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U.S. Lawyers The Big Softwood Winners

A hard blow may have been delivered from the softwood lumber dispute with the United States, but it was a boon to the American lawyers, according to internal federal documents.

Ottawa spent at least \$40.8 million in legal fees on the file, from April 2002 to March 2006, according to the documents obtained by The Canadian Press using federal access to information legislation, most of it was for the lawyers from south of the border.

That amount just represents a portion of the total bill.

According to numerous government sources, once the expenses of the federal government, the provinces, individual forest companies and Canadian forestry lobby groups are all added together, the legal tab rises to more than \$300 million.

The president of the Quebec Forest Industry Council, Guy Chevrette, agrees with the figures. His organization alone spent \$5 million a year on the issue, he states.

Chevrette estimated that the three main softwood-producing provinces – British Columbia, Quebec and Ontario – would have each spent between \$5 million and \$10 million a year in legal fees.

Dozens of millions of dollars more were spent by forest companies themselves in their own legal proceedings against the U.S. forest industry and the U.S. government, he says was on top of that.

In 2005-2006, Ottawa's spending on softwood legal fees peaked at \$13 million. The feds spent \$10.3 million, in 2002-2003, which then dropped to \$8.5 million the following year and then climbed back up to \$9 million in 2004-2005.

There were three legal firms which shared in the main federal contracts in 2003-2004: Weil, Gotshal and Manges, which is based in New York, receiving

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\$4.9 million; Toronto based Osler, who received \$269,000; and Thomas and Partners of Vancouver receiving \$250,000.

Ottawa battled the U.S. softwood duties on several fronts, during the course of the dispute. Competing challenges were brought repeatedly before the World Trade Organization, North American Free Trade Agreement tribunals and U.S. courts.

By the end of the year, Canadian forestry companies are to get back about \$5 billion in duties they've paid since the dispute began in May 2002.

Information from article extracted from the October 30, 2006 edition of "Toronto Star".
Information extracted from CSCB email from October 30, 2006.

CSI Reaches Gold: Targeting and Pre-Screening of Cargo Destined For U.S. at Fifty Seaports

With the stationing of Customs and Border Protection (CBP) personnel at the Port of Freeport, Bahamas, the CBP announces that the 50 foreign seaports are now fully participating in the Container Security Initiative (CSI) program. This program is designed to protect the stream of imports that are coming into the U.S. by deploying CBP personnel to critical foreign seaports in order to work with their foreign counterparts in targeting and prescreening cargo containers. This was in response to new terrorist threats to the ocean-bound containerized movement of good, which was implemented in January of 2002.

82 percent of all merchandise account for screening which are imported into the U.S. through these 50 fully operational seaports. CBP officers have been deployed with the CSI program to Europe, Asia, Africa, North, South and Central America, and the Middle East. Containers which are deemed high-risk that are destined for U.S. shores are inspected at CSI ports, securing the global trade lanes and facilitating the movement of goods.

Twenty-eight customs administrations have committed to joining CSI and are at various stages of implementation.

Initially CSI deployed agency personnel to the top 20 largest volume ports which export to the U.S. Expansion of the program will continue to strategic locations globally that ship goods to the U.S., which have appropriate infrastructure and technology to participate in the CSI. CBP officials hope to expand CSI, by the end of 2007, to 58 ports. This would mean that approximately 85 percent of imported good would be covered by the CSI thanks to the expansion.

The CSI expansion is supported by the World Customs Organization (WCO), the European Union (EU), and the G8, and they have also adopted resolutions implementing CSI security measures introduced at ports throughout the world.

Information extracted from new release issued by US Customs and Border Protection on October 3, 2006. Information extracted from CBSA email from October 4, 2006.

Mandatory E-Truck Manifest Arrives

U.S. Customs and Border Protection is ready to announce the first group of border crossings at which truckers will be required to file electronic instead of paper manifests in early 2007.

The agency was publishing a notice in the Federal Register later that week, according to a draft CBP press release circulating in the trade community, listing the first group of land border ports to require motor carriers to file electronic manifests.

CBP plans to phase in implementation along the northern and southern borders. After the notice is published it will be mandatory e-truck manifest transmissions with being no sooner than 90 days.

