



Global Florida Webinar

April 30, 2019

World Trade Month Edition



DAN TAPIA

Manager, International Strategy & Policy
Florida Chamber of Commerce

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Special Thanks To Our Partners



Celebrate World Trade Month with us! #FLTrade2019

www.FloridaWorldTradeMonth.com



Participating Organizations

To: International Organizations in Florida

The Florida Chamber of Commerce, World Trade Center Miami and Enterprise Florida are pleased to invite your organization to participate in the celebration of **Florida World Trade Month 2019**, a month-long event that will take place throughout Florida to increase awareness about the importance of international trade as a major contributor to job creation and corporate growth.

As the gateway to the world and the undisputed gateway to the Americas, Florida is in a prime position to capitalize on trade opportunities with international consumers. Florida companies that have global trade as part of their strategy earn 30 percent more and pay their employees one-third more than the average wage. It is not just shippers and manufacturers taking part in this opportunity. Every Florida company can benefit from trade with international markets. Since May is World Trade Month in Florida, it is the perfect time to focus on how to expand the state's reach into global markets and help create more jobs.

96% of Florida's exporters are small businesses, and 95% of the world's consumers are located outside the U.S. Selling more of our goods and services around the world is a great way to create jobs in our state, and help small businesses stay ahead of their global competitors.




As organizations that recognize the importance of international trade in the State of Florida, we invite you to participate in **Florida World Trade Month 2019**, which is being coordinated by the World Trade Center Miami.

If your organization has already scheduled an international trade event from May 1 through May 31st or wishes to create a new event, we would be delighted to list your event/s on floridaworldtrademonth.com to increase the promotion of your event statewide.

To become involved, you will need to complete and submit the **Add an Event form**. Your event will then be included in the web site's "Calendar of Events", and your company will be listed as a participating organization.

If you have any questions or need further information, please feel free to call the World Trade Center Miami at (305) 871-7910.

Sincerely,

		
Charlotte Gallogly, President World Trade Center Miami	Alice E. Ancona Director, International Strategy & Policy	Manny Mencia Senior Vice President, International Trade &

Sponsors



FLORIDA INTERNATIONAL TRADE & INVESTMENT CONFERENCE

MAY 30, 2019 HYATT REGENCY CORAL GABLES

Today, Florida is a **\$1 TRILLION ECONOMY** and would rank **17TH** in the world. How do we grow Florida into a **TOP 10 GLOBAL ECONOMY?** by 2030?

Join us for the Florida International Trade and Investment Conference (FITIC), a program designed to bring trade-ready Florida businesses, economic development organizations, and industry associations together with partners in global markets to exchange best practices and sector knowledge, build connections and do business together.

May 29-30 in Miami
www.FlcHamber.com/FITIC

There Are 644 Million Potential Consumers in Latin America... Are You Engaging Them?

FEATURED TOPICS:

Florida: Your Partner in the Americas

Latin American Market Outlook: Opportunities Remain Amidst a Slowdown

Connectivity, Logistics & Security: Unleashing E-commerce and Trade in the Americas

Afternoon Breakout sessions will focus on key industry drivers for Florida's economy.

» **Infrastructure** - presented by the Florida Chamber Infrastructure Coalition

Will feature a showcase of available projects. Connect and explore industry partnerships with established professionals.

» **Aerospace** - presented by Space Florida
Learn about the latest developments in Florida's aerospace sector, how to tap into R&D partnerships and connect with talent and commercial opportunities.

» **Life Sciences, MedTech, BioPharma, HealthIt** - presented by BioFlorida
Learn about Florida's growing medtech and life sciences industry and hear from life science executives and thought leaders on opportunities in the state.

SPECIAL THANKS TO OUR SPONSORS

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SPECIAL THANKS TO OUR PARTNERING ORGANIZATIONS

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SPACE FLORIDA

WORLD TRADE CENTER
MIAMI

FLORIDA
CHAMBER
of Commerce

Agenda

I. Welcome | **Dan Tapia**, Manager, International Policy & Strategy, Florida Chamber of Commerce

II. Guest Speakers:

- **Alice Ancona**, Director, International Strategy & Policy, Florida Chamber of Commerce
- **John Murphy**, Senior Vice President, International Policy, US Chamber of Commerce
- **Lenny Feldman**, Partner, Sandler, Travis & Rosenberg P.A.

