

FTZ Developments

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A publication of Rockefeller Group Foreign Trade Zone Services

Sharing FTZ-related News and Updates

ACE ENTRY SUMMARY BUSINESS RULES AND PROCESS DOCUMENT

On March 10th, CBP published an update to the ACE Entry Summary Business Rules and Process Document. The new version (10.5) includes updates to multiple chapters as summarized below:

- Chapter 1 (Entry Summary) - Added CBP Form 29 and ACE Entry Summary Status Notification messages.

- Chapter 3 (Bonds) - Chapter name updated to “Bonds”. Updates include: addition of sub-chapters providing a general overview of bonding, bonding authority, and bond amounts (including recent guidance on FTZ operator bond amounts); addition of a sub-chapter containing information related to the deployment of Real-Time Automated Surety Interface enhancement; information related to the deployment of ACE validations for activity type 1 (importer or broker) continuous bonds; and additional information on available Customs and Trade Automated Interface (CATAIR) documents.

- Chapter 9 (Antidumping and Countervailing Duty AD/CVD) – Information on the new Enforce and Protect Act (EAPA) suspension and extension code as well as the court injunction suspension code.

- Chapter 10 (Liquidations) - Information on the new EAPA suspension and extension code as well as the court injunction suspension code.

- Chapter 13 (Warehouse Entries and Withdrawals) – New subsection on the recent ACE capability providing for CBP-approved extensions of the five-year warehouse period.

- Chapter 14 (Drawback) - Fixed the irregularities found in version 10.25, updated language for Document Image System (DIS) uploads after ACE acceptance.

- Chapter 16 (Shipments Entered Under HTS 9808.00.30 Defense Contract Management Agency- (DCMA) – Updates to new DCMA email address.

[Click here for updated publication](#)



ALUMINUM MONITORING FURTHER DELAYED

The International Trade Administration has delayed the beginning date to June 28th for when licenses will be required to import covered aluminum products. Under the new Aluminum Import Monitoring and Analysis system, AIM, importers of basic aluminum products will have to obtain an import license for each shipment and provide the license number to CBP as part of the entry summary. Importers must identify the country or countries where the largest and second-largest volumes of aluminum used in the manufacture of the imported product were smelted and the country where the product was most recently cast. Import licenses will be required prior to the filing of FTZ admission documents for covered aluminum products. [Click here to see the ITA website on Aluminum Import Monitoring.](#)

COURT INVALIDATES ASSESSING SPECIAL DUTIES

In a 2-1 decision dated April 5th, the United States Court of International Trade invalidated President Trump’s Presidential Proclamation 9980, which imposed a 25% duty on certain imported articles made of steel and a 10% duty on certain imported articles made of aluminum. In its decision, the court noted “the action taken by Proclamation 9980 to adjust imports of derivatives was not implemented during the 105-day time period set forth in §1862(c)(1), if that time period is considered to have commenced upon the President’s receipt of the Steel Report.” [See PrimeSource Building Products Inc., v. United States, Slip Op. No. 21-36](#)



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WTO EXAMINING LABEL CHANGE FOR HONG KONG GOODS

A WTO dispute panel is reviewing allegations by Hong Kong that the U.S. violates WTO rules by changing labeling for goods made in that territory. The U.S. asserts the labeling change was made on national security grounds which cannot be reviewed by the WTO. Unless excepted from marking, goods produced in Hong Kong must be marked to indicate China, rather than Hong Kong, as their country of origin. This requirement took effect Nov. 9, 2020. This change does not affect country of origin determinations when assessing ordinary or additional duties, nor do entry summary procedures change.

HONG KONG POLICY ACT REPORT

Each year, the Department of State submits to Congress the [Hong Kong Policy Act Report](#). In conjunction with this year's report, U.S. Secretary of State Antony J. Blinken has certified to Congress that Hong Kong does not warrant differential treatment under U.S. law in the same manner as U.S. laws were applied to Hong Kong before July 1, 1997.



