



## NEWS IN BRIEF

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### USTR Issues Instructions for Tranche 3 Exclusions

The Office of the U.S. Trade Representative (USTR) issued a Federal Register Notice (FRN) on June 24<sup>th</sup> with instructions on how to request exclusions from the China 301 duties for Tranche 3 (the 3<sup>rd</sup> list) of the HTSUS numbers subject to the additional duties.

To help manage the submissions the USTR has set up a portal for all requests to be filed electronically. The FRN includes detailed instructions on what is to be included on exclusion requests, including instructions on the formatting. The portal to file a request will go live at 12:00 pm on June 30, 2019. The USTR will accept Tranche 3 exclusion requests until September 24, 2019. As of right now the portal exists, but will not accept requests until the official launch.

This process with the portal replaces the exclusion request process used for Tranche 1 and 2. Companies that import goods listed in Tranche 3 should consider filing exclusion requests to try and receive refunds on duties previously paid and, more importantly, to increase their chances of reducing the cost of future duty payments on their goods.

You can access the FRN detailing this information on the [Government Publishing Office's website](#). The [website for the USTR Portal](#) is currently active, but not operational until June 30<sup>th</sup>.

### MSC Suspended from CTPAT After Major Drug Seizure

Last week there was a major seizure of 1.65 tons of cocaine with a street value of \$1 billion on the MSC Gayane. As a result, U.S. Customs and Border Protection (CBP) has placed Mediterranean Shipping Co. (MSC) on temporary suspension from the Customs Trade Partnership Against Terrorism (CTPAT). This suspension means that MSC cannot participate in some of the container ship benefits such as use of "Aqua Lanes" in the ports and there

is a possibility of more exams for cargo aboard MSC ships. The suspension will last 90 days, while MSC reviews its security processes. MSC said that it is working to try to have its CTPAT status restored before the end of the 90-day suspension

CBP has said that MSC's loss of CTPAT privileges will not negatively affect the status for individual importers who are CTPAT participants that have had cargo shipped on MSC vessels.

### Mexican Senate Votes to Ratify USMCA

The Mexican Senate voted to ratify the United States Mexico-Canada Agreement (USMCA) on June 19, positioning Mexico to become the first of the three countries to approve the renegotiated North American Free Trade Agreement (NAFTA). The vote was very near to being unanimous with 114 Senators voting to ratify the agreement. The United States House Ways and Means Trade Subcommittee Chairman Earl Blumenauer (D-OR) has stated that the USMCA will not come up for a vote in the Trade Subcommittee until after the August recess.

By **Todd Boice**, President