



# EIB World Trade Headlines

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Fax: (978) 250-4529 • P.O. Box 4008, Chelmsford, MA 01824

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*Happy Holidays*



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## Evolutions in Business Announces 2010 GINA Awards

### *The Individual Award Winner:*

\*Valerie Kimber-Roy of New England Wire and Technologies in Lisbon, New Hampshire

### *The Company Award Winner:*

\*AMT, a division of Senior Operations LLC, Arlington, WA

### *Honorable Mention:*

\*Geraldine St. Jean and Richard Schulman of Columbia Technologies, in Massachusetts and

\*Andrea Kokolis and Patrick Kelly of Active Shock in New Hampshire.

## EU Adopts New Rules of Origin for GSP Program, Effective 1/1/2011

The European Commission recently adopted a regulation that will relax and simplify the rules of origin used to determine whether imported products qualify for the preferential tariff treatment under the European Union's Generalized System of Preferences (GSP) program. A Commission press release reports that the changes are designed to ensure that these rules, which "have been criticized for being too complex, too stringent and out-of-date," do not prevent developing countries from accessing GSP benefits. These new rules of origin will be effective 01/01/11. According to a fact sheet provided by the Commission, the revised GSP regulation includes the following provisions:

- Relaxed Rules;
- Sector-Specific Rules;
- Cumulation of Origin; and
- Establishing Origin.

Details of these provisions have been posted.

<http://www.strtrade.com/wti/wti.asp?pub=0&story=35875&date=11%2F19%2F2010&company>

## Export.gov Posts List of Upcoming Trade Missions Through 04/2011

[Export.gov](http://www.export.gov) has announced a series of trade missions that are scheduled for the remainder of 2010 through April 2011, as follows:

- Nov 15-20, 2010 - Beauty & Cosmetics Trade Mission to India, Mumbai, New Delhi, and Bangalore, India;
- Nov 29 - Dec 4, 2010 - U.S. Clean Technology Trade & Investment Mission, Paris, France and Brussels, Belgium;
- Dec 6-8, 2010 - Energy and Infrastructure Trade Mission to Saudi Arabia - Riyadh and Dhahran, Saudi Arabia;
- Dec 6-9, 2010 - Port of Veracruz Trade Mission; Mexico City, Veracruz, Mexico;
- Feb 20-24, 2011 - Executive-Led Trade Mission to Jordan and Israel, Amman, Jordan and Tel-Aviv, Israel;
- Feb 27 - March 4, 2011 - Water Technology Trade Mission, Bangalore and Mumbai, India;
- March 8-10, 2011 - Executive-led Trade Mission to Nigeria, Lagos, Nigeria;

- March 25 - April 1, 2011 - Exec-Led Trade Mission: Gateways to Africa & Middle East, Cairo, Egypt and Casablanca and Tangier, Morocco;
- April 2-5, 2011 - The U.S. ICT Mission to Saudi Arabia, Riyadh, Saudi Arabia;
- April 3-8, 2011 - Education Mission to Vietnam and Indonesia, Jakarta, Indonesia; and Ho Chi Minh City and Hanoi, Vietnam;
- April 10-15, 2011 - U.S. Franchise Trade Mission to India, Hyderabad, Mumbai, and New Delhi, India.

[Export.gov](http://www.export.gov) notice:

[http://www.export.gov/eac/show\\_short\\_trade\\_events.asp?CountryName=null&StateName=null&IndustryName=null&TypeName=Trade%2520Mission&StartDate=null&EndDate=null](http://www.export.gov/eac/show_short_trade_events.asp?CountryName=null&StateName=null&IndustryName=null&TypeName=Trade%2520Mission&StartDate=null&EndDate=null)

## Trade Coalition Urges Senate to Pass Currency Bill

The Fair Currency Coalition recently sent a letter and petition to Senators expressing support for Senate passage of currency legislation. As reported, the letter stated that the Fair Currency Coalition urges the Senate to pass H.R. 2378, the Currency Reform for Fair Trade Act, prior to its adjournment. The accompanying petition, signed by more than 300 trade associations, agricultural groups, labor organizations, and individual companies, expresses support for the enactment of legislation to counteract currency misalignment before the 111th Congress adjourns. The Fair Currency Coalition letter:

<http://www.faircurrency.org/presscenter/FCC%20Letter%20to%20US%20Senate%2020101115.PDF>



