



# Parker & Company Worldwide

*Trade News Quarterly May 2009*

## **EPA Invites Comments on Notification of Chemical Exports**

The Environmental Protection Agency is inviting comments by May 5 on specific aspects of an information collection entitled "Notification of Chemical Exports." The Toxic Substances Control Act requires that any person who exports or intends to export to a foreign country a chemical substance or mixture that is regulated under TSCA sections 4, 5, 6 and/or 7 submit a notification to EPA. Upon receipt of notification EPA will advise the government of the importing country of the U.S. regulatory action with respect to that substance. EPA uses the information obtained from the submitter via this collection to advise the government of the importing country

**Parker & Company Trucking from Houston- Parker & company has capacity for freight arriving to Laredo, Pharr, or Brownsville, contact David Dubois [ddubois@parker-logistics.com](mailto:ddubois@parker-logistics.com)  
Or Xavier Cardenas [xcardenas@parker-logistics.com](mailto:xcardenas@parker-logistics.com)**

**ISO-9001 Parker & Company just completed our ISO-9001 triennial audit and have been certified under the ISO quality procedures for another 3 years congratulations to all Parker & Company employees for their dedication to our quality service program.**

## **Grassley Asks President to Clarify Intent to "Improve" NAFTA**

Sen. Charles Grassley, the senior Republican on the Senate Finance Committee, wrote to President Obama March 5 to ask him to clarify his intentions regarding NAFTA. A recent report from the Office of the U.S. Trade Representative stated that the administration plans to "work with Canada and Mexico to identify ways in which NAFTA could be improved without having an adverse effect on trade" and that it "will do this in a collaborative spirit and emphasize ways in which this process can benefit the citizens of all three countries."

Grassley said he disagrees with the idea of renegotiating NAFTA (although the administration has avoided using that term) and is uncertain that it could be changed without having an adverse effect on trade. He pointed out that NAFTA created significant new market access opportunities for U.S. exporters by reducing Mexican tariffs and expressed concern that if the agreement is reopened Mexico could seek to rebalance tariff concessions in a way that could harm U.S. agricultural exports. He also argued that the signals Obama is sending on NAFTA "are creating uncertainty in the marketplace" that is unhelpful to efforts to recover from the national economic downturn.

Grassley therefore asked Obama to clarify the specific NAFTA-related problems he is seeking to remedy. He also asked the president to confirm that if the agreement is reopened he will not agree to any increases in, or reinstatements of, tariffs on U.S. agricultural products.

## Maersk Adds Mobile, Alabama, to Transatlantic Service Schedule

April 9th, 2009 [Maersk Line](#) has announced the addition of a new port call in its transatlantic trade. Effective April 16, Mobile, Alabama, will be added to the Transatlantic Service TA2 (Eastbound and Westbound) with the vessel Maersk Utah. This call opens another market in the U.S. Gulf region to and from Europe for the carrier.

**SeaBridge Freight** offers the following sailings between Port Manatee, Florida and the Port of Brownsville, Texas. We are accepting bookings for shipper owned equipment or in carrier provided containers or flatracks. Transload encouraged.

We can also handle out of gauge cargo and break bulk on deck. Both ports offer strong rail and road connections. The schedule:

Voyage number	Port Manatee	Brownsville
Voy 9	Sunday May 3	May 8-10
Voy 10	Friday May 15	May 20-21
Voy 11	Tuesday May 26	May 31

Please call me or Peter Hamlin at the Port Manatee office, 941-981-3850

## DOT Reports Another Double-Digit Decline in Surface Trade with Canada and Mexico

The Department of Transportation reports that U.S. surface transportation trade in goods with NAFTA partners Canada and Mexico fell sharply again in January, down 10.3% from December to \$47.5 billion. The January total also represented a 27.2% drop from a year earlier, more than twice the rate of decline in December. Surface transportation consists largely of freight movements by truck, rail and pipeline and accounts for about 88 percent of U.S. trade by value with Canada and Mexico.

