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February 2008 · Issue 21

[Ocean Fast Facts for February](#)

We begin this month's ocean fast facts with a question:

According to the Marine Department of the Hong Kong Special Administrative Region Marine Department, how many estimated TEUs (twenty foot equivalent units) were handled through the port of Hong Kong in 2007?

- a. 23,881,000
- b. 5,500,000
- c. 20,000
- d. None of the above

[Click here to see the correct answer ...](#)

Correct Answer: A. An estimated 23,881,000 TEUs were handled through the Hong Kong container ports in 2007.

Source: <http://www.pdc.gov.hk/docs/Hkport.pdf>

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OCEAN

Past editions of the AIT eNewsletter have defined the word "incoterms." This month, AIT offers another glimpse at another popularly used ocean incoterm: Cost, Insurance and Freight (CIF).

[Ocean "BUZZ" Word of the Month: CIF \(... named port of destination\)](#)

Cost, Insurance and Freight (CIF): CIF is where the seller/exporter/manufacturer clears the goods for export and is responsible for delivering the goods past the ship's rail at the port of shipment (not destination). The seller is responsible for paying the costs associated with the transport of goods to the named port of destination; however, the buyer assumes responsibility for risk or loss of damage and additional costs beyond the ship's rail at the port of shipment, such as additional transport costs (destination port; but not ultimate door destination). The seller is also responsible for procuring and paying for marine insurance in the buyer's name for the shipment.

Examples: CIF Cost, Insurance and Freight Norfolk
CIF Cost, Insurance and Freight Port of Miami

Sources: <http://www.exporter.com/moreus.asp?ID=10>

Dictionary of International Trade - Handbook of the Global Community, 7th Edition. Edward G. Hinkelman, 2006.

Understanding incoterms can have an impact when quoting freight shipments. Should you have any questions when dealing with incoterms, please contact your AIT representative to assist! It will ensure apples to apples comparison when determining your transportation costs.

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[Ocean Export = Supply and Demand](#)

The January edition of the AIT eNewsletter discussed the increase in U.S. exports and the corresponding inadequate supply of ocean containers, especially in the U.S. mid-sections available for immediate bookings. Throughout the month of January, the ocean industry press also highlighted the equipment challenges. The Journal of Commerce reported this challenge of equipment availability in the January 21, 2008 edition of their article, "Coming Up Empty."

Export customers shipping full containers must be aware of the possible shortages in equipment availability. AIT customers and exporters are highly encouraged to take this into consideration and remain on top of your export shipments, especially when sourcing from such markets as Chicago, St. Louis, Kansas City, and Denver. These intermodal markets are often "demand" areas for ocean equipment; and import empty "turns" occasionally do not become available fast enough to supply the export booking demands. Plan as early as possible to avoid delays in securing ocean container equipment. Call AIT to assist in planning for alternatives when your primary routing options do not exist.

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[Snow in Shanghai = Where is Global Warming?](#)

Many of you are aware of the current weather issues in China and the continuing poor weather forecasts into the forthcoming Spring Festival / Chinese New Year Holiday. Since the middle of January, both snow and fog have had a significant impact in Shanghai, Ningbo and Guangzhou regions. Snow has clogged the roads leading into key ports delaying the ability to ship cargo via road and water. The Chinese Government has reported port delays or entire port closures. Carriers such as Zim, Maersk and Evergreen have also experienced delays or vessel omissions at certain ports.

As U.S. consumers, many take for granted the strong road and port infrastructure that is in place in U.S. metropolitan port areas such as New York, Norfolk, Baltimore and Los Angeles. This weather event in China is a 50 year event and weather of this kind has not been seen in this many years. It is important to remember that in several locations, China does not have the organized snow removal plans in place that are commonly found in northern tier U.S. cities.

The timing of this weather event, combined with the peak in cargo volumes that are shipped during Chinese New Year, has placed a significant strain on the supply chain; delaying shipments for large and small USA importers alike. Please seek assistance from AIT staff when attempting to locate or get up-to-date status information due to weather delays from China. As of press time, snow is still forecasted for Shanghai for a few more days!

