

MEMO TO CLIENTS ISSUE 17-019 • October 24, 2017

NEWS IN BRIEF

FSVP Compliance Dates

The U.S. Food and Drug Administration (FDA) has published the compliance dates for the rules that form the foundation of the FDA Food Safety Modernization Act (FSMA). There are different dates for becoming complaint with the FSMA regulations, depending on business size.

Along with the dates and the different company descriptions are summaries of the compliance requirements. This page on the FDA's website provides informative summaries for the FSMA programs:

https://www.fda.gov/Food/GuidanceRe gulation/FSMA/ucm540944.htm#Huma nFood

U.S. Has Issued Forced Labor Sanction on North Korean Labor

This August President Trump signed bill H.R.3364 that included strong language on North Korean labor being used for production in other countries. H.R.3364, which was passed and signed into legislation, cites the human trafficking of North Korean labor, in that laborers are sent to other countries and the wages or remunerations are sent back to North Korea. Sec. 302A(a) of the law states, "In General-Except as provided is subsection (b). any significant goods, wares, articles, and merchandised mined, produced or manufactured wholly or in part by labor of North Korean nationals or citizens shall be deemed to be prohibited under Tariff Act of 1930(USC 1307) and shall not be entitled to entry at any ports of the United States."

Goods made, in any part, by North Korean labor shall not be allowed entry into the United States, unless the exception can be proven with clear and convincing evidence. Importers should make it known to their vendors that they cannot use North Korean labor nor can they purchase parts and materials for final production that were made by North Korean labor.

This new requirement should be part of an importer's forced labor compliance program. H.R.3364 can be found at <u>https://www.congress.gov/115/bills/hr3364/BILLS</u>-<u>115hr3364enr.pdf</u>

House Ways and Means to Hold Hearings on MTB

The Chairman of the House Ways and Means Committee, David Reichert, issued an announcement, that the Committee would hold hearings on October 25 on the new process enacting legislation on the Miscellaneous Tariff Bill (MTB). The hearings will focus on the potential economic benefits for U.S. manufacturers by allowing temporary duty-free status for importer's products not produced in the United States. The Ways and Means announcement can be found at <u>https://waysandmeans.house.gov/correctedchairman-reichert-announces-hearing-</u> miscellaneous-tariff-bill-providing-tariff-relief-u-smanufacturers-new-mtb-process/

CBP Issues Final Rule on Inbond Entries

U.S. Customs and Border Protection (CBP) has issued a Federal Register Notice (FRN) for its long awaited final rule on the Inbond Entry Process. Some of the highlights for changes in this FRN are:

- Goods moving inbond will be classified to the 6th digit of the HTSU number.
- Goods must be delivered to destination within 30 days.
- When goods arrive at destination, they must be reported as arrived within 2 days. Extensions may be granted.
- Tracking of seals for inbond containers will have new requirements
- Shipments of less than container load (LCL) may be shipped with non-inbond merchandise, but the inbond goods must be labeled as inbond.

These are only a few of the changes covered in this 43-page document. A copy of the FRN can be found at <u>https://www.gpo.gov/fdsys/pkg/FR-2017-09-</u>28/pdf/2017-20495.pdf

Talk R B_

By Todd Boice, President

WWW.CARMNET.COM