



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

March 2004

CHAIR - Reviewed various items of the previous meeting and addressed issues of mutual concerns with updates from the floor.

CBP & FDA Related issues –

Station 1 has officially moved to Oakland but will still have access through the SF Customs House. Automation was mandatory by March 4, but bulk/breakbulk was given extension until April 4. May 4 is the deadline for foreign ports to fall in line. Air AMS will be phased in Aug/East Coast; October, Mid West; December West Coast. AES – SED filings must be electronically filed against the deadline of December 1. New FDA Prior notice rules in effect and new deadlines looming on the horizon for conformity. USDA/ CBP joint inspections considered to be moving forward with good results. The forecast is for an increase in export inspections during midyear. Carrier bonds... who is responsible: chartering party or vessel owner – agent can no longer carry responsibility and in many cases this now places a severe financial burden on vessel owners.

PORT ACTIVITIES –

Concerns over Pier 80 management and stevedoring to be further explored regarding upcoming changes. Traffic now only 6/8 vessels per month. Matson will now move automobile activities to Howard Terminals on June 1. There is a revival of the long

studied Oakland/Stockton train for container traffic. Highway and port congestion are the key factors in reviewing this long tabled plan of action – or reaction.

COAST GUARD –

Security level, elevated.

96 hour Advance Notice of Arrival still receiving incomplete and/or late reports. Some bulk, automobile, and tramp vessels need to refine their reporting procedures. Sign in/out procedures at terminals/on vessels to be reviewed between USCG and carriers. Carriers have put increased personnel in place to cover the new requirements. Review where and how the ILWU fits into this new requirement.

BANKING –

Letters of Credit have shown a decrease over the same period last year; 19 new rules for L/C's have been submitted for amendment within the international banking community which could change the way L/C's are administered worldwide should these rules be adopted.

CARRIERS -

Vessel charter market has jumped significantly again with regard to the smaller feeder sized (2000 TEU) vessels now at \$25K+ versus only \$9700 last year. Shipyards worldwide are full until end 2005/6 leaving the charter market the only viable alternative to many. Carriers are experiencing some increases in exports (long anticipated...) with all trade lanes showing signs of growth. Expect a strong summer
TRANS-PACIFIC MARITIME CONFERENCE -

We are fortunate to have a member attend this large annual conference in Southern California where logistics, economics (7% growth in 2005), with highlights - no ground space available for cargo growth in LA port area within 5 yrs!, Asian development/changes, security, technology, etc. Very informative with views to the future. While positive, upbeat, some alarms rang loud and clear.

TRUCKING –

Congestion not as much of a major problem in general, although certain terminals are still concerns. Terminal 58 did experience a longshore work disturbance. Matson will now move to Howard Terminals on June 1.

Next meeting:

Tuesday, April 27, 2004

San Francisco World Trade Club

Attending:

Alan Steinbrugge and Kaitlin Ortega, Marine Exchange; Gerhard Jacob, Columbus Line; Helmut Boeck, Ted L. Rausch; Jeanne Burns, CBFANC; Francean Rible, Leticia Romero,

Kay Fike, CBP; COTP Jerry Swanson, USCG; John Pressler, Hapag Lloyd; Deanna Behr, Hoyt Shepston, Marine; Joe Palazzolo, Palazzolo & Assoc; Louis Andrade, The Mechanics Bank; Glenn Colville, Comerica Bank; Jim Molinari, US Senator Feinstein's Office; Charles Simonsen, US Immigration & Customs Enforcement Chaired by Fred Hosking, Hoyt Shepston, Inc.