[Market Notes](#)

Reminder: Emergency Bunker Surcharge (EBS) Advisory = Asia to USA

Several ocean carriers have implemented an Emergency Bunker Surcharge, also known as "EBS." For some carriers, the EBS went into effect on December 21, 2007. Depending on the ocean carrier, the average EBS has been determined. Additionally, most carriers are expected to apply the following EBS: \$160/20', \$200/40', \$225/40'HC and \$255/45'. EBS will also apply for LCL rates and is anticipated to be in the range of \$5-\$8 per w/m. Some carrier EBS charges will vary so speak with your AIT representative to verify your EBS level.

Kenya: Political Unrest

Several ocean freight carriers such as Maersk are reporting instability in Kenya and are not able to offer through bill of lading service or accepting bookings until further notice.

Reminder: Alameda Corridor Surcharge (ACS) Advisory = New Levels in 2008

ACS will have a slight increase starting January 1, 2008. The previous levels are \$18/\$36/\$36/\$40, and new levels will be \$19/\$38/\$39/\$42 per 20'/40'/40'HC/45'. This is for all cargo transiting via intermodal rail corridors to and from the ports of Los Angeles and Long Beach.

Los Angeles / Long Beach Container Handling Fee coming in 2008

The "going green" initiative on the West Coast will result in a new handling fee for containers entering the Ports of Los Angeles / Long Beach. An initiative proposed earlier in 2007 is now being backed by the Los Angeles Harbor Commission in December. The proposed fee will assist replace trucks operating on port terminals which will meet stringent emission standards outlined by the Los Angeles-Long Beach Clean Air Action Plan. The fee is estimated to be \$35 per-TEU or \$70 per-FEU and the start date has not yet been announced. It is expected this fee will result in 1.6 billion in revenue over the next five years.

The Port of Los Angeles / Long Beach has announced it will also add a Container Fee for Loaded Containers effective January 1, 2009

The fee will be \$15 per TEU and this is in addition to the above proposed "green" initiative. It is aimed at projects that importers and exports support, including the replacement of bridges and other projects to relieve bottlenecks at the port facilities.

Source: Journal of Commerce Online; January 21, 2008

Looking Beyond Chinese New Year / Spring Festival and Carnival Season

Chinese New Year (Spring Festival / Lunar Festival) will be celebrated for our partners, clients and suppliers throughout Asia beginning on February 7, 2008. Also note that due to closures by your suppliers, vendors and agents alike, plan your shipments carefully and pre-book ocean shipments if possible, especially considering the recent weather conditions that have wreaked havoc in several parts of China.

The Parting "Wave"

From the entire team at AIT Ocean Systems, thank you to all our customers for a strong "kick off" to the New Year. Wow - we made it through January!

One item forthcoming in the March 2008 AIT Ocean Systems Newsletter Edition: Another Ocean Fast Facts Question

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Latin America airlines can do more on safety, green issues and pricing

Air Cargo Asia-Pacific
Thursday, 17 January 2008

THE INTERNATIONAL Air Transport Association (IATA) has called for greater transparency in the Latin American airline industry to enable a sounder basis for key policy decisions. "We must be open and honest about the economic and social benefits that we bring; and about the policy issues that we face. Facts and figures demonstrate policy failures of the past - including failed airport privatizations," said Giovanni Bisignani, chief executive and director general of IATA.

IATA partnered with the Latin American Civil Aviation Commission (CLAC) to release a series of new economic studies on five countries - Bolivia, Chile Colombia, Mexico and Panama - during the annual general meeting of the Latin American Air Transport Association (ALTA).

In Latin America, airlines support 2.7 million jobs and US\$157 billion in related business. "By explaining ourselves better we can help governments avoid policy myopia so that together we can build an even stronger base for future growth," said Bisignani.

Bisignani urged attendees to work hard in four important areas:

Safety: "Latin America's accident rate is higher than the global average with one accident for every 550,000 flights. This is a serious problem and it must change," said Bisignani. The IATA Operational Safety Audit (IOSA) is at the forefront of IATA's comprehensive efforts to improve safety. Chile was the first government to incorporate IOSA into its national safety oversight program. In September, Costa Rica confirmed its use of IOSA and at the ALTA conference; Mexico announced that it would do the same. "These moves by governments will help improve safety in the region. And I encourage all other Latin American governments to quickly follow-up," said Bisignani.