III. Audience Comments

IV. Adjourn



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Florida's Top Global Partners

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Canada



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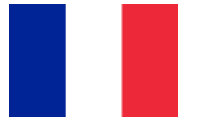
Brazil



Colombia



France



\$33.2B South America

\$28.3B Europe

\$28B Asia
(China/Japan/South Korea, Cambodia, Indonesia, Phil.etc)

\$57.2B Origin Exports
\$80B Imports

\$17.8B Central America & the Caribbean

\$13.2B Mexico & Canada

\$3.75B MidEast

\$2.1B (India+)

\$1.58B Africa

\$9.27 B Other

\$16B South America

\$11.3 B Central America & the Caribbean

\$11.2 B Europe

\$57.2B Origin Exports

\$7.2B Asia (China/Japan/South Korea, Cambodia, Indonesia, Phil.etc)

\$7.09B Mexico & Canada

\$2.1B
MidEast

\$610M
(India+)

\$723M
Africa

\$1B
Other

\$25B Asia
(China/Japan/South
Korea, Cambodia,
Indonesia, Phil.etc)

\$15.7B
Europe

\$10.7B South
America

\$80B Imports

\$6.1B Mexico & Canada

\$5.5B Central
America & the
Caribbean

\$1.9B
Asia
(India +)

\$1.06B
MidEast

\$509M
Africa

\$13.5B
Other

FTAs 2011-2018

\$22B +3%

Countries with U.S. FTAs



Two way trade flows 2011-2018 (origin exports & imports)

(median/nominal)



-\$981M

- \$1.2B Imports

Central America &
Caribbean



-\$6.4B

- \$3.5B O/Exports

- \$1.7B Imports

South America



-\$1.4B

Slow down in imports

Europe

FDI 2011-2018

CapEx (not including M&A)

Canada
\$5.76B



UK
\$3.67



Spain
\$1.68B



Germany
\$1.15B



Argentina
\$729M



Jobs CapEx

UK
11K



Canada
6.1K



Germany
5.3K



Spain
3.9K



France
3.1K





JOHN MURPHY

Senior Vice President, International Policy
US Chamber of Commerce

Outlook on Trade: USMCA, China, and Beyond

John Murphy

Senior Vice President for International Policy

U.S. Chamber of Commerce



U.S. CHAMBER OF COMMERCE
International Affairs

Outlook on Trade

- 1) U.S.-Mexico-Canada Agreement
- 2) U.S.-China Trade Negotiations
- 3) EU, Japan, India...



NAFTA ► USMCA



USMCA: The Case for Approval

Preserve U.S. Trade Ties to Canada and Mexico

- Supports 12 million American jobs
- Tops the next 11 largest markets for manufactures
- Accounts for one-third of all U.S. agricultural exports
- Services exports have tripled in 25 years

Strengthen North American Trade

- New rules on digital trade, intellectual property, etc.



U.S. CHAMBER OF COMMERCE
International Affairs

Toward Congressional Action

- **USITC report issued on April 18**
- **Draft SAA shared with Congress**
- **Draft implementing bill shared with Congress**
- **“Mock markups” in the trade committees**
- **Implementing bill submitted to Congress**
- **Votes over the summer?**



USMCA: Issues of Contention

- Steel/aluminum tariffs
- Mexican labor law reform
- Enforcement
- Drug pricing
- Tomatoes/produce
- NAFTA withdrawal?



USMCA: What We're Doing

- USMCA Coalition: Chamber is secretariat
- Congressional, Communications, Grassroots
- Meetings with >300 members of Congress
- Coordination with White House, USTR, Hill champions
- All about the House... and “about 30 Democrats”





U.S.-China Trade Negotiations

U.S.-China Trade Negotiations

- Broad *agreement* on diagnosis: Concerns about tech transfer, IP theft, subsidies, market access
- Broad *opposition* to tariffs as a remedy
 - ✓ 25% tariff on \$50 billion of imports in July, August
 - ✓ 10% tariff on another \$200 billion in September



