

Volume 24 | January 2022

SAP&DC



What's New In Export



Dear SAP&DC Export Clients,

As we move into 2022 and our lovely Pennsylvania winters, look below to stay update on international happenings.

Mark your calendars for the #2 in our winter webinar series, February 9th with Export Controls under the EAR and changes under the ECR.

In this newsletter:

- Please note the dates changes for the EMCP Program, listed below. We felt that the date change would be better for you so you do not miss out on this great opportunity.
- Look below for the changes to the Schedule B/HTS effective in January.
- Information regarding CARM
- Spotlight on Brazil
- Website Internationalization
- Upcoming Trade Events
- Training

Joyce

DATE CHANGE!!

To begin March 22nd, 2022

Export Management Compliance Development Counseling Program

Limited Registration – Sign Up Today!

Does your company need to develop an Export Management Compliance Program (EMCP) to ensure that you are following export regulations and that you are in compliance? Let us help.

SAP&DC is pleased to offer an in-depth Export Management Compliance Counseling Program in partnership with Team Worldwide expert Bob Imbriani. By attending this program, you will receive in-depth one-on-one training and counseling to assist you with all aspects required to develop and maintain an EMCP to ensure you meet all export regulations to maintain compliance.

An Export Management and Compliance Program (EMCP) is a written set of export-related guidelines AND operational policies, procedures, and safeguards that tell employees what is expected of them and provides management with a framework to evaluate whether:

What should happen, does happen and What should not happen, does not happen

A good EMCP should not only define what compliance procedures need to take place but how your company accomplishes the task and who is responsible. It will not just ensure compliance, but it demonstrate your company's dedication to compliance and documents your actions

An EMCP plan is customized to your company's transactions, commodities, size, business flow and other specific factors. While many of the steps that need to be taken will be the same for most companies how you accomplish these actions can vary greatly.

A good EMCP should include:

- Reflect Operational Reality
- Be Up-to-Date and Current
- Appropriate Company-Specific Content
- Wide Distribution
- Fully Defines Standards of Conduct for Export Operations: Policies, Functions, Processes, Responsible Personnel
- Documents Procedures for Checks and Safeguards
- Integration of Policies and Procedures
- Monitoring to Continuously Improve and Ensure Integrity
- Adequate Resources
- A Complaint Corporate Culture

This program will provide the following:

- Identify the various control agencies and regulations
- Help you understand export control classification
- Define; What is an export, technical data, technical services, US-Persons, and other key items
- Provide the steps in creating an EMCP by reviewing the structure of an actual plan
- How a Technology Control Plan (TCP) is integrated into an EMCP

This training program will include:

- **March 22, 2022** – Opening in-person training session (Full Day) on how to develop an EMCP
- **(April, May, June)** Three (3) hours of virtual in-person counseling to assist in developing your companies personalized EMCP program
- **June 22, 2022** - A final in-person training session (Full day) and individual one-on-one counseling in the afternoon to review & finalize your companies EMCP.
- At the end of this program, you will have the tools and the knowledge to have a completed and maintain an Export Compliance Management Program tailored to your company.
- This program is open to the first 10 companies registered. Two people from each company can attend and receive counseling to develop your company program. The program is a **free** program however, a \$1,000 deposit will be secured from each company by SAP&DC to ensure that resources are utilized and completed when enrolled in the program. The value of this program is \$8,000. Upon completion of this program, companies will receive a full refund of the deposit.

For more information or to sign up, please contact Joyce Hoffman jhoffman@sapdc.org or via phone 814-949-6527

Funding through PA Department of Community & Economic Development State PREP program.

2022 Updates to the Schedule B and Harmonized Tariff Schedule

Now is the time to review your company's list of Schedule B and HTS codes using the newly updated schedules published in January. Include this annual review as a Standard Operating Procedure in your Export Compliance Program.

Current and New HTS Schedule can found [Here](#)

To download a PDF of the changes [Click Here](#)

Source: [U.S. ITC](#)

CARM is coming are you ready!

CBSA Assessment and Revenue Management Initiative (CARM)

CARM will become fully functional, and mandatory, in the spring of 2022 for all importers, including non-resident importers (NRIs) such as U.S. exporting companies acting as the importer of record in Canada.

The Canada Border Services Agency (CBSA) has embarked on a new Assessment and Revenue Management initiative, known as CARM. CARM is a multi-phase program designed to relieve the ‘paper burden’ from importers and brokers, and requires importers to deal directly with the CBSA on financial matters. CARM’s second phase is particularly noteworthy: it ushers in changes to the Release Prior to Payment (RPP) program, and requires importers to post their own minimum bond (rather than rely on their customs broker’s) to clear shipments and receive release prior to accounting, tax, and duty payment. Details about CARM (and relevant timelines) can be found on the [CBSA Website](#) ; if a customs broker already manages your shipments to Canada, contact your broker for additional direction.

From our office in Canada: [What Importers Need to Know About CARM](#)

The [USDA FAS](#) FAS has a document with some useful information and links that may help you with this transition.

If you have any questions or concerns regarding CARM, please contact [me](#) to connect you with our office in Canada.

Source: [Grow Trade Consulting Inc.](#)

Spotlight on Brazil

Agreement on Trade and Transparency Rules with the US is a step forward on the bilateral agenda

This Legislative Decree approves the Protocol to the Trade and Economic Cooperation Agreement signed between Brazil and the United States, specifying trade and transparency.

