



**FTA**

Foreign Trade Association

## April 8, 2022 Volume 3, Nr. 14

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



Number of the Day:

# 2.13 million

Projected container imports, in 20-foot equivalent units, into major U.S. ports in April, down 6.2% from March and 1.1% below the same month a year ago, [according to the Global Port Tracker](#).



**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](mailto:ac@tradeandcargoconsulting.com).

## OSRA 21 Update: Senate has passed the Ocean Shipping Reform Act of 2022 (S. 3580)

The Senate has [passed](#) the Ocean Shipping Reform Act of 2022 (S. 3580) by voice vote. A copy of a press release from Senators Klobuchar and Thune can be viewed [here](#).

In addition, the House also passed its version of the bill for a [third time](#) yesterday as part of the Coast Guard Reauthorization bill.

The bills will now move to conference to reconcile the differences. Still unknown if that will happen as part of the China competition package (which will begin soon) or as a stand-alone process.

We'll continue to keep everyone up to date on the process.

## 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](mailto: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/j/93386806211>



## Time to Transform

Meeting today's challenges, preparing for tomorrow.



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

## Government Actions and Trade

### London Marine Insurers Designates All Russian Waters as 'High Risk'

Following Russia's invasion of Ukraine on Feb. 24, the JWC last month added Ukrainian and Russian waters around the Black Sea and Sea of Azov to its

high-risk areas, as well as waters close to Romania and Georgia. Monday's extension of the area judged high-risk for merchant ships and prone to war, piracy, terrorism and related perils, will mean that vessels will need to notify underwriters when sailing into ports as well as having to pay an additional premium for a seven-day cover period.

### **A Proclamation on Adjusting Imports of Steel into the United States**

On January 11, 2018, the Secretary of Commerce (Secretary) transmitted to the President a report on the Secretary's investigation into the effect of imports of steel mill articles (steel articles) on the national security of the United States under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862).

### **Global Trade Falls 2.8% as Russia's War in Ukraine Hits Container Traffic**

Fall reflects sharp drop in port activity in both countries, with EU affected more than China or US. St Petersburg is one of Russia's three busiest container ports. Shipping container traffic at the three ports has halved in the past month

### **Trump Tariffs Under USTR Review After Trade Court Ruling**

Some of former President Trump's Section 301 tariffs will be reviewed by the United States Trade Representative after the U.S. Court of International Trade's Friday ruling in a closely watched case. Four plaintiffs laid out the first of roughly 3,600 cases contesting the USTR's List 3 and List 4 punitive tariffs.

### **The Africa Continental Free Trade Agreement and What it Means for e-Commerce**

The current nature of international relations, which is marked by a surge in diverse (economic, political and socio-cultural) crises, demanding the mobilization of joint capacities of states and non-state actors (enterprises and individuals), to find a durable solution which would help to improve the living standard in African countries marks the founding reasons of the AfCFTA.

### **FACT SHEET: Implementation of the Australia – United Kingdom – United States Partnership**

Today, Prime Minister Scott Morrison of Australia, Prime Minister Boris Johnson of the United Kingdom, and President Joseph R. Biden, Jr. of the United States reviewed progress in implementing the Australia – United Kingdom – United States (AUKUS) partnership.

### **U.S. Trade Deficit Remains At Record High In February**

"Russia's invasion of Ukraine has caused global oil prices to jump and this will affect the nominal U.S. trade deficit in March," said Ryan Sweet, a senior economist at Moody's Analytics in West Chester, Pennsylvania.

Exports of consumer goods exports rose \$1.3 billion, with pharmaceutical preparations increasing \$1.5 billion. But capital goods exports dropped \$0.7 billion, pulled down by a \$1.0 billion decline in civilian aircraft.

### **Soaring Imports Deepen EU's China Trade Deficit - Eurostat**

The report came as EU and Chinese leaders met for their first summit in two years, where Brussels pressed Beijing for assurances it would not supply Russia with arms nor help Moscow circumvent Western sanctions imposed over its invasion of Ukraine.

