



FTA

Foreign Trade Association

March 25, 2022 Volume 3, Nr. 12

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

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



Number of the Day:

2,849,341

Tons of cargo shipped through Los Angeles International Airport in 2021, up 22.3% from the year before and 30.5% more than 2019.



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.

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. A copy of the support letter can be seen [here](#).

FMC's Advanced Notice of Proposed Rulemaking

----- WE WANT TO HEAR FROM YOU

The Federal Maritime Commission (FMC) has [announced](#) an [Advanced Notice of Proposed Rulemaking](#) 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 ac@tradeandcargoconsulting.com.

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.

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 April 7, 2022 from 4:00 PM - 5:00 PM PT - Meeting link: <https://zoom.us/j/93386806211>



Time to Transform

Meeting today's challenges,
preparing for tomorrow.



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Government Actions and Trade

Can Crypto Replace US Dollar for international Trade? Industry Experts Weigh In

It is a matter of debate whether a cryptocurrency will replace US dollar for international transactions in the coming years. However, Rajnish Kumar, chairman, BharatPe and former chairman SBI believes crypto is the buzzword of the new age economy and it is not defined by national boundaries.

U.S. Renews Tariff Exemptions for Some Chinese Imports

The Biden administration conducted a review of 549 categories of goods for which waivers were sought, and on Wednesday the U.S. Trade Representative's office said it had granted 352 exclusions while denying the rest Wednesday's decision will have a relatively small impact on the tariffs overall. The tariffs imposed in 2018 and 2019 covered more than \$350 billion a year worth of trade, and companies had filed more than 53,000 requests for tariff relief.

As Inflation Surges, Biden Targets Ocean Shipping

Daniel B. Maffei, the chair of the Federal Maritime Commission, said in an interview that there was "no question" that changes in consumer demand as a result of Covid had driven a rapid increase in shipping prices. But, he added, "does that mean the carriers have to charge this much?" The commission has never filed an antitrust case against a carrier. But Mr. Maffei noted that "conditions are absolutely, totally different now than they were two years ago. The pandemic has changed everything."

Quad Trade Ties Grow Despite Tensions Over Russia

Australia and Japan announced a flurry of new investments in India in recent days. The three countries, along with the U.S., are part of a group of democratic countries called the Quadrilateral Security Dialogue, also known as the Quad.

Russia Allegedly Seizes Ships Carrying Ukrainian Grain

Ukrainian prosecutors have opened an investigation into the alleged forceful seizure by Russian troops of five ships carrying Ukrainian grain in the port of Berdiansk, the general prosecutor's office said on Monday. India has diverged with the group's other countries over Russia's invasion of Ukraine, as New Delhi has avoided directly condemning Moscow. While the other countries

have urged India to take a tougher stand, they haven't allowed their differences on the invasion to get in the way of their growing security and economic ties.

USTR Extends 352 Expired Exclusions from Section 301 Tariffs on China

The U.S. Trade Representative on March 23 announced the extension of 352 exclusions from Section 301 tariffs on China. The exclusions, all of which had expired, resume effect as of Oct. 12, 2021, and will remain in effect through Dec. 31, 2022, USTR said. The exclusions include 89 covered under List 1 Section 301 tariffs, 34 under List 2, 187 on List 3 and 42 exclusions covered by List 4, according to a pre-publication notice released by USTR. Most had expired at the end of 2020, but some expired in 2021.

Germany Calls for New Talks on Transatlantic Trade Deal

Germany's finance minister has called for fresh talks over a free trade agreement between the European Union and the United States, a newspaper reported on Sunday, aiming to revive discussions halted by former U.S. President Donald Trump.

Ship Departures from Russian Ports Fall by a Third; Grain, Coal Shipments Down 72%

"It's a big fall and it will get worse," a Singapore-based dry-bulk broker said. "The Black Sea is riddled with mines and it's out of bounds. Moving Russian or Ukrainian exports is expensive and very risky." Lloyds List said the number of China-bound bulk carriers has halved since the Russian invasion last month.