## BIS Seeks Comments on Impact of CWC for Schedule 1 Chemicals, Seeks Comments

The Bureau of Industry and Security (BIS) issued a notice of inquiry seeking public comments on the impact that implementation of the Chemical Weapons Convention (CWC) has had on commercial activities involving "Schedule 1" chemicals during calendar year 2010 to assist in the preparation of its annual certification to Congress. Comments are due by 12/15/10. "Schedule 1" chemicals consist of those toxic chemicals and precursors set forth in the CWC "Annex on Chemicals" and in Supplement No. 1 to 15 CFR Part 712. The CWC identified these toxic chemicals and precursors as posing a high risk to the object and purpose of the CWC. The CWC Regulations (CWCR) at 15 CFR Part 712 restricts commercial production of "Schedule 1" chemicals to research, medical, or pharmaceutical purposes. The CWCR also contain other requirements and prohibitions that apply to "Schedule 1" chemicals and/or "Schedule 1" facilities.

Specifically, the CWCR:

- Prohibit the import of "Schedule 1" chemicals from States not Party to the CWC;
- Require annual declarations by certain facilities engaged in the production of "Schedule 1" chemicals in excess of 100 grams aggregate per calendar year (i.e., declared "Schedule 1" facilities) for purposes not prohibited by the CWC;
- Require government approval of "declared Schedule 1" facilities;
- Provide that "declared Schedule 1" facilities are subject to initial and routine

inspection by the Organization for the Prohibition of Chemical Weapons;

- Require 200 days advance notification of establishment of new "Schedule 1" production facilities producing greater than 100 grams aggregate of "Schedule 1" chemicals per calendar year;
- Require advance notification and annual reporting of all imports and exports of "Schedule 1" chemicals to, or from, other States Parties to the CWC; and
- Prohibit the export of "Schedule 1" chemicals to States not Party to the CWC.

In order to assist in determining whether the legitimate commercial activities and interests of chemical, biotechnology, and pharmaceutical firms in the U.S. are significantly harmed by the limitations of the CWC, BIS is seeking public comments on any effects that implementation of the CWC, through the CWC Implementation Act and the CWC Regulations, has had on commercial activities involving "Schedule 1" chemicals during calendar year 2010. Public comments submitted in response to this notice of inquiry should include both a quantitative and qualitative assessment of the impact of the CWC on such activities.

BIS contact - James Truske (202) 482-1001

BIS notice (FR Pub 11/15/10).

<http://edocket.access.gpo.gov/2010/pdf/2010-28689.pdf>

## ATF Publishes Updated List of Explosive Materials

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) is publishing its 2010 List of Explosive Materials. The list covers not only explosives, but also blasting agents and detonators. The ATF list becomes effective 11/17/10. ATF notice: <http://edocket.access.gpo.gov/2010/pdf/2010-28874.pdf>

## CBP Targeting Center Helps EPA Stop Illegal Vehicle Imports

As reported, U.S. Customs and Border Protection (CBP) and the Environmental Protection Agency (EPA) collaborated to intercept \$6.5 million worth of vehicles and generators that failed to meet standards of the Clean Air Act (CAA) last year. The vehicles, including motorcycles, dirt bikes, and tractors were identified by the Import Safety Commercial Targeting and Analysis Center (CTAC) -- a CBP facility designed to streamline and enhance federal efforts to address import safety issues. CTAC helps CBP and other agencies to identify goods that could violate U.S. product safety and health laws. EPA is one of the first agencies to participate in CTAC, but there are some 40 agencies with enforcement authority at the borders. Don Yando, executive director of CTAC, reported that Customs' targeting software identified exporters that had previously violated the CAA. CBP put shipments from those exporters on hold to allow EPA investigators to check them. According to the Census Bureau, the U.S. imported more than \$10 billion worth of internal combustion engines in FY2010. [www.joc.com](http://www.joc.com) (11/15/10)

