

Aug 2010

Much is happening this month!

Reminder: we now accept credit cards

We now accept payment by Master Card, Visa, and American Express. Please contact Sandy Cato for this new service.

Shipment delays expected in Muslim countries (From our friends at American Shipper)

The start of the Muslim holy month of Ramadan could lead to shipment delays in some Middle Eastern countries. During Ramadan, Muslim nations reduce hours for national and state ministries, customs offices, and other agencies, likely extending the time required to clear shipments for import and export. In Saudi Arabia, for example, customs officers will only work four hours per day. Shipments that are not cleared may be held at warehouses or at the port, and likely be charged additional storage fees. The start of Ramadan changes every year because it is based on the lunar calendar. Some countries began to observe Ramadan Aug 11, and others Aug 12.

USDA proposes exemptions from some Lacey Act requirements (From our friends at Sandler Travis)

The Department of Agriculture published this week a much-anticipated proposed rule that would define two categories of plants and plant products that will be exempt from the Lacey Act, including the import declaration and all other requirements related to the prohibition on the illegal taking of plants under the Act. USDA is also providing for a process whereby exemptions for specific plants and plant products may be requested. We will keep you informed as the proposed rule progresses.

Mumbai port collision (From our GFG agent in India, Leap)

Two vessels collided 10km west of Mumbai: the MV Khalijia 3, and the MSC Chitra. Oil has been spilling from both vessels for the last 4 days as Navy and Coast Guard made hectic efforts to contain the leak. About 400 containers have been floating around the area, and many containers have

been spotted very close to the Nhava Sheva and Mumbai ports. Some of the containers are carrying IMO cargoes, and all shipping movements remain suspended. This accident will definitely lead to congestion & delays at both Mumbai & Nhava Sheva Ports. We will keep you posted. This is a good example of why you need marine cargo insurance.

Aug 1 deadline for 100% air cargo screening going well so far

(From our friends at American Shipper)

Early indications are the airline industry and its shipping customers have adapted very well to the U.S. government's new mandate to screen all cargo on passenger planes against potential terrorist bombs. There have been few, if any, noticeable operational complications at airports since the rule took effect 10 days ago.

Duty suspension package clears Congress (From NCBFAA)

Congress overcame numerous procedural obstacles to pass the first Miscellaneous Trade Bill in almost four years. The MTB includes over 600 duty suspensions or duty reductions on inputs to the manufacturing process and some finished products - many of which had expired January 1. Much of the impetus for passage was from the business community's increasingly vocal criticism about the harm to U.S. companies and U.S. jobs from Congress' failure to pass the MTB. Given the political and procedural roadblocks that brought the MTB process to a complete halt earlier this year, the relatively swift passage of this MTB package by the House and Senate is viewed as a positive sign for passage of additional duty suspensions not included in this round. Both the House and Senate trade committees are discussing a second MTB package yet this year.

USTR begins GSP product review (Also from NCBFAA)

The United States Trade Representative (USTR) has solicited petitions to modify the list of products eligible for duty-free treatment under the Generalized System of Preferences (GSP) program. Product petitions for competitive need limitation (CNL) waivers, must be submitted Tuesday, November 16. Contact us if you need info on submitting a petition.

Extremely slow steaming (ESS) has adverse results for shippers
(From World Cargo News)

WCN reports that many steamship lines have reduced the speed of their vessels from the normal 20-22 knots to 17-19 knots, the latter known as ESS. They claim this reduces costs, which is partially true – it reduces steamship line fuel costs. As for shippers, it increases transit times, but it also requires an increase of about 100 vessels to carry about the same amount of cargo. This artificially increases demand for space, which allows carriers to try to justify an increase in rates. We note that peak season surcharges are about double of what they were last year. Expect further increases in the coming months. Caveat emptor!!

“First sale” is alive and well (From our friends at Grunfeld Desiderio)

In a recent letter to the transportation and importing community by Customs and Border Protection Commissioner Bersin, Mr. Bersin stated that within 30 days, the CBP proposal to revoke first sale will officially and formally be withdrawn. Accordingly, the first sale rule will remain in place.

Please contact us with any questions.

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