



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. Mail. Marine Exchange, Fort Mason Center, Bldg. B #325, San Francisco CA 94123-1380

January 2003

CHAIR - reviewed /resolved items from last meeting to the satisfaction of those in attendance. Questions still remain with regard to the 24 hour rule and implementation of the various aspects, both carrier & importer (exporters at origin).

CUSTOMS - Unfortunately due to other conflicts, there was no representation. Hopefully at future meetings we will see their invaluable support and participation again. Many questions have arisen with regard to the 24 rule as noted above. There are a number of issues with regard to the Xray of units on Customs hold which will be addressed with terminal operators. In addition concerns persist regarding the timely notification of units for inspection.

TRANSPORTATION – Well noted that the California Trucking Association is introducing new legislation in the form of “Intermodal Reform Act” which redefines the term “shipper” in greatly expanded terms. Additionally this Bill introduces various measures under the guise of safety issues which are in effect centered at the heart of the major truck lines, ie, eliminate the independents. More will be heard on this for certain.

COAST GUARD – Review of the (West Coast) Security Meetings to be held in Seattle and the Los Angeles area, and a intermediate meeting now scheduled for

Oakland on February 4th. The Maritime Transportation Security Act of 2002 (MTSA) has broad implications and applications that include domestic vessels and facilities as well as those coming from international sources. USCG is holding the Public meetings to both distribute up to date information, but to also gather information about vessels and facilities that may pose a risk of involvement in security incidents. There are 360+ seaports throughout the nation. The USCG will be drawing up Security Plans/regulations for the vessels, port areas, terminal operators and affiliated services.

PORT SECURITY - SFMX reminds that the monthly Port Security meetings are the 2nd Tuesday of each month & generally at the Port of Oakland offices. Noted that Customs inspectors are in place at load ports throughout the world and taking appropriate action where 24 hour rule manifest data is not matching up correctly.

CBFANC – concerns remain over terminal delays created by Customs Xray inspections and lengthy delays in release of containers after inspections are complete. This is apparently due to the continuing chassis shortages and the terminals not segregating units before the inspections take place. Word has it the congestion problems will persist for at least another four weeks. Documentation issues with regard to the new 24 hr rule and SCAC codes for

AMS NVO's also creating undue and excessive problems with clearances. The annual State of the Port address by the new Port Director of Customs, John Leyden was well attended and certainly well received. Security is of course the topic of discussion in every meeting of late and the ever evolving 24 hour rule enforcement and ramifications.

BANKING – here concerns exist with regard to letter of credit issues as the 24 hour rule translates into documents, shipper/consignee details, etc. which in turn translate into the letter of credit wording. Not all of the banking circles are fully in tune with all of the ramifications of how the new 24 hour rule will impact their daily business and certainly long term issues. The monetary transfer of funds is dependent upon the carrier documentation, so it will be necessary to adapt sooner than later.

Next meeting:

Tuesday, February 25, 2003

Attending:

Alan Steinbrugge Marine Exchange; Commander Steve Boyle USCG; Deanna Behr, Hoyt Shepston; John Berge, PMSA; Captain Gerhard Jacob, Columbus Line; Louis Andrade, The Mechanics Bank; Joe Palazzolo, Palazzolo & Assoc; Charles Coleman, Holland & Knight, Chaired by Fred Hosking