U.S., U.K. Strike Trade Deal to End Tariffs on British Steel and American Whiskey

Biden administration officials said the agreement with the U.K. will allow the U.K. to ship "historically-based sustainable volumes" of steel and aluminum products to the U.S. without levies imposed under the former Trump administration. In exchange, the U.K. will lift retaliatory tariffs on more than \$500 million worth of U.S. exports to the U.K., including distilled spirits, farm products and consumer goods.

Magnus Looks Ahead | U.S. Customs and Border Protection

Sitting down with U.S. Customs and Border Protection Commissioner Chris Magnus to discuss his first 100 days at the helm of the nation's largest federal law enforcement agency, the conversation quickly focused on the importance of working with people to get things done. "Everything I feel has been a successful accomplishment has been the result of a team that I've been part of."

Pressed to Choose Sides on Ukraine, China Trade Favors the West

Despite growing trade ties to Southeast Asia and an economy that is less dependent on trade over the past decade, China's economic interests remain heavily skewed to Western democracies, trade data reviewed by Reuters showed. Siding with political ally Russia would make little economic sense for China, according to analysts, as the United States and European Union still consume more than a third of China's exports.

China Must Engage Australia to Boost CPTPP Chances, Trade Minister Says

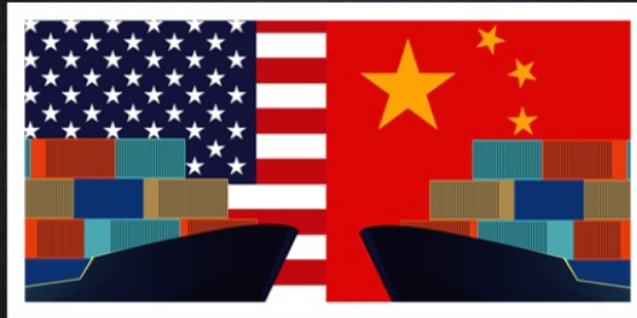
The trade bloc, which emerged in 2018 from the ashes of a previous trans-Pacific pact that fell apart following the US' withdrawal, counts Australia, Singapore, Vietnam, Japan, Canada, Mexico and Peru among its members –

and represents some US\$13.5 trillion in combined gross domestic product.

U.S., U.K. Reach Deal to Ease Tariffs on Steel and Aluminum

The deal will allow 500,000 metric tons of steel annually to be imported duty free, with higher amounts subject to tariffs, starting June 1, the Commerce Department said in a statement. The U.K. also will end retaliatory tariffs on more than \$500 million worth of U.S. exports, including distilled spirits, agriculture products and consumer goods.

Arnold on Twitter: "I love the Russian people. That is why I have to tell you the truth. Please watch and share."



ROBERTS & KEHAGIARAS LLP
ATTORNEYS AND COUNSELORS AT LAW

SECTION 301 UPDATE

U.S. TRADE REPRESENTATIVE REINSTATES 301 EXCLUSIONS

After 5 months of consideration the U.S. Trade Representative (“USTR”) released a list of products that would once again be subject for an exclusion from Section 301 duties until December 31, 2022. On March 23, 2022, [the USTR reinstated 352 previously extended exclusions](#). Qualifying products can claim the exclusion immediately, and the exclusions are retroactive to any products entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on October 12, 2021, that are not liquidated or to entries that are liquidated, but within the period for protest described in section 514 of the Tariff Act of 1930, as amended. If you would like assistance with filing binding rulings, PSC’s or protests related to these exclusions, please contact Cameron Roberts or Jay Acayan at [Roberts and Kehagiaras LLP](#).



LONG BEACH
 Cameron W. Roberts
 100 W. Broadway, Ste. 660
 Long Beach, CA 90802

cwr@tradeandcargo.com
 310-642-9800



HOUSTON
 Joseph A. Acayan
 2950 N. Loop West Suite 500
 Houston, TX 70092

jaa@tradeandcargo.com
 281-201-0667

FTA Events/Courses



**WORLD TRADE
 WEEK 2022
 May 12, 2022**

SAVE THE DATE!