CBP has gradually deploying the system at ports of entry and truckers have has the option of filing their advance manifests using the automated systems. They have long said it planned to make the system mandatory once it was rolled out and working smoothly.

In early 2005, CBP began deploying the e-truck manifest system at clusters of ports.

Truckers must fax their manifests on their own or through customs brokers, under the current security rules, to CBP at least two hours prior to arrival at the border. CBP wants to automate the manifest system.

Carriers can file their manifests through the ACE Secure Portal, a customized Web site authorized users, or directly to CBP through EDI transmissions. Third-party filing services are also allowed.

CBP said last Friday that e-manifest filings were up to 13,000 in the month of September. The majority of the electronic manifests are being filed by a few large companies that have set up CBP-compatible EDI systems. There will be hundreds of thousands of e-truck manifests filed each month when all truckers are brought into the system.

Information from article extracted from the October 25, 2006 edition of "American Shipper". Information extracted from CSCB email from October 25, 2006.

CP Implementation of eDemurrage

So customers' rail shipments arrive at the right place at the right time, Canadian Pacific Railway (CPR) is striving to optimize equipment utilization. A delay in returning railcars to CPR has resulted in customers having to wait

for equipment they need to run their business efficiently. Demurrage is a key policy that influences equipment utilization. Encouraging customers to return railcars back to the railway without delay, which enables the railway to recover some of the additional cost that are incurred when loaded and/or empty railcars that are not returned promptly.

Soon CPR's enhanced demurrage program, that will include web-base access to the eDemurrage program, will be implemented. Through the forth quarter of 2006, customers will be provided access to the eDemurrage system.

This new program will provide daily visibility to the demurrage event records on the CPR website and the ability to initiate challenges or disputes if exceptions are identified. This will require the users to review the demurrage event data regularly throughout the month and advise immediately of any exceptions. The ongoing involvement of the users will affect the success of this new demurrage program.

In taking an active role the benefits that are included are:

- a. The user will have visibility to the utilization of your inbound and/or outbound railcars to better manage equipment flows.
- b. Doing so will help manage the users demurrage exposure and ensure empty and loaded railcar events recorded reflect the service that transpired.
- c. Regular review and dialogue through the month will identify any discrepancies early so they can be researched and amended prior to a demurrage invoice being issued.

And, we are all successful if we can achieve:

- d. Improved equipment utilization.
- e. Reduced demurrage exposure.
- f. Accurate demurrage invoices that don't require extensive re-work or validation prior to payment.

To summarize, we need the following from the user:

- g. Dedicate the necessary time to review the records in CPR's eDemurrage.
- h. Advise immediately if there are any discrepancies by logging a dispute or challenge.
- i. Pay the demurrage invoice within the normal payment terms.

Information extracted from notice from CPR's vice president of marketing on October 4, 2006. Information extracted from CBSA email from October 4, 2006.

Customs Notice 655, New and Revised Export Penalties

CN566 announces one new export penalty and one revised export penalty. Contravention C368 will be applied when a carrier fails to report the conveyance in writing, before export, at the export reporting office closest to each place of loading. Revisions to Penalty C170 were introduced on 22 October.

This notice is found on the CBSA web site, at:
<http://www.cbsa-asfc.ca/E/pub/cm/cn655/README.html>

Information extracted from CSCB email from October 23, 2006.

CN657 Advance Ruling for Tariff Classification and National Customs Rulings Affected by Amendments to the 2007 Customs Tariff

The 2007 version of the Departmental Consolidation of the Customs Tariff contains a number of amendments designed to bring into effect changes to the text of the internationally recognized HS that forms the basis for Canada's Tariff and those of most of the world's trading nations.

Members may find the classification numbers shown on Advance Rulings for Tariff Classification and National Customs Rulings issued in the past are no longer valid. To determine whether the classification numbers remain valid, please review the 2007 Customs Tariff. If the number is no longer in effect, please contact the CBSA office that issued the ruling and officials there will replace your ruling with one with classification numbers valid for 2007.

This Notice is available on the CBSA web site, at:
<http://www.cbsa-asfc.gc.ca/E/pub/cm/cn657/README.html>

Information extracted from CSCB email from October 25, 2006.

