



## NEWS IN BRIEF

### CBP Hosting CTPAT Conference in Orlando, Florida

U.S. Customs and Border Protection (CBP) has announced it will host the 2018 Customs Trade Partnership Against Terrorism (CTPAT) conference in Orlando, Florida. The two-day conference will occur on September 12-13 and is to be held at the Orlando World Center Marriott. Registration for the conference opened today, August 20. Tickets for the event are available on a first come first serve basis. For more detailed information on the conference and instructions on how to register please visit the CBP website at: [www.cbp.gov/border-security/ports-entry/cargo-security/ctpat](http://www.cbp.gov/border-security/ports-entry/cargo-security/ctpat).

### Important Change to 301 Duty Instructions:

#### **USTR Changes Chapter 98 Exemption for 301 Retaliatory Duties**

The Office of the U.S. Trade Representative has issued a Federal Register Notice (FRN) that changes the exemption for China goods re-entering the United States under Chapter 98.

The original instructions for Chapter 98 read:

*"The rates of duty imposed by heading 9903.88.01 shall not apply to products for which entry is properly claimed under a heading or subheading in Chapter 98."*

The FRN inserts the new language of:

*"The additional duties imposed by heading 9903.88.01 do not apply to goods for which entry is properly claimed under a provision of chapter 98 of the HTSUS, except for goods entered under subheadings 9802.00.40, 9802.00.50, and 9802.00.60 and 9802.00.80. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of the repair, alterations, or processing performed abroad, as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the articles less the cost or value of such products of the United States, as described in heading 9802.00.80."*

This change means that Chinese made articles sent out for repair, alterations or processing will have the 301 retaliatory duties assessed only on the costs of the repairs, alterations, or processing. On the contrary, U.S. goods sent out to be assembled with Chinese products will have the exemption only for the U.S. products that do

not lose their identity in the assembly process. The retaliatory duties will apply to value of rest of the finished articles.

### U.S. and Colombia Meet to Review Free Trade Agreement

The office of the U.S. Trade Representative (USTR) announced that they had a second meeting with Colombia to review the U.S. – Colombia Free Trade Agreement. The review has included discussions on intellectual property rights, digital trade, agriculture, and textile concerns, along with transparency in the implementation of the agreement.

The press release detailing the meeting can be found on the USTR's website at: <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/august/united-states-and-colombia-meet>.

### GSP Review of Turkey

The office of the U.S. Trade Representative (USTR) has issued an announcement that it is reviewing the eligibility of Turkey for the Generalized System of Preferences (GSP). The Trump administration has concerns about market access for U.S. exports into Turkey and the sudden downturn on Turkey's currency. Recently, Turkey has imposed additional tariffs on U.S. goods, including alcohol, cars and car parts, pumps, plastics, cosmetics and chemicals that have not been assessed on other countries. The USTR is hopeful that Turkey will work the U.S. to complete the review.

The USTR Press release can be found at: <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/august/ustr-announces-new-gsp-eligibility>.

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**Agriculture Marketing Service**  
**Issues Notice Proposed Increase**  
**in Cotton Fees**

On Friday, August 17, the USDA Agriculture Marketing Service (AMS) issued a Federal Register Notice (FRN) proposing to change the Cotton Board import fees. The fees are based on calculations using the average weighted value of cotton. For 2017 the AMS used weighted price of \$0.011510 per kilogram. The proposed changes would be based on a price of \$0.011905 per kilogram. These changes are due to go into effect on October 16, 2018, unless there are significant adverse comments. Comments can be submitted until September 17, 2018.

The FRN includes the tables for the new assessments to the affected HTS numbers and can be found at:

<https://www.gpo.gov/fdsys/pkg/FR-2018-08-17/pdf/2018-17723.pdf>.



By **Todd Boice**, President