Cost of the U.S.-China Trade War

- ✓ IIF: \$40 billion in U.S. exports lost due to retaliation (900 product categories collapse)
- ✓ Hit to heartland: Soybean sales collapse; farm bankruptcies reach new high
- ✓ Chamber: ICT losses alone will cost U.S. \$1 trillion in GDP over 10 years



U.S.-China Trade Negotiations

- **Forecast: No easy out**
 - ✓ **Will tariffs be rolled back?**
 - ✓ **How will the agreement be enforced?**



A composite image featuring a view of Earth from space, showing the curvature of the planet and the blue of the oceans. Overlaid on the Earth is a complex network of thin, glowing yellow and white lines that connect various points across the globe, resembling a global communication or data network. A bright, glowing sun is positioned on the right side of the image, casting a strong light and creating a lens flare effect across the scene.

**And on
other
fronts...**

The EU

- **Steel and aluminum tariffs**
- **Threat of tariffs on autos and auto parts**
- **Debate over including agriculture in negotiations**



Japan

- U.S. agriculture losing ground in Japan post-TPP
- First stage: Give U.S. farmers TPP-like access to Japan in exchange for ending tariffs and tariff threats?
- U.S. industry wants a comprehensive agreement, not just a “Trade Agreement in Goods”



India

- Vast potential, but mounting barriers to U.S. exports
- Elections underway
- GSP terminated by May 5
- Section 301 investigation, tariffs?



Outlook on Trade: USMCA, China, and Beyond

John Murphy

Senior Vice President for International Policy

U.S. Chamber of Commerce



U.S. CHAMBER OF COMMERCE
International Affairs



LENNY FELDMAN

Partner, Sandler, Travis & Rosenberg



SANDLER, TRAVIS & ROSENBERG, P.A.
International Trade, Customs & Export Law

Florida Chamber Global Florida Webinar

April 30, 2019



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About Lenny Feldman

- **Lenny Feldman** serves on Sandler, Travis & Rosenberg, P.A.'s Operating Committee. Lenny served as a senior attorney at the Office of Regulations and Rulings, CBP, from 1991-2000. In this capacity he was responsible for issuing hundreds of decisions and training CBP officials regarding customs laws and regulations. Today Lenny serves as counsel to numerous corporate officials on global compliance and enforcement issues and is Co-Chair of the twenty (20) members appointed nationally to serve on the 15th Commercial Customs Operations Advisory Committee (COAC), offering strategic direction to CBP, DHS and Treasury executives.

1. Trade Enforcement & Regulatory Reform are in Play

Executive Order 13785 – March 31, 2017

Establishing Enhanced Collection and Enforcement of Antidumping and Countervailing Duties and Violations of Trade Laws

- Appropriate bonding requirements based on risk assessments
- Security for AD/CV through bonds and other legal measures and identify other enforcement measures
- Combat violations including methods other than seizure of inadmissible merchandise through any mode of transportation
- Share with IPR rights holders any information necessary to determine IPR infringement or violation
- Recommend prosecution practices and resources for prosecutors against significant trade offenses



Executive Order 13771 – January 30, 2017

Reducing Regulation and Controlling Regulatory Costs

- Whenever an executive department or agency publicly proposes for notice and comment or otherwise promulgates a new regulation, it shall identify at least two existing regulations to be repealed.
- The total incremental cost for all new regulations, including repealed regulations, to be finalized this year shall be no greater than zero, unless otherwise required by law or consistent with advice provided by the Director, OMB.
- Any new incremental costs associated with new regulations shall be offset by the elimination of existing costs associated with at least two prior regulations.