Infrastructure: Airlines pay at least US\$2.5 billion to airport and air traffic management (ATM) infrastructure providers in Latin America. "In too many places running an airport or ATM monopoly is a license to print money. The biggest problem is the airport concession-fee structure instituted at the time of airport privatizations. It guarantees profits with no incentive to invest in efficiency or better facilities. Governments across Latin America must understand that

infrastructure monopolies are not cash cows. To get the greatest economic benefit from aviation we need transparent policies that result in efficient infrastructure," said Bisignani.

Liberalization: "Bilateral agreements cannot keep pace with market developments and they prevent the consolidation needed to build strong global competitors. Latin America is just seven percent of global traffic divided into 39 markets. Maintaining the status quo is a one-way ticket to remain regional players in a global industry. Governments must move forward with progressive liberalization so that policy catches-up with business reality," said Bisignani.

Environment: "In 2006 IATA's fuel program saved six million tonnes of CO2 by shortening 350 air routes. Latin America has benefited from 7 RNAV (area navigation) routes, which will save 24,000 tonnes of CO2 and US\$6.9 million in fuel costs. A re-design of flight procedures at Mexico City will save nearly 300,000 tonnes of CO2 and US\$53 million annually. This is good news for business and good news for the environment," said Bisignani. "By being transparent about our achievements and the technical solutions that could improve our performance, Latin America has an opportunity to shape its approach to the environment around practical measures that improve performance."

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Northwest Experts Featured in Scientific American Online

Ken Hylander, NWA's senior vice president of safety and engineering, and Tim McGraw, NWA's director of safety, health and environment, represented Northwest and the commercial airline industry in the article "Wild Green Yonder: Flying the Environmentally Friendly Skies on Alternative Fuels" in the January 14 edition of Scientific American online.

Hylander and McGraw are the only commercial airline experts quoted in the article, which summarizes the search for domestically sourced, cost-effective and clean alternatives to petroleum-derived jet fuel by military and commercial aviators, along with NWA's progress in reducing jet fuel use and greenhouse gas emissions through re-fleeting and other fuel saving measures.

You can read the article by visiting the following link:

<http://www.sciam.com/article.cfm?id=flying-environmentally-friendly-skies-on-alternative-fuels>

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Greening the Fleet

Dear Reader, the following is an excerpt of an excellent article appearing in the January 2008 issue of Air Cargo World. This Cover Story highlights the air cargo industry's continued push to be and remain environmentally friendly. To read the entire article, we recommend you visit www.aircargoworld.com.

No longer a novelty, environmental concern for air freight fleets worldwide is becoming an accepted part of the business

Green. What was once an adjective is now a noun.

Robert W. Moorman
Air Cargo World
January 2008

Aircraft manufacturers and their customers realized years ago the word "green" had the dual meaning of helping the environment and their businesses through better aircraft and engine design as well as operating policies. Manufacturing more efficient equipment meant lower fuel and operating costs, which also meant spewing less harmful emissions into the atmosphere.

Boeing and Airbus discovered early on that combining the economic and environmental goals was the quickest way of having your cake and eating it too.

The use of new aircraft materials, such as composites, to reduce operating costs as well as new quiet engine technology to reduce fuel burn and harmful emissions would go a long way eventually to serving the Earth and industry.

A dramatic example of just how green the aircraft business is becoming occurred in July 2007 when Airbus Chairman Louis Gallois outlined the company's environmentally related objectives. They included a 50 percent reduction in fuel consumption and carbon dioxide emissions in new aircraft by 2020.

The aviation industry's contribution to human-made CO₂ remains relatively small at 2 percent, according to the United Nation's Intergovernmental Panel on Climate Change. Critics say that's misleading, however, because so many of the emissions come high in the atmosphere and so may be more damaging.

And the unavoidable political reality is there is a growing collective drive by governments to get passenger and freight carriers to sing the green hymn.

Last month, a coalition of states and environmental groups urged the U.S. federal government to impose rules to regulate greenhouse gas emissions for domestic and foreign airlines.

