

NRI News

FMC to end NVO tariff rate publishing

February 2010

The U.S. Federal Maritime Commission voted 3-1 Thursday to initiate a rulemaking that would relieve non-vessel-operating common carriers from having to publish in tariffs the rates they charge for cargo shipments.

"I believe this is one of the most significant commission actions since Congress passed the Shipping Act in 1984," said FMC Chairman Richard A. Lidinsky Jr., in a statement. "The bottom line for me was jobs. In a bipartisan vote, the commission has provided thousands of dollars in cost savings to these critical businesses and the hundreds of thousands of exporters and importers they serve."

According to industry statements submitted to the FMC, a number of small NVOs said they would easily save \$10,000 to \$12,000 a year, while larger firms could achieve savings in the "six figures." [More...](#)



Economic Relief Granted
to NVOCCs by FMC

Maritime Industry - Global Container Volumes

Containers volumes were down 13 percent in 2009, the first yearly decline ever recorded, as a result of "challenging" conditions facing the global shipping industry. On January 2009 the industry was facing a sudden drop in volumes of more than 20% and struggled to adjust capacity to the new market situation. Unfortunately, the nature of the industry is such that capacity adjustments inevitably take some time. Simultaneously market forces drove rates down to an unsustainable level so that spot rates in average became cash negative at the time the market hit the bottom in May/June last year.



Liner companies, are making great efforts to significantly reduce costs including capacity to get to a more stable and sustainable position to the benefit of all.

ISF (10 + 2) Puerto Rico Update

According to release sent by José E. Cajigas Supervisory CBP Officer, Puerto Rico ,the national average for ISF non-compliance is approximately **25.2%** and for this port, the non-compliance is **75.8%**! CBP will not start placing DNL, holds and/or liquidated damages for failure to comply with ISF (10+2) for the first months of 2010. Therefore, based on the first sentence, what would it happen, when we start full force of ISF? CBP has placed plenty of warnings, trainings, advisories, etc. regarding this issue and it appears that by procrastination or what nothing is being done to correct this situation.

Mitigating and Aggravating Factors

CBP will consider all available information in a petition, taking into account any mitigating, aggravating, and extraordinary factors, in determining the final assessed claim for liquidated damages or penalties.

1. Mitigating Factors:

a. Evidence of progress in the implementation of the ISF requirement during the flexible enforcement period (i.e., January 26, 2009 through January 26, 2010).

More News...

Customs Bond Underwriting Authority Schedule

Roanoke Trade Services, Inc — Effective January 26, 2010

10 + 2

Activity Code 16 - ISF Customs Bonds

You are authorized to issue Activity Code 16 bonds, for timely filings when it is a domestic principal as follows:

Singles: \$10,000

Continuous: \$50,000

Prior approval is required by your bond representative if any of the following apply:

If the filing is late.

If the principal has had 5 or more ISF STBs in the past year.

If the principal is a non-resident.

If the principal has an existing CBP 301 continuous bond on file.

Transportation Security Administration

On Aug. 3, 2007, President Bush signed into law the Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Act) P.L. 110-53(2007). The 9/11 Act requires TSA to establish a system for industry to screen 100 percent of cargo transported on passenger aircraft in the United States at the piece-level, commensurate with passenger baggage. The legislation also set an interim milestone of 50 percent screening to be reached by February 2009. By August 2010, cargo not screened in accordance TSA-approved processes and procedures cannot be uplifted by a passenger aircraft in the United States.

During a February 17, 2010 webinar, Transportation Security Administration officials announced that TSA is requiring domestic passenger airlines to ensure that at least 75% of their air cargo is screened by May 1, 2010. They also stated that cargo that has not been screened 100% by the August 2010 deadline will not be loaded on domestic passenger aircraft.



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