

# BRIEFINGS

## EXPORTER REDEFINED

The BXA and Census issued final rules on July 10, 2000 amending the Export Administration Regulations and the Foreign Trade Statistics Regulations. Of principal importance is the new definition of "exporter" as the "U.S. Principal Party in Interest." This will require a change in practice for many clients. The amendments go into effect on October 10, 2000. Access "[What's New](#)" on our web site.

## POST ENTRY/SIL

Implementation of Customs new Post Entry Amendment policy has been delayed. The policy which will replace the SIL procedure, will be described in a directive to be published in early Sept. effective and mandatory Oct. 1. [ADM 00-0682](#) (Jun. 29, 2000).

## NORTH KOREA SANCTIONS

The U.S. has eased sanctions on North Korea as of June 19. BXA/OFAC/Transportation Dept. have published new interim regulations permitting financial, trade, transportation, and other transactions with North Korea. [65 Fed. Reg. 38148](#) (Jun. 19, 2000).

## CUSTOMS BROKER EXAM

The April 2000 exam had approximately a 30.5% pass rate. Access "[What's New](#)" on our website for exam/answers.

## APPOINTMENTS

- Dennis Puccinelli has been selected Executive Secretary of the Foreign-Trade Zones Board.
- Former California Representative Norman Mineta has been nominated by President Clinton as Secretary of Commerce and Chairman of the Foreign Trade Zones Board.

## CAROUSEL

The United States government continues to delay the announcement of revised retaliation lists in the banana and beef trade disputes with the EU. The delays are attributable to interagency disputes over what countries and products should be targeted for retaliation. See "[What's New](#)" on our website for the latest developments.

## FTZ WEEKLY ENTRY

On July 18, 2000, the new regulations allowing Foreign-Trade Zone weekly Customs entry for distribution and manufacturing will be legally effective. Clients are urged to use this new procedure. Call the firm for further information.

## WTO

The WTO has approved a process to review demands of developing countries that current trade agreements must be implemented in order to grant the developing countries more benefits. Changes to the trade agreements are not expected immediately.

## PENALTIES

Customs has issued Treasury Decision 0041 revising Appendix B to Part 171 of the Customs Regulations, effective July 24, 2000. The T.D. provides guidelines for remitting and mitigating penalties relating to violations of section 592 of the Tariff Act of 1930, as amended. [65 Fed. Reg. 39087](#) (Jun. 23, 2000).

## 301 ALERT

Commerce's ITA has opened a new website that will alert U.S. businesses to pending USTR retaliatory actions on imported materials. <http://www.ita.doc.gov/td/industry/otea/301alert/>

## AFRICA/CARIBBEAN TRADE

- United States Trade Representative has requested comments regarding the eligibility of sub-Saharan Africa (SSA) and Caribbean Basin countries under two new trade programs providing duty and quota-free treatment on certain merchandise. Comments are due by noon July 14, 2000 for SSA, and by 5 pm July 17, 2000 for Caribbean Basin. [65 Fed. Reg. 38023](#) (Jun. 19, 2000).

- The USTR and the ITC have requested public comments by Aug. 3. on a list of 1,897 HTS numbers being reviewed for duty free treatment to both groups. The list will be finalized by Oct. for implementation in 2001. Access "[What's New](#)" on our website.

## NAFTA MARKING RULES

The CIT has struck down Customs refusal to apply the *de minimis* exception to most agricultural products in the NAFTA origin marking rules. *Bestfoods v. U.S.*, CIT [Slip Op. 00-73](#) (Jun. 28, 2000)

## FTZ PR TAX

The Commonwealth Legislature recently amended Law 131 of June 17, 1999. The 1999 FTZ municipal license tax exemption has been narrowed by redefining "exports" to be only those outside of the U.S.

## ORIGIN

The Trade & Development Act of 2000 provided for an immediate change in the origin of certain fabrics, scarves and other made-up products. Wool fabric is not included. The "Alice in Wonderland" quality of origin is now brought to a new plateau!