NEW PROCEDURE FOR FDA REFUSED MERCHANDISE AT LAS

On April 1st, CBP's Los Angeles Field Office at McCarran International Airport ("LAS") issued a public bulletin (LA21-010) which establishes a port procedure for the disposition of merchandise refused by FDA. In the bulletin, CBP states all merchandise refused by FDA must be exported or destroyed under CBP and FDA supervision with 90 days of the refusal date. Instead of receiving a separate CBPF 4647 and the Notice of FDA Action (Refusal), the importer will now receive a combined "Refusal Redelivery Notice" ("RRN"). [Click here for bulletin.](#)

FDA SUPPLEMENTAL GUIDE V2.5.4 IS NOW AVAILABLE

On April 9, 2021, CBP published an updated FDA Supplemental Guide for the Automated Commercial Environment/International Trade Data System (ACE/ITDS). The new version of the Supplemental Guide includes minor updates as summarized below:

- All Commodities, PG01: Disclaim Code F is now being accepted. Deleted note: "Disclaim code "F" will not be utilized/accepted until notification via a CSMS message"
- Food Stand Alone Prior Notice, PG25: Updated list of applicable FDA Industry Codes for PICs: E (Commercially Sterile), F (Aseptic), and I (Acidified)
- Food Combined Entry, PG23 & PG25: Updated list of applicable FDA Industry Codes for PICs: E (Commercially Sterile), F (Aseptic), and I (Acidified)
- Non-PN Food or PN Requirements Previously Met: PG23: Updated list of applicable FDA Industry Codes for PICs: E (Commercially Sterile), F (Aseptic), and I (Acidified)

For ACE inquiries, contact FDA ACE Support, 877-345-1101, ACE_Support@fda.hhs.gov. ACE Support Hours: Monday - Friday, 8AM-8PM ET, ACE Support is Closed on Saturdays & Sundays. [Click here for updated publication.](#)

CBP'S PROPOSAL WOULD CHANGE TARIFFS ON WATCH CASES

CBP is considering a proposal that would allow for watch cases assembled into a completed watch to be treated as substantially transformed into a new & different article of commerce without regard to whether the final assembly occurs in the same country as the country of origin of the movement. This would modify CBP's previous rulings HQ [H304105](#) & HQ [H047115](#) and any prior treatment and would effectively eliminate Section 301 tariffs on watch cases made in mainland China. CBP continues to believe that assembled watch straps, bands and bracelets are undeserving of similar treatment, explaining that "for tariff purposes a watch consists of the movement and the case...[but] does not by definition include a band, strap or bracelet."



FORCED LABOR AND YOUR SUPPLY CHAIN

The United Nations Human Rights Council sent letters to a range of international companies about the potential use of forced labor in China. The Council states it received information that these companies may be involved through their supply chains in alleged forced labor, arbitrary detention, and trafficking in Uyghurs and other minority workers within and outside China's Xinjiang Uyghur Autonomous Region. These workers are predominantly employed in low-skilled, labor-intensive industries such as agribusiness, textiles and apparel, automotive, and technology.

Companies in all industries are being encouraged to conduct reviews of their supply chains as international scrutiny of the use of forced labor intensifies and CBP ramps up its enforcement efforts. RGFTZS is available to assist companies in conducting such reviews, for more information, please contact [Rebecca Williams](#).

AMERICA'S SUPPLY CHAINS...AN EXECUTIVE ORDER

"The U.S. needs resilient, diverse, and secure supply chains to ensure our economic prosperity and national security." President Biden signed an executive order on February 21, 2021, stating "it is the policy of my Administration to strengthen the resilience of America's supply chains". [Click here to read the complete executive order.](#)

SUSPENSION OF RETALIATORY TARIFFS ON BRITISH IMPORTS

The USTR has agreed to suspend retaliatory tariffs on British Imports such as Scotch whisky while negotiators work to resolve the dispute over aircraft subsidies. Both the U.S. and the U.K. say that the suspension is intended to "ease the burden on industry and take a bold, joint step towards resolving the longest running disputes at the World Trade Organization". [Click here for announcement.](#)

ALC CHANGE FOR HMF PAYMENTS

If you are using Pay.Gov to pay your Quarterly Harbor Maintenance Fees ("HMF") via CBP Form 349 or 350, the ALC (account) associated with the financial transaction has changed from 7005009604 to 7005009909. If you have Debit transaction restrictions on your financial account you may need to contact your bank to let them know about the change in order for your Pay.Gov transaction to flow.

