



February 4, 2022 Volume 3, Nr. 5

The issue of greenhouse gas and shipping is one as old as container shipping itself. The climate crisis isn't going to be solved by individual cities, states, or countries. It requires a collaborative global effort. Considering the challenges associated with finding a unified voice on any issue, it is a pleasure to see the ports of Los Angeles and Shanghai, along with shipping lines and cargo owners, committed to delivering a plan by the end of this year to [make it a green shipping corridor](#).

Number of the Day:

3.6%

Decline in long-term contract ocean freight rates in January from the previous month, the second straight monthly drop, according to the Xeneta Shipping Index.



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.

21CCF - Your Chance To Tell Customs and Border Protection What Needs To Change

The last time the laws governing CBP's operations were updated was in 1994. Recognizing that things have changed significantly in the last nearly 30 years, CBP has begun the process of identifying laws which should be changed, and new ones which are needed. For those of you who have seen the name 21st

Century Customs Framework (21CCF), that the name for this effort.

As FTA members, we have the opportunity to provide input to CBP. What are those needed changes? CBP is right now asking for white papers from Task Force members, and the FTA is a member. What are the potential trade benefits and opportunities you see are needed to further facilitate lawful trade?

If you want to submit ideas, please send them to ac@tradeandcargoconsulting.com. If you want to help prepare the white paper, please send your contact details to ac@tradeandcargoconsulting.com. The white paper is due in late February so **we need to hear from you by February 11, 2022**. This is a unique opportunity for the SoCal trade community to share with CBP the things that need to be changed. How will you participate?

OSRA 21 Coalition Update

The Advocacy Committee of the FTA has been working in collaboration with the other national and local trade associations seeking passage of the Ocean Shipping Reform Act of 2021. On Dec. 8, 2021, under [House of Representatives Suspension Rules](#), (which allow non-controversial bills to be voted on quickly), the House passed [HR 4996](#) by a vote of 364 to 60. Now the Senate is working on a companion bill and despite the momentum gained, adoption in the Senate will be a challenge. As a Senate bill is introduced we will provide the details.

SoCal Infrastructure Coalition: WE WANT TO HEAR FROM YOU

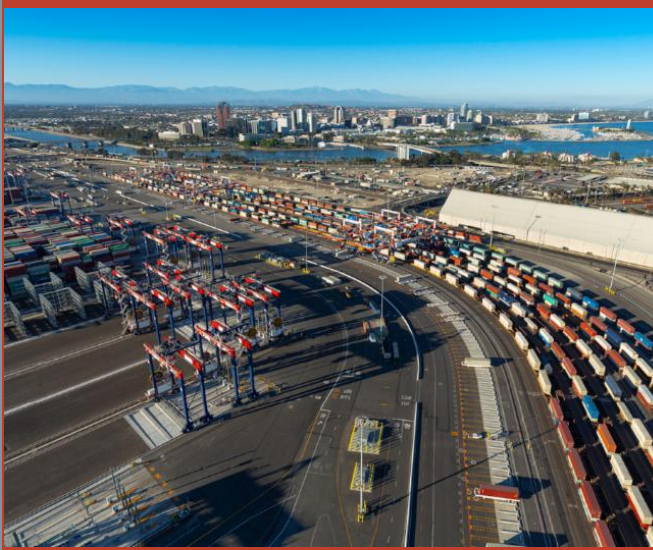
Infrastructure is one of the words on everyone's lips these days given the amount of money associated with the bills being discussed in Congress as we go to press. The FTA is part of a SoCal coalition that is discussing possible uses of the money once approved by Congress. Bearing in mind the pressing 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

FTA ADVOCACY MEETING

Do you have import, export and other trade related issues about which you are concerned? FTA's Advocacy Committee is the place to raise those issues. Our next meeting is March 3, 2022 from 4:00 PM - 5:00 PM PT - Meeting link: <https://zoom.us/j/93386806211>



Outside the Box

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



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Government Actions and Trade

How the U.S. Will Dominate Global Trade - Again

The venerable and historical example of GE and the current examples of Tesla and Plug Power demonstrate the extent to which this engagement is effective. Edison, the polymath who energized what would become GE and the American film, radio and music industries grew his enterprise by scaling into Europe with one of his most talented engineers. GE's prospects waned after its disastrous management forays into financing and insurance.

