

Maritime Exchange for the Delaware River and Bay

Agents/Operators Committee Meeting

October 25, 2005

Minutes

Attendees:

Banacol Marketing	Sandy Daniel		Benjamin Robinson
GAC Rice, Unruh	Tom Johnston	US CBP	Michael Lovejoy
Inchcape Shipping	Barbara Gentile		Paul Mongillo
Kerr Norton Strachan	John Murphy		Robert Corritore
Manatee Marine	Jennifer Henry		Robert Jordan
Maritime Exchange	Lisa Himber		Al Martocci
	Darleen Michalak		John Plummer
	Dennis Rochford	CBP-Agriculture	Hal Fingerman
NSA Agencies	Russ Gaffney	USDA	Dave Farmer
Terminal Shipping	Jim Taviano		Colleen Kitzmiller
US Coast Guard	David L. Scott		

Tom Johnston, GAC Rice Unruh Reynolds, Committee Chairman welcomed the group and led introductions. In particular, he noted the large representation of the federal agencies and acknowledged the difficulty of taking time out of busy schedules to attend meetings.

Mr. Johnston discussed the importance of the Committee and cited some of the significant accomplishments achieved over the years.

NAMO Update: Lisa Himber gave an update on NAMO efforts concerning Notice of Arrival/Departure. On April 8, NAMO initiated efforts after publication of the Final Rule. The group compiled a list of 40-45 items of concern and presented the list to CG and CBP representatives. The list is down to just a few remaining items, proving the process very effective. The latest communications from Coast Guard and CBP are posted to the Exchange website. Ms. Himber thanked those who provided comments/suggestions and invited committee members to contact her with any additional questions or issues.

CBP Updates:

Elimination of Hardcopy Crew List: After the June implementation of the electronic crew/passenger manifesting requirement, local CBP continued to require submission of hard copy manifests prior to vessel arrival. At that time, CBP indicated that it would eliminate the requirement when CBP began to enforce compliance. Enforced Compliance began on October 4, at which time CBP was validating whether or not notices were being filed and filed timely.

On October 31, CBP began the penalty phase and is now also validating for data accuracy and completeness, with a 97% accuracy rate as the minimum acceptable level.

Although Enforced Compliance has begun, local CBP will continue to require paper copies for the foreseeable future. In order to effectively verify compliance, CBP is comparing the paper document against the electronic transmission.

CBP indicated that in several instances, if the paper copy had not been presented in advance, some vessels may have been delayed because of incomplete electronic transmissions. CBP committed to reaching out to the agent as far in advance as possible when officers detect anomalies so information can be corrected when necessary.

The agents asked whether CBP could report compliance rates back to the agents, and CBP agreed.

CBP also indicated that one of the biggest problems noticed to date is when notices are filed for the wrong port; in those instances, it is very difficult for CBP officers to find the data in the system. Currently, the Delaware River port is 100% compliant for inbound transmissions and 92-93% compliant for outbound manifests.

Agents again reiterated their request to eliminate this requirement as quickly as possible.

Filing of Paperwork: As Delaware River ports are considered consolidated ports for purposes of CBP reporting, agents question why paperwork cannot be processed at any relevant CBP location. Among other issues, of primary concern is the fact that oftentimes vessels are compelled to change destinations after documentation has been filed. If a ship originally bound for Paulsboro, where paperwork was filed in Philadelphia, changes to Delaware City, some CBP inspectors are declaring the ship non-compliant.

The committee requested one transmission, since the Delaware River is a consolidated port. If a ship is calling two ports on the river, for example the agent must file individual Applications for-Permit-Special License-Unlading-Lading-Overtime Services (CF 3171) each port. Other agents wondered whether outbound manifests for Philadelphia could be filed in Wilmington.

CBP noted that AMS cargo transmissions must be amended if the port of discharge is changed. At the committee's request, CBP will try to find ways to facilitate the entry and clearance processes for the consolidated port.

