

April 15, 2022 Volume 3, Nr. 15

With **three** million refugees (and counting) having fled Ukraine, the country and its people are in need of help. <u>Here is a list of places</u> that you can donate in support of Ukraine in a variety of ways, if you're so inclined.

(In case you are wondering, this is going to be a sticky post until Russia's aggression ceases and the recovery and rebuilding begins.)

FTA's 96TH WORLD TRADE WEEK EVENT LUNCHEON AND TRADESHOW Registration Now Open!



SPEAKERS INCLUDE



Mark Hirzel, FTA President Presentation of Marjorie M. Shostak Distinguished Service Award

A start

FTA World Trade Week Program Chair and Moderator Cathy Thrasher, FCL Logistics Ltd.

Keynote Luncheon Speaker



Paul Bingham, Director, Transportation Consulting, Economics & Country Risk S&P Global Market Intelligence (formerly IHS Markit)

REGISTER |SPONSOR | VIEW AGENDA

World trade significantly contributes to the nation's economy and has developed a vast new horizon for America's businesses. World Trade Week (WTW) celebrates the industry and dedicates itself to informing the public on the benefits and importance of global trade on the overall economy through a series of events and educational programs. Please join us for our 96th Annual World Trade Week event!

Upcoming Events

April 21 - 2022 International Seafarers Center Spring Fling - 5:30 PM - 8:00 <u>PM PT</u> - This years International Seafarers Center's Spring Fling is being held at the Lions Automobilia Foundation Museum - Register <u>here</u>

<u>April 25 - LATC Spring 2022 Scholarship & Fund Raiser Golf Tournament</u> <u>- 10:00 AM - 3:00 PM PT</u> - Industry Hills Golf Club at Pacific Palms Resort -Register <u>here</u>

April 27 - FREE LACBFFA Town Hall: Dealing with the Challenging Times-What the PCC Does For You - 11:00AM - 12:00 PM PT - The PCC provides multi-faceted services to the brokers and forwarder - Register <u>here</u>

May 1 - May 4 - NCBFFA Annual Conference - 9:00 AM - 5:00 PM PT-Tucson, AZ - Register here

<u>May 12 - Air Cargo Day at The Proud Bird - 11:00 AM -2:00 PM PT</u>-Network with industry professionals and strengthen partnerships by attending Air Cargo Day 2022. This annual conference features 45 plus exhibitors presenting their new products and services!. Join us for this free event of networking, booth giveaways and raffle prizes! - Register <u>here</u> May 20 - HTA's Tech Conference - DRAYTECH - 9:00 AM - 5:00 PM PT-Hotel Maya, Long Beach, CA - Register <u>here</u>

May 24 - CITT Town Hall - 7:30 AM - 10:00 AM PT- Hyatt Regency Long Beach - Register here

<u>May 25 - May 27 - 2022 I-NUF 9th METRANS International Urban Freight</u> <u>Conference</u> - 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 <u>here</u>

J<u>une 13-15 - AAEI 2022 Conference - Fort Lauderdale Marriott Harbor</u> Beach Resort - Register <u>here</u>

July 19 - 20 - CBP 2022 Trade Symposium - Hilton Anaheim, Anaheim, CA - Register here

October 6 - 9 - WESSCON 2022 - Loews Coronado Bay Resort, San Diego, CA - Register here

Number of the Day:

\$39.7 billion

Value of freight moving by truck across the U.S.-Mexico border in both directions in January, up from \$34.5 billion in January 2021, according to the Bureau of Transportation Statistics.

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recognized and respected national and worldwide sources. Some of

these sources may link a paywall, requiring a subscription.

FMC's Advanced Notice of Proposed Rulemaking

WE WANT TO HEAR FROM YOU

The Federal Maritime Commission (FMC) has <u>announced</u> an <u>Advanced Notice</u> <u>of Proposed Rulemaking</u> seeking feedback on a potential regulation on detention and demurrage billing practices.

The FTA wants to hear from its members on this matter. Please submit your comments to <u>ac@tradeandcargoconsulting.com</u>.

RUSSIAN SANCTION QUESTIONS?

The Treasury Department is now operating a helpdesk line and email inbox to

handle all technical questions regarding sanctions with Russia. Here's the general inbox/VM for Treasury:

(800) 540-6322, or ofac feedback@treasury.gov

We're told that the helpdesk is being actively monitored and that companies are receiving timely responses.

AB 2406 - ACTION NEEDED

The Foreign Trade Association joined over 75 other international trade organizations encouraging California State legislation on responsible demurrage and detention charges. Although initiated by agricultural shippers, this bill covers all commodities and encourages carriers in the efficient use of both import and export container and their prompt return for reuse. AB 2406 is tentatively scheduled to be heard in the Assembly Transportation committee on either April 18 or April 25

We have been advised that the Chair of that committee needs to hear the supply chain industry's support for protecting against unfair detention and demurrage.

There are two ways we are asking you to engage:

 Please consider sharing the below email campaign with your respective members/clients as soon as possible to encourage Chair Friedman to set the bill for a hearing. The chair needs to hear as much support for this bill, as soon as possible.

