle CBP is using to modernize the laws which govern how the agency operates. Full details about what has been publicly released by CBP can be found here - <https://www.cbp.gov/trade/21CCF>. CBP is working with its own private sector advisory group formulating what it will propose for discussion with the trade community, called the 21CCF Task Force. The Task Force's efforts are on-going. The goal is for CBP to develop with private sector support a legislative package for enactment by Congress. Representing the FTA on both the CBP Task Force and in the private sector coalition is Advocacy Chair Susan Kohn Ross of Mitchell Silberberg & Knupp LLP.

In the modernization context, one of the points CBP has repeatedly made is that it wants more data earlier in the process and is willing to receive that data from sources other than the importer. CBP states its goal is to know more about a given shipment sooner, so that it can be released more quickly. CBP has also stated it will not rely on data from sources other than the importer, such as the supplier, sub-contractor, etc., unless the importer or its broker validates that data to CBP.

So that FTA may robustly represent the interests of its members, we are asking for your input **by 5:00 p.m. on Friday, October 1, 2021** CBP has proposed we provide our suggestions addressing the following questions:

- 1) What current things are broken and could/should be fixed?
- 2) What things are okay but could be better?
- 3) What's new under the sun (what new rules are needed that did not exist before, such as ecommerce)?
- 4) Where do we see things going in the future?

Please send your thoughts/suggestions/recommendations to
ac@tradeandcargoconsulting.com

SoCal Infrastructure Coalition WE WANT TO HEAR FROM YOU

Infrastructure is one of the words on everyone's lips these days given the amount of money associated with the bills being discussed in Congress as we go to press. The FTA is part of a SoCal coalition that is discussing possible uses of the money once approved by Congress. Bearing in mind the pressing port congestion issue, one broad topic the coalition is trying to tackle is how possible infrastructure funding could be used to at least partially address the congestion challenges currently being faced. The goal of the coalition is to find a handful of priorities on which everyone can agree and raise those topics with Members and Senators as these bills work their way through the legislative process.

FTA wants to hear from its members about possible infrastructure projects in the SoCal area, whether designed to help impact port congestion or otherwise. Send your suggestion to ac@tradeandcargoconsulting.com

Avalon Promotes FTA Board Member Keith Sanchez

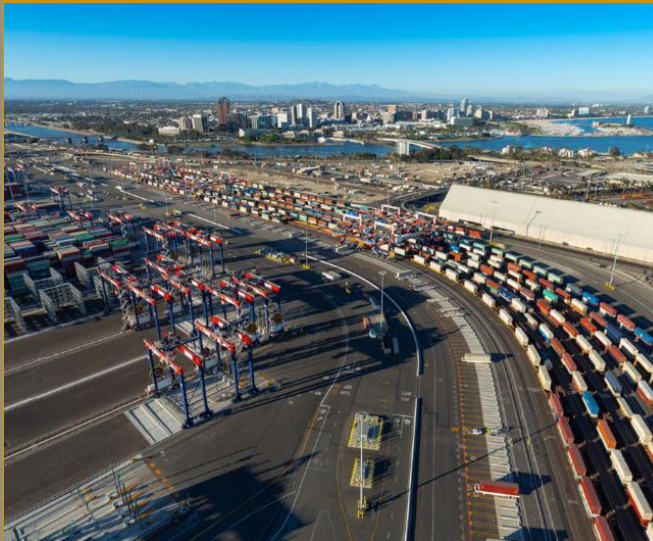


Avalon Risk Management (Avalon) has appointed Keith Sanchez as the company's Executive Vice President, Growth. In this position, Keith will be responsible for the company's nationwide sales and marketing activities as well as continue to oversee Avalon's Western Division offices.

"Keith is a proven sales leader. I am confident that his energy and sales management skills will enable Avalon to continue and further accelerate its growth." stated Michael Brown, Avalon's President & CEO.

"I appreciate the opportunity to help further grow our company, and I'm extremely fortunate to be surrounded with such a knowledgeable and talented group at Avalon. Along with our innovative insurance products and technology offerings, Avalon is poised for dramatic growth. I look forward to helping take Avalon to new heights." stated Keith Sanchez.

Keith has spent the last 37 years in the financial services industry with 28 years specifically catering to the International Trade and Transportation community. Keith is a member of the District Export Council of Southern California, a position appointed by the Secretary of Commerce, Wilber Ross of the U.S. Department of Commerce. He is a Board Member and Past President of the Foreign Trade Association.



