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 – John A. Leitner, Chair
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U.S. Customs commented that the terrorist attack has further pulled staff from the normal entry operational procedures. Twelve inspectors were assigned to the Northern border and 22 assigned to work with the US Marshals & FAA for security at SFO with 22 additional for back-up. This has moved 12 import specialists out in the field and 2 Entry Specialists to cargo. There are 23 employees that are on the Military Reserve list, 2 have already gone while the others could be called upon. This has necessitated closing station 3 by Pier 80 along with weekend processing except for perishables. Some ports are operating with less than 50% of their staff, but Customs are still moving freight.

Customs are on Alert Level I, which is Code Red with all ports of entry part of National Security. All leave is canceled. Security is the top focus and emphasis, with Customs looking at things that have not been looked at before. The good news is that all of the Customs staff at the World Trade Center has survived, while the seizure vault and all paper records have been lost.

Customs have suspended the 30-day tariff classification, marking, and NAFTA ruling programs until new offices are operational. For the period between 9/19 and 9/29/01 copies of textile visas or exempt certificates will be accepted for the conditional release of goods. The original visas or certificates will need to be presented no later than October 12th. The Electronic Visa Information System (ELVIS) is unaffected by this.

There will be a push to require information further in advance of actual import or export with an increased emphasis on sharing of data between agencies.

The Generalized System of Preferences (GSP) is scheduled to expire at midnight on 9/30/01.

We have a new Commissioner of Customs, Robert C. Bonner who was unanimously confirmed by the Senate and sworn in on the 24th.

Carriers emphasized that, as had been mentioned, Customs will not allow them to load cargo unless the actual Shipper's Export Declaration (SED) or AES has been presented or filed. While this is not a new requirement, the absolute enforcement of it has many shippers frantic with trying to comply and change their internal procedures. AES does allow for easy amendment of data after sailing. There is definitely increased security at terminals and on board the vessels. The Coast Guard has begun 100% boarding with armed guards 12 miles out at sea. Screening crew and cargo manifests with added attention on new customers. The delays are down to less than an hour so do not have the impact that has been forced upon the air industry.

CBFANC commented that they have temporarily suspended their educational programs, which rely on Customs staff for the technical expertise. They are working on other timely topics, especially ones that will provide assistance during this period. WESCCON will still be held the first weekend in October in Vancouver, BC. Last minute additions to attendance have been coming in due the industry looking for answers and means to cope with all of the changes that are and will be occurring.

Banking shared their concern about the security issues as well as the resultant cargo delays. Banks are reviewing all documents with a higher degree of scrutiny and are finding more discrepancies than normal. This creates a fine balance between facilitating and monitoring.

Attending: Alan Steinbrugge, & Bruce McBride, Marine Exchange Fred Higdon, CBFANC; Alice Rigdon & Francean Rible, U.S. Customs Service; Louis Andrade Union Bank of California; Ted Rausch, Ted L Rausch Co; Paul Riley, Maersk-Sealand; Fred Hosking, Hoyt Shepston; Ron Wolf, OOCL; Paul Andrews; Chaired by John Leitner, Byrnes.