## BATF IMPORTS

Treasury's BATF has issued TD ATF-426 which amends the regulations governing the importation of firearms, ammunition and similar goods. [65 Fed. Reg. 38194](#) (Jun. 20, 2000).

## USDA IMPORT GUIDELINES

USDA has posted to its website basic import procedures for meat, poultry and egg products. [www.fsis.usda.gov/og/background/import.htm](http://www.fsis.usda.gov/og/background/import.htm).

## BONDED WAREHOUSES

U.S. Customs Service has proposed regulations to create a new class of Bonded Warehouses (Class II) permitted to receive general order merchandise. A new approach to the title of unclaimed and abandoned merchandise is included. Comments are due by September 11, 2000. [65 Fed. Reg. 42893](#) (Jul. 12, 2000).

## WTO DISPUTE SETTLEMENT

The GAO posted to its website a report documenting the US' experience with the WTO Dispute Settlement system. [NSIAD/OGC-00-196BR](#) (Jun. 2000).

## DRAWBACK LEGISLATION

Identical drawback legislation is pending in both the House and Senate (HR 4662, S.2694) making certain products eligible for drawback and simplifying certain drawback provisions. Access "[What's New](#)" on our website.

## CIVIL AIRCRAFT

Customs has proposed new regulations affecting duty-free entry of Civil aviation goods and parts. Comments are due by Aug. 28. [65 Fed. Reg. 40067](#) (Jun. 29, 2000).

## RECONCILIATIONS

Customs has issued an ABI Administrative Message describing a new method that can be used for calculating the Merchandise Processing Fee (MPF) on value increases reported on Aggregate Reconciliations. [ADM 00-0643](#) (Jun. 20, 2000).

## OFAC

- Changes have been made to OFAC's list of: foreign terrorist organizations (FTO), specially designated nationals (SDN) and blocked persons. [65 Fed. Reg. 39100](#) (Jun. 23, 2000).
- The Foreign Narcotics Kingpin Sanctions regulations (31 Part 598) impose new sanctions on specially designated narcotics traffickers (SDNT's) [65 Fed. Reg. 41334](#) (Jul. 5, 2000).
- The quarterly list of countries that require cooperation with an international boycott not sanctioned by U.S. law has been updated. [65 Fed. Reg. 43084](#) (Jul. 12, 2000).

## GSP

- The USTR is accepting petitions to review the GSP status of any beneficiary developing country. Petitions must be received by 5pm 8/21/00. [65 Fed Reg 41514](#) (Jul. 5, 2000).
- GSP has been modified by a 6/29/00 Presidential Proclamation. Countries and specific items have been added or deleted as indicated in the proclamation Annex. Additions and deletions to the GSP Benefactors list is effective 7/1/00, and HTS duty rate changes as of 7/3/00. [65 Fed Reg 41315](#) (Jul. 3, 2000).
- The USTR is seeking comments on the full or partial withdrawal of GSP benefits from Bangladesh for its failure to provide internationally reorganized workers' rights. Comments are due by August 15. [www.access.gpo.gov/nara](http://www.access.gpo.gov/nara).

## US/VIETNAM TRADE

The US and Vietnam signed a bilateral trade agreement on July 13, 2000. The Agreement and a Resolution to extend NTR must be approved by both houses of Congress. <http://www.ustr.gov/new/text.html>

## DEEMED EXPORTS

BXA is proposing a pilot program to establish a specific export license for deemed exports (DEL). [www.bxa.doc.gov/PRESS/2000/majakupdatespeech.htm](http://www.bxa.doc.gov/PRESS/2000/majakupdatespeech.htm).

FOREIGN-TRADE ZONES BOARD ACTIVITY AS OF 7/15/00		
	APPROVED	PENDING
ZONES	235	9
SUBZONES	433	36
MISCELLANEOUS		28
AVERAGE PROCESSING TIME (MONTHS)		
ZONES	13	
SUBZONES	12	