FREE WEBINAR

**Russian and Belarusian sanctions
 and other critical compliance
 issues from the Bureau of Industry
 and Security**

**April 7, 2022
 11 AM - 12 PM PST**

On February 24, the Bureau of Industry and Security imposed sweeping export controls on Russia. Come hear from Michael Hoffman, the Director of Western Regional Office of the Bureau of Industry and Security on the latest developments, and what you need to know to ensure that your company doesn't run afoul.

REGISTER

Russian and Belarusian sanctions and other critical compliance issues from the Bureau of Industry and Security


Ticket Prices
Free Registration
\$200 Sponsorships Available

Date: April 7, 2022
Time: 11:00 p.m. - 12:00 p.m. PST
Location: Zoom Webinar

[Register Here](#)

On February 24, the Bureau of Industry and Security imposed sweeping export controls on Russia. In the days that followed, additional controls were announced, expanding the restrictions on Russia and to include Belarus. These new controls place significant restrictions on U.S. exports, re-exports, and in-country transfers, and on products manufactured abroad with U.S. technology or equipment.

Come hear from Michael Hoffman, the Director of Western Regional Office of the Bureau of Industry and Security on the latest developments, and what you need to know to ensure that your company doesn't run afoul of these dynamic and emerging regulations.



MICHAEL HOFFMAN
Director - Western Regional
Bureau of Industry and Security

Michael Hoffman is the Director of the Bureau of Industry and Security's Western Regional Office. "BIS West" provides guidance to industry on U.S. national security, foreign policy, and nonproliferation-based trade regulations and policies.

In previous management positions, Hoffman set up and managed the agency's Eastern Regional Office to provide counseling services throughout New England and New York. In Washington, D.C., he served as the director of the agency's special licensing branch, where he was responsible for managing a licensing program that authorized over \$40 billion in exports annually.

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Environmental

Is Jet Fuel From Waste Finally Ready for Takeoff?

Fulcrum is one of several companies lining up to produce SAFs as the global air industry looks for more environmentally preferable alternatives to conventional jet fuel. International air transportation accounts for 65% of aviation fuel use globally, and aviation CO2 emissions are projected to increase to between 1.1 billion and 1.5 billion metric tons by 2035, according to the International Civil Aviation Organization. Late last year, in recognition of this trend, the United Nations set criteria for SAFs.

Climate Change Is Disrupting the Global Supply Chain Too

The pandemic is "a temporary problem," while climate change is "long-term dire," said Austin Becker, a maritime infrastructure resilience scholar at the University of Rhode Island. "Climate change is a slow-moving crisis that is going to last a very, very long time, and it's going to require some fundamental

changes,” said Becker. “Every coastal community, every coastal transportation network is going to face some risks from this, and we’re not going to have nearly enough resources to make all the investments that are required.”

Port of New Bedford to Open Terminal to Support Offshore Wind

The new terminal will provide storage and laydown yards for equipment and materials, berth facilities for tug and barge operations, and crew transfer vessel (CTV) and service operation vessel (SOV) support services. It will also offer new office space for project teams and a marine coordination centre for technicians involved in offshore wind projects.

How Can Short Sea Shipping Emissions be Reduced?

The maritime transport of freights and passengers conducted along coastlines, without crossing oceans, is a commonly used definition for short sea shipping (SSS). In Europe, SSS has been the traditional mode of transport for centuries, used for moving goods and/or people from one port to another.

Five Key Takeaways From SEC’s Proposal for Climate Disclosures

The U.S. Securities and Exchange Commission issued a 500-plus-page proposed rule Monday that would mandate corporate disclosure of greenhouse gas emissions. It builds on years of voluntary efforts. With publicly traded companies responsible for 40% of emissions, investors have been pressing the regulator for rules. The plan is “the most extensive, comprehensive and complicated disclosure initiative in decades,” said Meredith Cross, a former SEC director who’s now a partner at law firm WilmerHale.



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.

Your Name Here!

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Ukraine Says All Its Ports Remain Closed To Ship

All Ukrainian its ports on the Black Sea and Azov Sea remain temporarily closed to ships seeking to enter or exit, Ukraine's infrastructure ministry said on Monday. Soon after Russia's invasion on Feb. 24, Ukraine's military suspended commercial shipping at its ports, stoking fear of supply disruption from leading grain and oilseeds exporters.