CLICK HERE FOR EMAIL CAMPAIGN

 For California-based lobbyists/Associations, please take a moment to send a note to the Chair letting her know these unfair fees are impacting your members/clients and urging her to set AB 2406 for hearing.

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 May 5, 2022 from 4:00 PM - 5:00 PM **PT - Meeting link:** https://zoom.us/i/93386806211



Time to Transform

Meeting today's challenges, preparing for tomorrow.



Port of LONG BEACH THE PORT OF CHOICE

Of Trade War and Prices: Aluminum Tariffs Have Cost Beverage Makers Some \$1.4 Billion.

Manufacturers purchased 7.1 million metric tons of aluminum sheet for cans (aka cansheet) in that period. The tariffs apply to primary aluminum, which constitutes on average less than 30% of cansheet (more than 70% of which is recycled scrap). About \$111 million in tariffs has been paid to the U.S. Treasury over the last four years. But \$1.3 billion, according to Harbor, has been pocketed by U.S. aluminum mills and U.S. and Canadian smelters.

What is IPEF, and Will it Help the US Counter China's Influence in the Asia-Pacific?

The rivalry between China and the United States has escalated in recent years and is set to intensify with the launch of multiple trade groupings in Asia. The latest to be negotiated is the Indo-Pacific Economic Framework (IPEF), a USled initiative which is widely seen as an effort to counter China's influence in the Asia-Pacific. The economic potential of the region is considered massive, with a young population and growing middle class. But stronger ties with countries in Asia go beyond economic benefits and involve geopolitical security dynamics.

<u>China Commerce Ministry says it Hopes U.S. Will Remove Tariffs on</u> <u>Chinese Goods as Soon as Possible</u>

China's commerce ministry hopes the United States will remove tariffs on Chinese goods and stop cracking down on Chinese firms as soon as possible, ministry spokersperson Shu Jueting told regular news conference on Thursday. A stable and healthy bilateral trade relations will help stabilize global supply chains and the global economic recovery, Shu said after a U.S.-China Business Council report said China is still an important export destination for the United States.

<u>To Understand Why Biden Extended Tariffs on Solar Panels, Take a</u> <u>Closer Look at Their Historical Impact</u>

These tariffs add a 14%-15% tax on cheaper imports, raising their cost in the U.S. At the same time, the Biden administration is urging an expansion of renewable energy and energy security, two priorities for many countries. U.S. engineers invented the solar cell, the part of the panel that generates electricity, in the 1950s at Bell Labs. The country was a world leader in manufacturing until about 20 years ago.

<u>Chinese Commerce Ministry Urges US to Remove Tariffs, as Bilateral</u> <u>Trade Supports 860,000 American Job</u>

MOFCOM spokesperson Shu Yuting said that facts have showed that the nature of US-China economic and trade ties are mutually beneficial and that there exists great potential for the two sides to expand cooperation. As the world's two largest economies, stable economic and trade ties between China and the US not only meets the fundamental interests of both countries and both peoples, but also benefit stable development of global industrial and supply chain and world economic recovery.



ROBERTS & KEHAGIARAS LLP ATTORNEYS AND COUNSELORS AT LAW



Environmental

More Than 40% of the Energy Used by the US Shipping Fleet Could be Replaced with Zero-emissions Solutions this Decade: UMAS Report

UMAS, a commercial advisory service affiliated with the UCL Energy Institute at University College London, has issued a report commissioned by The Ocean Conservancy that shows the scale of US shipping fleet emissions and opportunities to decarbonise the sector. In 2018, carbon emissions from all USflagged vessels amounted to around 26m tonnes, approximately 2.4% of global shipping emissions. Domestic shipping voyages accounted for about 70% of carbon emissions from the US-flagged shipping fleet, which presents a unique opportunity for US actions to effectively decarbonise the American maritime sector.

CMA CGM Tells Shippers it Won't Accept Plastic Scrap as of April 15

Scrutiny over plastic waste is leading ocean carriers to make changes to the commodities they export. CMA CGM, one of the top ocean carriers in the world, will no longer export plastic waste. The decision to ban plastic waste onboard their ships comes at a time when sustainability and environment-friendly practices are in high demand from customers and regulators. U.S. plastic scrap exports fell by 11% in 2021 with 557 million kilograms of plastic scrap exported compared to 629 million kilograms in 2020, according to U.S. export data.

<u>Chinese Cleantech: 2022 Marks Year Of Transition For Wind And Solar</u> <u>Policy</u>

China grew its renewable energy industry by leaps and bounds over the span of a few decades. According to the latest data available, in 2020 China accounted for 54% of global wind-turbine assembly capacity and 70% of solar module manufacturing.1,2 The speed of China's ascent in solar and wind energy over the past ten years can be attributed partially to its system of subsidy support. As solar and wind power get closer and closer to grid parity status, the policy landscape in China is changing accordingly, moving away from generous subsidies and towards putting renewable energy to use.

Sustainable Logistics: 7 Steps To Reduce Emissions And Optimize Operations

With strong economic growth projected globally – particularly for Asia, Africa, and Latin America – logistics emissions are expected to more than double by 2050. By now, we're long past the point for research and planning. The time is now to take the action needed to change the trajectory.



