



January 28, 2022 Volume 3, Nr. 4

Add "war in the Baltics," to the list of things that economists, traders and governments around the world are watching. This week, the US was working with European allies in the event gas supplies were reduced or cut-off, affecting both citizens and businesses which rely on it for both heat and energy in factories and businesses.

Number of the Day:

18.7%

Growth in air cargo traffic worldwide in 2021 over the year prior and a 6.9% gain over the pre-pandemic measure in 2019, according to IATA.



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.

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.

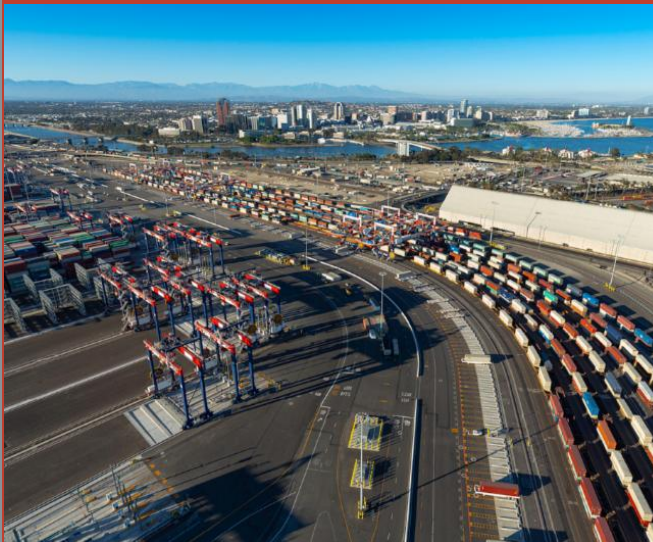
SoCal Infrastructure Coalition: WE WANT TO HEAR FROM YOU

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 February 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.



Port of **LONG BEACH**
THE PORT OF CHOICE

Government Actions and Trade

Get Ready For Likely New Sanctions Against Russia

As the military situation in Ukraine continues to develop, companies and compliance personnel must remain nimble and prepare for a range of U.S. and international sanctions. Depending on Russia's actions

U.S. Plans Sanctions, Export Controls Against Russia if It Invades Ukraine

Taking a page out of the Trump administration playbook to pressure Chinese

telecom giant Huawei Technologies Co., senior administration officials on Tuesday said the U.S. could ban the export to Russia of various products that use microelectronics based on U.S. equipment, software or technology.

What is RCEP and What Does an Indo-Pacific Free-trade Deal Offer China?

First proposed in 2011, the RCEP will eliminate as much as 90 per cent of the tariffs on imports between its signatories within 20 years of coming into effect, which could be by early as next year. It will also establish common rules for e-commerce, trade and intellectual property.

U.S. Flags Mexico's Energy Policy, Scrutinizing Trade-Deal Risks

The U.S. Trade Representative's office, the Energy Department and the Commerce Department "remain committed to ensuring fair treatment for U.S. exporters and investors," their leaders said. The comments came in a letter seen by Bloomberg News and sent last week to Representative Buddy Carter, a Georgia Republican.

Commerce Semiconductor Data Confirms Urgent Need for Congress to Pass U.S. Innovation and Competition Act

Today, the U.S. Department of Commerce released the results from the Risks in the Semiconductor Supply Chain Request for Information (RFI) issued in Sept. 2021. Key findings from the report provided data-driven information about the depths of the semiconductor shortage and underscored the need for the President's proposed \$52 billion in domestic semiconductor production.

Federal Register: Notice Seeking Public Comments on Methods To Prevent the Importation of Goods Mined, Produced, or Manufactured With Forced Labor in the People's Republic of China, Especially in the Xinjiang Uyghur Autonomous Region, Into the United States

Comments must be received on or before March 10, 2022 at 11:59 p.m. EST

China Misses Trade Deal Targets, Raising Pressure on Biden

The landmark trade deal signed in 2020 between the world's two largest economies failed to reduce the bilateral trade deficit, adding pressure on the Biden administration to deal with the unresolved economic problems with China.