### **Chamber Opposes AD/CVD Changes, Says MTB Renewal, Broad Section 301 Exclusion, Section 232**

The U.S. Chamber of Commerce continues to argue against including rewrites

to antidumping duty and countervailing duty laws, and calls for tariff relief, John Murphy, the lead advocate on trade for the group, blogged about their trade priorities

### **Australia and India Thank Quad for New Free Trade Deal**

India and Australia's trade ministers say a shared security partnership with the United States and Japan has helped them strike a trade deal that Australia hopes will reduce its dependence on exports to China. India views the agreement as a diplomatic coup that deepens its engagement with Australia at a time when it is under pressure to take a stronger stand against Russia's invasion of Ukraine. Both countries belong to the security bloc known as the Quad, which also includes the United States and Japan.

### **Europe Keeps Russian Oil, Gas Flowing Despite Tightening Sanctions**

The EU can't agree to sanction the bloc's biggest business dealings with Russia: the purchase of oil and natural gas. The EU, which imports around 60% of its energy needs, is making large payments to Russia, boosted by higher oil-and-gas prices during the war.

### **U.S. International Trade in Goods and Services, February 2022 | U.S. Bureau of Economic Analysis (BEA)**

February exports were \$228.6 billion, \$4.1 billion more than January exports. February imports were \$317.8 billion, \$4.1 billion more than January imports. The February decrease in the goods and services deficit reflected a decrease in the goods deficit of \$1.1 billion to \$107.5 billion and a decrease in the services surplus of \$1.1 billion to \$18.3 billion.

### **U.S. Seeks to Realign Its Commercial Ties With China, Trade Chief Says**

Asked whether U.S.-China tensions could lead to decoupling, Tai said the Biden administration's policy was focused instead on "realignment in the global economy." That includes addressing the lack of visibility, accountability and diversity in supply chains that has led to disruptions in recent years, she told Bloomberg Television's Haslinda Amin in Singapore in an interview on Tuesday.

### **US Would Use Sanctions if China Invaded Taiwan, Treasury Secretary Janet Yellen Says, Citing Ukraine War**

She said the measures against Russia showed the US can impose significant pain on aggressive countries and was prepared to do the same 'in other situations'. Yellen also said Biden wants Russia out of the G20, and the US will boycott some meetings in Indonesia if Moscow's officials attend

### **Recent CIT Decision Sets Limits on Domestic Petition Process on Tariff Classification**

A recent Court of International Trade decision says domestic industry can't use the interested party petition process to challenge individual entries, and are instead limited to challenges of how CBP treats the category of merchandise as a whole.

### **U.S. Trade Deficit Dips to \$89.2 Billion, but Stays Near Record High**

The U.S. economy is likely to show a paltry increase in growth in the first quarter — at least officially — and the record trade deficit is a big reason why. High deficits subtract from gross domestic product, the official scorecard for the economy. Yet by most other measures, the U.S. is still expanding at a fairly strong pace. Consumer spending, the main driver of the economy, has accelerated and most businesses are hiring.



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

## SECTION 301 UPDATE

### U.S. TRADE REPRESENTATIVE REINSTATES 301 EXCLUSIONS

After five 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, which 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, PSCs 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](mailto:cwr@tradeandcargo.com)  
310-642-9800



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

[jaa@tradeandcargo.com](mailto:jaa@tradeandcargo.com)  
281-201-0667



# FTA

Foreign Trade Association



## WORLD TRADE

## WEEK 2022

### May 12, 2022

## SAVE THE DATE!

**ROANOKE**

Surety Bonds | Insurance | ATA Carnets

[www.RoanokeGroup.com](http://www.RoanokeGroup.com) 1.800.ROANOKE

## Environmental

### Climate-Change 'Solutions' That Are Worse Than the Problem

Anyone on an investment committee has likely spent untold amounts of time discussing ways to mitigate the impact of climate change, but they've likely never heard anyone state one simple and incontrovertible fact: The widespread exploration and production of fossil fuels that started in Titusville, Pa., not quite 170 years ago, has done more to benefit the lives of ordinary people than any other technological advance in history.