Surface trade between the U.S. and Canada totaled \$29.0 billion in January, down 31.1% from January 2008. Exports by truck fell 27.2% by value while imports by truck declined 31.3%. U.S.-Mexico surface transportation trade totaled \$18.5 billion, down 20% from a year before. Exports by truck dropped 10.7% by value while imports by truck fell 20.5%.

## CBP Officers Seize Nearly Three Tons of Marijuana Hidden in Two FAST Shipments at Laredo Port of Entry

Laredo, Texas –Within a 24-hour period, U.S. Customs and Border Protection (CBP) Field Operations officers at the Laredo Port of Entry discovered nearly three tons of marijuana in two commercial trucks that had been enrolled in a trusted shipper program.

The latest seizure occurred shortly before 7:30 p.m. on Friday, April 3, 2009 at World Trade Bridge. A CBP officer referred a 1999 Freightliner tractor that had entered the bridge through the Free and Secure Trade (FAST) lane hauling a 2007 Token trailer laden with a shipment of auto parts for secondary inspection. The conveyance, part of the FAST program, a trusted shipper program, was driven by a 29-year-old female Mexican citizen from Nuevo Laredo, Tamaulipas, Mexico. A non-intrusive imaging system scan indicated anomalies within the shipment. CBP officers conducted an intensive examination of the tractor trailer at the cargo dock and discovered bundles commingled with the shipment of auto parts. CBP officers discovered 157 bundles containing a total of nearly 3,472 pounds of marijuana. The marijuana has an estimated street value of \$3.4 million.

The other seizure occurred shortly before 3 p.m. on Thursday, April 2, 2009 at Colombia-Solidarity Bridge. A CBP officer referred a 1997 Freightliner tractor that had entered the bridge through the Free and Secure Trade (FAST) lane hauling a 1999 Wabash trailer laden with a shipment of empty racks for secondary inspection. The conveyance, part of the FAST program, a trusted shipper program, was driven by a 27-year-old male Mexican citizen from Colombia, Nuevo Leon, Mexico. A non-intrusive imaging system scan indicated anomalies within the rear part of the trailer. CBP Canine “Martin” alerted to the

odor of narcotics emanating from the rear of the trailer. CBP officers conducted an intensive examination of the tractor trailer at the cargo dock and discovered bundles in boxes in the rear of the trailer. Within the 101 bundles, CBP officers discovered a total of nearly 2,505 pounds of marijuana. The marijuana has an estimated street value of \$2.5 million.

### **CBP Ready to Launch Test of ACE Entry Summary Processing Capabilities**

U.S. Customs and Border Protection will begin as early as March 15 a test of the Automated Commercial Environment's entry summary, accounts and revenue (ESAR II) capabilities. These new capabilities will include functionality specific to the filing and processing of formal consumption (type 01) entries and informal (type 11) entries, including Automated Broker Interface Census warning overrides, the issuance of requests for information and notices of action through the ACE Portal, enhanced portal account management and ACE Secure Data Portal reporting.

**Changes to Test.** CBP had previously indicated that under this test participating importer, broker and carrier portal account types would be able to maintain the following declarations in the ACE Secure Data Portal: affidavits of manufacturers, NAFTA certificates of origin, non-reimbursement blanket statements (antidumping/countervailing duty), certain marking rulings and importer certifying statements. CBP now states that all of these declarations except certain marking rulings will be supported in the ACE Portal. CBP is also announcing that although the ESAR II test will support type 01 and 11 entries filed through remote location filing, this will not be available on the first day of the test. RLF will be supported at some point following the "go live" date of the test, and CBP will issue a message to the trade via the Cargo Systems Message System when this happens.

**Phased Implementation.** CBP will conduct the ESAR II test in a phased approach as set forth below.

- initial stage to begin no earlier than March 15 at the ports of Buffalo, Chicago, Long Beach (including Los Angeles seaport) and Laredo
- second stage to begin no earlier than April 15 at the ports of Miami, New Orleans, Houston, San Francisco, Seattle, El Paso, Boston, San Diego, Newark, JFK Airport, Baltimore, Philadelphia, Cleveland, Tucson, Tampa, Detroit and Atlanta
- third stage to begin no earlier than June 15 at all remaining ports

**More Participants Sought.** Following its August 2008 notice announcing plans to conduct the ESAR II test CBP received interest from 39 ABI participants and 17 software developers. CBP is now inviting any additional interested ABI applicants meeting the eligibility criteria specified in that notice and additional interested software developers, to participate in the ESAR II test. CBP notes that participation will be further expanded in the future as funding and technology allow but that the eligibility criteria may differ.