Joe Biden Won't Lift Tariffs on Chinese Imports Since Beijing Hasn't Abided by Phase One Trade Deal

The comments were the latest sign that Biden is continuing to hold a hard line on China policy one year into his administration, from human rights to trade, even as he has moved quickly to reverse many other policies put in place by his predecessor, Donald Trump.

To Stabilize Central America; US Must Craft Better Incentives for Trade

The causes of the current crisis are diverse and longstanding, and there is no simple solution. Better border security, aid to democratic institutions, fighting organized crime throughout the region, and sanctioning corrupt officials are all part of the answer and figure prominently in U.S. government efforts. However, U.S. policy still falls short in one key area: initiatives to foster economic prosperity through regional trade and job growth.

Statement from USTR Spokesperson Adam Hodge on the WTO Arbitration Award Announcement in United States – Countervailing Duty Measures on Certain Products from China

The deeply disappointing decision today by the WTO arbitrator reflects erroneous Appellate Body interpretations that damage the ability of WTO Members to defend our workers and businesses from China's trade-distorting subsidies. Today's decision reinforces the need to reform WTO rules and dispute settlement, which have been used to shield China's non-market economic practices and undermine fair, market-oriented competition. The Biden Administration will continue to use all our tools to stand up for the interests of America's workers, businesses, farmers and producers, and strengthen our middle class.

TRADE AND TRANSPORT ATTORNEYS

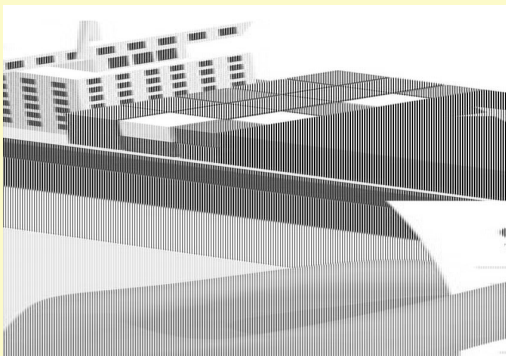


ROBERTS & KEHAGIARAS LLP
ATTORNEYS AND COUNSELORS AT LAW

[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

January 24, 2022 - April 4, 2022

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



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 CCB 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 & Kostant. 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 CCB 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 600
Long Beach, CA 90802
P. 888-223-6459

- Free Trade Agreements and Other Duty-Free Exemptions
- Fines and Penalties
- 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**



ROANOKE

Surety Bonds | Insurance | ATA Carnets



www.RoanokeGroup.com

1.800.ROANOKE

Environmental

Tesla Sees Supply Chain Issues After Record Earnings (Video)

Tesla on Wednesday said it expected supply chain issues to continue through this year, after posting record quarterly revenue that beat Wall Street estimates.

Some Call it a Shipping Container, Others Call it Home

Years ago, while working as a real estate broker specializing in schools and churches, Katalina Klein had a client who used shipping containers to set up classrooms quickly to accommodate the growing student population.

"At that time, I figured if you could use shipping containers in classrooms with children, you could use them for houses. That is when the idea began to emerge," Klein said.

"Containergeddon" Results in \$2.1B Loss to California Farmers

The supply chain gridlock and shipping container shortage has resulted in California agriculture losing an estimated \$2.1 billion (or 17 percent), according

to a recent study released by the University of California, Davis.

Wind Turbine Maker Warns of Volatile Business Environment as Inflation and Supply Chain Issues Bite

The wind energy sector faces a rocky road ahead due to a multitude of factors, according to wind turbine manufacturer Vestas. "The global business environment for wind energy remains volatile in the short term and prosperous in the long term," the Danish firm said Wednesday, before adding it was expecting "the near future and at least 2022 to be heavily impacted by cost inflation."

