

MEMO TO CLIENTS

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NEWS IN BRIEF

CBP Announces 2020 Trade Symposium Dates

U.S. Customs and Border Protection (CBP) has announced that the 2020 Trade Symposium will be held in Anaheim, CA on March 10-11. They have not disclosed the name of the venue where the symposium will take place, but we will watch for an announcement on the venue and advise when registration becomes available.

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<u>Updates on the 5% Increase to</u> <u>China Section 301 Duties</u>

We have seen many comments on whether there will be a 5% increase on Section 301, raising the rate for Tranches 1, 2 and 3 from 25% to 30% and Tranches 4A to 4B from 10% to 15%. There is a written announcement on the website of the Office of the U.S. Trade Representative (USTR) that confirms these increases will be put into effect.

Many of our clients have asked if the effective date for the additional duties is the "date of export" or if it is the "date of arrival." In actuality, the effective date is the date of entry. We cannot have a date of entry until the goods have arrived. Any pre-arrival release messages are only conditional on the actual arrival of the goods.

<u>CBP Announces New Automated</u> <u>Manifest Confidentiality Requests</u>

U.S. Customs and Border Protection (CBP) has announced that they will deploy a new online tool for submitting Electronic Vessel Manifest Confidentiality requests in the next few months. This new program will automate the process by which an importer, consignee, or exporter may request confidential treatment of its name and address on both inward and outward vessel manifests. This will allow trade users to manage their own confidentiality requests electronically via a new program on CBP's website. The program will also automatically update the system for quicker responses to confidentiality requests.

An official announcement for this upcoming program can be found on the CBP website.

USTR Announces First List of Tranche 3 Exclusions

The Office of the U.S. Trade Representative (USTR) has issued the first list of exclusions

granted to items on Tranche 3 (list 3). It is a short list and only covers specific products found under certain HTS numbers. There are no HTS numbers listed that cover all goods under that H number.

The Federal Register Notice (FRN) for this announcement has not been issued yet, but a copy of the notice from the USTR can be found on the <u>USTR website</u>.

Takeaways from the G7 Summit Meetings

United Kingdom and U.S. Trade Agreement in the Works

Prime Minister of the United Kingdom Boris Johnson, and United States President, Donald Trump, announced a potential trade deal between the United States. and the United Kingdom.

Japan and US. Agree to a New Trade Deal

Japan's Prime Minister Shinzo Abe and U.S. President Donald Trump announced an agreement on a new trade deal between Japan and the United States. While the details have not been released, U.S. Trade Representative (USTR) Robert Lighthizer said that the deal consists of 3 parts: agriculture, industrial tariffs and digital trade. Agriculture purchases by Japan will be a welcome relief during the China Trade War standoff.

United Kingdom and US Agree on Beef Access

In the middle of August, the United Kingdom and the United States negotiated an agreement that will allow greater access of American beef to the European market. The agreement established a duty-free tariff rate quota (TRQ) exclusively for beef from the United States. This is a seven-year deal that will triple the amount of the TRQ over the time of the agreement.

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Merchandise Processing Fees and Other User Fees Increase on October 1

U.S. Customs and Border Protection (CBP) has announced an adjustment to the Consolidated Omnibus Budget Reconciliation Act (COBRA) user fees. They include user fee increases for commercial vessel arrivals, rail car arrivals, and express courier hub fees. The adjustment will also include an increase to entry Merchandise Processing Fees (MPF) but will only focus on maximum and minimum fees. The new maximum MPF per formal entry will be \$519.76 and the minimum amount per formal entry will be \$26.79.

The full list of increase can be found on the Federal Register website.

By **Todd Boice**, President