**ACE update below is an update provided by Janet Pence to the TLC and Trade Ambassadors.** CBP successfully launched A2.2 on April 12, 2009. To date, two filers have filed over 100 ACE entry summaries. There are a few system problems that are being addressed; nothing major and on the whole, the quality of the software release is excellent. Our port rollout is continuing on schedule; on May 4 ACE entry summaries will be accepted in Laredo, Long Beach and Chicago. The internal CBP training has gone well and the field is reporting a great deal of satisfaction with the system and the training. Client Reps will expand certification testing to all interested trade participants in May.

**NCBFAA General Counsel Files Comments with FMC on TSA's Amendment Request -** The NCBFAA submitted comments to the Federal Maritime Commission (FMC) opposing requested anti-trust immunity by the Transpacific Stabilization Agreement (TSA). Prepared and filed by NCBFAA General Counsel Edward Greenberg, the NCBFAA comments are in response to the TSA's request to amend its agreement with the FMC to grant it immunity from antitrust laws when it collectively discusses capacity rationalization issues.

In its comments, the NCBFAA posits that approval of the TSA request would lead to less service and higher rates. "The NCBFAA believes that the proposal on its face raises concern that it could result in an unreasonable reduction in transportation service or an unreasonable increase in transportation costs and that no approval should be considered by the [FMC] unless or until the carriers are able to demonstrate that neither of these fears are justified."

The NCBFAA points out that TSA members, all foreign carriers, are no more deserving of special consideration than any other company facing the problems caused by current economic conditions. Additionally, the NCBFAA encourages the FMC to either challenge the TSA's amendment request or at

least seek detailed justification from the carriers for such extraordinary relief.

"The NCBFAA has long opposed the continuation of anti-trust immunity for steamship lines as inappropriate and unnecessary," the Counsel Greenberg wrote. "And, the NCBFAA is particularly concerned that the expanded immunity now sought by TSA could substantially and adversely affect the ocean shipping marketplace."

To support the NCBFAA position, General Counsel Greenberg provided the FMC with a Department of Justice study that concluded that the effect of capacity control coordination, even for a limited time, could have significant adverse effect on consumer prices. In conjunction with the preparation, research, and filing of comments, General Counsel Greenberg has also reached out to other associations and interested parties in an effort to build a consensus within the trade community that approval of the TSA's petition would be harmful for the trade industry at large.

The filing is a demonstration of the involvement of the NCBFAA in all matters that will negatively or otherwise affect our industry. It also highlights the dedication that the Association receives from continued support and involvement of its counsel.

### **TSA lines withdraw capacity discussion amendment -**

A discussion agreement representing 14 transpacific container shipping lines said Tuesday it will not pursue an amendment to its agreement on file at the Federal Maritime Administration that would have allowed them to discuss controlling capacity in the Asia-U.S. trade. The Transpacific Stabilization Agreement filed the amendment to its agreement on file at the FMC on Dec. 18, to take effect Feb. 1, absent any further commission action after a 45-day review period. The proposed changes sparked objections from groups representing shippers and intermediaries such as the National Industrial Transportation League and National Customs Brokers and Forwarders Association of America. The FMC instead issued a formal request for additional information in late January, triggering another minimum 45-day delay.

"This would put the effective date of the amendment into late March or April at the earliest," TSA executive administrator Brian M. Conrad told the FMC in a Feb. 9 letter. "Since this amendment provides only for discussion authority, and contemplates a further amendment if a program is agreed to, the effective date of any program would then be pushed well into the summer.

"As the challenges facing the carriers continue to mount, time is critical," Conrad said.