Ocean Carriers' U.S. Export Services Face Greater Scrutiny Under New FMC Directive

Since its launch, the VOCC Audit Program has collected information on detention and demurrage policies from the nine largest ocean carriers by market share, provided briefings to ocean carriers on the FMC rule interpreting 46 USC 41102(c) as it applies to detention and demurrage practices, communicated best practices with ocean carriers, and continues to receive quarterly data on detention and demurrage metrics.

Why Russia-Ukraine War Has Not Ignited Crude Tanker Rates (yet)

Wars involving oil producers traditionally cause tanker rates to spike. A month into the Russia-Ukraine war, rates for most crude tankers remain abysmally low. Rates for product tanker rates are up but not exceptionally high. "The immediate knee-jerk reaction was: Disruptions create strength in the market," said Evercore ISI analyst Jon Chappell. "We saw that in 1991 and we saw that in 2003, so the thinking was: Here we have another geopolitical event that's going to lead to [oil] storage and the substitution effect [buyers finding news sources]."

Chinese Port Congestion Worsens

Shenzhen came out of a seven-day lockdown yesterday, and while its port workers were allowed to work for the duration of the shutdown, limited trucking and warehousing availability has created some supply chain issues. An update from Danish liner Maersk yesterday forecast vessel waiting times will increase in Shenzhen. Elsewhere, Covid flare-ups are causing port pressures at key gateways including Qingdao, Shanghai and Ningbo-Zhoushan.

Viewpoint: It's a tangled game of Twister for drayage in China – Supply Chain Council of European Union

Drayage is a forward-looking indicator on the impact of "zero COVID" in the movement of trade in China. People are needed to drive the trucks. Roads must be open to reach factories and warehouses — which, of course, must also be open. The drayage component of trade is essential, especially to ensure the fluid transportation of empty and full containers.

Four Shippers Under Investigation by Coast Guard at Port of LA

At approximately 8:20 p.m. PST on March 4, watchstanders at Coast Guard Sector Los Angeles-Long Beach received a report of a shipping container on fire. The container was due to be loaded on a vessel sailing for China on March 10. The Los Angeles Fire Department extinguished the fire. However, those efforts were complicated because the container was not marked as carrying hazardous materials. The bill of lading for the container indicated that it was carrying "synthetic resins." Further investigation revealed that it actually held about 18,000 pounds of used lithium-ion batteries, which are a regulated hazardous material.

East vs. West: McCown Report Highlights Continued Gains for East Coast Container Ports

Noted names like Maersk and Sea-Intelligence (closely tied to the Maersk organization) have hinted that “things will get back to normal” later in the year, with the latter suggesting that overall “reliability “(think about adherence to schedules) is presently down to low levels, circa 30%, not seen in more than a decade.

The Ever Given Grounding one Year On

“Never in the field of global shipping has one ship ever given so much entertainment and laughs. The grounding of the ultra-large container ship made a splash in global news and drew an equally big response online as people rushed to their meme-making apps and cracked open a smile,” wrote Steven Jones from the Propeller Club Liverpool one week on from the grounding last year.



Video of the Week

WSJ Documentary on Global Supply Chains

From the WSJ: 'Every day, millions of sailors, truck drivers, longshoremen, warehouse workers and delivery drivers keep mountains of goods moving into stores and homes to meet consumers' increasing expectations of convenience. But this complex movement of goods underpinning the global economy is far more vulnerable than many imagined.' *Photo illustration: Adele Morgan*



Logistics and Trade

Passing of Tom Teofilo

We received word that international business visionary Tom Teofilo passed away Friday March 4th of a prolonged illness. Tom was a mentor to many in the trade community and he will be missed.

Supply Chain Disruptions Bring Tax Headaches

If you're in a manufacturing company that's had to switch suppliers to get around supply chain problems, these new suppliers could be exposing you to tax nexus that you didn't face before, said Liz Armbruester, Avalara's global compliance senior vice president.

