

### **ILWU/PMA Contract Negotiations**

Last week both sides, The Pacific Maritime Association (PMA) and The International Longshore and Warehouse Union (ILWU), finally agreed to a mediator from the Federal Mediation and Conciliation Service. Initially the ILWU refused after the PMA had requested mediation but ultimately decided to move forward. Neither side will have to accept the decision of the mediator as it is non-binding on the participants but it is a move in a positive direction. There will be no updates from either side during this process and the only news may come from the mediator who might indicate if talks are continuing however some news has “leaked” out saying that the talks are not going well thus far which doesn’t come as a surprise at this stage of the discussions.

In the meantime, most terminals continue to be congested with some ships at anchor at all west coast ports waiting for berths to open up. The PMA is saying that the terminals are near gridlock but from our perspective this is nothing new and has been going on for the past few months.

*The following articles were written by Daniel Meylor*

### **Adjusted CVD for Auto and Small Truck Tires from China**

The Department of Commerce International Trade Administration (ITA) has issued a Federal Register Notice that would amend the scope of the case and some Countervailing duty deposit rates for some companies.

The scope amendment deals with the sidewall marking requirements for trailer tires to qualify for the exemption (exclusion 6) on specialty tires. ITA has determined to suspend the requirement for load index and speed rating markings, but will retain the requirements for “OT” designation, the prefix “ST”, and the use of the disclaimers “For Trailer Service Only” or “For Trailer Use Only”. The Federal Register Notice can be found at: <http://www.gpo.gov/fdsys/pkg/FR-2014-12-30/pdf/2014-30544.pdf>

### **OFAC Gives U.S. Traders and Investors Time to be Ready for Crimea Sanctions**

The Office of Foreign Assets Control (OFAC) has authorized U.S. companies to wind down most of their divestments and contract dealings with Crimean companies and individuals. On December 20, 2014 the President’s Executive Order blocking property of certain persons and prohibiting certain transactions with the Crimea region of the Ukraine went into effect. OFAC has issued a general license that will allow companies to divest themselves, transfer and/or wind down their operation, contract, or agreement that was in effect at that time. No new contracts for exports, imports, or the supply of goods and services will be allowed. U.S. companies have until midnight of January 31, 2015 to complete their wind downs.

CBP has announced that they will be requiring filers for entries of shipments from Crimea or transported by Crimean shippers to provide purchase orders and/or executed contracts showing when the order and/or contract went into effect. Such documentation will be required through 12:01 a.m. eastern daylight time, February 1, 2015, after which General License No. 5 expires and Executive Order 13685 takes full effect.

A copy of the OFAC notice of the general license can be found at:

[http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine\\_gl5.pdf](http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine_gl5.pdf)

## **FSMA Registration Requirements – Are your Suppliers Ready?**

In recent memos we have reminded our customers about the requirements under the Food Safety Modernization ACT (FMSA) for all facilities that manufacture, process, pack or hold food for human and animal consumption to register annually with The U.S. Food and Drug Administration (FDA). FDA has sent a notice out through U.S. Customs and Border Protection (CBP) to remind importers that not only are they required to re-register, but their suppliers must also register. Currently all shipments of foods imported into the United States must have an advance notice electronically submitted to FDA under the Bioterrorism Act (BTA). This advance notice requires the shipper registration number. Shipments from shippers or suppliers that have not re-registered with FDA will be delayed and/or could be denied entry. A copy of the CBP notice for FDA can be found at:

[http://apps.cbp.gov/csms/viewmssg.asp?Recid=20443&page=&srch\\_argv=&srchtype=&btype=&sortby=&sby](http://apps.cbp.gov/csms/viewmssg.asp?Recid=20443&page=&srch_argv=&srchtype=&btype=&sortby=&sby)

## **CPSC Proposes to Establish New Rules on Prohibition of Phthalates**

The Consumer Product Safety Commission (CPSC) is preparing new regulations on the use of specified phthalates in children's toys and child care articles. Under the Consumer Product Safety Protection Act (CPSIA) certain phthalates were prohibited for manufacture for sale, distribution in commerce, and importation into the United States. The new regulations that are under review will increase the list of the banned phthalates. The announcement of the review and a briefing package on the proposed rule can be found on the CPSC web site at:

[http://www.cpsc.gov/en/Regulations-Laws--Standards/Rulemaking/Final-and-Proposed-Rules/Prohibition-of-Childrens-Toys-and-Child-Care-Articles-Containing-Specified-Phthalates/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=Final+and+Proposed+Rules](http://www.cpsc.gov/en/Regulations-Laws--Standards/Rulemaking/Final-and-Proposed-Rules/Prohibition-of-Childrens-Toys-and-Child-Care-Articles-Containing-Specified-Phthalates/?utm_source=rss&utm_medium=rss&utm_campaign=Final+and+Proposed+Rules)

## **President Restores AGOA Eligibility for Guinea-Bissau, Removes Two Others**

On December 23, 2014 President Obama issued a Presidential Proclamation that will reinstate Guinea-Bissau as a beneficiary sub-Saharan country for the the African Growth and Opportunity Act (AGOA). Guinea-Bissau has been suspended from AGOA since December 20, 2013. However, the reinstatement does not yet include eligibility for AGOA benefits on textile and apparel articles. To qualify for textile and apparel benefits Guinea-Bissau must have in place an effective visa system, and the Administration has not yet determined that it meets the requirements.

The same Proclamation removes Gambia and South Sudan from AGOA benefits. These two countries had been under review to make measurable progress to improve worker rights and are not making sufficient progress to address the Administration's concerns. The Presidential Proclamation can be found at:

<http://www.whitehouse.gov/the-press-office/2014/12/23/presidential-proclamation-take-certain-actions-under-african-growth-and->



By **John Salvo**, President