"Given the commission's decision to delay the effectiveness of the amendment and the attendant uncertainties that have been created, the members believe that the benefit of this discussion authority, which is urgently needed, is severely diminished." TSA chairman Ronald D. Widdows said TSA members are disappointed by the regulatory delay, and the inability to at least discuss options for addressing transpacific capacity challenges. "The current global financial crisis has created a severe overcapacity situation and threatened transpacific carriers' financial stability," said Widdows, who is chief executive officer of Neptune Orient Lines, the parent of APL, the world's seventh-largest container shipping company and a TSA member. Earlier Tuesday NOL reported a fourth quarter loss of \$149 million.

"TSA members remain convinced that today's unprecedented trade conditions justify exploring a coordinated approach to more efficient use of vessel assets -- an approach that ensures adequate service levels while permitting carriers to operate more efficiently," Widdows said.

"TSA fully intended for this amendment to broadly benefit the entire industry -- shipper and carrier alike - - and was committed and prepared to continuously engage the shipper community as we moved through the process." In addition to APL, TSA members are China Shipping Container Lines, CMA CGM, COSCO Container Lines, Evergreen Line, Hanjin Shipping Co., Hapag-Lloyd, Hyundai Merchant Marine, "K" Line, Mediterranean Shipping Co., NYK Line, OOCL, Yangming Marine Transport Corp., and Zim Integrated Shipping Services.

**RFE — A New Customs Regime** A customs regime is a country's specific set of trade regulations, processes and practices that regulate the actions of importers and exporters. This new customs regime is known as Regimen de Recinto Fiscalizado Estratégico (RFE), or loosely translated as a Strategic Bonded

Warehouse. It is similar to a Foreign Trade Zone within a geographical area, where tariffs and quotas are eliminated and bureaucratic requirements are minimized in an effort to attract foreign investment.

The benefit of the new customs regime is to allow goods to be imported into Mexico and remain for up to two years on a tax-free and duty-free basis. It is expected to mimic the current automotive fiscal deposit regime (Deposito Fiscal para la Industria Automotriz) and expand to include more industries and to be more competitive than the current IMMEX (previously Maquila & Pitex) regime. The government believes that RFE will decrease logistics cost in terms of dollars per container and numbers of days in transit which in turn will help attract additional production to Mexico.

As a growing export center in central Mexico, the state of San Luis Potosi will pilot the new RFE customs regime. The Mexican government has partnered with local businesses to develop and test the new regime, including two large automotive parts makers, a robotics and electronics manufacturing company, a warehousing facility administrator and J.P. Morgan's Global Trade Services unit. Preparations began in November 2007 with the pilot program going live in July. The program is expected to open for additional manufacturers in early 2009. Key elements of the new customs regime include:

Allows goods to remain in a Mexican warehouse for up to 2 years on a tax-free and duty-free basis

Elimination of customs inspection at the port of entry, resulting in cost reductions and reduced time-to-market.

No secondary customs inspections required

Simplified customs clearance process results in reduced customs brokers fees

Importers have a three-day grace period within which to correct import declarations

Mexico Customs estimates that the RFI clearance process will save an importer between US\$200 and US\$600 per shipment.

**Lacey Act Import Declaration Now Required for Certain Wood Products** The first phase of enforcement of the new Lacey Act import declaration requirement for plants and plant products went into effect May 1. [Subsequent phases](#) are scheduled to be rolled out every six months. U.S. Customs and Border Protection recently posted to its Web site guidance on complying with this requirement.

**Covered Products.** As of May 1, imports of the following products must accompanied by an import declaration (form PPQ 505) containing the scientific name of the plant from which they were obtained, the value of the importation, the quantity of the plant and the name of the country from which the plant was harvested.

- fuel wood (HTSUS 4401)
- wood in the rough (HTSUS 4403)
- hoopwood; poles, piles, stakes (HTSUS 4404)
- railway or tramway sleepers (HTSUS 4406)
- wood sawn or chipped lengthwise (HTSUS 4407)
- sheets for veneering (HTSUS 4408)
- wood continuously shaped (HTSUS 4409)
- tools, tool handles, broom handles (HTSUS 4417)
- builders' joinery and carpentry of wood (HTSUS 4418)

**Expedited Release.** The government began May 1 a pilot program for those entities currently participating in Automated Line Release or Border Release Advance Screening and Selectivity whose products require a Lacey Act declaration during the current phase of enforcement. Under this pilot, participants must choose whether or not to remain active in the expedited program. If a participant opts to be removed, no further action is necessary and the C4 code will be inactivated effective June 1. Those who opt to remain in the expedited release program must complete the following two-step process.

