



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

February 2004

CHAIR -

Welcomed returning members and as well reviewed outstanding items from previous meeting(s) for table discussion.

CBP & FDA Related issues

Confirmation that Drawback's will remain within the environs of the SF Region for the foreseeable future which other location in the East and South will lose the direct ability for processing. Staffing is an issue since this function requires a certain level of expertise. AMS is in place, up and running including all forms of transportation. Air now proposed for May with SFO as the test location. The exchange of data with FDA seems to be working with no major complaints. A "well done" for the dissemination of the Chilean/Singapore free trade act detail so quickly. USDA release/joint inspections proceeding as a merged agency; eventually there will be electronic notifications. CBP reconfirmed filing of vessel documents to continue with 555 Battery Street location despite management of Marine Division being moved to Oakland. New Bonding & SCAC code requirements for vessel owners as a result of the Trade Act are now in place; heretofore, vessel owners could use Agents bonds to cover in port activities – no longer. It's now especially

costly for those carriers with out of country headquarters.

PORT ACTIVITIES -

Matson will take over the former Howard Terminals for the domestic vehicle operations of their Hawaiian service. On the SF side of the bay, Pier 80 has approximately 8 container vessels per month, posing some staffing challenges to government agencies. Security measures are in place on both sides of the Bay with improved sign in/out procedures, but longshore still not participating. Charter costs for low TEU/feeder type vessels continues to be a major issue increasing carriers costs by as much as \$1M per year; all shipyards worldwide are full with new buildings of the massive TEU Panamax caliber vessels. Congestion issues have subsided for the time being, which was also supported by the trucking representative.

USCG -

Approved Vessel Security Plans must be in place by July 1, 2004; any foreign flagged vessel trying to enter the US without a valid ISSC (International Ship Security Certificate) will be denied entry. US Merchant Marines are undergoing renewal of performance standards and more and more USCG is finding fraudulent applications. Such an event will cause suspension of both the applicant and the mariner who signs off.

CBFANC -

Kudos' to CBP for their quick implementation of the Chilean/Singapore Free Trade Act as reported elsewhere in text. New Ocean Committee has been established and already passed the Town Hall concept.

CARRIERS -

Concerns over high charter costs for smaller TEU capacity feeder vessels continue to plague ship owners. All worldwide builders are booked until 2005. Document filing concerns covered in earlier discussions.

Next meeting:

Tuesday, March 23, 2004

San Francisco World Trade Club

Attending:

Alan Steinbrugge, Marine Exchange; Ted Rausch and Helmut Boeck, Ted L. Rausch Co.; Diane Weldon, CBFANC; John P. Leyden, CBP; CDR Steve Boyle, USCG; John Leitner, SFMX & W.J. Byrnes; Gerhard Jacob, Hamburg Sud; Jack Murphy, APL; Carlotta Kassatly, Martin, Kassatly & Co., Tom Kearsley, Pacific Commodities; Deanna Behr, Hoyt Shepston, Kay Fike, CBP, Eva Kong, Port of Oakland; Chaired by Fred Hosking, Hoyt Shepston, Inc.