Many industry executives argue environmental initiatives are best left to market forces. For aircraft manufacturers and the world's airlines, those market forces and political forces increasingly appear to be moving in alignment.

Airlines certainly appear to be feeling the political pressure, and they in turn are putting market pressure on the manufacturers.

"What has changed is the pressure that many of our airline customers have come under and the increasingly stringent demands for environmentally progressive products and services that can further minimize aviation's impact on the global ecosystem," said Jeanne Yu, director of environmental performance for Boeing Commercial Airplanes.

"The green cycle now starts at the drawing board and ends with the disposition of the aircraft," said Chris Jones, vice president marketing for Airbus in the Americas.

The benefit to the environment and bottom line of using next generation aircraft is noteworthy. Introducing new long-range aircraft to replace the older aircraft will reduce fuel consumption and CO2 emissions by 20 percent to 30 percent, said Jean Claude Raynaud, a spokesman for Air France.

The greening of air freight business and the related strategies for deploying newer planes has been gradual but steady. Many of the components of the air cargo machine have adopted policies making their operations more efficient and environmentally acceptable.

The transformation is noteworthy, but hopefully, in a few years, this type of story will be yesterday's news, because the greening of air freight business is, well, nothing new.

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Cities around the World: **Santiago**

Santiago (Spanish: *Santiago de Chile*), literally in Spanish: Saint James, is the capital of Chile, and the center of its largest conurbation (Greater Santiago). It is located in the country's central valley, at an elevation of 520 m (1,700 ft) AMSL. Although Santiago is the capital, legislative bodies meet in nearby Valparaíso.

Approximately two decades of uninterrupted economic growth have transformed Santiago into one of Latin America's most modern metropolitan areas, with extensive suburban development, dozens of shopping malls, and impressive high-rise architecture. The city also boasts some of Latin America's most modern transportation infrastructure, such as the growing Santiago Metro (the metropolitan underground train system) and the new Costanera Norte, a toll-based highway system that passes below downtown and connects the Eastern and Western extremes of the city in a 25-minute drive. Santiago is headquarters to many important companies and is a regional financial center.

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History

Santiago was founded by Spanish Conquistador Pedro de Valdivia on February 12, 1541 with the name Santiago de Nueva Extremadura. The founding ceremony was held on Huelén Hill (later renamed Cerro Santa Lucía). Valdivia chose the location of Santiago because of its moderate climate and the ease with which it could be defended-the Mapocho River then split into two branches and rejoined further downstream, forming an island.

The city was destroyed on September 11, 1541 by the Indian forces under the chief Michimalonco, which led to the Arauco War.

The first buildings were erected with the help of the native Picunche Indians. The south bank of the Mapocho River was later drained and converted into a public promenade, known as the Alameda (now Avenida Alameda Libertador Bernardo O'Higgins). The city was slightly damaged during the War of Independence (1810-18), in the Battle of Maipú, which was fought south-west of the city. Santiago was named capital in 1818.

During the early 19th century, Santiago remained a small town with few buildings excepting Palacio de La Moneda, the building used as the Chilean mint during the Spanish period, and a few churches and other civic buildings. The Iglesia de la Compañía de Jesús caught fire during an 1863 church service, and 2000 people died, one of the worst modern fires.

In the 1880s extraction of nitrate fertilizer in Northern Chile brought prosperity to the country, and promoted the capital city's development. Important landmarks were built in 1910 during the Centennial celebrations of independence from Spain, such as the National Library, the Museum of Fine Arts and the Mapocho Train Station (Estación Mapocho, now an events center).

Santiago began its transformation into a modern city in the 1930s, with the building of the Barrio Cívico, surrounding Palacio de La Moneda. The city also grew in population, due to migration from the north and south of Chile. In 1985 an earthquake destroyed some historically significant buildings in the downtown area.

Nowadays, Santiago is among the largest and most important financial centers in Latin America, ranking high as a Global City.