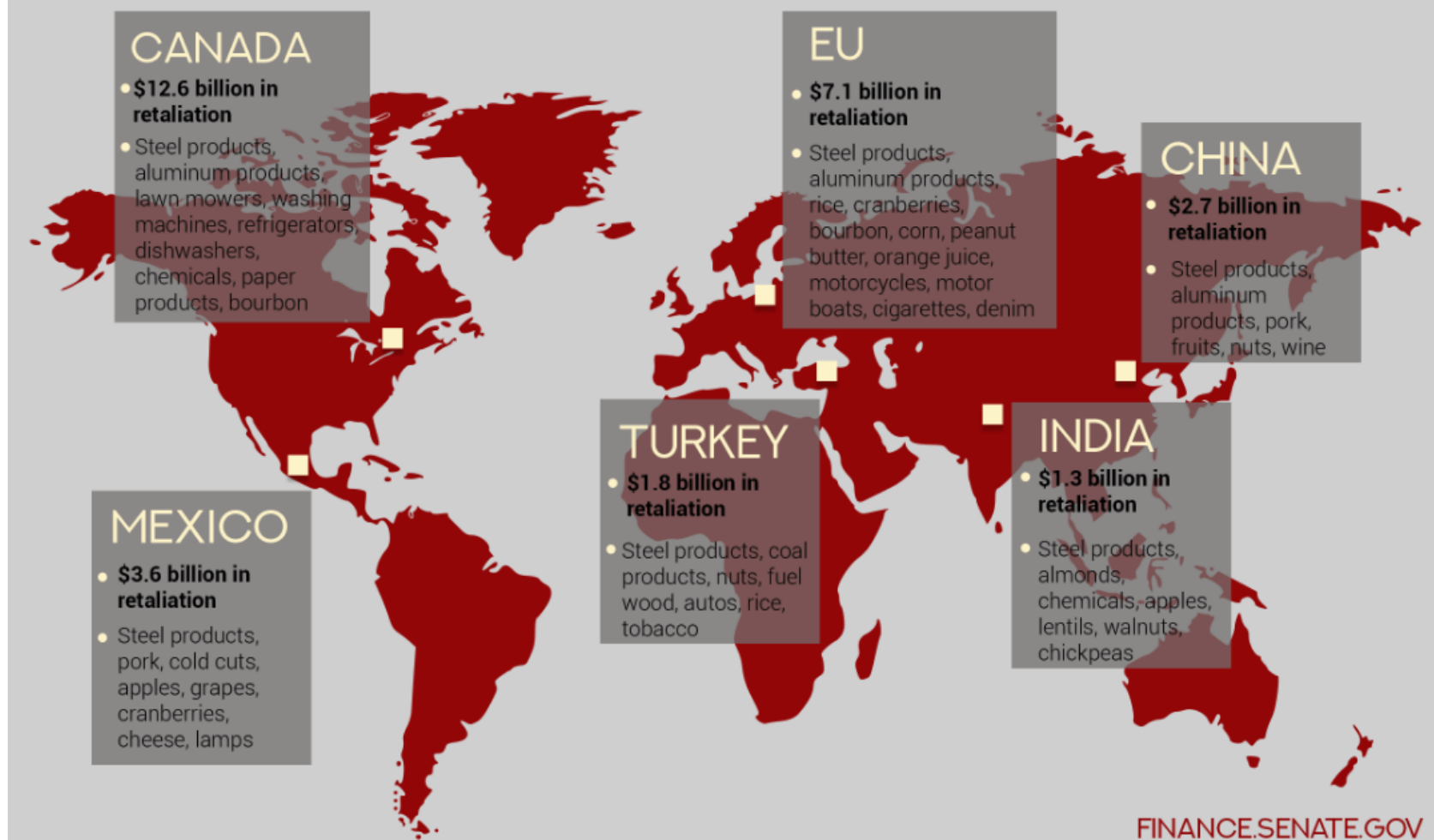


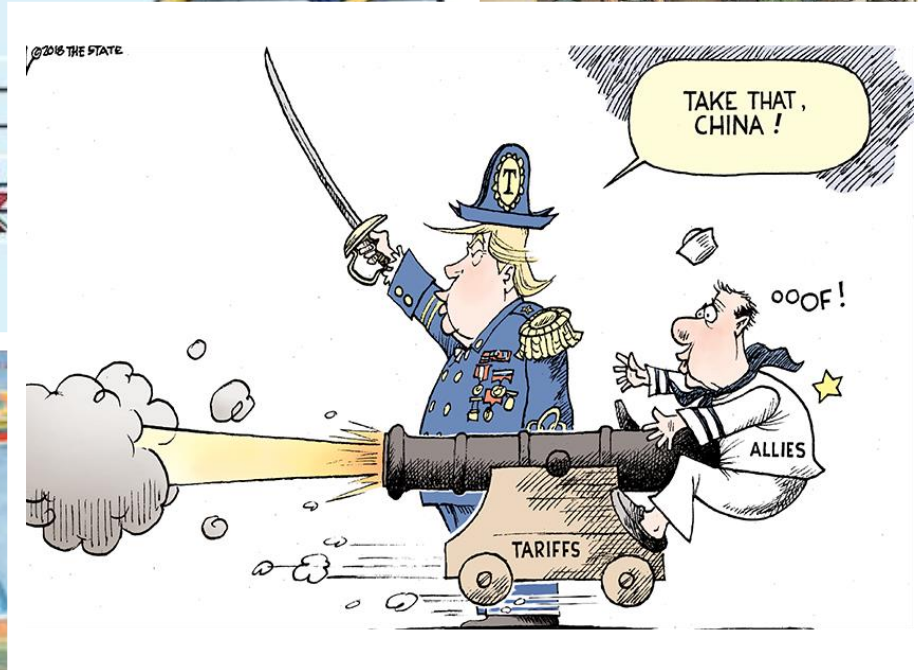
