

LEI News Letter

May 2006

Revised Fuel Recovery Charge

The Canadian Transpacific Stabilization Agreement (C.T.S.A.) has informed Locher Evers International that effective June 1, 2006 the Fuel Recovery Surcharge will be charged by all shipping lines as follows;

Effective June 1, 2006

US\$ 475.00 per 20 Ft.

US\$ 715.00 per 40 Ft. HC

US\$ 14.00 per CBM

US\$ 635.00 per 40 Ft.

US\$ 805.00 per 45 Ft.

US\$ 28.00 per 1000 KGS.

These adjusted amounts represents an increase of;

US\$ 25.00 per 20Ft.

US\$ 55.00 per 40Ft.HC

US\$ 1.00 per CBM

US\$ 45.00 per 40Ft.

US\$ 45.00 per 45 Ft.

US\$ 2.00 per 1000 KGS

International Air Cargo Transshipment Program – Edmonton

The following was issued in part, by Transport Canada.

Lawrence Cannon, Minister of Transport, Infrastructure and Communities, today launched an international air cargo transshipment program at Edmonton International Airport. The new program simplifies air carrier access to Edmonton for air cargo transshipment and provides an additional incentive to use the airport's cargo facilities.

“The Government of Canada is please to announce the new transshipment program. This program should provide the Edmonton International Airport with an additional tool to help it develop its air cargo capacity, which could lead to positive impacts on the local economy.”

Canadian and foreign air carriers will now be able to use Edmonton International Airport to transship international cargo, even if these rights are not provided in Canada's bilateral air transport agreements. In addition, air carriers will be able to combine such cargo transshipments with other services for which they may be licensed.

Similar transshipment programs were introduced at Mirabel (1982), Hamilton (1987), Windsor (1993), Gander (2000) and Winnipeg (2004).

U.S. Surtax Ending

The following announcement was made by the Canada Border Services Agency on May 1, 2006.

“This is to inform you that the surtax on certain goods originating in the United States (live swine, live ornamental fish, oysters, certain frozen fish and cigarettes) ended April 30, 2006 at midnight. This surtax, commonly referred to as the Byrd surtax, was brought into effect by Order-in-Council SOR/2005-106 (P.C. 2005-16), Order Suspending the Application of Concessions on Imports of Certain Products Originating in the United States, dated April 19, 2005. This surtax was in retaliation to the Byrd Amendment, which is U.S. legislation that allows antidumping and countervailing duties to be distributed to U.S. companies that file trade complaints. A customs notice is being published advising importers of the end of the surtax. Reference can also be made to Customs Notice N613, Surtax Imposed on Certain Products from the United States, released April 27, 2005, which advised importers of the implementation of the surtax. Questions relating to this matter can be referred to John Armstrong at (613) 954-7010 or by email at JohnO.Armstrong@cbsa-asfc.gc.ca.”

Elimination of the Excise Tax on Jewellery Products

The Canada Revenue Agency has made the following announcement.

“On Tuesday, May 2, 2006, the Minister of Finance tabled a Ways and Means Motion to eliminate the excise tax on goods outlined in sections 5, 5.1 and 5.2 of Schedule I to the Excise Tax Act. These goods are;

- clocks with a duty paid value or sale price of \$50.00 or more;
- articles made in whole or in part of natural shells or semi-precious stones;
- jewellery, including diamonds and other precious or semi-precious stones, for personal use or adornment of the person; and
- goldsmith's and silversmith's products

The excise tax on these products is eliminated, effective May 2, 2006.”

Temporary Restrictions on Idaho Potatoes

The following is an extract of a news release from the Canadian Food Inspection Agency.

The Canadian Food Inspection Agency (CFIA) has implemented a temporary prohibition on the import of all potatoes and soil from Idaho due to the detection of Potato Cyst Nematode (PCN). This prohibition is a science-based interim measure what will be reviewed as new scientific information becomes available.

The temporary prohibition covers all potatoes from the State of Idaho (seed, table and processing) and soil. Other potential pathways that could introduce this pest to Canada are also being reviewed. This also includes the cancellation of existing import permits allowing the import of these affected products into Canada. This is a risk-management approach that is consistent with international standards.”

Imports of Pork Meat Products from Croatia

The Canadian Food Inspection Agency has announced that effective immediately the importation of processed pork meat products from Croatia is allowed. The new conditions for these importations will be placed on the CFIA web site under the manual of Procedures, Chapter 10, Annex A at <http://www.inspection.gc.ca/english/anima/meavia/mmopmmhv/chap10/annexesa/countriese.shtml>.