- The participant must file with the Department of Agriculture an advance estimated PPQ 505 that includes all required data elements. The genus, species, value and quantity fields should be an

estimation of the participant's planned imports during the next calendar month. The estimated PPQ 505 must be filed on or before the 15th day of the month prior to the reporting period; e.g., the first estimated PPQ 505 will cover expedited release shipments planned for June and will be due by May 15.

- The participant must file with the USDA, within 15 days after the end of the month, a reconciliation that provides information on the actual shipments made during the previous month. The deadline for the first reconciliation is July 15. The USDA will make the format of the reconciliation available at a later date.

This process must be completed monthly during the pilot. The U.S. government will rely on the collected data in its reports to Congress and in determining possible refinements and extensions to enlarge the process and make it less burdensome for all involved

**CBP Provides Enforcement Delay for Lacey Act Declaration -** CBP has revised its guidance on how it will enforce the Lacey Act Declaration requirement for covered plants and plant products. The revision delays enforcement of the declaration requirement for Automated Line Release (ALR)/Border Release Advance Screening and Selectivity (BRASS) program participants another 30 days, until June 1, 2009. CBP has initiated a pilot program for those entities currently participating ALR or BRASS whose products require a Lacey Act declaration during the current phase of enforcement. Under this pilot, participants must choose whether to remain active in, or to be removed from, the expedited program.

If importers participate, they must file with APHIS an advance estimated PPQ 505 that includes all data elements required on the PPQ 505. Genus, species, value, and quantity fields should be an estimation of the planned imports during the next calendar month. The estimated PPQ 505 must be filed on or before the 15th day of the month prior to the reporting period. The deadline for the first estimated PPQ 505 is May 15, 2009, covering expedited release shipments planned for the month of June 2009. The participant must file with APHIS reconciliation within 15 days after the end of the month.

This reconciliation will be submitted in a format to be established and made available on the APHIS website. The reconciliation will provide information on the actual shipments made during the previous month. The deadline for the first reconciliation is July 15, 2009

**US Container Volume Worst since 2004,** By Staff, Florida Shipper, January 19, 2009 U.S. container ports closed out their worst year since 2004 with an estimated 6.4 percent drop in imports in December compared to the previous-year period.

That marked the 17th straight month that container volume declined year-over-year, according to the monthly Port Tracker published by the National Retail Federation and IHS Global Insight. With retailers cautious about replenishing inventories, the first five months of 2009 are expected to be dismal.

"We don't expect a significant increase in traffic at the ports until retail sales return to normal levels, and even then retailers will be careful not to overstock," said Jonathan Gold, vice president of supply chain and customs policy at the NRF.

### **Federal Agencies Issue Draft Guidance for Industry Good Importer Practices**

*Helping importers ensure their products are safe and comply with U.S. requirements*

The U. S. Departments of Health and Human Services, Agriculture, Commerce, Homeland Security, and Transportation and the U.S. Consumer Product Safety Commission, the U.S. Environmental Protection Agency, and the Office of the U.S. Trade Representative today issued draft guidance for industry titled "Good Importer Practices." The guidance is designed to provide guidance to importers on steps they can take to help ensure imported products are in compliance with applicable U.S. statutes and regulations.

"This draft guidance provides importers with recommendations to assist them in preventing or detecting potential problems at critical points along the product's life cycle," said Jeffrey Shuren, M.D., J.D., associate commissioner for policy and planning, U.S. Food and Drug Administration.

Recommendations in the draft guidance are designed to anticipate potential sources of product hazards and offer preventive controls firms can implement to mitigate such hazards and help ensure imported products are safe and are compliant with U.S. requirements.