Cross-Linked Polyethylene Tubing Inquiry No. NQ-2006-001

Finding

The Canadian International Trade Tribunal, under the provisions of section 42 of the Special Import Measures Act, has conducted an inquiry to determine whether the dumping of single or multilayer cross-linked polyethylene tubing to nominal tubing sizes up to and including 1 inch or the metric equivalent, excluding cross-linked polyethylene tubing with an oxygen barrier layer, originating in or exported from the United States of America has caused injury or retardation or is threatening to cause injury.

The inquiry pursuant to the issuance by the President of the Canada Border Services Agency of a preliminary determination dated June 1, 2006, and of a

final determination date August 30, 2006, that the aforementioned goods have been dumped.

Pursuant to subsection 43(1) of the Special Import Measures Act, the Canadian International Trade Tribunal hereby finds that the dumping of the aforementioned goods has not caused injury or retardation and is not threatening to cause injury.

This Finding is available on the CITT web site, at :
http://www.citt-tcce.gc.ca/dumping/inquirie/findings/nq2g001_e.asp

Information extracted from CSCB email from October 16, 2006.

Notice to Importers from Industry Canada

A notice has been prepared by Industry Canada for Importers of telecommunications and consumer digital apparatus. They are thereby informed of applicable regulations in order to prevent the importation of equipment that is non-compliant with IC requirements.

Radio communication equipment certified for use in Canada can be found in the Radio Equipment List at:

http://strategis.ic.gc.ca/epic/internet/inceb-bhst.nsf/en/h_tt00020e.html

Terminal equipment registered in Canada can be found in the Terminal Equipment List at:

http://strategis.ic.gc.ca/epic/internet/inceb-bhst.nsf/en/h_tt00050e.html

Industry Canada requirements on consumer digital apparatus are found at:

Radio equipment

[http://strategis.ic.gc.ca/epic/internet/insmt-gst.nsf/vwapj/tac-e-bw.pdf/\\$FILE/tac-e-bw.pdf](http://strategis.ic.gc.ca/epic/internet/insmt-gst.nsf/vwapj/tac-e-bw.pdf/$FILE/tac-e-bw.pdf)

Consumer digital apparatus:

<http://strategis.ic.gc.ca/epic/internet/insmt-gst.nsf/en/sf00020e.html>

Other related links:

http://strategis.ic.gc.ca/epic/internet/inceb-bhst.nsf/en/h_tt00020e.html

http://strategis.ic.gc.ca/epic/internet/inceb-bhst.nsf/en/h_tt00050e.html

[http://strategis.ic.gc.ca/epic/internet/insmt-gst.nsf/vwapj/tac-e-bw.pdf/\\$FILE/tac-e-bw.pdf](http://strategis.ic.gc.ca/epic/internet/insmt-gst.nsf/vwapj/tac-e-bw.pdf/$FILE/tac-e-bw.pdf)

Information extracted from CSCB email from September 28, 2006.

SIMA Preliminary Determination Concerning Certain Solder Joint Pressure Pipe Fittings

The CBSA made a preliminary determination, on October 20, of dumping concerning certain solder joint pressure pipe fittings and solder joint drainage, waster and vent pipe fittings, made of cast copper alloy, wrought copper alloy or wrought copper, for use in heating, plumbing, air conditions and refrigerating applications originating in or exported from the USA, the Republic of Korea and the PRC, and also made a preliminary determination of subsidizing concerning certain copper pipe fittings originating in or exported from the PRC, pursuant to subsection 38(1) of the SIMA. Provisional duty will now be payable on the subject goods that are released from Customs on or after 20 October 2006.

Additional information about this investigation is contained in the Statement of Reasons that will be available within 15 days on the CBSA web site, at <http://www.cbsa-asfc.gc.ca/sima>.

Information extracted from CSCB email from October 25, 2006.

MONTHLY SIMA INDEX FOR NOVEMBER 2006

The monthly SIMA index for November, 2006 is available on the CBSA web site, at:

<http://www.cbsa-asfc.gc.ca/sima/monthly-e.html>

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