

USA: MEDIDAS DE SEGURIDAD Y COMERCIO

U.S. SECURITY STRATEGIES



FERNANDO ALBAREDA



US SECURITY STRATEGIES

After September 11, 2001, US Congress has passed various laws in order to avoid another terrorist attack, among them:

- Homeland Security Act
- The Bioterrorism Act
- Aviation & Transportation Security Act
- Maritime Transportation Security Act
- Border Security and Visa Entry Reform Act



US Department of Homeland Security

22 different government agencies under one Institution, including:

- U.S. Customs Service now Customs and Border Protection
- Immigration and Naturalization Service
- Transportation Security Administration
- Animal and Plant Health Inspection Service



Customs & Border Protection Regulations

- Customs-Trade Partnership Against Terrorism (C-TPAT)
- Container Security Initiative (CSI)
- 24 Hour Rule
- Smart Secure Container
- Green Lane
- US Visit Program



CBP Regulations

C-TPAT

Security recommendations and processes throughout global supply chain, to be followed by American companies in order to expedite entry of goods.

Main importers already signed to this program.

Containerized trade.



CBP Regulations

Agreement with foreign ports,
presently 17 ports in Europe, Asia
& Canada

Moving to Latin America – Port of
Colon (Panama)



CBP Regulations

- 24 Hour Rule

Carriers must submit a cargo declaration 24 hours before cargo is laden aboard the vessel at a foreign port.

- Smart Secure Container

Sensor inside container



CBP Regulations

Green Lane

Shipment that complies with:

- C-TPAT
- Smart Container
- Electronic Manifest



CBP Regulations

U.S. Visit Program:

- Digital picture & finger prints
- CBP Agents are implementing program in airports & ports



FDA Regulations

Bioterrorism Law

- Registration of Food Facilities
- Prior Notice of Imported Food Shipments



Registration of Food Facilities

- In effect since December 12, 2003
- Foreign facilities that manufacture / process, pack or hold food shipped to USA
- Required U.S. agent or contact information
- Electronic registration
- Failure to register, update, or cancel a registration as required is a prohibited act
- FDA can bring civil or criminal action



Prior Notice

- All food for humans and animals imported or offered for import into the US for use, storage, or distribution in the US, requires Prior Notice
- Time schedule to present the Prior notice: No more than 5 days, no less than 4 hours
- No or inaccurate prior notice – food is subject to refusal
- Untimely prior notice – food is subject to refusal



Schedule for implementation of Prior Notice Regulation

- 12/12/03 to 03/12/04 Education communication. Analysis of data for compliance action.
- 03/13/04 to 05/12/04 Education communication. Analysis of data for compliance action.
- 05/13/04 to 08/12/04 Refusal and/or assess CBP civil monetary penalties.
- After 08/12/04 Refusal and/or assess CBP civil monetary penalties.



Trade Policy Implications for Latin America

- CBP Regulations
 - Governments and corporations had been working with BASC program.
 - Costs for implementation of BASC procedures and registration for companies and governments.
 - BASC should be base for C-TPAT registration for foreign companies.



Trade Policy implications for Latin America

- CSI only in main ports of Europe, Asia & Canada, not in Latin American ports: disadvantage against other regions.
- Smart Secure Container, devise that could increase cost of freight.
- US Visit Program, disincentive to visit USA, delays for international travelers arriving and departing from the U.S.



Trade Policy Implications for Latin America

- Process to obtain visas for foreign visitors in overseas consular office: personal interviews, long time to obtain appointments
- Businessmen unable to obtain visas to participate in trade missions and trade shows



Trade Policy Implications for Latin America

- FDA Regulations:

Problem for Latin American companies in order to understand requirements of new regulations due to language barrier, especially for small and medium size companies of the region.

More costs for foreign food facilities in order to comply with new regulations:

- Cost of US Agent
- Fees requested by customs brokers in order to fill Prior Notice



Trade Policy Implications for Latin America

- FDA Regulations:
 - Inadequate Prior Notice could cause rejection of merchandise, generating big loss to Latin companies.
 - Perishable products coming from Latin America could not comply with time schedule to present Prior Notice (flights from Central America & Caribbean countries less than 4 hours to Miami) wheels up instead.



Trade Policy Implications for Latin America

- Security regulations mentioned could cause decrease in competitiveness of exports coming from Latin American countries.



Conclusions

- Mix signals from USA to Latin American countries:

Talks about Free Trade and Negotiations for a strong FTAA in one hand; against

More regulations, more difficulties to comply with U.S. Security Requirements by Latin American Governments and private companies.

Increase in cost for doing business in the USA

Reduction in competitiveness for the region