

# The American Companies Supply Chain Logistics Gazette

March 2015

## Port of NY/NJ to Begin Next Phase of 'Clean Trucks'

The Port Authority of New York and New Jersey will begin the next phase of its "Clean Trucks" program in mid-March, according to a report from the Journal of Commerce. About 80 trucks dating from 2006 or earlier will be replaced, said the report. The program will reimburse truckers for half the cost of a newer truck to replace models with pre-2007 engines, which will be banned from port terminals in 2017. Truckers in California began levying per-container fees to offset their own clean truck requirements several years ago of approximately \$50.00 per container move. It is expected that this approach will be employed here in the NY/NJ region.

# **Ball in House Court After Senate Approves DHS Bill**

The Senate passed a DHS appropriations measure on Feb. 26 with 68 votes in favor, and sent the bill to the House with just over 12 hours until the department's funding expires at midnight on Feb. 27. Democrats stripped language in HR 240 that would have obstructed implementation of President Obama's executive action on immigration. The bill funds DHS through Sept. 30.

#### **APHIS to Enforce Lacey Act Decs for 20 More Products**

Twenty more tariff lines in chapters 44, 82, 94, and 96 are set to become subject to enforcement of Lacey Act import declaration requirements, as the Animal and Plant Health Inspection Service begins the next phase of enforcement in August. The addition of the new tariff lines marks the fifth phase of Lacey Act declaration enforcement, according to an APHIS notice. APHIS is giving importers six months until Aug. 6 before it begins requiring declarations on the new products. Comments are due April 7 on the products covered by Phase V.

#### Wyden, Thune Propose De Minimis Increase

Sens. Ron Wyden, D-Ore., and John Thune, R-S.D., introduced a bill on Feb. 12 to raise the duty-free de minimis level for U.S. imports from \$200 to \$800. Both lawmakers failed to advance the Low Value Shipment Regulatory Modernization Act in the last Congress.

## **CBP Urges Importer Review of Chinese Wooden Chests**

Importers should review imports of wooden chests from China to determine if the merchandise falls under a recent Commerce Department scope ruling on the products, said CBP in a <u>CSMS message</u>. Last year, the Commerce Department found that Ethan Allen wooden chests from China were subject to antidumping duties "because the imported products are physically similar to chests which are described in the scope of the order and can store clothing," said CBP. If an importer that finds it imported merchandise subject to the AD/CVD order and the entry paperwork was filed incorrectly, the importer should contact the "filing port for guidance on how to correct the discrepancy, either through the post entry amendment/post summary correction or prior disclosure process," said the agency.

#### CBP to Test 'Global Element' of Trusted Trader Pilot

CBP will eventually test a "global element" of the Trusted Trader program, the agency said in an Advisory Committee on Commercial Operations of Customs and Border Protection <u>document</u>. The expansion "will include mutually agreed upon trade compliance criteria and reciprocating benefits between participating countries," it said. CBP said the first phase of the pilot will last for 18 months with other expansions expected for a second phase. The next phase is likely to include "expanded participation incentives" and the participation of other agencies.

## West Coast Operations Slowed as Ports Clear Backlog

Despite a tentative agreement between the Pacific Maritime Association and the International Longshore and Warehouse Union, it will take some time before the West Coast ports can get up to full speed. "My understanding is that it's going to take quite some time for the backlog to clear out," said Sage Chandler, Consumer Electronics Association vice president-international trade. "I've heard companies saying they expect things will be slow for another month." CEA is working with the National Retail Federation and others "to put pressure on the Congress and the administration to look at all options and try to come up with a fix" to avoid another ports crisis the next time a labor contract comes up for renewal, Chandler said.

# ACE Transition to be Challenge, Says Kerlikowske

The coming transition to the Automated Commercial Environment may prove difficult for all involved, CBP Commissioner Gil Kerlikowske said in a <u>letter of appreciation</u> to the trade industry released by the agency. CBP is making "important progress" as the first of three ACE-related deadlines approaches, he said in the Jan. 29 <u>letter</u>. As of May 1, CBP will require ACE for all electronic manifest filing. Kerlikowske encouraged companies not yet using ACE to make the transition "immediately" in order to be prepared for required use of ACE.

