



TRADE FACILITATION COMMITTEE NEWS

A compendium of discussion at the monthly meeting by the Trade Facilitation Committee of the MARINE EXCHANGE of the San Francisco Bay Region – Fred Hosking, Chair. For further information or comments, call 415-441-6600, fax 415-441-3080 or visit www.sfmex.org.
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June 2004

CHAIR - Reviewed various items of the previous meeting and addressed issues of mutual concerns with updates from the floor. One important point that has been voiced several times which is something in this port area we can relay on, neither CBP or USCG will knowingly impair commerce... they are both firm in their resolve to 'keep it moving'.

CBP & FDA Related issues –

FDA fines will be assessed through CBP – expect more on that in months ahead. CBP advises that there are no known holds of cargoes due to BTA issues in this port area; radiation monitors in place Pier 80, expect them in place in Oakland by end October; dedicated staffing to the radiation unit of min 24. Ultimate goal is that all containers will be inspected on discharge.

PMSA

Expect State legislation to come into play regarding container movements. Waterfront Coalition working towards open gates in nighttime hours with day use/peak hour fee surcharges. Anticipate 30% could be moved to nightside deliveries. Anticipated that all 14 berths in LA will operate nightside on multiple days/weekends. Dayside will be charged a surcharge. Ballast water headed for mandatory reporting by October. By January 1, 2005 carriers must have ballast management plan in place – specific issues with regard to the

origin of ballast waters are hot topics. A draft of the upcoming regulations possibly out as early as mid July.

COAST GUARD –

Security level, elevated.

Port security plans remain a major focus in the region with nearly all falling into place ahead of scheduled implementation date of July 1st. TWIX ID cards complicated by various unions/TSA/Government agencies regarding signing in procedures which is averaging 8 minutes per person. July MTSA meeting will address the ID card issues.

BANKING –

IFSA non members could be excluded in regional meetings which has far reaching affects given that many small banks are not members. Still major concerns in banking circles as to effects of Homeland Security on trade, which ultimately hits the banks.

CARRIERS - Scac Code issues in conjunction with the implementation of the 24 hour rules will be given review by CBP. Pier 80 looking for a substantial increase in per container operating costs which may further impair container operations in the Port. Expect peak season equipment shortages due to shortage of iron/steel to build new container equipment (due to the boon in vessel growth). Major concerns over port congestion in LA harbor and anticipated problems in/around July 4th/5th; Chinese government putting new

regulations in place for scrap shipments; could impair trade in that important Pacific basin market/tradelanes.

CBFANC –

After the Missionaries to D.C.... Customs Brokers and Freight Forwarders in the same sentence? CBFANC's and the PCC's man about Washington, Peter Friedmann took time (or a respite) to visit the west coast, and address the CBFANC. A photo opportunity for our very own John Leitner and Capt Lynn Korwatch hit the airwaves. He covered the highlights of the FDA Prior Notice, other key issues for the brokerage community and offered some of his usual ad hoc political snippets. Always a welcome visitor to the area he keeps the CBFAC and PCC well tuned to what and who's happening in the Capitol.

Next meeting:

Tuesday, July 27, 2004

San Francisco World Trade Club

Attending:

Kaitlin Ortega, Marine Exchange; Jack Murphy, APL; Gerhard Jacob, Columbus Line; Ted Rausch & Helmut Boeck, Ted L. Rausch; John P. Leyden, CBP; COTP Jerry Swanson, USCG; John Pressler and Krishna Watson, Hapag Lloyd; Louis Andrade, The Mechanics Bank; Tom Kearsley, Pacific Commodities; John Berge, PMSA; Deanna Behr, Hoyt Shepston, Marine; Jack Hubbard, TLR - CBFANC Chaired by Fred Hosking, Hoyt Shepston, Inc.