U.S. Trade Official Says China Failed to Meet 'Phase 1' Commitments

In the deal signed by former President Donald Trump in January 2020, China pledged to increase purchases of U.S. farm and manufactured goods, energy and services by \$200 billion above 2017 levels during 2020 and 2021. Through November, China had met only about 60% of that goal.

Biden Promised to Confront China. First He Has to Confront America's Bizarre Trade Politics.

The fight for economic superiority in Asia is a critical component of this contest. But 13 months into the Biden presidency, the administration's plan for competing in the region consists of a single 51-word paragraph.

Republicans Leave Door Open to ADD/CVD Provisions Surviving China Bill Conference

Although it's not clear whether a full conference committee will be convened, or there will be an informal conference will reconcile the House and Senate packages, some Republicans are leaving the door open to incorporating the antidumping duty and countervailing duty law changes that only appear in the House's America Competes Act.

World Trademark Review - USPTO Terminates Thousands of Fraud-related Applications

Everything we covered on WTR over the past seven days – and all you need to know from the world of trademarks to set yourself up for the start of another busy week.

US Says 'Clear' China Hasn't Met Trade Deal Commitments, with 'Unflinchingly Honest' Talks Ongoing

China has failed to meet its commitments under a two-year phase-one trade

deal that expired at the end of 2021, and discussions are continuing with Beijing on the matter, deputy US Trade Representative (USTR) Sarah Bianchi said on Tuesday.

Ukraine, Turkey to Sign Free Trade Deal During Erdogan Visit to Kyiv

NATO ally Turkey is a maritime neighbour of both Russia and Ukraine in the Black Sea. It has good ties with both Kyiv and Moscow, but opposes Russian policies in Syria and Libya, as well as its annexation of the Crimean peninsula from Ukraine in 2014.

CIT Oral Argument Largely Focuses on Limits to Presidential Modifications of Section 301 Tariffs

The Court of International Trade heard oral argument on Feb. 1 over whether lists 3 and 4A of Section 301 tariffs were properly imposed, marking one of the largest cases in the CIT's history. The hours-long affair saw the judges push back on arguments made by both the Department of Justice and the plaintiffs, with significant attention paid to the procedural elements of the president's decision to impose the retaliatory Section 301 tariffs on billions of dollars worth of Chinese goods.

A US-Taiwan Free-trade Deal and a Second Battlefield on EU Border After Ukraine-Russia War: Chinese Data Miners on How Year of the Tiger Could Pan Out

A free-trade deal between the United States and Taiwan, expanded US sanctions on Chinese tech companies and a "second battlefield" opening up on the Belarus-Poland border after a Russia-Ukraine conflict.

Government Interference in Economy Isn't Way to Compete With China

At heart, economic freedom is about more than a business environment in which entrepreneurship and prosperity can flourish. With its far-reaching impacts on various aspects of human development, economic freedom empowers ordinary people and unleashes powerful forces of choice and opportunity for individuals, families, and communities by nourishing other liberties, and improves the overall quality of life.



TRADE AND TRANSPORT ATTORNEYS

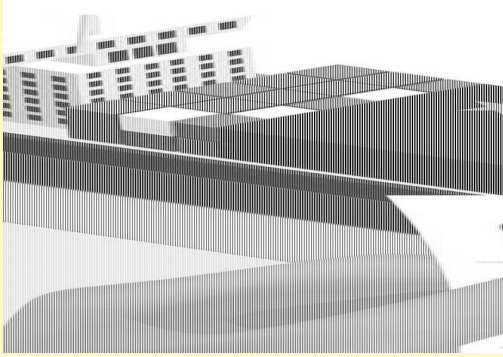
 **ROBERTS & KEHAGIARAS LLP**
ATTORNEYS AND COUNSELORS AT LAW

[LEARN MORE](#)

FTA NEWS

FTA AND UPCOMING SECTION 301 PROGRAM

The Foreign Trade Association is closely monitoring the Section 301 Action filed with the Court of International Trade and



Section 301 updates provided by the USTR. We are pleased to announce that we will be preparing a program that will shed light on the recent changes. Details on this program are soon to follow!

