

BRIEFINGS

FTZ SECURITY

Customs Headquarters released a Memorandum on October 11 concerning FTZ security. It suggests a number of enhancements. Visitors should have picture identification. We have confirmed with Mr. Ray Janiszewski, Entry Operations Bureau Chief, at U.S. Customs Service Headquarters that this is intended as suggestions only, and does not represent a change of Customs Headquarters policy. As a result, only "key employees" are subject to the notice requirements specified which is no change from current activity. Access ["What's New"](#) on our website.

FTZ ENTRIES

Customs issued an Administrative Message dated October 5, retroactive effective October 3, 2001 detailing an immediate change to the numbering system used to report FTZs on ABI type 06 Customs entries. Though not stated, it is likely required for 08 entries. This change affects information entered in the field "Vessel Name/ FTZ Number" on ABI. ABI will reject the transaction if the correct format is not used. Access ["What's New"](#) on our website for the full text details.

TRADE SYMPOSIUM

The U.S. Customs has scheduled a public Trade Symposium in Washington D.C. on November 27, 2001.

EMERGENCY CONDITIONS

The U.S. Customs Service is still on Level One alert. Many Customs personnel have been transferred to line positions to increase inspections. U.S. Customs personnel have also reportedly been transferred to positions as Air Marshals and airport security. Expect continuing merchandise entry/release delays. 6 World Trade Center was completely destroyed. While the National Import Specialists (NIS) have been relocated to new offices, ruling requests are not yet being accepted and importers are being told by Customs "to use reasonable care" in making entries. All commercial operations in 6 World Trade Center have been relocated to the Customs Ports of JFK and Port Elizabeth. The Court of International Trade (CIT) has re-opened. Clients are encouraged to contact the firm or check out the Customs website for detailed information on operational changes.

<http://www.customs.ustreas.gov/news/sept11/sep11info.htm>

TPA

The House Ways and Means Committee approved the Bipartisan Trade Promotion Authority Act of 2001 (H.R. 3005). It would grant trade authority to the President until June 30, 2005, with a potential two year extension. Opposition means final action will not occur quickly.

IMPORT DATA REQ

Clients should begin now to upgrade the quality and detail of the data provided in advance of merchandise receipt to the U.S. It is likely that the U.S. government will significantly increase the data requirements soon without the ability to object. Firms not complying may experience product receipt time delays. Detailed Advance Shipping Notification (ASN) systems should be implemented. Contact Marshall Miller for assistance.

DOHA WTO MINISTERIAL

The scheduled World Trade Organization Ministerial in Doha, Qatar, scheduled for Nov. 9-13, 2001 is in question. It could potentially be moved to Singapore or Geneva. LDC duty/quota free entry is backed by the EU. The first draft of the Doha Ministerial Declaration has been criticized by Developing Nations, the U.S., and others. Contact our firm for a copy of the draft text.

NAFTA RULES OF ORIGIN

The International Trade Commission has issued its final report on 311 proposed changes to the NAFTA Rules of Origin. The proposed modifications would affect HTS Chapters 13, 19, 20, 28, 29, 30, 34, 38, 40, 41, 48, 60, 61, 62, 63, 66, 68, 81, 84, 85, 90, and 91. Comments are due October 18. <ftp.usitc.gov/pub/reports/studies/naftaroo.pdf>

GSP EXPIRATION

The Generalized System of Preferences (GSP) program expired on September 30, 2001 for all non African Growth and Opportunity Act (AGOA) beneficiary countries. Renewal is expected. The U.S. Customs Service issued instructions to facilitate recovery of duties paid in the interim. [66 Fed. Reg. 50248](#) (Oct. 2, 2001).

AIR/SEAPORT SECURITY

Senator Hollings (D-SC) and Senator Edwards (D-NC) have both introduced airport/seaport security legislation, S.1214 and S.1429 respectively. Both bills include provisions requiring significant shipping data upon arrival and the tracking of imported cargo from the time it arrives in the U.S. until it reaches its final destination. The Customs in-bond program will be impacted by these bills. Clients with FTZ direct delivery procedures should alert their Congressmen.