These draft Good Importer Practices are broadly organized under four guiding principles:

Establishing a product safety management program, knowing the product and applicable U.S. requirements, Verifying product and company compliance with U.S. requirements throughout the supply chain and product life cycle, Taking corrective and preventive action when the imported product is not in compliance with U.S. requirements

The draft guidance recommends that importers consider instituting practices to identify and minimize risks associated with imported products. The draft guidance also recommends that, in general, importers should know the producer of the foreign products they purchase and any other manufacturers with which they do business, such as consolidators, trading companies, and distributors; understand the products that they import and the vulnerabilities associated with these products; understand the hazards that may arise during the product life cycle, including all stages of production; and ensure proper control and monitoring of these hazards.

The agencies are issuing this draft guidance to implement recommendations outlined in the “Action Plan for Import Safety: A Roadmap for Continual Improvement,” issued by the Interagency Working Group on Import Safety, and to help foster a consistent approach by federal agencies and importers in ensuring the safety of products brought into the United States.

For more information: [Guidance for Industry – Good Importer Practices Action Plan for Import Safety](#)

### **Food Safety Reform Bill Includes New Fees, Importer Requirements**

New legislation introduced in the Senate March 3 would overhaul federal efforts to ensure the safety of imported and domestic food. A joint press release from the bill’s Republican and Democratic sponsors states that the FDA Food Safety Modernization Act responds to recent outbreaks of food-borne illness and nationwide recalls of contaminated food from both foreign and domestic sources. The bill includes the following provisions.

- increases funding for the FDA’s food safety activities through increased appropriations and targeted fees for domestic and foreign facilities
- requires importers to verify the safety of foreign suppliers and imported food
- allows the FDA to require certification for high-risk foods and to deny entry to foods that lack certification or that are from a foreign facility that has refused U.S. inspectors
- increases FDA inspections at all food facilities, including annual inspections of high-risk facilities and inspections of other facilities at least once every four years
- requires all facilities to have in place preventive plans to address identified hazards and prevent adulteration and gives the FDA access to these plans and relevant documentation
- allows the FDA to enable qualified third parties to certify that foreign food facilities comply with U.S. food safety standards
- requires a pilot project to test and evaluate new methods for rapidly and effectively tracking/tracing fruits and vegetables in the event of a food-borne illness outbreak
- gives the FDA the authority to order a mandatory recall of a food product when a company fails to voluntarily recall the product upon the FDA’s request
- empowers the FDA to suspend a food facility’s registration if there is a reasonable probability that food from that facility will cause serious adverse health consequences or death
- directs the FDA to help food companies protect their products from intentional contamination and calls for a national strategy to protect the food supply from terrorist threats and rapidly respond to food emergencies

### **CAFTA-DR to Take Effect in Costa Rica on Jan. 1, 2009**

The Governments of the United States and Costa Rica formally exchanged notes to bring the *Dominican Republic-Central America-United States Free Trade Agreement* (CAFTA-DR) into force as to Costa Rica as of January 1, 2009. Costa Rica also notified the Organization of American States, which acts as the official depository for CAFTA-DR.

The exchange of letters agreed to put Costa Rica's intellectual property legislation into conformity with CAFTA-DR by making three technical corrections to article 52 of the *Ley de Procedimientos de Observancia de los Derechos de Propiedad Intelectual*, article 2 of the *Ley de Derechos de Autor y Derechos Conexos* and article 8 of the *Ley de Información No Divulgada*, which have already begun their passage through the Legislature. In addition, Costa Rica clarified in writing the periods in which commercially relevant frequencies will be available to meet the commitments of market access in telecommunications.

**Source: American Shipper**

### **Customs publishes AES penalty guidelines**

U.S. Customs and Border Protection on Friday posted penalty guidelines, **effective Feb. 1**, for enforcing recent Census Bureau rules requiring exporters and forwarders to electronically file export declarations before cargo is loaded on a transport conveyance.

The regulation requiring use of the Automated Export System, or the Web-based Redirect, and eliminating the use of paper-based export documents went into effect on July 2. Enforcement technically began on Sept. 30, but the agency postponed the assessment of penalties until it completed its guidelines for how to implement and mitigate penalties.