Outside the Box

Innovation, sustainability
and vision make Long Beach
the Port of Choice.



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THE PORT OF CHOICE

Government Actions and Trade

Readout of Ambassador Tai's Trade And Technology Council Ministerial Meeting

The meeting sessions focused on the TTC's work since its establishment in June at the U.S – EU summit in four key areas: global trade challenges,

artificial intelligence, semiconductors, and data governance and tech platforms.

US-China Trade War Did Not Bring American Firms Home, Research Finds

In a paper published on the preprint platform SSRN this month, researchers Samantha Vortherms and Jiakun Jack Zhang argued that US tariffs on billions of dollars' worth of Chinese products – launched in mid-2018 to bring US companies home – hurt the US economy and did not successfully pressure China to change its economic policies.

Focus on Cross-Border Business, Markets Aims to Support Growth in Commerce

We have a long history in China. AmCham Shanghai was founded in 1915. Today we have 3,000 members, representing most of the Fortune 500 companies as well as American entrepreneurs and small business owners.

If the UK Enters the Trans-Pacific Partnership (TPP), Commerce Will be Much 'Easier' post-Brexit.

Following the collapse of a potential free trade deal between the United States and the United Kingdom due to Prime Minister Boris Johnson's failure to persuade President Biden to sign the dotted line, former Australian trade negotiator and free trade expert Dmitry Grozoubski told Sky News that joining the bloc would be beneficial to the UK's trading future.

US economic statecraft adrift as China seeks to join mega Asian trade deal

China's decision to formally seek to join the Comprehensive and Progressive Trans-pacific Partnership (CPTPP), the world's most important Asian trade deal, presents the U.S. with an enormous set of economic and diplomatic challenges.

Focus on Cross-Border Business, Markets Aims to Support Growth in Commerce

The following answers to questions posed by the California Chamber of Commerce are from Ker Gibbs, president of the American Chamber of Commerce in Shanghai.

US, EU Meet to Forge Trade and Tech Alliance to Reduce Dependence on China

Late on Wednesday in a former steel factory in Pittsburgh, Pennsylvania, the European Union and United States unveiled an alliance to sharpen their modern arsenals for tackling China on trade and technology.

CBP Nets Nearly \$230k in Undeclared Currency at Ambassador Bridge

"There is no limit to the amount of money that travelers may carry when crossing U.S. borders, but reporting is required under the Currency and Foreign Transaction Reporting Act," said Port Director Devin Chamberlain. "Failure to comply can result in civil and criminal penalties and may lead to loss of undeclared monetary instruments."

TRADE AND TRANSPORT ATTORNEYS



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FTA NEWS

2021 FTA Outdoor Summer Mixer *In Person Event!*



2021 FTA Summer Outdoor Mixer

Location: The Hubb, Long Beach, CA

*Drinks & Food By:
George's Greek Cafe*

Date: October 7, 2021
Time: 5:30 p.m. - 8:00 p.m.

The FTA invites you to join us on this summer night and meet with industry peers and colleagues.

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Photography Sponsor : Norman Harris III

FTA Webinar

October 12, 2021

**Financial Resources for
Building Your Export Markets**

Join the FTA to learn from EMIN bank,



Foreign Trade Association



1 CCS/CES/MES credit



Financial resources for building your export markets

Ticket Prices
 FREE for Silver, Gold & Platinum Members
 \$25 for other members
 \$45 for non-members
 \$200 Sponsorships Available

Date: October 12, 2021
Time: 11:00 p.m. - 12:00 p.m.
PST Location: Zoom Webinar

[Register Here](#)

Join FTA to learn from EXIM Bank, GBC International Bank, and LA SBDC Global how to grow your export business using EXIM export finance tools. You will learn:

- How to offer value to capital equipment sales with 5-year buyer-financing
- How to access EXIM guaranteed loans.
- How LA SBDC Global Initiative could assist your business access global trade opportunities
- Background on EXIM Bank, its policies and restrictions;
- How to sell on open account payment terms up to 180 days, safely and profitably
- How to finance pre-export inventory and post-export A/R



GREG MOORE
 Export Finance Director - Western Region
 Export-Import Bank of the United States



SIMONA RACEK
 International Expansion Advisor
 LA SBDC



DAVID JOSEPHSON
 Senior Vice President-Director of Export Finance
 GBC International Bank

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

GBC International Bank and LA SBDC Global on how to grow your export business using EXIM export finance tools.