The Environmental Impact of the Metaverse

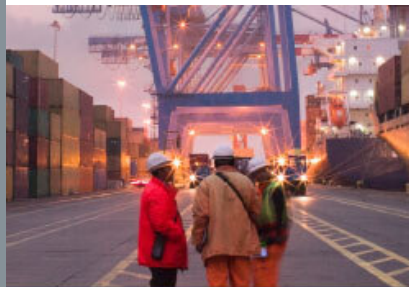
The datacenters required to run the metaverse's persistent worlds aren't cheap from an energy consumption standpoint. And at least one vendor, Intel, figures that a 1,000 times increase in power is needed over our current collective compute capacity to power the metaverse — which could grow its carbon footprint even further.



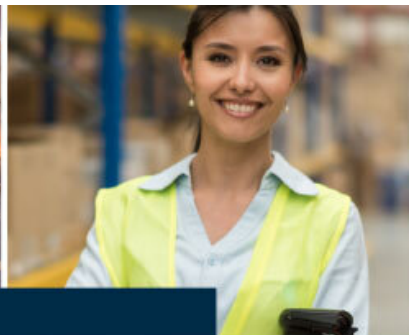
Got a story idea?

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**



YUSEN LOGISTICS



**CONNECTING SOLUTIONS TO
IMPROVE YOUR SUPPLY CHAIN**

www.yusen-logistics.com

1.800.414.3895


Yusen Logistics
INSIGHT INTO ACTION



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.

Your Name Here!

SUPPORTING WORLD TRADE SINCE 1948



Coppersmith
Global Logistics

Atlanta | Chicago | Dallas | Houston | Los Angeles
New York | Portland | San Francisco | Seattle

Maritime

How Russian Invasion of Ukraine Could Impact Ocean Shipping

The first potential consequence, which would affect all shipping segments, would be higher fuel costs. The price of marine bunker fuel follows the price of Brent crude. "With the clear potential for an invasion of Ukraine, this would only further exacerbate any perceived squeeze on oil markets," said Maritime Strategies International in its January tanker outlook, adding, "Such geopolitical volatility typically pushes up prices."

Port of Long Beach Smashes Annual Record Despite December 'Speed Bump'

During 2021, the Southern California port handled 9,384,368 twenty-foot equivalent units, a 15.7% increase from the previous record of more than 8.11 million TEUs set just a year earlier. Imports increased 14.6% year-over-year to

4,581,846 TEUs, while exports declined 2.6% to 1,437,916 TEUs. Empty containers moved through the port jumped 27.5% to 3,364,606 TEUs.

APL England Master Faces Trial in Australia Over Heavy Weather Cargo Loss

The Singapore-flagged APL England was underway from China to Australia when it lost 50 containers overboard back on May 24, 2020, following a temporary loss of propulsion in heavy seas caused severe rolling about 73 kilometers southeast of Sydney. Debris from the cargo containers impacted NWS beaches.

Imports Drop at Southern California Ports as Ship Backup Grows

Shipping industry officials say the factors that triggered big bottlenecks earlier in 2021 persisted through December and have continued into 2022. Ships can't unload quickly because terminals are full of containers. Truckers can't pick up loads due to a shortage of drivers and the steel trailers used to pull boxes. Warehouses near the ports and at nearby logistics hubs are short workers and don't have space for more deliveries.

Fallen Flags: Horizon Lines was Largest Jones Act Maritime Logistics Company

Horizon Lines, Inc. was the largest Jones Act maritime shipping and logistics company in the United States. During its corporate lifetime, it was responsible for about 37% of all U.S. container shipments linking the continental United States to Alaska, Hawaii and Puerto Rico.

Imports Drop at Southern California Ports as Ship Backup Grows - WSJ

Combined inbound volume fell about 14% at the ports of Los Angeles and Long Beach, Calif., in December compared to one year ago, according to preliminary data from the ports. It was the fourth straight month of year-over-year declines.

House China Bill Proposes Major Changes to ADD/CVD; Pivotal Republican Senator Supports Them

The House Majority Leader Steny Hoyer, D-Md., said he will bring the massive America COMPETES bill up for a vote soon. While it may not need to attract any Republican votes to pass there, a bipartisan compromise will be necessary in conference.

