

# BRIEFINGS

## C-TPAT

- Customs has issued its Customs-Trade Partnership Against Terrorism (C-TPAT) validation process guidelines. The validation process is intended to ensure that C-TPAT participants have implemented the processes described to Customs. Participants will be given 30 days notice of validations. Access ["What's New"](#) on our website for details.
- Customs has indicated that, to date, 1600 companies have signed up for C-TPAT, with 300 certified and eligible to receive C-TPAT benefits.
- Customs has opened the C-TPAT program to U.S. port authorities and marine terminal operators beginning Jan. 21.

## 2003 HTSUS

- The Office of the United States Trade Representative (USTR) has published corrections to the Harmonized Tariff Schedule of the United States (HTSUS). The modifications correct several inadvertent errors and omissions. 67 Fed. Reg. [79954](#) (Dec. 31, 2002).
- The United States International Trade Commission (USITC) has posted the [Change Record](#) for the 2003 HTSUS to its website. The Change Record lists numerous changes from the 2002 HTSUS and the 2003 HTSUS, but not previously proclaimed staged duty reductions.

## AIR MANIFESTS

On January 14, 2003, Customs held a meeting on an advance receipt requirement for air manifests. Customs proposed scenarios to facilitate discussion and feedback. The initial proposals for inbound shipments were 8 hours prior to lading for courier shipments and 12 hours for other air shipments. For outbound, the proposal was for 24 hours advance notice. Customs wants comments from industry. Customs intends to issue its final rule by October 1, 2003.

## CSI

Alleging concerns that the Container Security Initiative (CSI) may cause trade distortions, the European Commission (EC) has started infringement proceedings against some member states for signing agreements with the U.S. to implement CSI. In response, Customs Commissioner Robert Bonner stated that Customs is expanding CSI to 11 additional European ports which will represent nearly 100% of all containerized cargo shipped from Europe to the U.S. Access ["What's New"](#) on our website.

## FDA RELEASES

Informal discussions with Customs Headquarters indicate that the proposed regulations on the 180-day FDA hold period are not being given priority because of other higher priorities.

## OCEAN MANIFESTS

Clients are reminded that on Feb. 2 Customs will begin enforcing its regulations requiring 24-hour advance receipt of vessel manifests for vessels destined for the U.S. Customs Commissioner Bonner has warned that noncompliance will result in penalties. Customs has made a technical correction to T.D. 02-62 to clarify that for both NVOCCS and carriers, the information must be received by Customs, not just transmitted. 68 Fed. Reg. [1801](#) (Jan. 14, 2003).

## HOMELAND SECURITY

The Department of Homeland Security (DHS) begins operations on Jan. 24. Key agencies, such as Customs, are to be transferred into the DHS by March 1. Tom Ridge still requires Senate confirmation as Secretary. Positions that should be filled shortly include Deputy Secretary, Undersecretary (5 positions), General Counsel, Inspector General, and Chief Financial Officer.

## CARGO CONFIDENTIALITY

Customs has proposed to amend the Customs Regulations to allow any party that electronically transmits cargo manifest information to Customs to request confidentiality for the names of the shipper and consignee, among other things. Comments are due Feb. 10. 68 Fed. Reg. [1173](#) (Jan. 9, 2003).

## APHIS BIOTERRORISM ACT

In accordance with the Agricultural Bioterrorism Protection Act of 2002 (P.L. 107-188), the Animal and Plant Health Inspection Service (APHIS) has issued an interim rule for the establishment and enforcement of standards governing the possession, use, and transfer of specified biological agents and toxins that have the potential to pose a severe threat to human, animal, and plant health, and to animal and plant products. The interim rule is effective on February 11, 2003. Comments may be submitted until February 11, 2003. 67 Fed. Reg. [76907](#) (Dec. 13, 2002).

## FTA

- As the Free Trade Agreements (FTAs) with Singapore and Chile head to Congress, the USTR has announced that it will launch FTA talks with Australia in mid-February. The FTA negotiations with Morocco are scheduled to begin the week of January 20.
- The U.S. ITC has instituted an investigation into the probable economic effects of an FTA between the United States and Australia. Comments are requested by February 13, 2003. 67 Fed. Reg. [79149](#) (Dec. 27, 2002).

## CUSTOMS AUDITOR TRAINING

The Customs Service is accepting written comments on the training that is provided to its auditors. Comments are due by January 17, 2003. [36 Cust. B. & Dec. 19](#) (Dec. 18, 2002).

## HAND CARRIES

There are options for handling company-owned articles carried by employees traveling to the United States ("hand carries"). The firm has a detailed memo on these options. Contact Michael Utchell for more information.

## TRADEMARKS

Section 13401 of the Justice Department Reauthorization Act (P.L. [107-273](#)) enacted certain trademark protection [provisions](#), including participation in the Madrid Protocol which allows U.S. trademark owners to register in any number of over 65 member countries by filing a single standardized application at the U.S. Patent and Trademark Office.

## STEEL

- The International Trade Administration has issued a final rule to implement the Steel Import Licensing and Surge Monitoring System (19 CFR Part 360) originally outlined in the President's March 5, 2002 Steel Safeguards Proclamation. This final rule, effective Feb. 1, requires all importers of steel products covered under the Steel Safeguards Proclamation to obtain a license from the Department of Commerce prior to completing their Customs entry summary documentation. 67 Fed. Reg. [79845](#) (Dec. 31, 2002).
- The Office of the U.S. Trade Representative (USTR) has issued a notice regarding the procedures for requests and objections to requests to exclude particular products from steel safeguard actions established in the President's Steel Safeguards Proclamation. Public versions of completed exclusion requests are available for examination at the Department of Commerce's Central Records Unit. 67 Fed. Reg. [79956](#) (Dec. 31, 2002).

## HS EXPLANATORY NOTES

The World Customs Organization has published amendments to the Harmonized System Explanatory Notes (EN). The amendments affect Chapters 2, 3, 7, 8, and 29, and Headings 2941, 3101, 3504, 4016, 8442, 8469, 8471, and 9031. Access ["What's New"](#) on our website.

## CHINA'S WTO COMPLIANCE

The Office of U.S. Trade Representative (USTR) has posted its *2002 Report to Congress on China's WTO Compliance*. The report notes areas where China has made significant progress in implementing its WTO obligations, but also indicates room for significant improvement in areas such as agricultural issues and intellectual property rights. Access ["What's New"](#) on our website.

## FISH AND WILDLIFE

The Fish and Wildlife Services (FWS) Office of Enforcement has upgraded its website to provide additional information. In addition to providing links to applicable permits and licenses, other U.S. government agencies, the CITES website, CITES Management Authority Offices, and foreign wildlife offices, the website includes a variety of information on its Electronic Declarations (e D e c s) system, downloadable/printable Form 3-177, fact sheets, brochures, Public Bulletins, and Alerts. [www.le.fws.gov](http://www.le.fws.gov)

## AGOA

On December 31, 2002, President Bush designated Gambia and the Democratic Republic of the Congo as eligible for preferential tariff treatment under the African Growth and Opportunity Act (AGOA). President Bush also approved the continued designation of 36 other countries.

FOREIGN-TRADE ZONES BOARD ACTIVITY AS OF 1/15/03		
ZONES SUBZONES	CURRENTLY APPROVED AUTHORIZED	
	255	242
523	443	
PENDING		
ZONES	2	
SUBZONES	23	
MISCELLANEOUS	24	
AVERAGE PROCESSING TIME (MONTHS)		
ZONES	10	
SUBZONES	10	