Time: 11:00 AM - 12:00 PM PT

Pricing:

\$25 - Members

\$45 - Non-Members

\$200 - Sponsorships

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Environmental

What has Caused China's Electricity Shortages, and is Beijing's Carbon-neutral Goal Solely to Blame?

Non-negotiable carbon reduction targets have forced many local provincial governments in China to impose rushed measures such as widespread power cuts, although an urgent shortage of coal has also emerged as a likely reason for the power supply crunch that is sweeping the nation.

Power Crisis Deepens in Asia and Europe: What it Means to Shipping

There's panic-buying of gasoline in the U.K. Natural gas prices in Europe and Asia are skyrocketing. Protests are breaking out across Europe due to spiking electricity bills. India and China are short of coal for utilities. Power is being rationed to factories in multiple Chinese provinces — and winter is coming.

Column: China's Widening Electricity Crisis Caused by Coal Shortage

China is in the grip of a severe shortage of both coal and electricity as the economy has resumed strong growth after the coronavirus recession but coal

mine output has failed to keep up, leaving generators short of fuel.

Pandemic Shopping Spree Fuels Rebound in Shipping Emissions

Bored at home, consumers ordered everything from washing machines to Peloton exercise bikes, fueling a global trade in goods and boosting demand for ships to deliver them. With so many orders on the books, the container fleet is speeding up at sea, burning more fuel, according to Cargill Inc., the world's top agriculture trader.

Container Shipping's Latest Shock: Blackouts in China

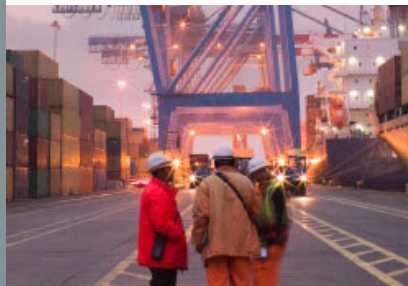
Factories in at least ten Chinese provinces have either cut output or closed temporarily this month, after government-imposed power cuts to curb carbon emissions.



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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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.

Cynthia Deleon, Deleon Trade
Vivek Nanda, Student



Maritime

The \$14 Trillion Reason You Should Care About the Shipping Container Shortage

Some 90% of the world's goods are transported by sea, which makes the current shortage a real problem.

Canadian Pension Fund to Acquire Ports America, North America's Largest Marine Terminal Operator

Jersey City, New Jersey-based Ports America is North America's largest marine terminal operator, with 70 locations in 33 ports across the country handling 13.4 million twenty-foot equivalent units (TEUs), 10 million tons of general cargo, 2.5 million vehicles and 1.7 million cruise ship passengers annually, providing services including terminal operations, stevedoring and cargo handling.

Trans-Atlantic Capacity Injection Blunted by Logistics Bottlenecks

The trans-Atlantic trade lane heads into its busy fourth quarter facing the same capacity-cutting port congestion issues as the larger trades out of Asia, leaving little room for rates to drop from record highs.

Port Congestion – A Virtual CalChamber International Forum

Invites you to a Virtual International Forum

Los Angeles Port Chief Calls for More Federal Funding for Congested West Coast Ports

The government has invested about \$11 billion in the eastern Gulf coast compared with roughly \$1 billion in the West Coast over the past decade, Gene Seroka said in a Bloomberg Television interview with Ed Ludlow on Monday.

Port Congestion Driving trans-Pacific Vessel Reliability to New Lows

Pinched at both Asian load ports and US receiving ports, trans-Pacific carriers in August registered their fourth consecutive month of deteriorating on-time performance.

Containers Piling Up at U.S. Rail Yards Add to Port Strains

To understand why more than 100 container ships are waiting to enter U.S. ports from Southern California to Savannah, Georgia, it helps to keep tabs on the congestion that's building at another key junction of freight transportation: rail yards.

Panels Established to Review Steel Duties in China, Food Import Measures in Panama

The Dispute Settlement Body (DSB) agreed at its meeting on 27 September to establish two new dispute panels. At the request of Japan, a panel will examine China's anti-dumping duties on imports of stainless steel from Japan.

