

EIB World Trade Headlines

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Time To Renew Corporate Policy Statement

It's that time of year again. We hope you and yours had a wonderful holiday experience. This is the time of year we ask you to get out your Corporate Policy Statement found on page 1 of your EMS (Export Management System), now also called EMCP (Export Management Compliance Program). Please reissue and recommit to export compliance.

Steps to Take:

- *Re-issue, Re-date, and Re-sign the Corporate Policy Statement.
- *Put it on the latest version of your corporate letterhead.
- *Make it the **First Page** of your EMCP.
- *Publish and distribute it (via paper or electronic media).
- *Make sure you can get a record of who reads it.
- *Make it part of your Employee Handbook.
- *Make sure new employees receive a copy.

If you do not have a fully implemented EMS, now is the time to prepare one. Give us a call and we can help get one in place for you (978-256-0438).

NEWSLETTER NOTES

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State Department Posts Information on Changes of ITAR Rules for Exports to Afghanistan

The State Department has amended the International Traffic in Arms Regulations (ITAR) to list Afghanistan as a major non-NATO ally, and to make available the use of two additional defense export license exemptions for proscribed destinations, effective 12/31/12. The action implements President Obama's decision to designate Afghanistan as a major non-NATO ally for purposes of the Arms Export Control Act (AECA) on 07/06/12.

Further information: Candace Goforth,

ph# 202-663-2792, or

 $email: \ DDTCResponseTeam@state.gov$

State Dept. FR Notice

(12/31/12) http://www.pdfdownload.org/pdf2html/pdf2html.php?url=http%3A%2F%2Fwww.ofr.gov%2FOFRUpload%2FOFRData%2F2012-31217_PI.pdf&images=yes

Presidential Proclamation Makes Changes to AGOA

President Obama recently added South Sudan as an African Growth and Opportunity Act (AGOA) beneficiary, and removed Mali and Guinea-Bissau as AGOA beneficiaries. In Presidential Proclamation 8921, signed 12/20/12, the proclamation also removes St. Kitts and Nevis as a Generalized System of Preferences (GSP) beneficiary, extends dutyfree treatment for some Israeli agricultural goods pursuant to the U.S.-Israel Free Trade Agreement (USIFTA), and makes technical corrections and conforming changes to Harmonized Tariff Schedule (HTS) provisions for U.S.-Chile Free Trade Agreement (USCFTA) rules of origin, the U.S.-Korea Free Trade Agreement (KFTA), and GSP ineligible country-product pairs.

As posted, most of the HTS changes are effective 01/01/13 and posted for review.

Presidential Proclamation 8921: http://www.gpo.gov/fdsys/pkg/FR-2012-12-28/pdf/X12-11228.pdf

USITC Issues Proposed HTS Changes for Chemicals, Video Game Controllers, and Photographic Film

(Comments due by February 22, 2013)

The International Trade Commission (ITC) is requesting comments by 02/22/13 on proposed changes to the Harmonized Tariff Schedule (HTS) affecting Chapters 29, 30, 37 and 85. The proposals would implement World Customs Organization Harmonized System changes that were mistakenly omitted from earlier HTS modifications, and would also correct mistakes in the classification of some chemical products. Affected products would include sensitized photographic film, video game console controllers, and chemical compounds.

As reported, in a 2010 report that proposed over 200 modifications to the HTS resulting from WCO changes to the Harmonized System, the ITC inadvertently omitted modifications of two HTS chapters. The rest of the changes were effective 01/01/12. The ITC is now proposing to make the posted changes to the HTS to harmonize it with WCO provisions. The ITC is also proposing changes to HTS provisions for some chemical products that are either incorrectly named or incompletely described in the current HTS.

Comments should address whether the proposed modifications will affect tariff treatment on certain products. Full details have been posted.

ITC (FR Notice

http://www.ofr.gov/OFRUpload/OFRData/2012-31053_PI.pdf



ITA Issues FR Notice on Trade Mission to Russia for Healthcare Companies

The International Trade Administration (ITA) will lead a trade mission to Russia for exporters of healthcare products in June 2013. The mission will include one-on-one business appointments with pre-screened potential partners, market briefings, and networking events. Up to 20 companies will be selected to participate. The ITA will begin to review applications 12/28/12.