PROMOTIONAL PRODUCTS

Clients are reminded that it is often wise to have others act as Customs Importer of Record for promotional products. Because they are often outside a company's expertise, the classification, quota, and visa issues belie their actual value. As an example, review the U. S. Customs proposed ruling revocation concerning the classification of a typical promotional product: key chains with attached plastic dolls or toys. 35 Cust. B. & Dec. 15 (Sept. 19, 2001).

IPR PUBLICATION

Customs has posted to its website a publication entitled "How to Protect Your IPR: Recording Copyrights and Trademarks with U.S. Customs and Requesting Surveys of Patent Infringing Imports." Access ["What's New"](#) on our website.

EXPORT CONTROLS

- In response to the September terrorist attacks, President Bush has issued an Executive Order that blocks assets of and prohibits transactions with 27 terrorists, terrorist organizations and supporters. All exporters should review the list. Expect continuing changes to the list. Executive Order 13224. Access ["What's New"](#) on our website.
- The Administration has lifted most of the sanctions that were imposed on India and Pakistan after they detonated nuclear devices. Restrictions on arms sales, foreign military financing, loans for non-humanitarian needs, and exports on dual use items have generally been lifted on both India and Pakistan, while Pakistan will also see restrictions on USAID, EX-IM bank, OPIC, and TDA lifted. BXA is expected to amend its India/Pakistan Regulations to reflect the Determination, but will process any (re)export license to India or Pakistan submitted after September 22. Presidential Determination No. 2001-28. Access ["What's New"](#) on our website.

AD/CVD MONIES

- Customs has issued a final rule detailing the distribution of AD/CVD revenues to affected domestic producers. [66 Fed. Reg. 48546](#) (Sept. 21, 2001).
- Customs has published the due date for receipt of certifications to receive AD/CVD monies as outlined in 19 CFR 159.63. All certifications must have been filed by October 2, to receive monies collected during FY 2001. [66 Fed. Reg. 49451](#) (Sept. 27, 2001).

COAST GUARD

Temporary final rules establishing regulated navigation areas and safety/security zones have been published. [66 Fed. Reg. 51307](#) (Oct. 9, 2001) and [66 Fed. Reg. 51558](#) (Oct. 10, 2001).

TRADE AGREEMENTS

- President Bush has signed into law H.R. 2603, the implementing legislation for the U.S.-Jordan FTA. The FTA is expected to be implemented by early 2002.
- The Senate has passed a joint resolution approving the U.S.-Vietnam comprehensive trade agreement. H. J. Res. 51 was sent to the President for approval on Oct. 9. If signed into law, it will serve as a basis for extending MFN trade benefits to Vietnam.
- The General Accounting Office (GAO) has prepared a report detailing the status of the negotiations of the Free Trade Area of the Americas (FTAA) (Sept. 2001). Access ["What's New"](#) on our website.

U.S. - KOREA FTA

The ITC has published a report U.S. - Korea FTA: The Economic Impact of Establishing a Free Trade Agreement (FTA) Between the United States and the Republic of Korea (Investigation No. 332-425 [USITC Publication 3452](#)) (Sept. 2001).

CANADIAN BORDER

John Simpson, the President of the AAEL, has proposed an innovative solution to the 3000 mile border security issue. He suggests that trade and immigration for Canada and the U.S. be jointly regulated. It is an innovative solution because it would limit security to the first airport and seaport of arrival, eliminating border patrol concerns.

FOREIGN-TRADE ZONES BOARD ACTIVITY AS OF 10/15/01		
	APPROVED	PENDING
ZONES	244	4
SUBZONES	453	21
MISCELLANEOUS		28
AVERAGE PROCESSING TIME (MONTHS)		
ZONES	11	
SUBZONES	9	