U.S.-EU Officials Pledge More Coordination on Tech and Trade at Pittsburgh Meeting

Top U.S. and EU officials Wednesday laid out plans to more closely coordinate their responses to emerging technologies and pressing trade threats, marking the end of a highly anticipated summit intended to reset the trans-Atlantic alliance.



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Video of the Week

How problematic - and how real -

are China's efforts to curtail power consumption?

The story has been everywhere this week and many of our customers and suppliers are asking and answering questions. This is a story that will bear watching because, not unlike every other interconnected part of the supply chain, there are multiple factors at play. Add this from the South China Morning Post - [power rates are going up in Guangdong for some businesses by 25%](#).



Logistics and Trade

China Power Crisis Weighs on Manufacturing Activity, Drops to Lowest Level Since Coronavirus Outbreak

Activity in China's manufacturing sector contracted in September due to "low sentiment of high energy-consuming industries", data released on Thursday showed, but the services sector bounced back strongly from coronavirus outbreaks last month

Gas-Starved Europe Can't Look West as U.S. Faces Its Own Crunch

If there's any country that might've been in a position to rescue Europe from its energy crisis, it's the U.S. — home to vast shale fields holding a seemingly endless supply of natural gas and giant terminals capable of liquefying it and shuttling it abroad.

Iron-Ore Prices Buckle as Evergrande Adds to China Concerns

The crisis engulfing property developer China Evergrande Group is causing iron-ore prices to buckle, as investors worry that pressure on China's huge property market will translate into lower appetite for steel.

Notice of Request for Public Comments on Risks in the Semiconductor Supply Chain

The Department of Commerce ("Department") (Bureau of Industry ("BIS")) led the 100-Day Supply Chain Review of semiconductors and advanced packaging that was mandated by Presidential Executive Order. On February 24, 2021, President Biden issued an Executive Order on "America's Supply Chains," which directs several federal agency actions to secure and strengthen America's supply chains.

U.S. Durable-Goods Orders Rise Sharply Despite Supply Constraints

Orders for appliances, computers, cars and other durable goods increased in August, though factory operators continued to confront parts and labor shortages as well as higher material costs.

China's Electricity Crunch Is World's Latest Supply Chain Threat

China's energy crisis is shaping up as the latest shock to global supply chains as factories in the world's biggest exporter are forced to conserve energy by curbing production.

China Power Outages Pose New Threat to Supplies of Chips and Other Goods

Government efforts to curb energy consumption and reduce carbon emissions, along with surging coal prices, are leading to power outages across many of China's manufacturing hubs, threatening to further disrupt strained global supply chains for semiconductors and other vital goods.

Global Supply Disruptions Could Still Get Worse, Central Bankers Warn

The disruptions to the global economy during the pandemic have upset supply chains across continents, leaving the world short of a plethora of goods and services from car parts and microchips to container vessels that transport goods across the seas.

Logistics Operators Raise Pay, Enlist Robots to Meet Holiday Demand

Logistics providers are boosting pay, adding flexibility to shifts, blanketing social media with recruitment ads and even shipping in more robots to help workers field surging e-commerce volumes.

Cargo Piles Up as California Ports Jostle Over How to Resolve Delays

Despite mounting shipping delays and cargo backlogs, the busiest U.S. port complex shuts its gates for hours on most days and remains closed on Sundays. Meanwhile, major ports in Asia and Europe have operated round-the-clock for years.

What Semiconductors Are and Why China Needs to Make Them Itself

Although China imports US\$300 billion worth of semiconductors annually – more than half of which are re-exported in finished electronics products – it is far behind the tech curve when it comes to making them.

Upcoming Events

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 7 - FTA End of Summer Mixer - 5:30 PM PT - 8:00 PM PT The Hubb, Long Beach, CA - Register [here](#)

October 12 - EXIM Webinar - Financial resources for building your export markets - 11:00 AM - 12:00 PM PT - Join the FTA to learn from EMIN bank, GBC International Bank and LA SBDC Global on how to grow your export business using EXIM export finance tools - Register [here](#)

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](#)

October 27 - FREE EVENT - LACBFFA Town Hall - Cargo Release Update vs. Replace and Cancellation - 3:00 PM - 4:00 PM PT - Town Hall to discuss best practices, tips, and challenges of Cargo Release Update vs. Replace and Cancellation. Understanding Trade vs CBP control status, Action ID's, Entry Summary under CBP Review, and Post Summary Corrections. Ways CBP / PGA communicate with the trade - 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](#)