

## **February 09**

### **Importer Security Filing implemented on January 26 as scheduled**

The ISF was deemed to be a homeland defense issue and therefore not covered by the Obama Administration 60-day moratorium in implementing new regulations. The ISF is in full effect except for penalties and bonding. We would be delighted to help you meet this new import requirement. For more information please contact us or visit our website.

### **CPSC grants one year stay of testing and certification requirements for certain products**

The U.S. Consumer Product Safety Commission voted unanimously to issue a one year stay of enforcement for certain testing and certification requirements for manufacturers and importers of regulated products, including products intended for children 12 years old and younger. These requirements are part of the Consumer Product Safety Improvement Act (CPSIA), which added certification and testing requirements for all products subject to CPSC standards or bans.

Significant to makers of children's products, the vote by the Commission provides limited relief from the testing and certification requirements which go into effect on February 10, 2009 for new total lead content limits (600 ppm), phthalates limits for certain products (1000 ppm), and mandatory toy standards, among other things. Manufacturers and importers – large and small – of children's products will not need to test or certify to these new requirements, but will need to meet the lead and phthalates limits, mandatory toy standards and other requirements.

The stay will remain in effect until February 10, 2010, at which time a Commission vote will be taken to terminate the stay.

For a list of exclusions and for more information, we urge you to visit their website at:

<http://www.cpsc.gov/cpscpub/prerel/prhtml09/09115.html>

### **USDA eases Lacey Act declaration requirement for imported goods** (From our friends at Sandler Travis)

In response to public comments, the USDA is extending the schedule of phased-in enforcement of the declaration requirement and has provided a list of products that fall within each phase, as follows:

Present-March 2009 (phase I): plant import declaration form available on USDA website. (we strongly urge you to NOT submit this form until required due to the possibility of

penalties for erroneous information).

April 1-Sept. 30, 2009 (phase II): HTS headings 4401(fuel wood), 4403 (wood in the rough), 4404 (hoopwood; poles, piles, stakes), 4406 (railway or tramway sleepers), 4407 (wood sawn or chipped lengthwise), 4408 (sheets for veneering), 4409 (wood continuously shaped), 4417 (tools, tool handles, broom handles), and 4418 (builders' joinery and carpentry of wood)

Oct. 1, 2009-March 31, 2010 (phase III): in addition to phase II, HTS headings 4402 (wood charcoal), 4405 (wood wool [excelsior]), 4410 (particle board), 4411 (fiberboard of wood), 4412 (plywood, veneered panels), 4413 (densified wood), 4414 (wooden frames), 4415 (packing cases, boxes, crates, drums), 4416 (casks, barrels, vats, tubs), 4419 (tableware and kitchenware), 4420 (wood marquetry; caskets; statuettes), 4701 (mechanical wood pulp), 4702 (chemical wood pulp, dissolving), 4703 (chemical wood pulp, sulfate), 4704 (chemical wood pulp, sulfite), and 4705 (combination mechanical and chemical)

April 1-Sept. 30, 2010 (phase IV): in addition to phase III, HTS headings 4421 (articles of wood, not elsewhere specified or included), 4801 (newsprint), 4802 (uncoated writing paper), 4803 (toilet or facial tissue stock), 4804 (uncoated kraft paper), 4805 (other uncoated paper and board), 4806 (vegetable parchment, etc.), 4807 (composite paper and board), 4808 (corrugated paper and board), 4809 (carbon paper), 4810 (coated paper and board), 4811 (paper coated, etc. other than 4803, 4809 or 4810), 9401.69 (seats with wooden frames), 9403.30 (wooden office furniture), 9403.40 (wooden kitchen furniture), 9403.50 (wooden bedroom furniture), 9403.60 (other wooden furniture), 9403.90.70 (wooden furniture parts)

The USDA will only require a declaration for the product being imported and not for sundries that ordinarily accompany it, such as tags, labels, manuals and warranty cards.

The USDA is seeking comments by March 24.

## **Peru Trade Promotion Agreement**

In one of his last acts in office, President Bush signed the Peru Trade Promotion Agreement on January 16, 2009. Formerly known as “free trade agreements”, the TPA offers duty-free or reduced duty treatment on many Peruvian products. Please contact us if you need more information.

## **Country of origin labeling (COOL) to take effect in March**

(From the National Customs Brokers and Forwarders Association)

The USDA's final regulation for the mandatory country of origin labeling (COOL) program required by the 2002 and 2008 Farm Bills takes effect March 16. The rule covers muscle cuts and ground beef, lamb, chicken, goat and pork; wild and farm-raised

fish and shellfish; perishable agricultural commodities (specifically fresh and frozen fruits and vegetables); macadamia nuts; pecans; ginseng and peanuts. Commodities covered under COOL must be labeled at retail to indicate their country of origin. For fish and shellfish, the method of production - wild or farm-raised - must be specified. Commodities are excluded from mandatory COOL if the commodity is an ingredient in a processed food item.

You can review the entire ruling at

<http://www.ncbfaa.org/files/countryoforiginlabeling.pdf>

### **Long Beach to begin Clean Trucks Fee Feb. 18**

(From the National Customs Brokers and Forwarders Association)

On February 18, the Port of Long Beach will begin collecting a Clean Trucks Fee to accelerate the replacement of thousands of polluting cargo trucks. At the same time the Port will kick off an electronic gate access system that will enable the fee collection and improve security at shipping terminals. The Clean Trucks Fee is expected to raise about \$1 million a day or about \$1 billion over the next few years at both San Pedro Bay ports to help finance the replacement of many of the 17,000 trucks that are a leading source of air pollution in Southern California. "With the current credit crisis, it will be impossible for most truckers to replace all their trucks without our financial assistance program," Steinke said. Collection of the fee was scheduled to begin in November, but was delayed twice due to FMC review. We do not know at this time when Los Angeles will begin collections.

### **Generally Accepted Accounting Principles (GAAP) may be replaced by International Financial Reporting Standards (IFRS)**

The local affiliate of an international accounting firm, HLB Gross Collins, reports that the Securities and Exchange Commission now allows foreign registrant companies to use the IFRS. IFRS was adopted by the EU in 2005, and foreign registrant companies have previously been required to reconcile their reports to GAAP to qualify to be listed on a US exchange. While there is speculation that the SEC may at some point allow domestic companies to use IFRS, Sarbanes-Oxley would have to change to permit IFRS. Currently, the law requires GAAP. Allowing IFRS would be a significant step toward global accounting standards.

Please contact us with any questions.

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