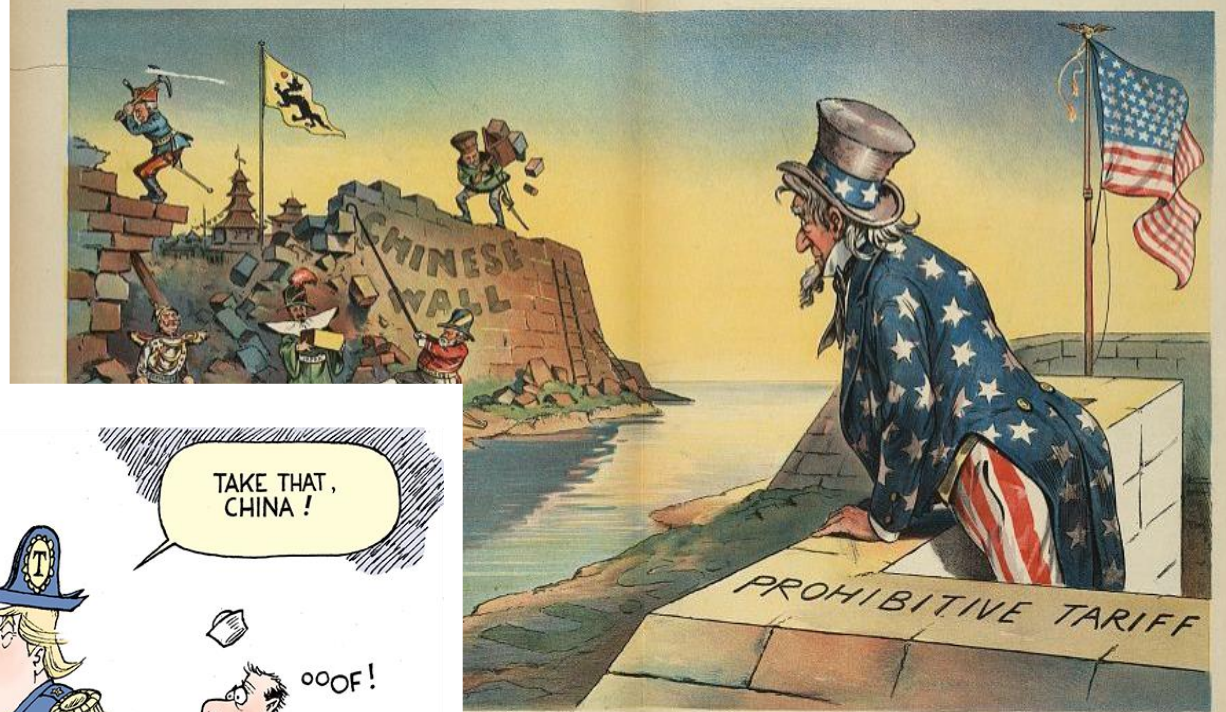
2. We're In the Midst of an Unprecedented Trade War & Realignment