# Mistakenly Listed Importer of Record Files Lawsuits Challenging Assessment of 216% AD Duties

A furniture importer is currently pursuing two federal court cases related to the assessment of antidumping duties on an entry where it was incorrectly listed as importer of record. Following a CBP ruling that held it liable for payment of the 216.01% duty applicable under the AD duty order on wooden bedroom furniture from China, Lifestyle Furniture filed suit in November at the Court of International Trade to challenge CBP's denial of its protest. Just under a month later, Lifestyle sued the customs broker that apparently made the mistake on entry documentation, Nestor Reyes, in North Carolina Middle U.S. District Court.

# **Court Allows Another Olive Oil Labeling Class Action**

Another class action case against an olive oil importer is set to move through California federal court, after a Northern California U.S. District Court Judge on Feb. 3 denied a motion to dismiss a lawsuit against Salov North America Corp., the importer of Filippo Berio brand olive oil. The ruling comes on the heels of the court's refusal in January to dismiss a similar class action lawsuit against Deoleo, the importer of Bertolli and Carapelli brand oils. Just like the Deoleo class action, the lawsuit against Salov was brought by a private citizen who says the olive oil is falsely labeled as "imported from Italy" and "extra virgin."

#### White House Pushes Congress on TPA, TPP

Democrats and Republicans on Capitol Hill need to rally together to pass Trade Promotion Authority and bring home the Trans-Pacific Partnership, the White House said on Feb. 18. The TPP will boost U.S. manufacturing and allow U.S. businesses to access rapidly growing markets in the Asia-Pacific region, said President Barack Obama in the statement. The TPP agreement will also ensure the U.S. defines standards for trade in the region, said Obama.

# Aluminum Extrusion Importers Agree to Pay \$3 Million to Settle AD Duty Evasion Whistleblower Suit

Three importers have agreed to pay a total of over \$3 million to settle charges that they transshipped Chinese aluminum extrusions through Malaysia in order to avoid paying antidumping and countervailing duties, said the Justice Department on Feb. 12. California-based C.R. Laurence, Florida-based Southeastern Aluminum, and Texas-based Waterfall Group allegedly declared the country of origin of the aluminum extrusions to be Malaysia, even though the goods were actually manufactured in China and only transshipped through Malaysia, said DOJ.

## Senators Bill Would Lift Cuban Embargo

Sens. Amy Klobuchar, D-Minn., and Mike Enzi, R-Wyo., recently introduced a bill to lift the embargo on Cuba. The bill would repeal the Helms-Burton Act, Klobuchar said in a <u>statement</u>. House members introduced the same legislation in mid-February. Another sponsor of the measure, Sen. Debbie Stabenow, D-Mich., praised the bill for opening up the Cuban market for U.S. agriculture and other goods. "After more than 50 years of stalemate, it's time for a new policy on Cuba," she said. "By laying the groundwork for normal commercial relations, we can begin to provide greater access to the Cuban people to American products and more democratic ideas."

# **State Lists Goods Ineligible for Importation From Cuba**

The State Department posted on Feb. 13 a <u>list of goods</u> and services that are still ineligible for importation from Cuba.. Restrictions are still in place for a wide range of agricultural goods, chemicals, machinery and other imports. The goods specified on the State list are an exhaustive run-down on all remaining ineligible imports from the Cuban private sector, State said.

# **US Gives Developing Countries \$1 Million for WTO Facilitation Agreement**

The Obama administration donated \$1 million for assistance to developing countries in implementing the World Trade Organization Trade Facilitation Agreement, the WTO said. The money goes to the Doha Development Agenda Global Trust Fund. The U.S. has so far contributed more than \$14 million to the fund since 2001, said the WTO. In the statement, U.S. Ambassador to the WTO Michael Punke praised the facilitation agreement, which is due for implementation after more WTO members ratify it.