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Geography

The city lies in the center of the Santiago Basin, a large bowl-shaped valley consisting of a broad and fertile plain surrounded by mountains. The floor of this basin is the result of sequential avalanches of dirt from the surrounding mountains from prehistoric times. It is flanked by the main chain of the Andes on the east and the Chilean Coastal Range on the west. On the north, it is bound by the Cordón de Chacabuco, a transverse mountain range of the Andes, whereas at the southern border lies Angostura de Paine, where an elongated spur of the Andes almost reaches the Coastal Range. Santiago Basin is part of the Intermediate Depression and is remarkably flat, interrupted only by a few hills. Among those are Cerro Renca, Cerro Blanco and Cerro Santa Lucía.

The Andes Mountains around Santiago are quite tall, culminating in Tupungato volcano at 6,570 m (21,555 ft). Other volcanoes close by include Tupungatito, San José and Maipo. Cerro El Plomo is the highest mountain visible from Santiago's urban area.

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Demographics

The population of Santiago's urban agglomeration grew from 0.982 million in 1940 to 2.82 million in 1970 and 4.75 million in 1992. According to the 2002 census, it contains a population of about 5.47 million, equivalent to nearly 37% of the total population of the country and 43%

of the total urban population, making it one of the largest cities in Latin America. Santiago's Metropolitan Area, according to an official estimate from 2006, has a population of 6.293 million people.

The city is increasingly receiving immigration from other countries in Latin America due to comparatively strong economic growth. Many Peruvians live in Santiago, as well as Bolivians, Argentines, and Ecuadorians.

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Economy

Santiago is the industrial and financial center of Chile, and generates 45 percent of the country's GDP. The city, along with Buenos Aires and São Paulo, is one of the main financial centers of South America. Some international institutions, such as ECLAC (Economic Commission for Latin America and the Caribbean), have their offices in Santiago.

In recent years, due to the strong growth and stability of the Chilean economy, many multinational companies have chosen Santiago as the place for their headquarters in the region, like HP, Reuters, JP Morgan, Intel, Coca-Cola, Unilever, Nestlé, Kodak, BHP Billiton, IBM, Motorola, Microsoft, Ford, Yahoo!, and many more.

Source: Wikipedia

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DHL trials kite cargo system

DHL Global Forwarding will be launch customer for the Beluga Shipping-owned MS Beluga SkySail, which will use a kite system to save fuel and cut greenhouse emissions on its maiden cargo voyage next week.

The ship will carry the first part of a particleboard factory from Bremen in Germany to Venezuela on behalf of DHL.

The 10,000-tonne Beluga Skysail will use a giant 160 square meter kite to save up to 15 percent of fuel costs on its trans-Atlantic journey.

About 100,000 cargo ships are included in the world's commercial fleet, a known source of greenhouse gases. Shipping also is said to emit more sulphur dioxide than all the world's cars and lorries (trucks).

The kite system, developed with help from the German government, runs on a metal track around the ship which allows it to move around the vessel depending on the wind's direction.

Source: Air Cargo e-News Weekly - January 24, 2008

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CBP Issues Proposed Rule Requiring Additional Cargo Information

U.S. Customs and Border Protection (CBP) published on January 2, 2008 a Notice of Proposed Rulemaking (NPRM) requiring importers and carriers to electronically submit additional information on cargo before it is brought into the United States by vessel. The Security Filing, also known as "10+2," is another step in the Department of Homeland Security's (DHS) strategy to better assess and identify high-risk shipments to prevent terrorist weapons and materials from entering the United States.

"The Security Filing will improve CBP's ability to target high-risk cargo by identifying actual cargo movements and improving the accuracy of cargo descriptions," said CBP Commissioner W. Ralph Basham. "It will also improve our ability to facilitate lawful international trade by identifying low-risk shipments much earlier in the supply chain."

This initiative will strengthen cargo security by giving CBP information to make screening more efficient and effective. CBP has implemented a comprehensive, multi-layered cargo security strategy designed to enhance national security while protecting the economic vitality of the United States. These efforts include the 24-hour Manifest Rule, Container Security Initiative, Customs-Trade Partnership Against Terrorism, Non-Intrusive Inspection Techniques, Automated Targeting System, the Secure Freight Initiative, and the National Targeting Center.

The proposed regulation will require carriers to submit at least 2 of the "10+2" additional pieces of information in order to enhance the security of the maritime environment. The additional information includes: (1) a vessel stow plan used to transmit information about the physical location of cargo loaded aboard a vessel bound for the U.S; and (2) container status messages, which report container movements and changes in status (e.g., empty or full).

