

The following articles were written by Daniel Meylor

Last Call for Retroactive GSP Claims

On June 29, 2015 Congress granted the retroactive benefits for Generalized Systems of Preferences (GSP) on shipments imported after July 31, 2013 (when the benefits expired). During that time, U.S. Customs and Border Protection (CBP) allowed us to file entries, for GSP eligible goods, using the "A" SPI when paying the duty. This would allow importers to claim GSP benefits when they were to be reinstated. CBP set up a program that automatically processed the refunds on those entries.

However, due to a glitch, not all the entries with the "A" were processed automatically. A little over 2% of the qualifying entries had to be processed manually. Some may have fallen through the cracks. If you have not received your expected duty refunds for the retroactive GSP, please let us know. If needed, a formal request for the refund may have to be filed. Any such requests must be filed **by December 28, 2015**. Claims made after that date will be **denied**.

For shipments where the "A" SPI was not declared, a written claim can also be submitted by December 28, 2015. Please review your records to let us know if you feel a claim should be filed. Any outstanding refunds should be reported to us before the middle of December to give us time to properly research and timely file any claims if needed.

Congressional Conference Negotiators Agree to Highway Bill

Senate and House negotiators have issued a report in mark-up that bridges the differences between the two bodies of Congress on the surface transportation bill. The final version, now called the Fixing America's Surface Transportation Act (FAST), is moving to both bodies for a final vote. The FAST legislation provide \$253 billion over five years for highway and bridge infrastructure along with rail programs and motor carrier safety. This bill would cover obligations of the Highway Trust Fund through 2020. It also includes a dedicated freight program with money going to the states for freight projects. Congress is expected to move fast on this legislation as the latest temporary funding extension for funding expires on Friday.

End of Year: Time to Review Annual Certificates

As we approach the end of the year, we would like to remind you that now may be a good time to review any blanket certificates or declarations you have on produced, or have received for import or export purposes. For example, blanket NAFTA Certificates of Origin are often issued for the calendar year. If you rely on a blanket Certificate of Origin for products from your suppliers, you should review which ones are expiring at the end of the year so that you may request new ones. NAFTA benefits can only be requested if the importer has a qualifying Certificate of Origin in his/her possession. You should not be caught short and have your entries negatively affected. This would also apply to blanket certificates for shipments that qualify for benefits under other Free Trade Agreements or Special Trade Programs.

Exporters should also look at the blanket certificates for goods they export to make sure that they are up to date. You do not want to put your foreign customers at risk because you have not updated any annual certificates or declarations.

Another important document that needs to be updated every year is any blanket antidumping non-reimbursement statement. Submitting an expired statement could put you at risk for possible double antidumping duties. This is a good time to go over your certificates.

More Container Line Consolidation?

China Ocean Shipping Company (COSCO) and China Shipping Container Lines (CSCL) have told the Federal Maritime Commission (FMC) that they are in the beginning stages of a merger. This information was shared with FMC Commissioner Doyle during a trip for U.S.-China Maritime Bilateral Consultations.

Neptune Orient Lines (NOL), the parent company of American President Lines (APL), announced earlier this month that it was in preliminary discussion with both CMA CSG SA and A.P. Moeller-Maersk for a potential acquisition of NOL. All negotiations are in very early discussions, but bear watching. Any mergers will have effects on current conferences and lane services.

TSA Plans to Boost Current Rates and a GRI in January

The Transpacific Stabilization Agreement (TSA), a group that represents 15 carriers that service container movements between the Far East and the United States, has announced some recommended rate increases. For the month of December, the TSA is planning to raise the lowest rates to the West Coast of the U.S. to \$950.00 per forty foot container (FEU), the rate to the East Coast and Gulf ports of the U.S. to \$1,700.00 per FEU, and the rate for intermodal moves to the Chicago Area inland points to \$2,950.00 per FEU. This announcement comes after the baseline rates for all three areas dropped to new lows.

The TSA is also recommending a General Rate Increase (GRI) for new service contracts in 2016. The recommended base rates for the new negotiations are \$1,700.00 to the West Coast and \$2,900.00 to the East Coast and Gulf ports. This recommendation will include adjustments to non-rate charges and practices such as absorption of chassis costs, free time allowances, equipment detention and per diem along with others. The TSA announcement can be found on its website at:

http://www.tsacarriers.org/pr_020413.html



By **John Salvo**, *President*