## CBP Posts Notice of Changes to Haiti HELP Act

U.S. Customs and Border Protection (CBP) issued a memorandum on Proclamation 8596, which amended subchapter XX, Chapter 98, of the Harmonized Tariff Schedule (HTS) to implement certain provisions of the Haiti Economic Lift Program of 2010 (HELP Act), effective for goods entered or withdrawn from warehouse for consumption on or after 11/01/10. According to CBP, the major changes include the creation of two new Chapter 98 tariff numbers (HTS 9820.61.45 and 9820.63.05) that provide duty-free entry to apparel and made-ups in certain tariff numbers, wholly assembled or knit to shape in Haiti, etc., from any fabric or yarn, that are imported directly from Haiti or the Dominican Republic. CBP has posted the tariff numbers for each of these new Chapter 98 numbers. CBP notice:

[http://www.cbp.gov/linkhandler/cgov/trade/priority\\_trade/textiles/tbts/tbt2010/tbt\\_10\\_006.ctt/tbt\\_10\\_006.pdf](http://www.cbp.gov/linkhandler/cgov/trade/priority_trade/textiles/tbts/tbt2010/tbt_10_006.ctt/tbt_10_006.pdf)

## CPSC ISSUES NOTICE ON 11/17/2011 Flammability Testing and Certification for Children's Sleepwear

A notice issued by the Consumer Product Safety Commission (CPSC) establishes the requirements that must be met for CPSC accreditation of third-party labs to test children's sleepwear for compliance with the children's sleepwear flammability standards. The flammability standards for children's sleepwear dates back to the early 1970s and are meant to reduce risks of burn injuries and deaths from fires. 16 CFR Part 1615 covers the flammability of children's sleepwear sizes 0 through 6X, and 16 CFR Part 1616 covers the flammability of children's sleepwear sizes 7 through 14. Testing children's sleepwear for compliance with these standards has been required for some time. However, with publication of this notice, each manufacturer (or importer) of children's sleepwear that is subject to 16 CFR parts 1615 or 1616 and that is manufactured after 02/17/11 must have sufficient samples of the product, or samples that are identical in all material respects to the products, tested for compliance with these flammability regulations. Such testing must be done by a CPSC-accredited third-party lab. Based on this testing, manufacturers (or importers) must also issue a certificate of compliance. According to the CPSC, its publication of these lab accreditation requirements effectively lifts the stay of enforcement that has been in place since February 2009 on the third-party testing and certification requirements of the Consumer Product Safety Improvement Act of 2008 (CPSIA) for the flammability of children's sleepwear. With this notice CPSC has provided clarifications of the testing requirements specific to the flammability of children's sleepwear.

CPSC contact - Patricia Adair (301) 504-7536  
CPSC notice (FR Pub 11/19/10)

<http://edocket.access.gpo.gov/2010/pdf/2010-29209.pdf>



## USTR Issues Notice Seeking Comments for 2011 Telecommunication Trade Compliance Review

The U.S. Trade Representative (USTR) is requesting comments for its annual review of the operation, effectiveness, implementation of and compliance with certain agreements regarding telecommunications products and services of the U.S.

USTR advises that Comments are due by noon on 12/17/10, and reply comments by noon on 1/14/11. The USTR will conclude the review by 03/31/11.

For the current review, the USTR seeks comments on whether:

- Any WTO member is acting in a manner that is inconsistent with its obligations under WTO agreements affecting market opportunities for telecommunications products or services, e.g., the WTO General Agreement on Trade in Services (GATT), including the Agreement on Basic Telecommunications Services, the Annex on Telecommunications, and any scheduled commitments, including the Reference Paper on Pro-Competitive Regulatory Principles;
- Canada or Mexico has failed to comply with its telecommunications obligations under the North American Free Trade Agreement (NAFTA);
- Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, or Nicaragua has failed to comply with its telecommunications obligations under the Dominican Republic–Central America–U.S. Free Trade Agreement (DR-CAFTA);
- Australia, Bahrain, Chile, Morocco, Oman, Peru, or Singapore has failed to comply with its telecommunications obligations under its FTA with the U.S. (U.S. FTAs <http://www.ustr.gov/trade-agreements/free-trade-agreements>);
- Any country has failed to comply with its obligations under telecommunications trade agreements with the U.S. other than FTAs, e.g., Mutual Recognition Agreements (MRAs) for Conformity Assessment of Telecommunications Equipment (U.S. MRAs <http://gsi.nist.gov/global/index.cfm/L1-4/L2-16>); and

- Any act, policy, or practice of a country cited in a previous section 1377 review remains unresolved (recent reviews: <http://www.ustr.gov/trade-topics/services-investment/telecommerce/section-1377>).