In addition, the NPRM also requires importers to submit an "Importer Security Filing" containing the following 10 data elements:

- Manufacturer (or supplier) name and
- Seller (or owner) name and address
- Buyer (or owner) name and address
- Ship-to name and address
- Container stuffing location
- Consolidator (stuffer) name and address
- Importer of record number/foreign trade zone applicant identification number
- Consignee number(s)
- Country of origin
- Commodity Harmonized Tariff Schedule number

Currently, CBP relies primarily on carrier manifest information to perform advance targeting prior to vessel loading. Internal and external reviews have concluded that more complete advance shipment data would produce more accurate and effective cargo risk assessments. This way, resources can be focused on true threats and legitimate cargo can speed through the system as quickly as possible.

The proposed regulation is intended to satisfy provisions outlined in the Security and Accountability for Every Port Act of 2006, which require the submission of additional data elements for improved high-risk targeting.

Click on the link below to view the NPRM as published in the Federal Register: <http://a257.g>

akamaitech.net/7/257/2422/01jan20081800/edocket.access.gpo.gov/2008/E7-25306.htm .

Persons wishing to comment on the proposed rule may access the Federal e-Rulemaking Portal at the Regulations.gov website and follow the instructions for submitting comments to docket number USCBP-2007-0077.

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COMPLIANCE

Some thoughts about valuation and the clearance of Import freight

In addition to the Classification of the merchandise (including the declaration of the country of manufacture/origin), valuation is a key Customs compliance area. It is directly related to the amount of duties/taxes/fees that will be paid to Customs. Investigations into unfair trading practices (anti-dumping, countervailing, etc.) and into possible money-laundering can be based upon entered value declarations.

The most important thing to remember is that every shipment has a value. Every sample must be given a nominal value, but not all samples should be given a value of \$1.00. There is a nominal "scrap" value for damaged merchandise. Even "free of charge" repairs have a repair value for Customs purposes.

Another important point to consider is that there can be hidden costs (assists, commissions, etc) not shown on the commercial invoice. In some cases, these need to be added to the invoice value in order to reach the correct "transaction value" for the merchandise.

Valuation is something that needs to be done by someone "with knowledge of the facts." Having a third party estimate a value does not promote compliance with Customs regulations.

... and in breaking news regarding the valuation of a transaction, on January 24 Customs issued in the Federal Register a "Proposed Interpretation of the Expression 'Sold for Exportation to the United States' for Purposes of Applying the Transaction Value Method of Valuation in a Series of Sales." Customs is proposing that the last sale/transaction prior to the final exportation to the US will be the transaction value of the goods and not the value of any previous sale/transaction.

"Customs Value" informed compliance publication:

http://www.cbp.gov/linkhandler/cgov/toolbox/legal/informed_compliance_pubs/icp001r2.ctt/icp001r2.pdf

"Customs Valuation Encyclopedia (1980-2003)" informed compliance publication:

http://www.cbp.gov/linkhandler/cgov/toolbox/legal/informed_compliance_pubs/icp060r9.ctt/icp60.pdf

"Buying & Selling Commissions" informed compliance publication:

http://www.cbp.gov/linkhandler/cgov/toolbox/legal/informed_compliance_pubs/icp004r2.ctt/icp004r2.pdf

"Bona Fide Sales & Sales for Exportation to the United States" informed compliance publication:

http://www.cbp.gov/linkhandler/cgov/toolbox/legal/informed_compliance_pubs/

"Proposed Interpretation of the Expression `Sold for Exportation to the United States' for Purposes of Applying the Transaction Value Method of Valuation in a Series of Sales":
<http://a257.g.akamaitech.net/7/257/2422/01jan20081800/edocket.access.gpo.gov/2008/E8-1140.htm>

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CBP Issues Instructions on Intellectual Property Enforcement

For those who have legal or policy-related questions about CBP's IPR enforcement and would like to interface with a CBP IPR attorney, the IPR BRANCH, responsible for developing CBP legal enforcement policy, has established a direct email link through which questions, comments, complaints, suggestions, etc. about such matters may be submitted. That address is: hqiprbranch@dhs.gov. The IPR BRANCH may also be reached by telephone at (202) 572-8710.