Section 201	Section 232	Section 301
Feb. 2018 – Feb. 2021	Mar. 2018; June 2018 -MX, CA, EU	July, Aug, Sept 2018
Washing Machines/Parts; Solar Cells/Modules	Steel & Aluminum; May 2018 *Investigation – Autos & Auto Parts	Designated Products: 1.) 818 goods (\$34B) 84, 85, 87, 88, 90, 2.) 279 goods (\$16B) 84, 85, 87, 90, 27, 34, 38, 39, 70, 73, 76, 89 3.) \$200B throughout tariff
Global; MX Exception (Washers) & GSP (Less than 3% Exports)	Global; AR, AU, BR, KR Exception (Steel); AR, AU Exception (Aluminum)	China
16 to 50%	10% Aluminum; 25% Steel (TU 2X)	25% (List 1, 2); 10% (List 3)
Exclusion	Exclusion	Exclusion List 1, 2; Pending List 3
None	EU, MX, CA IN, TU, RU	China: July - 545 goods (\$34B) Aug – 333 goods (\$16B) Sept – 5207 goods (\$60B)

SECTION 232 BACKLASH

GLOBAL RETALIATION FOR STEEL AND ALUMINUM TARIFFS





Trade War Checklist

- Exclusion Requests
- Tariff Engineering
- Operational Engineering
- Valuation
- Bonded Facilities
- Drawback
- Section 321 De Minimis



U.S. Free Trade Agreements

- US-Mexico-Canada Agreement
- US-Japan Trade Negotiations
- US-EU Trade Negotiations
- US-UK Trade Negotiations



3. New Laws Mean New Priorities & New Approaches

Trade Facilitation & Trade Enforcement Act

Facilitation

1. §101 Partnership Programs
2. §108 Mutual Recognition
3. §901 De Minimis
4. §904 Chapter 98 Returns

Enforcement

1. §114 Criteria for IOR Numbers
2. §115 New/Adjusted Import Bond Amounts
3. §116 Broker Vetting IORs
4. §117 Priority Trade Issues (Revenue, IPR, Agriculture, Import Safety, Textiles, FTAs)
5. §302, 303, 305 IPR Owner Info Access, National Coordination Center
6. §411, 421 Antidumping/Countervailing Duties (EAPA)
7. §910 Forced Labor

Facilitation & Enforcement

1. §104, 105 Seminars, Education, Outreach
2. §110 Centers of Excellence & Expertise
3. §201 Import Safety Working Group

Priority Trade Issues – TFTEA §117

- Agriculture programs
- Antidumping and countervailing duties
- Import safety
- Intellectual property rights
- Revenue
- Textiles and wearing apparel
- Trade agreements and preference programs



The Commissioner can modify this list. The focus on revenue collection should alert all importers of an emphasis on high risk areas that can cause significant revenue loss.

CBP Trade Strategy 2020

In the near term, CBP will focus on four major areas aimed at further enhancing the agency's security posture, modernizing import/export processes, improving our trade intelligence, and maximizing efficiencies.

Secure Trade Lanes

- **Enhance Trusted Trader**
 - Expand Customs Trade Partnership Against Terrorism (C-TPAT)
 - One US Government (1USG) Approach
 - Reciprocal Authorized Economic Operator (AEO) Benefits
- **Manage Imports and Exports Through the 1USG Single Window**
- **Deploy Authentication Technologies to Reduce Supply Chain Barriers**
- **Ensure E-Commerce Shipments are Secure**

Next Generation Facilitation

- **Propose a 21st Century Legal Framework**
 - Customs Modernization Act 2.0
 - Deregulation
- **Modernize Exports**
 - Advance Information
 - Extend the Single Window Functionality
 - Invest in Export Front-Line Operations
- **Facilitate Legitimate E-Commerce**

Intelligent Enforcement

- **Execute Integrated Trade Enforcement**
 - National Commercial Enforcement Analysis & Response (CEAR) Process
 - Proactive 1USG Approach
 - Enforce & Protect Act (EAPA) Implementation
 - Forced Labor
 - Priority Trade Issues
- **Strengthen Targeting Efficiencies Using Predictive Analytics and Intelligence**
- **Drive Consequence Delivery**
 - Importer Risk Assessment
 - Network Investigations