FTA Webinars/Courses



FOREIGN TRADE ASSOCIATION PRESENTS
Customs Brokers License Examination Course

This comprehensive course to prepare for the upcoming Customs Broker License Exam provides detailed review in areas such as:

- Customs Broker Regulations
- Entry Requirements
- Valuation of Imports
- Harmonized Tariff Classification
- Free Trade Agreements and Other Duty-Free Exemptions
- Fines and Penalties
- Various other topics typically covered on the exam
- Exam-Taking Techniques

In addition to being well-prepared for the exam, the course will also assist in developing a better understanding of critical areas of Customs Compliance even for people not planning on taking the brokers exam. The knowledge you receive will assist in enhancing skills for career advancement. If you already possess a broker's license, this is an excellent review course. Certified Customs Specialists completing the course will receive 20 CCS credits from the NCBFAA.

The course is recommended for individuals with some experience in customs brokerage or import operations. If in doubt about your level of experience, please call the instructor, Erik Smithweiss, at 213-624-1970.

INSTRUCTORS:
Erik Smithweiss & Tony Piscitelli

Erik Smithweiss is a partner with Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt. Erik has over 20 years experience in the field of customs law and procedure and has taught customs broker exam preparation courses for over ten years.

Tony Piscitelli is the owner of TP CBP Importing Compliance, which offers consulting and training services. Tony was a Compliance Specialist with Expeditors International for 11 years as well as a 32-year career with U.S. Customs and Border Protection in NY and Los Angeles. Tony has taught customs broker exam preparation courses for over 6 years.

Course Material
CBP has yet to announce the next exam date in April 2022. Reference materials and an amended flyer will be issued when CBP publishes the exam notice listing the required HTS and 19 CFR, which the students will be required to purchase.

11 WEEK EXAM PREP COURSE
Monday evenings 6:00 PM - 9:00 PM
Starts: Jan. 24, 2021
Ends: Apr. 4, 2021

Credits:
20 CCS provided by NCBFAA

Cost:
Member Price \$445
Non Member Price: \$550
Partner Price: \$500

Note: Note: Course materials are not included in the registration fee.

Location: Virtual classes will be held for now.



100 W. Broadway, Suite 660
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P: 888-223-5459

REGISTER NOW

January 24, 2022 - April 4, 2022

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- Various other topics typically covered on the exam
- Exam-Taking Techniques

Time: Mondays, 6:00 PM - 9:00 PM PT

Pricing:
\$445 - Members
\$500 - Partner
\$550 - Non-members

REGISTER
HERE

Environmental

Maritime Conflict Heats Up as China's fishing Fleet Goes Dark in Argentine Waters

Going dark refers to when ships appear to disable their electronic tracking devices, or Automatic Identification Systems (AIS), and is associated with illegal, unreported, and unregulated (IUU) fishing, which fuels overfishing and undermines efforts to protect the seas and oceans.

MHI to Build LCO2 Test Ship for Carbon Capture and Storage Projects

Although ships to carry LCO2 used in the food industry have previously been constructed and operated in Europe and Japan, this new ship is believed to be the the world's first LCO2 carrier intended specifically for carbon capture, utilization and storage.

Recycled Shipping Containers Make Up This Off-grid Retreat

When homeowner Rosie dreams, she dreams big. Yet her home is anything but. Totalling only 60 square meters, her off-grid home is made from shipping containers, creating an environment that transports her into nature.

Foods With the Worst Environmental Impact

When it comes to the impact certain foods have on the environment, it's not surprising that meat and dairy products top the list. But you might be surprised that foods we've been told are good for us may not necessarily be good for the environment.

Energy & Environment: Interior in Hot Seat After Court Halts Drilling Sale

The Interior Department is under pressure from both the fossil fuel industry and environmentalists over an assessment of an offshore drilling lease sale first greenlighted by the Trump administration. A cancellation of the offshore lease in the Gulf of Mexico by a federal judge was a win for the Biden administration, but now the decision rests with the Interior Department on how to proceed.

Rotterdam Ranks as Europe's Top Carbon Polluting Port, NGO Says

The Port of Rotterdam, Europe's busiest seaport, is associated with almost 14 million tonnes of CO2 each year, putting it on a par with Europe's fifth biggest industrial polluter – the Weisweiler coal power plant in Germany, according to a new T&E study ranking ports' 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.

