

News In Brief

ACE Portal Accounts Erroneously Closed

U.S. Customs and Border Protection (CBP) has erroneously deactivated some ACE Portal accounts. They have discovered the cause of this and are working on the repair. If you find that your account has been mistakenly closed, CBP has issued instructions to reactivate. The original notice was on CSMS 16-000247:

http://apps.cbp.gov/csms/viewmssg.asp?Recid=21613&page=&srch_argv=&srch_type=&btype=&sortby=&sby=

In that message CBP refers to another CSMS message, 16-000236, for instructions to reactivate the account and to reset any passwords that were also deactivated:

http://apps.cbp.gov/csms/viewmssg.asp?Recid=21602&page=&srch_argv=000236&srchtype=&btype=&sortby=&sby=

ACE Filing Milestone Reached

The new ACE transition instructions were issued in February, and starting March 31 most entry summaries are now required to be submitted in ACE. These entries are the regular formal and informal entries: antidumping/countervailing duty entries, temporary importation bond entries, and certain military entries. For these entries, only the entry summary must be filed in ACE and the cargo release may still be processed in the old ACS system. However, the instructions specify that only entries with LACEY and/or NTHSA declarations are required for ACE cargo release.

Carmichael is fully participating in this transition and almost all entry summaries are now being submitted in ACE with a few exceptions such as quota entries, warehouse entries, and a few others that are not ready with CBP. What does this mean to our customers? Post Entry Amendments are not allowed for ACE entry summaries. Requests for entry corrections and submissions of additional duties will have to be filed electronically in ACE using the Post Summary Corrections (PSC) programs and filed via ABI. The quarterly PEA will go away completely and individual filings will be required, no matter how small the issue is.

The next milestone for ACE will be May 28th 2016, when CBP will require the entries mentioned previously to be filed in ACE for cargo release. There are some challenges with CBP on manifest issues, but those are being worked out. Carmichael is already filing for ACE cargo release and for many of the entries we are filing with ACE summary. Our goal is to comply with the May 28 requirements for ACE cargo release by the end of April.

CBP is still working on many of the Participating Government Agencies requirements and the specifics for quota and warehouse entries. There are no specific dates for the transition to these types of entries but we are testing to make sure Carmichael will be ready when the dates are announced.

Mobilization for MTB Passage

Spurred on by the frustration of some members of the House Ways and Means Committee for the lack of action on the Miscellaneous Trade Bill (MTB), lobbyists are expecting Trade to push for MTB movement when Congress gets back in April. There are expectations for a change in the process that would move jurisdiction for the tariff review from the House to the International Trade Commission (ITC.) This would help deal with House rules on earmarks by Congress.

MTB's are a collection of non-controversial temporary tariff reductions or duty suspensions, compiled to help U.S. companies save on the cost of imported products: to be noncontroversial, the items listed must not have opposition from U.S. producers. The duty-free provisions under the previous MTB's expired on December 31, 2012, since Congress did not pass last minute legislation to extend them. This means that anything that we have been entering under any HTS 9902 provisions in Chapter 99 were no longer duty-free as of January 1, 2013.

Speaker of the House Paul Ryan has said that he approves of the MTB process changes being circulated. House Republicans seem to support the proposal and the Senate appears to be ready to follow suit. Advocates for the MTB plan to meet with House members in 100 Congressional offices after April 12. Some lobbyist's hope that this could go through sometime between May and the end of July. If your company believes it could benefit from the passage of MTB, April would be a good time to contact your Congressional Representatives' offices to voice your support.

Final Rule on the Sanitary Transportation of Human and Animal Food

The U.S. Food and Drug Administration (FDA) issued a Federal Register Notice (FRN on April 6 with FDA's final new safety rule to help prevent the contamination of both human and animal foods during transport. This rule will require those involved in transporting human and animal food by truck or railcar to follow best practices for sanitary transportation. Examples of such practices are properly refrigerating food, adequately cleaning conveyances between loads and properly protecting food during transportation.

The rule will also apply to shippers, loading companies, carriers, and receivers engaged in the transport of imported foods that are then distributed throughout the United States. FDA issued this 80 page notice as required by the Food Safety Modernization Act (FSMA). The FRN includes several of the comments and responses received on the original notice of proposed rulemaking to help explain the logic in this final rule. The FRN for the final rule can be found at:

<https://www.gpo.gov/fdsys/pkg/FR-2016-04-06/pdf/2016-07330.pdf>

Reminder: High Security Seal Standard

In May of 2014, U.S. Customs and Border Protection (CBP) announced a new standard for high security seals used on ocean containers in the movement of cargo. With current threats facing the United States from terrorist groups, we would like to remind our customers about this C-TPAT requirement that is good for security even for those that are not C-TPAT participants. The seal standard is ISO 17712:2013.

ISO means International Organization of Standardization. The ISO is the world's largest developer of voluntary requirements, specifications and guidelines that can be used consistently to ensure that materials and products are fit for their purpose and meet quality requirement.

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The ISO standard 17712 covers uniform procedures for the classification, acceptance and withdrawal of mechanical freight container seals. This standard requires confirmation in three areas:

- Testing to determine a seal's physical strength as a barrier to entry
- Auditing of the manufacturer's security-related business processes
- Seals be designed and constructed with tamper indicative features that generate tell-tale evidence of tampering.

The requirement for use of these seals by C-TPAT participants went into effect on May 15, 2014. However, participants were allowed to continue to use the current 17712:2110 seals that they had in stock and then look to purchase the new 17712:2013 seals for the future.

Those importers that are not C-TPAT participants should also look at using these new higher standard security seals for better protection of their goods, even though the new seals are not required yet. They should contact their shippers to instruct them to use the new seals when their current stock runs out. Container security should be a concern for all parties in international trade especially in the current environment.



By **Todd Boice**, President