The USTR also seeks comments on whether any measures or practices impede access to telecommunications markets or otherwise deny telecommunications products and services market opportunities with respect to any country that is a WTO member or for which an FTA or telecommunications trade agreement has entered into force between such country and the U.S. (examples provided)

USTR contact - Catherine Hinckley (202) 395-3582

USTR notice (FR Pub 11/18/10)

<http://edocket.access.gpo.gov/2010/pdf/2010-29112.pdf>

## So, What's up with Santa?

Well, we just wanted to let you all know that Santa will not be coming in this year.

Because of incorrect Incoterms and incomplete documentation, the gifts for all the world will have to be returned to the North Pole (at his own expense).

He decided to ship everything DDP and even though we handled the forwarding on all the gifts, we were unable to determine who the correct broker was.

We also wanted to clear but FEDEX, UPS and DHL were fighting over the Customs Power of Attorney.

Determining importer of record turned out to be a nightmare since EVERYONE in the world wants a visit from Santa but no one was willing to be the importer of record.

New laws and regulations regarding entry of exotic animals also had the Fish and Wildlife department forcing Rudolph and his crew back out before they could even land.

All the electronics needed FCC and, since the North Pole is nearest to Canada, Santa was trying to claim NAFTA. Obviously, Customs refused to clear any of it without detailed product literature.

Then we got tons of census warnings because the dimensions and weight were too unreal to calculate and because Santa could

not prove where the materials to make the toys came from (the North Pole is not on the approved country of origin list).

He incessantly tried to prove that he makes all of his own gifts,

but since there are not defined tariff classifications on "Santa-made" materials, they rejected his entry.

We thought that maybe if we could get his shipment clear, we could at least dispatch some of the stuff through a Warehouse entry but, like we said, clearance through Customs was impossible.

Seriously, we can see the little kids filling out their own Post Entry forms for misclassification.

Other problems encountered:

- Since Santa's Sleigh has no SCAC Code or International Carrier Bond, it cannot be certified for AMS.

- Immigration would not allow entry because Santa's passport expired on December 24, 1603.

- The FAA will not approve the sleigh for U.S. Airspace as Rudolph's nose does not meet aircraft lighting requirements.

- The sleigh does not meet EPA standards due to excessive emissions of reindeer gases & droppings.

- The TSA says that Santa is an unknown shipper and would require a site verification.

- Food and Drug says no Prior Notice was done on some of the gifts that were fresh or frozen and they put gifts on FDA hold.

- Santa did not have a "walk through" letter to give Customs so no immediate release.

Anyway, plan to provide your Christmas cheer another way since Jolly Old

Saint Nick will not be sliding down your chimney this year.

- *Shared with us by one of our clients!*

HAPPY HOLIDAYS!

## President Obama Announces First Steps Toward Implementation of New U.S. Export Control System

WASHINGTON, D.C. -- Today, President Obama held a meeting of the President's Export Council at the White House where he discussed progress made on our goal to double exports over the next five years and support millions of new American jobs.

At the meeting, the President announced that the Administration released a series of regulations and requests for comment as part of the implementation of the new U.S. export control system announced by the President in August. The Administration is also deploying today its Export Control Reform Initiative webpage at [www.export.gov](http://www.export.gov). It includes a new tool to facilitate compliance with U.S. export control requirements by bringing together, for the first time, the various screening lists maintained by multiple Departments.

Today's announcement includes:

- \* The publication of a draft rule setting out the criteria and procedures to be used in determining whether a product is subject to export controls.

- \* The application of these criteria to one category of items (Category VII: Tanks and Military Vehicles), to be seen as an example of how the new policies would apply.

- \* The publication of a draft rule specifying what licensing policies will apply to products subject to export controls.

In publishing these documents, the Administration is seeking public comment before the rules are finalized and the control lists are completed.

The export control reform initiative was announced in August 2009, when the President directed a broad-based interagency review of our current export control system to ensure that the system, designed for a bipolar world of the Cold War era, is updated to address the threats we face today and the changing economic and technological landscape. At the end of the review, in August 2010, the President announced, "we need fundamental reform in all four areas of our current system - in what we control, how we control it, how we enforce those controls, and how we manage our controls." ...

This article and more continued

at: <http://www.bis.doc.gov/>