Jason Poyser, ITC-Diligence, Inc.

*Coppersmith*
Global LogisticsAtlanta | Chicago | Dallas | Houston | Los Angeles
New York | Portland | San Francisco | Seattle

Maritime

Sorry, the Global Supply Chain Ate My Homework

From handwritten signs at supermarkets and deli counters to hundreds of thousands of posts on social media, the back-office lingo of corporate planners has moved into the mainstream. It has become a catchall excuse as supply-chain disruptions, freight bottlenecks and container-shipping backlogs become part of the shared experience during the pandemic.

Container Shipping has Greatest Quarter Ever — with More to Come

Supply chain congestion — the bane of cargo shippers — has proven to be an unprecedented money-making machine for carriers. And with congestion expected to persist, liner companies could follow up blockbuster fourth-quarter results with even more highs.

Ports Industry Should be Central to Government ‘Levelling-up’ Plans

The British Ports Association (BPA), the national trade association for ports and harbours, has suggested the proposals unveiled by Michael Gove in the government’s flagship Levelling Up White Paper should look at the role ports can play in economic development and how transport links can stimulate growth.

U.S. Holds World’s Top LNG Exporter Spot Amid European Energy Crisis

U.S. LNG exports hit a record 7.3 million tons in January, taking the No. 1 spot away from Middle Eastern powerhouse Qatar for a second time since December. Europe, which is facing low winter inventories and high natural gas prices due to tensions between Russia and Ukraine, was a top destination for U.S. cargoes last month.

Detention and Demurrage, and Data Initiatives Addressed at Commission Meeting - Federal Maritime Commission

The Federal Maritime Commission met in both open and closed session today to be briefed on efforts to address detention and demurrage, improve supply chain data transparency, and an ongoing investigation of Canadian government regulations that affect U.S. flag Great Lakes shipping. The Commission was also advised of the work its Area Representatives are doing at locations key to shipping around the Nation.

Liner Industry Appears Set for Another Record Quarter as Rates Bull Run Continues

ONE said at the end of October it expected its full-year earnings to come in at \$11.8bn, but three months later it has been obliged to upgrade that to \$15.4bn, on revised revenue of \$29bn from \$25.4bn previously. It reported Q3 revenue of \$8.3bn, up 122% on the same period of the year before, for a net profit of \$4.9bn, which compares with \$944m the year before and was despite an 8% decrease in its liftings to 2.94m teu.

Container Transit Times Struggle to Pick Up Steam, Data Shows

A survey conducted in January by technology company Container xChange, which canvassed 500 freight industry respondents, found 66% of those polled expected Chinese New Year factory closures to further disrupt container shipping supply chains.

Industry Groups Press Senate for Ocean Shipping Reform

In the wake of the passage last year of a \$1 trillion infrastructure bill, shippers and manufacturing groups are turning their focus in 2022 to support another federal initiative with the potential to iron out supply chain wrinkles, pledging to work with the U.S. Senate to pass an ocean shipping reform bill.

Pressure Mounts On Ocean Carriers to Take US AG Exports

There's little that the Biden administration can do directly to make the handful of foreign-owned vessel-operating common carriers servicing U.S. ports to stop returning empty containers to China, but Agriculture Secretary Tom Vilsack says they would be wise to facilitate U.S. exports.



Video of the Week

The Thorny Impact of Taiwan's Success

Many made-in-China goods are now produced in Taiwan, creating an export boom to the U.S. as tensions rise between Washington and Beijing. WSJ visits a Taiwanese factory to see how geopolitics are complicating the business environment. The [photo collage and video](#) are courtesy of the Wall Street Journal.



Logistics and Trade

Shortages 2022: 5 Products Expected to be in Tight Supply This Year

Skyrocketing demand, the pandemic and other factors driving current supply issues aren't expected to go away in 2022, and shortages of certain materials and products will likely continue. But as companies get better at forecasting and responding to potential disruptions, their impact could be less pronounced.

Supply Chain Chaos and Port Gridlock Could Drag On Into 2023

Confidence in the shipping boom's duration has propelled the sale-and-purchase market for container vessels to record levels. "The number of container vessels changing hands reached an all-time high in 2021 after shipowners appeared willing to pay almost any price to secure tonnage," said Alphaliner, which noted that the growing consensus on longer market strength may "justify [2021] purchases with delivery deferred to this year."