Svitzer Sending Two More Tugs to the Suez Canal

Svitzer started operating in the Suez Canal in late 2019 with the two tugs Svitzer Port Said 1 and Svitzer Port Said 2, operating out of Port Said on the northern end of the Suez Canal. In March 2021, the two tugs were among more than a dozen that assisted in the refloating of the Ever Given.

Think Tank Expects Solar Safeguards to Continue

A center-right think tank noted that with the International Trade Commission saying safeguard tariffs on imported solar panels and cells should continue, and the Department of Justice appealing a ruling that tariffs on bifacial solar panels weren't legal, the White House is likely to continue the safeguard tariffs past the original February expiration date.

Maritime History Notes: The Evolution of Car Carriers

Today, a car carrier is referred to as a pure car carrier (PCC) or a pure car and truck carrier (PCTC). Looking like a floating garage, the largest of these can carry up to 8,500 automobiles. The difference between the two is the size and

strength of the ramps and the layout of the decks. On a PCC, the distance between the decks may only be 5 feet, thereby allowing a maximum number of cars to be carried.



Video of the Week

Reverse logistics doesn't reverse the environmental impact

Whether you "bracket" sizes of an item because you're not sure of the optimal size or you order the same thing in multiple colors because you're curious which one looks best, one thing's for certain - there's going to be stuff to return. We've all gotten complacent and casual with how easy it is to return things we get online nowadays - sometimes not even to the merchants from whom we bought them. But what happens when you walk away wondering just how fast you'll get your refund? CNBC takes a look.



Nike says a 'sole train' helped mitigate supply chain disruptions

Nike lost three months of production because of COVID-19 factory shutdowns in Vietnam during Q1 of FY2022. More than half of Nike shoes and about 30% of its apparel were made in Vietnam, as of the last fiscal year.

Inflation, Supply Chain, Omicron Expected to Take a Bigger Toll on Global Growth

The pace of economic growth both in the U.S. and globally is likely to decline more sharply than previously expected, the International Monetary Fund says in its latest forecast, citing inflation, fallout from the Omicron variant and chronic supply-chain problems.

Tracking the shift to 24/7 supply chains

An import surge throughout the pandemic laid bare the structural issues that have plagued businesses transporting products into and across the U.S. for years. But in few places have the issues been clearer than in Southern California, where the ports of Los Angeles and Long Beach have at times seen more than 100 ships waiting to dock and unload their containers.

Semiconductors expected to be in tight supply throughout 2022

Increasing use of chips in everything from automobiles to appliances means more businesses across industries are competing for limited supply. Suppliers are working furiously to ramp up production, announcing plans for new factories and billions of dollars worth of capital expenditures.

Supply Chain Challenges Could Cost the North American Apparel and Footwear Industry \$17 Billion This Year

Costs have gone up considerably in 2021. Kearney estimates that the cost of cotton rose 40%, transpacific container shipping rose 300%, air freight rose 50%, and OTR freight rose 20% last year. These spikes, combined with labor shortages and increasing logistics and warehousing expenses, have made the situation more hurtful to the industry.

Container xChange Warns of 'Ripple Effect of Disruptions One After the Other'

Despite the fast turnaround of containers, the latest partial port lockdowns in China as a result of the country's zero-COVID policies have supply chain operators voicing concern. "As the omicron variant brings more disruption, with Chinese New Year around the corner and some ports including Ningbo already facing lockdowns, we are expecting a volatile start to the year for ocean freight logistics," said Johannes Schlingmeier, co-founder and CEO of Container xChange, an online marketplace for buying, selling or leasing containers.

US Semiconductor Shortage Won't End Soon, Commerce Says

Law360 (January 25, 2022, 7:18 PM EST) -- The U.S. Department of Commerce reported Tuesday that semiconductor inventory is down to a five-day supply and shortages are likely to continue through the first half of 2022.

Robust 2021 Holiday Sales Pressure Reverse Logistics

A robust holiday shopping season resulted in retailers being inundated with returns and exchanges. In the process of accepting returns, termed a "reverse logistical process," retailers are presented with an untidy headwind that accounts for more than 10% of total supply chain costs.

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](#)