



NEWS IN BRIEF

CBP is Experimenting with Blockchain

U.S. Customs and Border Protection (CBP) is exploring the use of blockchain technology for use in the import process. The Commercial Customs Operations Advisory Committee (COAC) Emerging Technologies Working Group has been exploring the functional viability of using blockchain technology to improve and streamline manual processes for CBP. CBP has designed a proof of concept for using a decentralized ledger or “blockchain,” specifically to track entry summary data and supporting documents in a digital, tamper-proof and auditable manner. The proof of concept is being used by CBP to test and verify NAFTA (soon to be USMCA) eligibility electronically.

Follow Carmichael on LinkedIn

Keep up with current trade information and stay up to date with newsworthy updates from Carmichael International Service by following us on LinkedIn!

[Click here](#) to find us on LinkedIn.

FDA Food Facility Biennial Registration Now Open

This is a reminder that food facilities are required to renew their registrations by the end of 2018. Renewals are required to be submitted electronically to FDA between October 1, 2018 and December 3, 2018. This renewal is different from updates to registration, which are transmitted when needed.

Instructions for food facility registration renewal can be found on the [FDA's website](#). If you have any questions on the renewals you can contact the FDA Unified Registration and Listing System (FURLS) help desk by phone at 1 (800) 216-7331 and (301) 575-0156; or by email at FURLS@fda.gov.

NAFTA Agreement Signed with New Name

The United States, Canada, and Mexico have concluded the NAFTA renegotiations with a resolution for a whole new agreement between the three countries, which will be titled the United States-Mexico-Canada Agreement (USMCA). This new agreement maintains many of the primary concepts of the original NAFTA agreement, but with some important changes that were not included before.

Some of the changes are:

- Rules of Origin – While in the same structural format as NAFTA, there are changes in several products that match rules from other agreements.
- Motor Vehicle Production – Content standards will rise from 62% to 75%, but will change gradually over a number of years. Also, there will be a requirement that 40-45% of the auto content must be made by workers earning at \$16.00 per hour. Auto content rules will require that steel and aluminum used for automobiles must be 70% of North American steel and aluminum.

- De Minimis – The current duty exemption for shipments under \$800.00 will remain for U.S. Imports. Canada will raise its de minimis exemption to \$117.00 and Mexico will raise its de minimis exemption to \$100.00.
- Certification – The new agreement will not require a specific Certificate of Origin form. It will allow a free form certification that will require certain data elements to be included.

These are just some of the highlights of the agreement. The details of UMCA can be found on the [Office of the United States Trade Representative \(USTR\) website](#). The link to the 234 page instructions for the rules of origin can be found separately on the USTR website, [here](#) and the instruction for the specific rules for textiles and apparel can be found [here](#).

This agreement still must be ratified by each country. The effective date for the USMCA will be three months after the approval by all three nations.

By **Todd Boice**, *President*