CBP reiterated the need for agents to submit information and updates as early as possible. For scheduling purposes, it is particularly difficult to allocate resources over the weekends when most information arrives at CBP late Friday afternoons. CBP is looking to expand hours on the weekend.

Launch operations. It was noted that any ship leaving U.S. waters (beyond three miles) is required to comply with the regulation, including launch operators and other smaller craft. The vessel must transmit 15 minutes prior to departure (last line from dock/berth) and 24 hours prior to arrival, or 12 miles out from port. [Note: In the follow up conversations to this issue, the

Exchange was informed that CBP policy does grant the Port Director with the authority to waive the 24-hour requirement; 60 minutes prior to arrival may be acceptable.]

Vessel Central: Vessel Central was established to centralize decision-making concerning vessel boardings in accordance with the CBP National Boarding Policy. Robert Jordan is the supervisor of Vessel Central and can be reached at 215-597-3939.

Vessel Central is staffed on a 24/7 basis. During off-hours, the duty supervisor can be reached by calling 1-800-XSECTOR (973-2867). It was noted that an attempt to call the Sector number resulted in the caller being transferred to Florida. CBP noted that if a mistake like that happens, simply call back the number for correct routing of the call.

Absconders/Deserters: CBP indicated that this port continues to have problems in this area. Mr. Lovejoy referenced a recent Pipeline on this issue and requested that agents ensure CBP and/or Coast Guard is informed in these instances.

Cargo Releases: CBP is conducting outreach with port authorities and terminal operators in an effort to help ensure unreleased cargo is not moved. Although it is the carrier's ultimate responsibility, CBP is hoping to raise awareness among facility operators in this area.

Avian Flu: CBP suggested they may be looking more closely at ships' stores, garbage, etc. in the event of a flu threat in the U.S. This would be similar to the activities undertaken during the SARS epidemic.

Coast Guard Update:

Capt. David L. Scott Introduction: David L. Scott, Commander, Sector Delaware Bay, was introduced to the committee. Capt. Scott was pleased to report that there are currently no issues of concern to report.

Capt. Scott noted the good compliance record with the 96-hour rule, and indicated that CG Headquarters holds local CG officers to strict compliance. It was also noted that regulations are being written for a possible first quarter update to the 96-hour rule. Capt. Scott introduced Officer Benjamin Robinson who oversees the vessel arrival desk.

Agriculture Update:

Wood Packing Materials: The final rule published in the September 16, 2004 Federal Register amends regulations for the importation of unmanufactured wood articles to adopt an international standard. The standard calls for wood packaging to be either heat treated or fumigated with methyl bromide, in accordance with the guidelines, and marked with an approved international mark certifying treatment. If the material is not stamped, it must be destroyed or re-exported.

[NOTE: In a follow up conference call with CBP, which is enforcing the regulation on behalf of USDA, the Exchange learned that although CBP may require that unstamped material be treated after arrival in the United States, the agency will still require the material be re-exported.]

There is an Informed Compliance period of approximately four months; Enforced Compliance will begin February 1, 2005. During this time, CBP is conducting an assessment of local compliance rates. Committee members would like feedback from CBP/USDA on this process to identify any problem areas prior to January 31. Agents/Operators were encouraged to communicate with the CBP officers on this as they conduct their inspections.

The biggest issues currently seem to be pallets and crates holding fruit.

It was also noted that even if packing materials are properly marked, inspections can still be required. There is a great deal of information on the USDA web site as well (see www.aphis.usda.gov/ppq/wpm/import.html).

If there are any questions pertaining to the new regulations, committee members were instructed to contact Hal Fingerman at 215-597-4515. The rule is posted on the Exchange web site at http://www.maritimedelriv.com/Port_Security/USDA/USDA.htm.

Adjournment: The next Agents/Operators Committee meeting will be held in the spring of 2006.