### Ports Begin Charging Diesel-powered Polluters to Build Clean Truck Fund

The ports of Los Angeles and Long Beach on Friday began charging diesel-powered drayage trucks \$10 per unit entering and leaving the ports with proceeds going to a Clean Truck Fund that will help pay for zero-emission trucks and infrastructure. The Clean Truck Rate is charged per 20-foot-equivalent unit hauled by a diesel truck. A typical 40-foot container would cost \$20 to move. Electric trucks and certain alternative fuel vehicles are exempt.

### **Tesla Dodges Nickel Crisis with Secret Deal to Get Supplies**

The invasion of Ukraine has added to agita among electric-vehicle makers over the supply of nickel, a critical ingredient in EV batteries, since Russia is one of the world's biggest producers. But Tesla Inc. had already been scouring the globe for the metal, signing pacts with several nickel suppliers since 2021. That includes a multiyear supply deal with mining giant Vale SA. The agreement, which hasn't been announced, covers nickel from Canada, according to people familiar with the matter who asked not to be named discussing private details.

### **Cutting EU Reliance On UK Clearers Like Ending Use Of Russian Energy, Says Commissioner**

The EU has agreed to allow clearing houses in Britain, such as the London Stock Exchange's LCH arm, to continue serving banks and asset managers in the bloc until June 2025 to give time to build up clearing capacity inside the EU.

### **U.N. Report Details How Moves to Address Climate Change Could Affect Key Sectors**

Scientists convened by the Intergovernmental Panel on Climate Change said carbon-dioxide emissions must be halved by 2030 from 2019 to keep warming within 1.5 degrees Celsius above preindustrial levels, and that rapid drops in the price of renewable energy could help make that happen. The report lays out in the most detail yet what that transition would look like for different parts of the economy.

### **Decarbonising Shipping and the 'Need for Speed'**

MISC President and Group CEO Datuk Yee Yang Chien said that rapid growth in activities had been seen over the last 12 months, but the question was though was the action enough, and was it quick enough? Yee quoted actor Tom Cruise from the movie Top Gun, that "We have a need for speed".



### **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](http://www.yusen-logistics.com)

1.800.414.3895



### 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.

**Melikian Delano, Cargo Modules**

SUPPORTING WORLD TRADE SINCE 1948



*Coppersmith*  
Global Logistics

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

## **Foreign Merchant Ship Hit by Missile in Mariupol - Ukrainian Official**

A foreign-flagged merchant ship was hit by a Russian navy missile in the besieged southern Ukrainian port city of Mariupol with one crew member needing medical care, a Ukrainian official said on Tuesday. The Dominica-flagged cargo ship Azburg's engine room was hit by a missile late on Monday, said Viktor Vyshnov, deputy head of Ukraine's Maritime Administration. "The ship was burned and all 12 crew members were evacuated to another ship. One crew member needed medical help which was given to him and he was evacuated," Vyshnov told Reuters.

## **Here's How Much Oil the EU Imports from Russia**

Europe is the destination for nearly half of Russia's crude and petroleum product exports, according to the International Energy Agency (IEA), a Paris-based agency gathering 31 mostly industrialized countries and much of the EU. This represents 2.2 million barrels per day (bpd) of crude oil and 1.2 million bpd of petroleum products.

## **Thousands of Russia-Linked Ship Containers Pile Up in Rotterdam**

In normal times, the Dutch port of Rotterdam is like a machine: hundreds of ships come and go each day, and tens of thousands of boxes are loaded and unloaded from those vessels, all to keep Europe's economy humming. Right now, though, sanctions on Russia are snarling thousands of steel shipping containers, the boss of the port said in an interview that gave unique insights into how the beating heart of Europe's real economy is being disrupted by the measures against Moscow.

## **Maersk Still Tops MSC in Reefer Rankings**

Despite MSC continuing to stretch its lead over Maersk in the containership total capacity stakes, the Danish carrier remains at the top of the rankings in terms of reefer space. According to Alphaliner data, Maersk has some 504,000 reefer plugs on its 735 vessels, while MSC's 663 ships have 443,000. "Maersk's lead in reefer capacity is a consequence of its takeover of Hamburg Süd in 2017," said Alphaliner, noting that many of that line's ships were constructed for the reefer-oriented Latin American trades.