ITA FR Notice:

http://www.ofr.gov/OFRUpload/OFRData/201 2-31425 PI.pdf

China Posts Information on Trade with United States

As reported by the Chinese Ministry of Commerce, bilateral trade between the U.S. and China is expected to have reached a record \$500 billion in 2012, making the U.S. China's largest export market. According to Chinese Customs statistics, China-U.S. trade was up over-all by 8.2% in January-November, 2012, over the same period of 2011.

Press release (12/28/12)

http://english.mofcom.gov.cn/aarticle/newsrelease/significantnews/201212/20121208503113.html

EU Customs Posts State of the Customs Union Report

The European Union recently issued the following trade-related releases:

*The European Commission adopted a Communication on the State of Customs Union which identifies current challenges faced and sets out priority actions. The aim is to ensure that the EU customs union is effective and efficient as possible.

In January 2013, the Commission will publish a Communication outlining how to improve customs risk management and security of the supply chain.

http://europa.eu/rapid/press-release_IP-12-1441 en.htm?locale=en

-Upcoming Events-

Event: Automated Export
System Conference in
English and Spanish

Venue: Ft. Lauderdale, FL

Spanish Conference: March 5th-6th

2013

English Conference: March 7th-8th 2013

Learn more/register

English: http://www.export.gov/florida/aes

Learn more/register

Spanish: http://www.export.gov/florida/aese

<u>spanol</u>

The U.S. Commercial Service in South Florida is partnering with the Census Bureau, the Bureau of Industry and Security (BIS) and port officers from the U.S. Customs and Border Protection (CBP) to offer two engaging days of learning. Census Bureau experts will cover the filing requirements of the FTR, how to classify your commodities by providing an understanding of the Schedule B classification requirements, as well as provide a thorough overview of the AES.

The CBP experts will cover port requirements and efforts against terrorism and international narcotics trafficking. Bureau of Industry and Security (BIS) officers will highlight export control requirements.

The Conference will be offered in English and Spanish, for more information please contact Leandro Solorzano

at leandro.solorzano@trade.gov or by phone at 954-356-6647 or

Martina Echevarria

at martina.echevarria@trade.gov or by phone at 305-526-7425 x26

USITC Posts 2013 HTS

-Effective January 1, 2013-

The International Trade Commission (ITC) posted the 2013 edition of the Harmonized Tariff Schedule (HTS), effective 01/01/13. The new HTS implements provisions detailed in Presidential Proclamation 8921, issued 12/20/12, including the removal of African Growth and Opportunity Act (AGOA) beneficiary treatment for Mali and Guinea-Bissau; modifies statistical suffixes throughout the HTS; and corrects and modifies provisions governing treatment of goods entered pursuant to various free trade agreements (FTAs), to give them the intended tariff treatment.

Complete details are posted for review. 2013 HTS: http://www.usitc.gov/tata/hts/index.htm

FTZ Board Posts Annual Report for 2011

The Foreign Trade Zones Board (FTZB) recently issued its annual report for 2011. According to the report, the FTZB approved three new FTZs in 2011, as well as the reorganization of 38 existing zones under the alternative site framework. FTZB also approved nine applications for new or expanded manufacturing authority. According to FTZB, the value of inputs rose in 2011, and the proportion of domestic inputs used by FTZs continued to fall. Meanwhile, export shipments also increased sharply. Oil and petroleum accounted for about 84 percent of all foreign inputs for manufacturing and production FTZ operators, and about 49 percent of all foreign inputs for warehouse and distribution FTZ operators.

FTZB report:

http://ia.ita.doc.gov/ftzpage/annualreport/ar-2011.pdf

BIS Posts Information on Latest Settlement of Anti-Boycott Allegations

As reported the Bureau of Industry and Security (BIS), International Veneer Company will pay \$12,500 to settle allegations that it violated the **Export Administration** Regulations (EAR) by failing to report boycott requests, according to a settlement agreement. International Veneer is charged with failing to report boycott requests on seven occasions between 2007 and 2010 in relation to exports it made to Lebanon and the United Arab Emirates.