ADVANCE NOTICE OF 3 CHEMICAL SUBSTANCES

The EPA has issued a [final rule](#) effective May 21, that will require notification at least 90 days prior to commencing importation, manufacture, or processing of any of these three chemical substances for an activity designated as a significant new use: NAICS codes 325 and 324110. The substances at issue are used as intermediates, surfactants for liquid dish and laundry soap, industrial hand wash, and pigments in exterior paints and plastics. Importation, manufacture, or processing may not commence until EPA has had an opportunity to review the notification and make an appropriate determination as to what actions may be required by the determination.

ACE UPDATED TRADE EXPORT REPORTS

CBP published guidance to switch from the Trade Export universe to the Trade Export.unx universe in ACE Reports. [CSMS #47740180](#) includes a guide to help you re-point any customized reports you may have.



LEHIGH VALLEY CONTINUING TO PROVE IT'S ONE OF INDUSTRIAL'S TOP MARKETS

In 2018, Rockefeller Group expanded its industrial development portfolio to Pennsylvania, creating the NJ/PA Region. The expansion included the groundbreaking of a two-building, 1.3-million-square foot distribution center, Rockefeller Group Logistics Park. At the time of the expansion, Brandi Hanback, Rockefeller Group Deputy Head of Development and Head of Rockefeller Group FTZ Services, expressed her confidence in the Lehigh Valley and its emergence as a "new source for companies with large space requirements that also benefit from proximity to the region's major consumer bases."

Two years later, Rockefeller Group's foothold in the Lehigh Valley market remains strong with the completion and sale of both buildings at the park. The company, and partner PCCP, LLC, recently sold the buildings for approximately [\\$250 million](#).

"The Lehigh Valley has proven to be a core logistics market, as shown by investor demand for these buildings during our marketing this past year," said Mark Shearer, Senior Managing Director for Rockefeller Group's NJ/PA Region. "This was our first development in the region, and we look

forward to continuing our development activities in Eastern Pennsylvania."

Located in the heart of the Lehigh Valley, Rockefeller Group Logistics Park is situated two miles from Lehigh Valley International Airport, which offers both air cargo and passenger service, and is three miles from Route 22, offering toll-free access to Port Newark/Elizabeth via Interstate 78. Furthermore, the site is located within a day's drive to one-third of all U.S. consumers and one-half of all Canadian consumers. One of the largest logistics hubs in the U.S. is adjacent to the property.



Lehigh Valley Logistics Park | Allen Township, PA

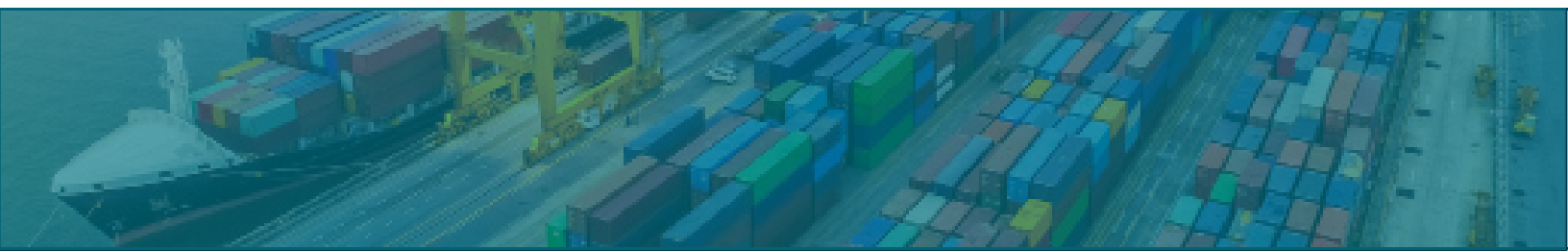
DID YOU KNOW HMF IS EXEMPT ON SOME CHAPTER 98 ENTRIES?