## **Google Cloud Unites with Ocean Network Express to Reinvent Container Shipping Operations**

Maritime transport makes globalization and modern lifestyles possible. So, to deliver intelligent shipping inventions that support global businesses' long-term growth and economic development, Google Cloud and Ocean Network Express announced forming an AI-led collaboration, revolutionizing container shipping operations.



**KNOWLEDGE...  
EXPERIENCE...  
DEDICATION...**

## Video of the Week

### **USTR Katherine Tai sits down with Bloomberg Politics**

As she testified this week in Congress on the Administration's trade agenda, USTR Tai sat down for an interview with Bloomberg on their approach to negotiations and trade with China and clarified how Washington sees Beijing's plans and ambitions.



## Logistics and Trade

### **Skyports Enters into Marine Drone Deliveries with Two New Partnerships**

Skyports has announced two new business alliances: one with Thome Group, a fully integrated ship management organisation, and the other with Wilhelmsen Ships Agency, one of the world's leading ship agents. Skyports' goals to introduce drone delivery services to Singapore's booming marine industry would be accelerated by the addition of Thome and Wilhelmsen's reach and skills.

### **U.S. Supply Chain Pressures Soar to a Record, Index Shows**

A measure of U.S. supply chain pressures rose to a record, adding to already stiff inflationary headwinds from logistics amid dwindling warehouse space and unprecedented inventory costs. “Continued inventory congestion has driven inventory costs, warehousing prices, and overall aggregate logistics costs to all-time high levels,” the report stated. “This is putting even more pressure on already-constrained capacity.”

### **Europe’s Russia Coal Ban to Fuel Global Fight for Dirty Fuel**

Europe is taking a big gamble as it moves to ban Russian coal, potentially leaving itself vulnerable to shortages and rolling blackouts while the rest of the world contends with surging prices. The problem is that there’s no clear alternative for that huge chunk of trade, and the result appears destined to lead to a domino effect that creates a mad global scramble for the fuel.

### **Amazon to Spend Billions on Space Launches as SpaceX Ramps Up Satellite-Internet Service**

Amazon.com Inc. is stepping up plans for its proposed fleet of internet satellites that would compete with a service operated by Elon Musk’s SpaceX, buying dozens of space launches from three rocket companies. Amazon’s Project Kuiper said it secured up to 83 planned launches that would ferry satellites to orbit over a five-year stretch. The unit of the Seattle-based e-commerce giant hasn’t sent up any satellites yet, though it has said it will have two prototypes launched this year.

### **Remarks by President Biden on the Trucking Action Plan to Strengthen Our Nation’s Supply Chains**

(transcript)

### **Advanced Manufacturing: What It Is and Why It’s Worth Investing In**

When you think of manufacturing, you may think of city block-sized warehouses or labor-intensive assembly lines. In reality, many of today’s factory floors in the U.S. are state of the art, high-tech spaces where workers employ all sorts of advanced technologies to build parts and products quickly and efficiently. In fact, our manufacturing industry is undergoing a digital revolution, fueled by advanced manufacturing systems.

### **U.S. Seeks to Realign Its Commercial Ties with China, Trade Chief Says**

The U.S. is seeking to realign its commercial ties with China rather than seek a “divorce” between the world’s biggest economies, trade chief Katherine Tai said. Asked whether U.S.-China tensions could lead to decoupling, Tai said the Biden administration’s policy was focused instead on “realignment in the global economy.”

## **Upcoming Events**

**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 21 - 2022 International Seafarers Center Spring Fling - 5:30 PM - 8:00**

**PM PT** - This years International Seafarers Center's Spring Fling is being held at the Lions Automobilia Foundation Museum - 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](#)

**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 [here](#)

**May 1 - May 4 - NCBFFA Annual Conference - 9:00 AM - 5:00 PM PT- Tucson, AZ** - 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](#)