Specifically, letters of credit for the transactions required documents that said the carrying vessels were allowed to enter Lebanese and UAE ports. If International Veneer fails to pay the penalty in 30 days, BIS may suspend its export privileges. The company neither admitted nor denied its quilt.

BIS notice:http://betaefoia.bis.doc.gov/index.php/compo nent/docman/doc_view/823a730?Itemid

HAPPY NEW YEAR! MAY YOUR YEAR BE FILLED WITH JOY AND MAY YOU PROSPER.....LET GO OF THE PAST AND LOOK TO THE FUTURE WITH GREAT OPTIMISM.



CBP Issues Message on Informal Entry Limit Increase to \$2500 and Eligible HTS Numbers

-Effective January 7, 2013-

U.S. Customs and Border Protection (CBP) posted a CSMS message reminding the trade of the recently published final rule that increased the limit for informal entries from \$2,000 to \$2,500. The increase takes effect 01/07/13. The final rule also removed language requiring formal entry for certain articles that were formerly subject to absolute quotas under the Agreement on Textiles and Clothing because CBP no longer needs to require formal entry for these articles.

The change in regulation expanded the value increase to textile products; however, a formal entry is still required for goods classified in subheadings 9903 and 9904 of the Harmonized Tariff Schedule (HTS). The following ranges of HTS numbers are now eligible to be entered on an informal entry if the value does not exceed \$2,500:

- *3901.10.1000-4304.00.0000
- *5001.00.0000-6704.90.0000
- *9401.10.4000-9406.00.8090

In addition, the change also affects the reporting of the ultimate consignee at the time of release. Entries valued at \$2,500 or less must be identified with an appropriate ultimate consignee name and address or ultimate consignee number. As reported, entries valued at greater than \$2,500 will require the appropriate ultimate consignee identification number and may not be identified with an ABI transmission of only the ultimate consignee's name and address.

CBP is modifying the Automated Commercial System (ACS) according to the above changes, and will publish a separate message when the changes have been completed.

CBP CSMS:

http://apps.cbp.gov/csms/viewmssg.asp?Recid=19 148&page=&srch_argv=&srchtype=&btype=&sortb y=&sby

DHS Posts Regulatory Agenda for CBP

The Department of Homeland Security (DHS) published its fall 2012 regulatory agenda for U.S. Customs and Border Protection (CBP), which lists one new trade-related rulemaking. The agenda will be posted in the Federal Register. While there's only one new trade-related rulemaking on the DHS' fall 2012 agenda, several were removed since the previous DHS regulatory agenda.

According to the agenda, CBP is targeting May to issue a Notice of Proposed Rulemaking on "Amendments to Importer Security Filing (ISF) and Additional Carrier Requirements." This rule is meant to increase the accuracy and reliability of the advance information submitted as part of ISF. ISF regulations require carriers and importers to provide to CBP, via a CBP-approved electronic data interchange system, information necessary to enable CBP to identify high-risk shipments to prevent smuggling and ensure cargo safety and security.

Importers and carriers must submit specified information before the cargo is brought into the United States by vessel in accordance with specified time frames.

DHS

notice: http://www.reginfo.gov/public/do/eAge ndaMain?operation=OPERATION_GET_AGENCY _RULE_LIST¤tPub=true&agencyCode=&s howStage=active&agencyCd=1600



Census Realigning Field Offices

The Census Bureau's 18-month agenda to realign its field offices across the nation for the first time in 50 years will be completed by January 2013. The restructuring, announced on 06/29/11, closes regional offices in Boston, Charlotte, Dallas, Detroit, Kansas City and Seattle. The field realignment is part of the digital transformation of the Census Bureau, moving from a bricks-and-mortar model of regional offices to a virtual management structure, and leverages modern survey practices, such as telework, and better tools for field interviews.

The new alignment creates an increase of timely information and a more efficient data collection process, while reducing the cost of surveys by an estimated \$15 million to \$18 million annually. As reported, the new structure redistributes responsibilities to the remaining offices in Atlanta, Chicago, Denver, Los Angeles, New York and Philadelphia. This new six-region design allows about 630 supervisory staff to work out of their homes, providing more efficient data collection in more locations. The supervisory field staff has the benefit of working directly with local teams of field representatives managing all data collection for specific areas of geography.