Global Chain Supply Issues Not Going Away in 2022

Within the next few years, autonomous vehicle technology could be the next big thing in shipping. This massive shift in the logistics sector has left some companies scrambling to catch up. The global supply chain represents the intersection of customer demand, cost, and manufacturing. Over the past decade, supply chains have drastically transformed due to volatile economic conditions and fluctuating fuel prices.

FTC Extends Deadline for Public Comment On Supply Chain Disruptions

The FTC's move has raised questions about its ultimate purpose since supply chain disruptions are a function of unusual demand and production patterns, as well as labor reductions, triggered by the pandemic. Bottlenecks are especially noticeable at major container ports and the transportation network that connects them to consumer markets, but the primary agency for ensuring fair competition in the ocean shipping industry is the Federal Maritime Commission.

'It's Gotten Really Bad': Union Pacific Bumps Up Security After Cargo Thefts Near LA Rail Yard

A 160% increase in the burglaries along the railroad tracks in L.A. County since December 2020 cost Union Pacific at least \$5 million, the railroad told

The Los Angeles Times. Safety is a concern, too: While no one was injured and officials have not identified the cause, a train derailed near the site of the debris on Jan. 15, CBSLA reported.

Russian Threat to Ukraine Sparks UK Food-security Fears

"Ukraine is by far the leading agricultural producer in the hemisphere, and the strongest producer in Europe — with the potential to multiply its output several fold," said Bate Toms, a Western lawyer in Ukraine who is chair of the British Ukrainian Chamber of Commerce. He said Ukraine on its own could ensure food security in the U.K. — a nation at risk when it comes to keeping the shelves stocked because it imports more than half the food it consumes.

Omicron, Weather Dent Air Cargo Growth in January

A new report shows air cargo demand was flat in January compared to last year and 2019, but the sampling of airlines' shipment business doesn't take into account ongoing disruptions to the air logistics system that have prevented carriers from transporting as many goods as shippers are presenting, essentially resulting in an undercount of volume.

Why Parcel Shipping Will Be Even More Expensive in 2022

A 5.9% general rate hike is common across U.S. parcel carriers this year, higher than the 4.9% increase many put into effect in 2021. When factoring in FedEx and UPS' adjustments to their surcharges, such as for fuel or oversized package handling, the overall increase in what shippers are paying "is actually in excess of 9%," said Tom Nightingale, CEO at AFS Logistics.

Upcoming Events

January 24 - April 4 - FTA Customs Broker License Exam Preparation Course - 6:00 PM - 9:00 PM PT - Join us for our virtual course - Register [here](#)

February 15 - IBA - Securing the High Seas - 11:30 AM - 1:00 PM PT In 2021 during the ongoing pandemic, additional COVID mandates, and supply chain issues we also saw businesses of all sizes struggle with cyber-attacks. How can growing companies respond to these global challenges? Please join us - Register [here](#)

February 24 - 25 - TPM Tech- The Long Beach Convention Center, Long Beach - Register [here](#)

February 27 - March 2 - TPM22- The Long Beach Convention Center, Long Beach - The must-attend conference for the trans-Pacific and global container shipping and logistics community - Register [here](#)

February 27 - March 2 - ICPA Annual Conference- The Grand Hyatt, San Diego, CA - Register [here](#)

May 1 - May 4 - NCBFFA Annual Conference - 9:00 AM - 5:00 PM PTFort Lauderdale, FL - Register [here](#)

May 24 - CITT Town Hall - 7:30 AM - 10:00 AM PT- Hyatt Regency Long Beach - Register [here](#)

May 25 - May 27 - 2022 I-NUF 9th METRANS International Urban Freight Conference - The conference brings together researchers and practitioners in

urban freight, supply chains, and logistics from around the world. It is a showcase for cutting-edge research and dynamic information-sharing and provides a forum for researchers, policy makers, and practitioners to reimagine and guide the future of the industry - Register [here](#)

July 19 - 20 - CBP 2022 Trade Symposium - Hilton Anaheim, Anaheim, CA - Register [here](#)

October 6 - 9 - WESCONN 2022 - Loews Coronado Bay Resort, San Diego, CA - Register [here](#)