CFIA Enhances Import Measures on Live Birds

The Canadian Food Inspection Agency has announced it is enhancing its control measures on imports of live birds from all countries eligible to export birds to Canada to further limit opportunities for the importation of Avian Influenza (AI) to Canada. These new measures apply to countries which are recognized as being free of highly pathogenic AI in their domestic flocks. Canada continues to prohibit trade in poultry, poultry products and birds with any country which is not recognized as free of highly pathogenic AI in its domestic flock. These measures are consistent with the guidelines established by the World Trade Organization for Animal Health as the foundation for safe trade while protecting animal and human health.

Canada generally requires a 30-day quarantine of imported animals upon their arrival in Canada. The enhanced import measures will require that representative samples (60 birds) from all live-bird shipments to Canada be tested in Canada for notifiable avian influenza 21 days after entering the approved quarantine location. Negative results must be available prior to the release of the birds.

The new measures will be applied to imports of live poultry and other commercial birds, such as parrots, pigeons and songbirds, day old chicks and hatching eggs.

Laminate Flooring from China and France – Conclusion of Re-Investigation

The Canada Border Services Agency has advised that on June 16, 2005, the Canadian International Trade Tribunal (CITT) found that the dumping in Canada of certain laminate flooring originating in or exported from the People's Republic of China (China) and France and the subsidizing of such products originating in or exported from China have caused injury to the domestic industry.

All imports released from customs after the date of the CITT's finding will be subject to anti dumping duty equal to the margin of dumping and /or countervailing duty equal to the amount of subsidy.

On May 5, 2006 the Canada Border Services Agency (CBSA) concluded its re investigation of the normal values and export prices respecting laminate flooring origination in or exported from the People's Republic of China (China) and France and concluded its review of subsidizing in China.

For the purposes of enforcement, the subject goods are defined as laminate flooring in thickness ranging from 5.5 mm to 13mm (other than laminate hardwood flooring where the hardwood component exceeds 2 mm in thickness) originating in or exported from China and France.

The following information is required to be provided to the CBSA. Failure to do so may result in an incorrect assessment of anti dumping duty or an administrative penalty against the importer. The import documentation should clearly indicate:

- name and address of the producer/ manufacturer, if known,
- location of plant/ mill of production, if known,
- place from which direct shipment to Canada began,
- name and address of vendor (if different from producer),
- Canadian importer's name and address (if different from the customer),
- Full product description including product identification name or number, type of laminate flooring (for example plank or tile), if the laminate flooring includes a sound backing material, thickness, quantity in square metres or square feet,
- date of sale,
- date of shipment,
- unit selling price (on a square metre or square foot basis)
- total selling price
- currency of invoicing,

- terms and conditions of sale (for example FOB (place), CIF, etc) and
- all costs, expenses, and charges incurred by the exporter and vendor in the shipment (includes inland freight, insurance, brokerage, port fees, bank charges, ocean freight, etc).

The Canada Border Services Agency has provided a list of manufacturers / exporters and the corresponding amount of anti dumping/ countervailing duty. Please see these and this notice in its entirety on their website at: <http://www.cbsa-asfc.gc.ca/sima/anti-dumping/ad1332ei2-e.html>.

Leather Footwear with Metal Toe Caps- Notice of Expiry LE-2005-05

Re: Leather footwear with metal toe caps originating in or exported from the People's Republic of China, excluding waterproof footwear subject to the finding made by the Canadian International Trade Tribunal in Inquiry No. NQ-2000-004, continued in Expiry Review No. RR-2004-008.

On February 21, 2006 the Canadian International Trade Tribunal (CITT) issued a notice of expiry requesting submissions on whether it should initiate an expiry review in the above mentioned matter. Upon examination of all arguments and evidence presented by parties that filed submissions, the CITT is not satisfied that an expiry review is warranted and, pursuant to subsection 76.03(5) of the Special Import Measures Act, has therefore decided not to initiate an expiry review.

Garlic – Expiry Review No. RR-2005-001

Re: Garlic, originating in or Exported from the People's Republic of China and Vietnam.

The Canadian International Trade Tribunal has conducted an expiry review of its finding made on May 2, 2001, in Inquiry No. NQ-2000-006, and of its order made on March 20, 2002, in Expiry Review No. RR-2001-001, continuing without amendment, its finding made on March 21, 1997, in Inquiry No. NQ-96-002, and has rescinded its finding made in Inquiry NO. NQ-2000-006 in respect of garlic, fresh or frozen, originating in or exported from the People's Republic of China and Vietnam.

Should you have any question on any issue contained in this news letter, please contact your nearest LEI office.

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