Staff at the Census Bureau's regional offices collect data for surveys, update geographic features important to the Bureau, disseminate statistics created from the data collection and serve as contacts for local media and local organizations to improve participation in censuses and surveys. Approximately 270 permanent positions were cut as a result of the closing of six regional offices. About 88 of the permanent affected employees have been placed into positions at Census Bureau headquarters or in one of the six remaining regional offices, while others have taken advantage of a buyout and early retirement. Reportedly the realignment increases efficiency, enhances data quality and reduces costs beginning in fiscal year 2014.

Census notice: http://www.census.gov/regions

Census Bureau Announces a 30-Day Grace Period for Older HTS and Schedule B Numbers

(Accepting 2013 HTS and Schedule B Numbers)

The Census Bureau announced it has updated the Schedule B and Harmonized Tariff Schedules (HTS) in the Automated Export System (AES) to accept changes to the 2013 codes. AES will accept shipments with outdated 2012 codes during a 30-day grace period beyond the expiration date of 12/31/12. Reporting an outdated code after the 30-day grace period will result in a fatal error.

Census also updated the AESDirect program with the 2013 codes, and AESDirect will accept shipments with Census warns outdated 2012 codes during the grace period as well. All AESPcLink users must update their code tables to reflect the 2013 changes in Schedule B and HTS. Web users of AESDirect who file via the AESDirect website will have their code tables updated via the program automatically.

For 2013 Schedule B and HTS tables:

http://www.census.gov/foreign-trade/aes/documentlibrary/index.html#concordance

The current list of HTS codes not valid for AES: http://www.census.gov/foreign-trade/aes/documentlibrary/hts-not-for-aes.html



United States Shrimp Producers Request CVD on Frozen Shrimp from Seven Countries

Recently the Coalition of Frozen Shrimp Industries (CFSI) filed petitions with the International Trade Administration (ITA) and International Trade Commission (ITC) requesting countervailing duties (CVD) on certain frozen warm water shrimp from China (C-570-988), Ecuador (C-331-803), India (C-533-854), Indonesia (C-560-825), Malaysia (C-557-814), Thailand (C-549-828), and Vietnam (C-552-815). The petition noted, "production and exports in the seven countries are fueled by explicit government growth plans and backed by billions of government dollars." ITA noted frozen warm water shrimp from China, India, Thailand, and Vietnam is already subject to antidumping (AD) duty orders issued in 2005.

An AD order on shrimp from Ecuador was issued at the same time, but subsequently revoked. The seven countries covered by these petitions collectively account for 85 percent of U.S. shrimp imports and more than three-quarters of the U.S. market, CFSI advised. The petitions also alleged injury to U.S. industry, as is required to impose and maintain CV duty orders. According to CFSI, U.S. imports from the seven countries have gained market share since 2009, and the prices at which the imports enter the U.S. market are well below domestic prices. The frequency and intensity of this price undercutting has increased in 2012, causing prices to fall in absolute terms for the first time in years.

The ITA is accepting comments on domestic industry support for the petition to determine whether the petition meets the dual requirements of support by domestic producers or workers accounting for:

*At least 25 percent of the total production of the domestic like product; and

*More than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition.

Comments are due by about 01/17/13.

Further information: ITA's IAACCESS database https://iaaccess.trade.gov/login.aspx

EVOLUTIONS IN BUSINESS SPECIAL ANNOUNCEMENT

Chelmsford, MA January 11, 2013

Evolutions in Business will join efforts with NH SBDC, The Flatley Company, and other public and private enterprises, such as FireBrands International, to open a business and technology support center within the Flatley Company owned Nashua Technology Park in Nashua New Hampshire.

Nashua Technology Park is situated off of Route 3 at Exit 1 with easy access from Boston, MA and Manchester, NH. In addition to our office in Chelmsford, MA, this new facility will offer a space in Nashua, NH and will allow Evolutions in Business to hold classes and seminars directly on this site.

The planning is in it's initial stages and we are very excited for the opportunity to work along side like-minded Federal, State, and Private entities. In the near future, we hope you and your company will benefit from this additional space.

To see the property visit this link: http://www.nashuatechnologypark.com/in dex.php

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