TRADE FACILITATION COMMITTEE NEWS

June 2003

**CHAIR** - reviewed various items from previous meeting providing updates and open discussions as required. Also reviewed the FDA meeting held in Los Angeles by Sandler, Travis & Rosenberg concerning the implementation of the daunting new FDA rules and restrictions all of which are currently under review. Regardless, changes in the FDA will dramatically affect the overall import process and in the end, import transactions will take on a new and not necessarily improved posture. Stay tuned.

**CUSTOMS** - We were very pleased to have had John Leyden join us. US Customs is an invaluable asset/member of our group and their participation is greatly appreciated. The issues surrounding the 24 hour rule, FDA, increased inspections, as well as the expanded use of X-ray were hot topics of concern and will remain so for the near future. It was agreed that a joint meeting of CBFANC, TFC, and various Oakland Terminal operators be arranged by the Port of Oakland. AMS filings are also a contentious problem for many dealing with various overseas agents/NVO’s who are now filing directly with AMS, and carrier/NVO’s double manifesting is further complicating Customs clearance procedures.

As a reminder, Tom O’Brien will be making a C-TPAT presentation in association with the CBFANC on July 10th.

**PORT ACTIVITIES** – The Port of Oakland updated us on various Port activities, security issues, the use of Howard Terminals as a possible site for Xray inspections, and the overall situation of the port area with regard to terminals/the new appointment system, etc. Also on the book is the Sirius Project, continued dredging issues now under budget by approximately $50M. We were very pleased to have Ray Boyle as well as Jack Knecht, both well respected and knowledgeable members of the local community. We look forward to their future involvement/participation in the TFC.

**COAST GUARD** – Port Security is a major point in all related discussions these days. The TUSA grants are in place with the Bay area only receiving a total of $8.2M. There will be an upcoming Port Security Committee meeting on July 9. It was agreed between Customs and USCG that they would Co-Chair the Port Security Committee. USCG also confirmed that July 16, California will be separated from the Pacific Area and given its own designation.

**PORT SECURITY** - SFMX reminds that the monthly Port Security meetings are the 2nd Tuesday of each month & generally at the Port of Oakland offices. New state of the art security equipment is being installed in the Port of Oakland over the next few weeks giving greater coverage/security to the major port facilities.

**CBFANC** – Major point of discussion after the FDA meeting review was the delays within the Port of Oakland for moving the units for Xray inspections. Together with the Port of Oakland and US Customs, CBFANC will participate in an upcoming meeting with the major terminal managers. Date/time to be arranged by the Port of Oakland. The Brokers Association is taking a very pro-active role to find ways to improve the turn around times. Concerns were voiced over loss of cargoes to other gateways as a result of the long delays in Oakland.

**BANKING** – The IFSA will host their annual meeting in Anaheim during the summer months. We can forward details to interested parties.

**Next meeting:**

**Tuesday, July 22, 2003**

**San Francisco World Trade Club**

Attending: Alan Steinbrugge, Marine Exchange; Gerhard Jacob, Columbus Line; Helmut Beoch, Ted L. Rausch; Jeanne Burns, CBFANC; John Leitner, W. J. Byrnes; Fred Higdon, UPS; Ray Boyle & Jack Knecht, Port of Oakland; Louis Andrade, the Mechanics Bank; John Leyden, US Customs; Captain Jerry Swanson, USCG; Alan Miciano,