Click on the following link to access the Customs intellectual property rights search site: <http://iprs.cbp.gov/>

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CBP Mandates Electronic Manifests Nationwide

Truck carriers will be required to electronically submit manifests detailing cargo and carrier information to U.S. Customs and Border Protection prior to arrival at Alaska land border ports beginning Feb. 11, marking nationwide implementation of mandatory e-manifest filing.

The submission of e-manifests is already required in 15 states. After the new requirement for Alaska goes into effect, e-manifests will be required at all 99 U.S. land border ports.

During the initial enforcement phase in Alaska, CBP intends to exercise discretion by issuing "informed compliance" notices to carriers that arrive without submitting or attempting to submit an e-manifest. These notices will alert truck carriers to a violation of the Trade Act of 2002, which requires submission of advance electronic cargo information.

On April 11, CBP will begin full enforcement of the e-manifest policy. For a short period of time during this phase, CBP plans to continue exercising limited enforcement discretion for carriers that attempt to file e-manifests. Following this period of transition, but beginning no earlier than May 11, CBP will deny a permit to proceed for any truck that arrives at an Alaska land border port without first successfully transmitting an e-manifest for that trip. Monetary penalties of up to \$10,000 may also be issued.

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Important Change in International Land and Sea Travel Document Procedures

Effective January 31, 2008, U.S. and Canadian citizens ages 19 and older should no longer expect that they will be able to prove identity and citizenship by relying on an oral declaration alone. Instead, travelers will be asked to present documents from one of the options below when entering the United States at land or sea ports of entry. Travelers who do not present one of the documents listed below may be delayed as U.S. Customs and Border Protection officers attempt to verify their identity and citizenship.

U.S. and Canadian Citizens - Single Document Option

One of the following documents should be presented to prove both identity and citizenship. Acceptable Documents as of January 31:

- U.S. or Canadian Passport
- U.S. Passport Card (Available spring 2008)*
- Trusted Traveler Cards (NEXUS, SENTRI, or FAST)*
- State or Provincial Issued Enhanced Driver's License (when available - this secure driver's license will denote identity and citizenship.)*
- Enhanced Tribal Cards (when available)*
- U.S. Military Identification with Military Travel Orders
- U.S. Merchant Mariner Document
- Native American Tribal Photo Identification Card
- Form I-872 American Indian Card
- Indian and Northern Affairs Canada (INAC) Card

* Frequent Land Border Crossers - to expedite processing into the United States, U.S. Customs and Border Protection recommends using one of the above asterisked documents.

U.S. and Canadian Citizens - Two Document Option

All U.S. and Canadian citizens who do not have one of the documents from the list above must present BOTH an identification and citizenship document from each of the groups below.

- Identification Documents (All identification documents must have a photo, name and date of birth.)
- Driver's license or identification card issued by a federal, state, provincial, county, territory, or municipal authority
- U.S. or Canadian military identification card

Citizenship Documents

- U.S. or Canadian birth certificate issued by a federal, state, provincial, county, territory or municipal authority
- U.S. Consular report of birth abroad
- U.S. Certificate of Naturalization
- U.S. Certificate of Citizenship
- U.S. Citizen Identification Card
- Canadian Citizenship Card
- Canadian certificate of citizenship without photo

U.S. and Canadian Citizens - Procedures for Children Effective January 31, 2008, U.S. and Canadian citizen children ages 18 and under will be expected to present a birth certificate issued by a federal, state, provincial, county or municipal authority.

For Travelers Other than U.S. and Canadian Citizens - All existing nonimmigrant visa and passport requirements will remain in effect and will not be altered by the changes that are implemented on January 31, 2008.

U.S. Lawful Permanent Residents
Permanent Resident Card (I-551) or other valid evidence of lawful permanent residence is required.

Mexican Citizens
Mexican citizens, including children, must present a valid passport and a B-1/B-2 nonimmigrant visa or a Border Crossing Card.

