

AMERICAN SHIPPING COMPANY

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CTPAT and Trade Compliance Portals to Enter Data Freeze During September

The Customs Trade Partnership Against Terrorism (CTPAT) and the Trade Compliance (TC) Program portals will go into a data freeze window Sept. 16-30, with no access to either portal during this time, CBP said in a <u>CTPAT update</u> Aug. 9.

A 30-day extension will be granted one anyone with deadlines during September or October, including for security profiles and Annual Notification Letters (ANLs). CBP recommends partners "remain up to date" on the CTPAT and Trade Compliance accounts before the data freeze, and that partners review users that have account access. CTPAT has noticed an increase in "email failures" during notifications from users who "no longer have active partner company emails" but are still listed as users, CBP said.

The freeze is needed for the "Next Generation Portals," when CBP will move the data from the 2.0 to the 3.0 portals, the update said. "During this time, the data needs to be 'frozen' so that no data inconsistencies occur between the two systems," the update said. New links to the portals will be emailed to "all active users" once the migration is completed and the links will be posted to the CBP website, the update said. — *Noah Garfinkel*

CBP to Increase User Fees 18.6% for FY23

CBP will increase Consolidated Omnibus Budget Reconciliation Act (COBRA) fees by 18.629% to adjust for inflation in fiscal year 2023, the agency said in a notice. Affected fees include the merchandise processing fee, vessel and truck arrival fees and the customs broker permit user fee. The Fixing America's Surface Transportation Act, passed in 2015, required that CBP make inflation adjustments and fee limitations when deemed necessary (see ITT 12/04/2015). The fees are effective Oct. 1, the start of FY23.

Raimondo Says She Hopes to 'Ratchet Down the Conflict' With China on Trip

Commerce Secretary Gina Raimondo, responding to a question from Express Association of America Executive Director Mike Mullen, said he was exactly right when he said that while there's a long list of problems with China, the government also has to keep in mind "how important China is to our economy, and maintaining that into the future."

Raimondo, who spoke to a supply chain competitiveness virtual meeting Aug. 22 just before leaving for China, said: "We have a very significant trading relationship with China; that's good for China, that's good for America—frankly, it's good for the world."

She said that the two countries are in "fierce competition," and there are national security concerns that circumscribe what can be sold to China, but added: "There are, however, a lot of lanes to do business, and we should do that."

The Commerce Secretary said the goal of her trip to Beijing (see ITT 08/23/2023) is to "ratchet down the conflict and turn down the temperature without ever compromising American national security." She also said she would like China and the U.S. to create "some formal channels of communication around commercial issues." — *Mara Lee*

Canada to Launch Second Phase of Customs Improvement Program

The Canada Border Services Agency in October plans to implement the second phase of a multiyear project to improve certain customs filings and activities, the USDA's Foreign Agricultural Service said in a report. The next phase of CBSA's Assessment and Revenue Management (CARM) project will "expand the functionality" of its client portal to include "electronic commercial accounting declarations with ability for corrections and adjustments," new requirements involving Canada's Release Prior to

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Payment program, harmonized billing cycles, new offsetting options, and an electronic management of appeals and compliance actions. The project is meant to "facilitate the collection of duties and taxes for goods imported" into Canada, the report said, and is aimed at simplifying "the overall importing process."

PGA Regulatory Agendas List Rules Requiring Registration for Drug Importers, Revising SIMP

Regulatory agencies involved in trade again added relatively few new rulemakings to their regulatory agendas for spring 2023, but FDA, the Food Safety and Inspection Service, the National Oceanic and Atmospheric Administration and the State Department all included new proposed rules or moved forward existing rulemakings that could affect imports.

A new FDA proposal would establish registration and good importing practice requirements for commercial importers of drugs. Beyond importer registration requirements, the proposal would also require drug importers to establish a quality management system, conduct risk evaluations of drugs and suppliers, and perform shipment verifications, investigations, corrective actions and records maintenance.

Another new FDA <u>rule</u> would require the front of food labels to display nutrition information, in addition to existing nutrition facts labeling requirements. The proposal would "help address the epidemic of diet-related chronic disease by, among other things, empowering consumers with nutrition information to help them more easily identify healthier choices and encouraging industry innovation to produce healthier foods," FDA said.

The State Department is returning to its agenda a proposed rule that would "revise procedures and requirements for filing import documentation for shrimp and products from shrimp" via ACE, and update the tariff schedule numbers to which form DS-2031 applies. The rule had been moved to State's long-term actions list in fall 2022, though it had appeared regularly on the agency's agenda for years before that.

A NOAA proposed rule issued in December (see <u>ITT 12/27/2022</u>) that would expand Seafood Import Monitoring Program requirements to cover additional species, as

well as amend the SIMP regulations to clarify the responsibilities of the importer of record, is being moved to the <u>final rule</u> stage in NOAA's regulatory agenda.

Also moving forward to the <u>final rule</u> stage is a USDA Food Safety and Inspection Service proposal that would "define the conditions under which the labeling of meat, poultry, and egg products, as well as voluntarily-inspected products, can bear voluntary statements indicating that the product is of United States (U.S.) origin," that agency said. — *Brian Feito*

FDA Issues Draft Guidance for Cosmetic Product Facilities Registration

FDA this week <u>released</u> new draft <u>guidance</u> covering obligations when submitting cosmetic product facility registrations and product listings to the agency. The guidance outlines the various registration and product facility requirements for certain facilities, including import facilities, such as who is responsible for making the submissions, what information to include in the submissions, when to make the submissions and more.

The guidance notes that FDA ended its voluntary cosmetics registration program in March and is working "toward establishing a new system, including a submission portal for the cosmetic product facility registrations and product listings mandated" by the Modernization of Cosmetics Regulation Act of 2022. Information in the voluntary cosmetics registration program "will not be transferred to this new system," the guidance said. "Because the information in the voluntary cosmetics registration program differs from the information required to be submitted under MoCRA, FDA does not consider previous submissions to the voluntary cosmetics registration program to satisfy the registration and listing requirements mandated by MoCRA."

FDA said it plans to "make the new electronic submission portal available for submitting registration and product listing information under section 607 of the FD&C Act in October 2023." The agency is "developing a paper form as an alternative submission tool" but said it "strongly encourages electronic submissions."

The National Customs Brokers & Forwarders Association of America last month urged FDA to push back its deadline

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for implementation of the new cosmetics facility registration requirements, saying the current December deadline doesn't allow enough time for facilities to "become informed and educated on their responsibilities, obtain a DUNS number, find an agent and complete the registration process" (see ITT 07/17/2023).

AMS to Increase Value Assigned to Cotton for Import Fees

The Agricultural Marketing Service is amending the Cotton Board Rules and Regulations to increase the value assigned to imported cotton for the purposes of calculating supplemental assessments on imports collected under the Cotton Research and Promotion Program, it said in a direct final rule Aug. 15. The revised value is 1.4691 cent per kilogram, an increase of .1476 cent per kilogram. The increase reflects a rise in the average price of upland cotton received by U.S. farmers during the period January through December 2022. AMS's notice also includes a table of adjusted assessments corresponding to each Harmonized Tariff Schedule subheading for which they are due. The changes take effect Oct. 16, unless significant adverse comments are received by Sept. 14.

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