India Buys Russian Oil; Will Rest of Asia Tap Russian Crude Available in Market?

India's oil refiners grabbed multiple cargoes of Russia's flagship Urals crude this month, potentially supplanting the Middle Eastern varieties they normally purchase from Abu Dhabi and Iraq. Meanwhile, China's private processors are still thought to be targeting their favored cargoes from the east of Russia -- likely at knock-down prices.

What CEOs Must Learn from The Recent Supply Chain Disruptions

The unexpected disruptions to supply chains due to the Covid-19 epidemic happened very quickly and some manufacturers had difficulties finding alternative suppliers to keep their factories running. Now that we are moving past the most acute phase of the pandemic and planning for recovery, CEOs need to take a long, hard look at supply chain reliability and risks. Here are some changes they can make.

Supply Chain Issues Continue to Create Challenges for the Equipment Industry

Supply chain issues continue to plague many aspects of the agriculture industry and the equipment industry has not been exempt. Daryl Theis, head of sales and marketing with CLAAS says at any given point they have 5 to 10 percent of their annual production sitting outside their factories that are 99% complete.

Supply Chain Latest: The Global Trading Order is Getting Realigned Again

Last week, the European Union and the group of seven countries — which includes the U.S., Japan, Canada, and Australia — announced that they would suspend their most-favored-nation treatment for Russia, putting it in the company of other pariah states such as Cuba and North Korea.

Why Global Supply Chains May Never Be the Same - A WSJ Documentary

Every day, millions of sailors, truck drivers, longshoremen, warehouse workers and delivery drivers keep mountains of goods moving into stores and homes to meet consumers' increasing expectations of convenience. But this complex movement of goods underpinning the global economy is far more vulnerable than many imagined.

Canadian Pacific Railway Work Stoppage Ends with Agreement to Enter Into Binding Arbitration

Canadian Pacific Railway and the Teamsters Canada Rail Conference (TCRC) – Train and Engine Negotiating Committee have agreed to enter into binding arbitration. Union members are to return to work on Tuesday at noon local time. CP said it will immediately begin working with customers to resume normal train operations across Canada as quickly as possible. Wages and pensions remain stumbling blocks, said the union in a statement.

Food Supplies Running Low On Foreign Ships Stuck In

Food and medical supplies onboard over 100 foreign flagged ships stuck in Ukraine due to the conflict are running low, with little progress on creating a maritime corridor to allow them to sail away, industry officials said on Wednesday.

Upcoming Events

March 30 - LACBFFA Webinar - Customs Bonds – Sound Practices for Customs Brokers in a Challenging Time - 10:00 AM - 11:00 AM PT - This program will help you understand the current Customs bond environment, including claims situations, statistics, and underwriting. We will also go over recent potential Errors & Omissions claims as well as Best Practices for 2022 - Register [here](#)

April 7 - FTA FREE WEBINAR - Russian and Belarusian sanctions and other critical compliance issues from the Bureau of Industry and Security - 11:00 AM - 12:00 PM PT - Come hear from Michael Hoffman, the Director of Western Regional Office of the Bureau of Industry and Security on the latest developments, and what you need to know to ensure that your company doesn't run afoul - Register [here](#)

April 14 - LACBFFA Webinar - CBP 28s and Prior Disclosures: How to Serve & Protect Importers - 11:00 AM - 12:00 PM PT - This 1-hour webinar will go over all of the basics around CBP Form 28's (Requests for Information) and prior disclosures - Register [here](#)

April 25 - LATC Spring 2022 Scholarship & Fund Raiser Golf Tournament - 10:00 AM - 3:00 PM PT - Industry Hills Golf Club at Pacific Palms Resort - Register [here](#)

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

May 12 - Air Cargo Day at The Proud Bird - 11:00 AM -2:00 PM PT- 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 [here](#)

May 20 - HTA's Tech Conference - DRAYTECH - 9:00 AM - 5:00 PM PT- Hotel Maya, Long Beach, CA - 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](#)

June 13-15 - AAEI 2022 Conference - Fort Lauderdale Marriott Harbor Beach Resort - Register [here](#)

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](#)