The new foreign trade rules increase the maximum fine for failure to file, late or incomplete filing or submitting false information to \$10,000 per violation. The rules also include provisions for ocean, air, rail and truck carriers prohibiting the transport of cargo that has not been declared through AES.

CBP said first-time violators are likely to receive a warning or informational letter reminding the company about the new rules.

The penalty scale for recorded violations is:

- \* First offense - \$750 to \$2,500.
- \* Second offense - \$1,000 to \$3,500.
- \* Third offense - \$1,500 to \$5,000.
- \* Fourth offense and beyond - \$2,000 to \$10,000.

Penalty ranges can be lower based on whether there were any mitigating factors, such as voluntary self-disclosure, or whether the company involved showed clear disregard for the law by having multiple violations in the same export transaction, engaging in intentional fraud or meeting other factors. To read the full CBP legal bulletin, go to

[http://www.cbp.gov/linkhandler/cgov/trade/legal/bulletins\\_decisions/bulletins\\_2009/vol43\\_01022009\\_no2/43genno2.ctt/43genno2.pdf](http://www.cbp.gov/linkhandler/cgov/trade/legal/bulletins_decisions/bulletins_2009/vol43_01022009_no2/43genno2.ctt/43genno2.pdf)

### **MEXICO TO CUT TARIFFS ON INDUSTRIAL PRODUCTS**

December 23, 2008

Mexico will cut tariffs on capital goods and other industrial imports to lower costs for Mexican manufacturers who have been hurt by the recession in the United States, Finance Minister Agustín Carstens announced. The cuts are aimed in particular at the maquiladora factories that assemble goods near the border, using components imported from the U.S., and then re-export higher-value-added products back to the United States. The government plans to cut tariffs on up to 5,000 different classes of goods between 2009 and 2012. "These measures are timely, taking into account the difficult economic context we currently face," Carstens said. The United States buys 80 percent of the country's exports, so slumping demand for Mexican exports have taken a heavy toll on Mexico's economy. Mexico's industrial sector has not recorded any growth since May and productivity growth has not grown in 2008. By lowering the cost of key imported components, the measure could raise the productivity and competitiveness of Mexican manufacturers. The Mexican government projects that GDP growth in the country will fall to 2 percent in 2008 and drop even further to 1.8 percent in 2009. Some private-sector economists are predicting that the country could face a sustained recession.

TARIFF FMC-002 OUTBOUND GOVERNING RULE TARIFF  
RULE 002-88 REQUIREMENT FOR WOOD PACKAGING MATERIALS TO TAIWAN  
Filed on: 18DEC2008 Effective: 01JAN2009 Thru: Expire:

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Effective from Jan/01/2009 (arrival date to Taiwan port), wood packaging material shall be treated in the exporting country prior to export by either Methyl Bromide(MB) or Heat Treatment(HT) method in accordance with International Standards for Phytosanitary Measures No. 15 under the supervision of the plant quarantine authority of the exporting country, and present the Mark which certifies the approved treatment on the wood packaging material. The Mark should contains the valid symbol approved by IPPC, country code, unique number assigned by the NPPO to the producer of the wood packaging material and the approved measure used (MB;HT).Wood packaging material shall cover wood cases, crating, skids, pallets, wooden frames, drums, wood axle, wood cleat, dunnage, sleepers and packing blocks which are used in loading, packing, mating, supporting or fixing the commodity.

The following wood packaging materials are exempt from this requirement: (1) made from wood less than 6 mm in thickness. (2) created using glue, heat and pressure or combination method. (3) treated by paint or stain. (4) treated by tar or other preservatives. (5) used as containers loaded with liquor.

Shippers are responsible for compliance of the requirements by Bureau of Animal and Plant and Health Inspection and Quarantine (BAPHIQ), Council of Agriculture. Wood packaging material that does not comply with the requirements, will be treated by methyl bromide fumigation or heat treatment, or destroyed at Taiwan, or re-shipped. Any charges occurred from violations shall be borne by the cargo interests.

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