The protocol is an addendum to the trade agreement and was signed last year and aims to expand trade between the two countries by promoting an open and predictable environment and reducing non-tariff barriers. The original agreement, known by the acronym ATEC (from the English term Agreement on Trade and Economic Cooperation), dates to 2011.

The protocol contains three annexes:

- The first, called Facilitation of Trade and Customs Administration, brings measures to reduce bureaucratic obstacles, such as the creation of information centers by the two countries to respond to queries carried out by interested parties on import and export procedures
- The second Annex, called Good Regulatory Practices, allows, among other things, the coordination between the regulatory bodies of the two nations to facilitate trade
- And the third one, the Anti-Corruption Annex deals with bilateral cooperation in combating corruption related to international trade, through tools such as asset recovery.

Source: News Chamber and *Agencia Senado – SF*

Brazil Temporary Lowers Import Tariffs

On November 5th, 2021, the Brazilian government published the Resolution *GECEX 269*, which lowers import tariffs by 10 percent on 87 percent of all goods and services through December 31, 2022. The list of products and the respective tariff reductions is available in the [Annex of the Resolution](#), which covers almost all products

except for sensitive and strategic products, such as automobiles and parts, toys, and textiles. The measure does not apply to products listed on the Mercosur common external tariff (CET) exception list.

Brazil used a clause of the Southern Common Market (Mercosur) trade bloc agreement that justifies the measure due to the 'emergency related to the pandemic crisis, to alleviate its negative effects. Notably, the government adopted the unilateral measure in parallel to Mercosur member states (which includes Argentina, Paraguay, Uruguay, in addition to Brazil) negotiation on a similar measure. The measure may become permanent if the Mercosur consensus is secured. The import tariff reduction is aimed at curbing inflation on the domestic market. The Ministry of Economy notes that it will help lower domestic prices through lower prices of imports. Notably, the measure is expected to reduce government revenues by R\$3 billion.

Source: Diario Oficial da Uniao

Concessions should double railroads in the country in 15 years

The government started to adopt a new, faster, and more bureaucratic concession model authorization, an instrument already provided for in the Brazilian legislation, but little used. This model is now being used to leap forward in the rail modal, explains the Minister of Infrastructure, Tarcísio Gomes de Freitas.

According to him, the initial forecast was for 8 requests for the new type of concession. However, there are already 35 requests for authorization, which should represent around 9,000 kilometers of railways and R\$ 120 billion in investments.

"It's an unprecedented railway push in our history," said Freitas. The expectation is that the railways, which represent 20% of Brazilian modes, will double their presence in 15 years, going to 40% in 15 years. "We should reduce the Brazil cost by 30%".

The Minister also mentioned expected auctions such as those for the Santos Dumont (Rio de Janeiro city) and Congonhas (Sao Pulo city) airports. "The Rio-São Paulo air bridge is the fourth busiest route on the planet and Brazil will have the largest airport operators in the world, from different nationalities, where some are already positioned in Brazil, others not yet, which will bring lots of investments and a lot of quality to the management of these assets", said the Minister.

Source: <https://agenciabrasil.ebc.com.br/>

Please let [me](#) know if you would like more information on Brazil or if you would like to make contact with a partner in Brazil, through our OIBD office.

Website Internationalization

Event

From a Regional Network Partner

North Central Export Program Presents a Webinar Website Internationalization

Thursday - February 17, 2022

9:00 AM - 11:00AM EST

[Register Here](#)

[Upcoming Trade Events](#)

- **Bauma 2022 - [Rescheduled](#) - October 24-30, 2022** | Location: **Munich, Germany** | Contact: [Karen Vogelsang from Trade Show Services GACC New York, Inc.](#)
- **K-Fair - October 19-26, 2022** | Location: **Dusseldorf, Germany** | Contact: [Jennifer Black](#)
- **Trade Mission to Israel - May 15-19, 2022** | Industry: **Multi-Sector** | Contact: [Jennifer Black](#)
- **KIMES 2022 - March 10-13, 2022** | Industry: **Medical Product/Services** | Contact: [Linda Foerster](#) **Registration deadline is February 4, 2022**

[Winter Webinar Series](#)

All webinars will be from
10:00 AM to 11:00 AM EST

- **#2 - February 9, 2022 - [Export Controls Under EAR & ECR](#)**
- **#3 - March 9, 2022 - [Incoterms, Landed Cost, Payment Methods](#)**
- **#4 - April 13, 2022 - [Commercial Documents for Exports](#)**

[Training Webinars You May Have Missed?](#)

No worries, view our recorded sessions!

Click on the topic of your choice below to be routed to the recording!

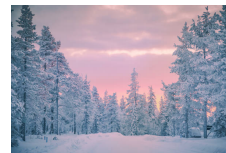
- **Winter Webinar #1 - [USMCA What Has Changed & What Do I Need To Do To Comply](#)**

- [Winter Webinar #2 - Proper Filing of the EEI through ACE/AES & Recent Regulatory Changes](#)
- [Winter Webinar #3 - Classification Under The US Harmonized Tariff & Schedule B](#)
- [Winter Webinar #4 - Due-Diligence – Knowing Your Customer, the End Use, User & Destination](#)

SAP&DC International Program Contact Information

SAP&DC

Joyce Hoffman | International Trade Specialist | jhoffman@sapdc.org | 814-949-6527



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SAP&DC | 3 Sheraton Dr., Altoona, PA 16601

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