

Feb 2016

Mandatory ACE deadline extended to Mar 31

Customs notified the trade on Feb 8 that the mandatory deadline for brokers to file most entries on the new Customs computer system, the Automated Commercial Environment (ACE), has been extended to Mar 31. On this date they will begin to phase out the legacy system, the Automated Commercial System (ACS), which will be completely shut down by Dec 2016. There are exceptions because most participating government agencies (PGA's, formerly known as "other government agencies" or OGA's) have reporting systems that are not yet compatible with ACE. Those agencies must, under executive order, be on ACE by Dec 2016. We at Lee Hardeman Customs Broker, Inc. are quite proud that we were early adopters of ACE for entry summary a year ago, and where possible, we have been making immediate delivery application (entry) since October. We are well prepared to meet the mandatory ACE deadlines. If you use other brokers, you should inquire of them where they are in preparation for the mandatory use of ACE on Mar 31.

Obama Renews Threat to Suspend AGOA Benefits for South Africa

(From our friends at Sandler, Travis & Rosenberg)

President Obama issued Jan. 11 a proclamation stating that duty-free treatment under the African Growth and Opportunity Act for all AGOA-eligible goods in the agricultural sector from South Africa will be suspended effective March 15. Obama had originally threatened to take this step as of Jan. 4 in an effort to get South Africa to eliminate longstanding barriers to imports of U.S. poultry, pork and beef, and after intensive negotiations the two sides signed on Jan. 6 an agreement committing South Africa to take specific steps to that end. For more info, please go to

<http://www.strtrade.com/news-publications-AGOA-South-Africa-poultry-011316.html>

Reminder: Container Weight Verification Requirements Take Effect

July 1, 2016 (From Feb 2015 newsletter. Please note JOC article next, but we urge you to proceed with implementation to meet the current July 1 deadline as a delay may not happen)

The International Maritime Organization (IMO) has adopted amendments to the Safety of Life at Sea Convention (SOLAS) that will require every packed export container to have a verified container weight as a condition for loading aboard a vessel. This is also known as “verified gross mass” (VGM). This requirement will become legally binding on July 1, 2016.

All parties involved in the international transportation of maritime containers - including shippers, freight forwarders, packers, NVOCCs, carriers, and marine terminal operators - will need to take measures to ensure that they are prepared to fulfill the new SOLAS regulatory requirement before the implementation date arrives. In summary, this means that the carriers and ports will likely insist that all containers have signed shipper's weight verifications prior to the carriers' accepting the cargo for export, whether that point of receipt is a port or some inland point.

The World Shipping Council, in conjunction with other organizations, has published an FAQ on VGM at

http://www.worldshipping.org/industry-issues/safety/faqs/SOLAS_VGM_Industry_FAQs_Dec_2015_US_letter_WEB.pdf

For more information, please review our Dec 15 newsletter at

http://www.lhcb.com/index_files/Page435.htm

US exporters urge Coast Guard to delay SOLAS container weight mandate (From Journal of Commerce)

Saying it will be impossible to implement the SOLAS container weight rule by July 1 without severely disrupting trade, U.S. exporters are calling on the Coast Guard to delay the rule until it can be amended and determined that they won't face a competitive disadvantage against foreign exporters.

Following a Wednesday meeting in Atlanta attended by 60 exporters and the U.S. head of a large container line, the head of an agriculture shippers group said it was clear it would be impossible not to disrupt trade while meeting the rule's requirement that a shipper-signed weight, the verified gross mass,

is given to the carrier and marine terminal sufficiently in advance of vessel stowage to allow stowage plans to be created.

“We cannot put U.S. exporters at a greater competitive disadvantage than they already are due to the high price of the U.S. dollar,” Peter Friedmann, executive director of the group, the Washington-based Agriculture Transportation Coalition, told JOC.com.

Friedmann said the group was calling on the Coast Guard to delay implementation much the same way the Secretary of Homeland Security delayed implementation of the 100 percent scanning requirement for all inbound containers as mandated under the 2006 Safe Ports Act. He said the rule should not be implemented in the U.S. until it is determined that implementation would put U.S. exporters on a level playing field with other exporters. At the very least the rule should be put off until July 1, 2017, he said. [Ed. note: Consult the JOC or your freight forwarder for further information. Again, we urge you to be prepared to be in compliance by July 1]

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for additional and updated information and contact us with any questions.

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