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.

Daiane Camilo, Student Member

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Maritime

Russia's Targeting of Merchant Ships Branded a War Crime

The NGO Human Rights At Sea (HRAS) has branded Russia's decision to target merchant ships, killing innocent seafarers in the process, as war crimes that ought to be prosectuted. By Splash's tally, 11 merchant ships have been fired upon in the opening 50 days of the war with two seafarers killed and a further number injured. A number of other ships have been detained by Russian forces with crews taken off the ships, while there remain many hundreds of seafarers stranded, afloat in the war zone, with dwindling provisions.

Singapore Probe Reveals Contaminated Bunker Fuel Was Sold to Some 200 Ships

The MPA said it learned on 14 March 2022 that a number of ships had been supplied with High Sulphur Fuel Oil (HSFO) containing high concentration

levels of chlorinated organic compounds (COC) and immediately notified the relevant bunker suppliers to halt the supply of the fuel and notify ships of issue. The MPA said its investigation into the contamination revealed that the fuel in question was a blended product supplied by Glencore Singapore Pte Ltd, a subsidiary of commodities trading giant Glencore International, which notified the MPA upon receiving reports of its fuel being contaminated and proceeded to conduct testing.

<u>Why Supply Chain Woes Mean The Shipping Industry Needs Increased</u> <u>Cybersecurity</u>

Supply chains are increasingly attractive targets to cyberattackers, as they provide the potential for large-scale extortion. Ocean freight shipping, for example, is falling victim to more and more attacks. Over the last couple of years, there have been a series of successful attacks on major carriers, from the Maersk ransomware attack to the Mediterranean Shipping Company suffering a malware-based breach.

<u>'We Will Get an Agreement': ILWU Leaders Express Confidence in Upcoming Contract Talks</u>

Labor leaders minced no words in their conversation with Seroka. The message? "Everybody out there, just tone it down and stop all the rhetoric," Adams said. "We have been negotiating — the ILWU and our employers — since the 1930s. There's adults on both sides of the table. It's called the process." Adams emphasized that the collective bargaining process takes time. The union needs to get its demands together, as does the marine terminal employer association. And sometime in May, the two sides will begin negotiating. The current contract between the two parties expires July 1, 2022.



Video of the Week

KNOWLEDGE....

EXPERIENCE...

DEDICATION....

"Hey, Abbott!"

Few but the most...vintage...of us will get the reference to<u>this 40's and 50's</u> <u>comedy duo</u>, but it was how one member would call the other to get his attention. It felt like the appropriate shrillness to call out what is happening in Texas where the state's governor who is up for reelection this year decided that requiring every shipment coming into the state from Mexico be inspected after CBP has already done their work and importers have made all their declarations to the requisite agencies.

Single-handedly, he's alienated importers, truckers, logistics companies, and

the insurers who are going to be paying claims for produce spoiling in trucks that are running out of fuel waiting on bridges to enter America.

So as many go shopping to prepare meals to celebrate a holiday with family and friends this weekend, if you're finding gaps in the fresh produce section of your grocery store, just train your gaze on the Lone Star state and ask the question, "Hey, Abbott, what do you think you're doing?"



Logistics and Trade

California is Single-handedly Making the Supply Chain Crisis Even Worse The California Air Resources Board (CARB) issued a set of revised regulations called the Air Resources Board Truck and Bus Regulation, which required trucking companies in the state to upgrade their trucks with 2010 or newer engines by Jan. 1, 2023. The provision will add additional pressure to the supply chain crisis and cause many small trucking businesses to close or significantly reduce their workforce, industry leaders told the DCNF.

Diversify Global Supply Chains, Don't Dismantle Them, IMF Says

In an analytical chapter of its forthcoming World Economic Outlook, IMF researchers said that countries experienced larger declines of goods imports, and GDP, in the first half of 2020 when trading partners imposed strict COVID-19 lockdowns. Such declines revealed the vulnerabilities of value chains optimized for maximum efficiency and have prompted governments to call for more production to be brought home.

International Trade Halted at Texas Border Crossing as Truckers Protest Greg Abbott's New Inspections

The bridge connecting Pharr and Reynosa is the busiest trade crossing in the Rio Grande Valley and handles the majority of the produce that crosses into the U.S. from Mexico, including avocados, broccoli, peppers, strawberries and

tomatoes. On Monday, with trucks backed up for miles in Reynosa for the fifth day in a row, some produce importers in Texas said they have waited days for their goods to arrive and already had buyers cancel orders.

Logistics Barriers are Removed After China's Top Economic Planner Urges for Smooth Transport

Expressway closures in some places have been reduced and the overall traffic congestion in the country has been eased, He Dengcai, deputy director of the China Federation of Logistics and Purchasing (CFLP), told the Global Times on Thursday. As of Tuesday, the number of closed expressway toll stations had been reduced to 517, accounting for 4.79 percent of all toll stations. For service stations, the number fell to 283, accounting for 4.28 percent of the total. Seven provinces and municipalities had opened all expressways as of Tuesday, according to the Ministry of Transport (MOT) on Thursday.