

News In Brief

Laredo Office

In the event you were not aware Carmichael has an office in Laredo, Texas servicing the Texas/Mexico trade lanes, please take note of the following information:

Laredo Office

Manager: Rosalinda Saenz
801 Union Pacific Blvd., Suite 2
Laredo, Texas 78045
Tel: (956) 722-8900
Fax: (956) 723-0969

FCC Plans to Eliminate FCC Form 740

In August of 2015 the Federal Communication Commission (FCC) proposed that the FCC Form 740 will no longer be required for the entry of imported goods. Instead, FCC will put the onus on the importer that they have determined meets the conditions for entry. FCC will rely on the importer to document the qualification of a device for entry once they receive a request from the FCC. The final rule is not complete, but we expect it will be issued soon. We will follow the developments closely.

Possible Government Shutdown

At this time, there is no official word on whether Congress will continue to fund the government after the current fiscal year expires. According to Dan Meylor, who is currently in Washington, it appears there will be no shutdown. This morning Customs and Border Protection (CBP) announced that, in the event of a shutdown, they would operate as they did during the government shutdown of 2013. In 2013 all essential operations personnel at the border, seaports, and airports continued to operate as normal. Non-essential personnel, mostly located within headquarters, were furloughed. We have not seen anything from the other government agencies involved in import operations, such as FDA and Fish and Wildlife, but we assume they will operate in a similar way to CBP.

The following articles were written by Daniel Meylor

U.S. to Host Meeting of Ministers on completion of TPP

The United States has called a meeting of ministers in Atlanta, Georgia for the participating countries of the Trans-Pacific Partnership (TPP) to finalize the trade deal this week. The chief negotiators have already begun their meetings over the weekend in preparation of the minister's arrival later this week. Negotiations will not be easy as we have already seen earlier this year: New Zealand is standing firm on its demand that the United States expand the market access of dairy products. Progress was made last week between the U.S., Canada, Mexico, and Japan on the "threshold" for local content on autos and parts (Under NAFTA the threshold is 62.5% local content and do not want the threshold lowered for TPP). In addition, The U.S. is pushing for a 12 year protection of data on the development of drugs while Australia currently has a 5 year protection and Chile has no restriction. The United States Trade Representative has set the meetings for September 30 and October 1. We will provide details next week if anything substantive comes out of the meetings.

CBP Determine Country of Origin for Solar Panels

U.S. Customs and Border Protection has issued a Federal Register Notice regarding the country of origin for complete solar panels assembled in Poland and South Korea. It was determined that the cells did not undergo substantial transformation during their assembly in Poland and South Korea. Therefore solar panels made with solar cells from Malaysia will list the country of origin as Malaysia. Similarly solar cells from South Korea shall list South Korea as the country of origin. A copy of the FRN can be found at:

<http://www.gpo.gov/fdsys/pkg/FR-2015-09-22/pdf/2015-24082.pdf>

Panama Canal Opening Delay Likely

Last month it was reported that cracks were detected in the concrete walls of the newly constructed locks. They did not appear serious enough to delay the opening of the expanded canal set for April 2016. It appears that now a delay is likely, however the Panama Canal Authority is waiting for an update of the multi-country construction consortium before making any official announcement. The delay will not be good news for shippers, nor for ports, on the Gulf and Atlantic coast of the United States. Many of these shippers are investing in updating infrastructure in anticipation of the increased cargo traffic projected after the opening of the new locks. Another bit of bad news is that the Panama Canal Authority is in a dispute with the consortium on the costs incurred thus far, which are way over the original projections. The canal authority is in discussions with the U.S. and Europe on a possible bond issue to continue to finance the project. It is unclear whether this will have any effect on the opening of the new locks.

PierPass Report on Cargo Flow in Los Angeles/Long Beach

PierPass has issued a notice with a summary on the status of cargo flow in the ports of Los Angeles and Long Beach. This summary addresses the major congestion problems, especially now that the ports are facing their “peak” season. Dwell time on containers and truck turn times at the terminals have been reduced, resulting in multiple container moves per day. The PierPass notice can be found at:

<http://campaign.r20.constantcontact.com/render?ca=729e4f4e-13da-49e0-8ffa-b374e80e629e&c=e7851640-aa3e-11e3-9474-d4ae52843aae&ch=e82c04a0-aa3e-11e3-94ff-d4ae52843aae>

FDA Issues 2 FRN’s on Human and Animal Food Safety Standards

The U.S. Food and Drug Administration (FDA) has issued two Federal Register Notices (FRN’s) pertaining to food facilities that produce food for humans and for animals. The FRN’s issue final rules on setting the requirements for Hazard Analysis and Risk-Based Preventive Controls for these facilities. These final rules will apply to all food facilities, foreign and domestic, selling food to the United States

The FRN’s include instructions on FDA’s Foreign Supplier Verification Program requiring importers to verify the compliance of their foreign suppliers. The new regulations would require food facilities to develop a plan in order to identify hazards, implement preventive controls, and regularly monitor and verify that the controls work. One is focused on human food requirements and the second is focused on animal food requirements. The two FRN’s can be found on the Federal Register website at:

<http://www.gpo.gov/fdsys/pkg/FR-2015-09-17/pdf/2015-21920.pdf>

<http://www.gpo.gov/fdsys/pkg/FR-2015-09-17/pdf/2015-21921.pdf>



By **John Salvo**, *President*