[CSMS #47138649](#) states "A Harbor Maintenance Fee (HMF) is exempt on an Entry Summary line (when MOT 10, 11, or 12) when the article is classified under some HTS chapter 98 provisions. Chapter 9808 has been added to that list. The HTS chapter 98 provisions that exempt the HMF are now 9804, 9805, 9806, 9807, 9808, and 9809."



POLIA COMELLA SPEAKS AT NAFTA SPRING SEMINAR

Rockefeller Group's Polia Comella, Manager, Trade & Customs, was a panelist during NAFTA's Virtual Spring Seminar. On Day 5 of the conference, Polia discussed the "New e214 Process/PAC Changes" that have been functional in ACE since September 2020. If you have questions about these new e214 processes, feel free to [contact us](#).



Rockefeller Group

FTZ ACADEMY

Rockefeller Group Foreign Trade Zone Services offers a full suite of web-based FTZ administration training modules:

- Module 1:** Import/Export/FTZ 101
- Module 2:** FTZ Inventory Control & Recordkeeping Systems
- Module 3:** FTZ Receipts/Admission
- Module 4:** Handling Merchandise in an FTZ & Exceptions
- Module 5:** FTZ Withdrawals for U.S. Consumption
- Module 6:** FTZ Withdrawals for Export
- Module 7:** Zone-to-Zone Transfers
- Module 8:** Periodic FTZ Reporting
- Module 9:** CBP FTZ Compliance Reviews, Internal Auditing & Compliant Recordkeeping
- Module 10:** FTZ Considerations for 3PL Operators
- Module 11:** In-bond Regulations & Operational Considerations
- Module 12:** Common FTZ ICRS Issues
- Module 13:** Hands-on Preparation for CBP FTZ Compliance Review/Spot Check
- Module 14:** Client's Choice (customized)

To learn more, click 'FTZ Academy' at www.rgftz.com or contact us at rgftzs@rockefellergroup.com. Also, watch our [30-second video](#) where we highlight our decades of experience with FTZ development, implementation and administrator training opportunities.

RECENT CBP MESSAGES

Please review the following recent pipeline and CSMS messages from CBP to determine how they may impact your import, export and/or FTZ operations:

[CSMS #46289685-PGA Flag Enforcement Table has been Updated](#)

[CSMS #46328074-Update Administrative Ruling Related to Domestic Warehouses & Fulfillment Centers](#)

[CSMS #46376107-FTZ Identifier Format Change 4/24/2021](#)

[CSMS #46390176-APHIS Core Help Desk Update](#)

[CSMS #46466498- New In-bond Export Date Validation in ACE Truck Manifest EDI Message](#)

[CSMS #46587197-30 Day Extension for Correcting Entries Subject to Third Country Case Numbers](#)

[CSMS #46607753-Sec 301 China Duties Extension of Product Exclusions](#)

[CSMS #47309888-Information on the Deployment of ACE Collections-Release 3](#)

[CSMS #47633140-U.S. Consumer Product Safety Commission 1USG Messaging Update](#)

[CSMS #4767304-Full Implementation of the FWS Message Set in ACE is delayed; enforcement of mandatory submission in ACE is to be determined](#)

[CSMS #46970234-FDA Entries: Submission of Product Codes in PG02](#)

[CSMS #47841887-FDA DUNS Lookup Portal No Longer Available as of Monday, May 24, 2021](#)

DID YOU KNOW...

Nearly 2,500 employees in CBP revenue positions collected over \$74 billion in Fiscal Year 2020 in entry duties and taxes through the enforcement of trade and tariff laws. In addition, these employees fulfill the agency's trade mission by appraising and classifying imported merchandise. These employees serve in positions such as import specialist, auditor, international trade specialist, and textile analyst.



U.S. Customs and
Border Protection

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We welcome your ideas for topics. Questions or information can be sent to RGFTZS@rockefellergroup.com.

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