Know Your Destination Country Document Requirements

It is strongly recommended that all travelers leaving the U.S. verify the specific documentary requirements for their destination country. This information is available through the Department of State website or by consulting with the Embassy of the country you are visiting to determine what documents are needed to meet the entry requirements of that country. These requirements could include a birth certificate, passport, or passport and visa for entry into that country.

Travelers who do not present one of the documents listed may be delayed as U.S. Customs and Border Protection officers attempt to verify their citizenship and identity.

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COMPLIANCE

[CBP Launches New Message Broadcasting System](#)

Customs and Border Protection now offers a free way to obtain information on its Automated Commercial Trade Interface Systems via a free broadcast messaging system called the Cargo Systems Messaging Service (CSMS). CSMS offers the trade community two new ways to get information from CBP. CSMS functions as both a database available through cbp.gov and as an email list serve and is now used by CBP to deliver information to the trade.

Prior to the launch of CSMS, the only automated commercial system with an administrative messaging capability was the Automated Broker Interface. With CSMS, CBP now offers a broadcast mechanism for other commercial systems, such as ocean/rail manifest, air manifest and electronic truck manifest. The new CSMS list serve allows CBP to broadcast messages not only to ABI users, but to users of all CBP automated commercial systems including the Automated Commercial Environment, Automated Commercial System and more.

Messages issued under the ABI Administrative Message system will be converted to CSMS as of February 11, 2008 and will no longer be available, making the CSMS the official communication service between CBP and the trade community. CSMS messages can be retrieved via a database linked to cbp.gov based on a combination of keywords and filtering.

Information can also be received via email CSMS subscription service.

http://service.govdelivery.com/service/multi_subscribe.html?code=USDHSCBP

<http://service.govdelivery.com/service/user.html?code=USDHSCBP>

Subscribers are prompted to create a "subscriber profile," where they are asked to provide an email address, password (optional) and indicate the subject areas in which they are interested. A subscriber may elect to subscribe to as many of the subject areas as they choose.

Messages for the desired subjects will be sent to the provided email address. By accessing the subscriber profile, changes can be made including email address, modification of desired subject areas or discontinuation of the subscription.

Please be advised that if you have subscribed to two or more groups and a message has been designated for distribution to more than one of the groups to which you have subscribed, you will be receiving duplicate messages.

The following subject areas (or message groups) have been identified:

- " Automated Broker Interface (ABI)
- " ACE Outreach Events
- " ACE Portal Accounts
- " ACE Reports
- " Air Manifest
- " Ocean Manifest
- " Rail Manifest
- " Truck Manifest
- " Cuentas en el Portal de ACE (ACE Portal Account - Spanish)
- " Transportistas de Camion (Truck Manifest - Spanish)

Please be advised that the Spanish translations (i.e., notification messages and/or documentation) available on CBP.gov and CSMS have been provided by U.S. Customs and Border Protection (CBP) as a courtesy to our non-English speaking trade community and are for general notification purposes only. Although reasonable efforts have been made to provide accurate translations, the official CBP text is the English version of the messages and/or documents. Any discrepancies that may arise in the available translations are not binding and have no legal effect for compliance or enforcement purposes. With regard to any questions that may arise pertaining to the information contained in the Spanish messages and/or documents, please refer to the official CBP English version of the document.

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COMPLIANCE

[CBP has begun upgrading its Web site.](#)

CBP.gov's homepage now features more and larger photos, a rotating news ticker and streamlined layout. Future upgrades will consolidate the navigation structure and improve the user experience with internal feature pages. The goal of the upgrade is to better serve regular users of CBP.gov, and to provide an easier tool for new visitors to the site.

"Our Web site is our best communication tool for providing crucial information to citizens and those who do business with CBP," said Jeffrey Robertson, CBP's assistant commissioner for public affairs. "Through surveys and other methods, we understand that our site gets high grades for the comprehensiveness of our information, but we believe these upgrades will better serve our wide range of users."

Robertson said the new homepage will be just the first step in a process that will modernize and streamline the entire site over the next few months.

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Questions & Contact Information

If you have any questions or comments regarding this eNewsletter, please contact one of the following representatives. Thank you.

Ocean: [Chris Jostes & Kevin Krause](#)

Air Freight: [Joseph Hoban](#)

Compliance: [Paul Codere](#)

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