Resource Optimization

- **Apply and Quantify Efficiencies Through Transformation**
- **Broadcast the Value of the Trade Mission**
 - Economic Benefit Model
 - Industry and Academia Engagement
- **Identify, Negotiate, and Implement Resource Strategies**
- **Invest in Our People and Technology**
 - Workforce Development
 - ACE Enhancements
 - Single Window Sustainment
 - Emerging Technologies



U.S. Customs and Border Protection

Publication Number 0814-1018

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4. A New Trade Paradigm Lies Ahead

21st Century Framework

- Emerging Roles in the Global Supply Chain
- Intelligent Enforcement
- Cutting Edge Technology
- Data Access and Sharing
- 21st Century Trade Processes
- Self-funded Customs Infrastructure

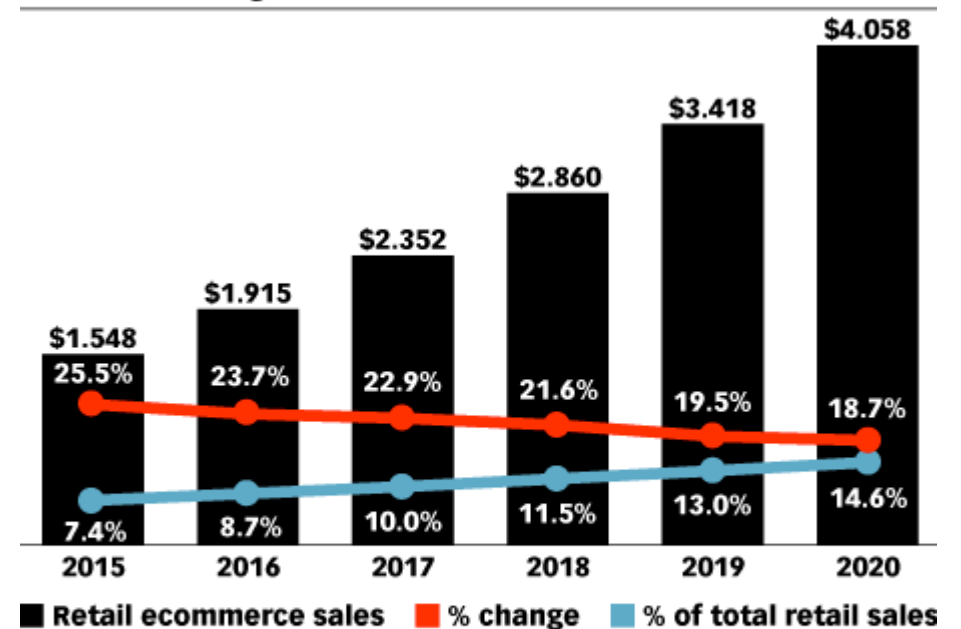
Ecommerce by-the-numbers

- Worldwide e-commerce sales expected to reach over \$4 trillion by 2020
- E-commerce retail sales estimated to reach 14.6 % of total overall world retail in 2020
- Global cross-border sales*
 - \$300b GMV in 2015
 - \$900b GMV in 2020

DHL “The 21st Century Spice Trade”

http://www.dhl.com/content/dam/Campaigns/Express_Campaigns/Local_Campaigns/apem/express_campaign_spice_trade_apem_en.pdf

Retail Ecommerce Sales Worldwide, 2015-2020
trillions, % change and % of total retail sales



Note: includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment; excludes travel and event tickets

Source: eMarketer, Aug 2016

213201

www.eMarketer.com

De Minimis Exemption

- De Minimis exemption:
 - Increased from \$200 to \$800 for the amount of goods an individual may import each day duty free. **§901**
- Congressional findings:
 - Modernizing international customs is critical for U.S. businesses of all sizes, consumers in the U.S., and economic growth of the U.S
 - Higher thresholds for value of articles that may be entered informally and free of duty provide significant economic benefits to businesses and consumers in the U.S. and the economy of the U.S. through costs savings and reductions in trade transaction costs
- Sense of Congress:
 - USTR should encourage other countries to establish commercially meaningful *de minimis* values for express and postal shipments that are exempt from customs duties and taxes and from certain entry documentation requirements, as appropriate

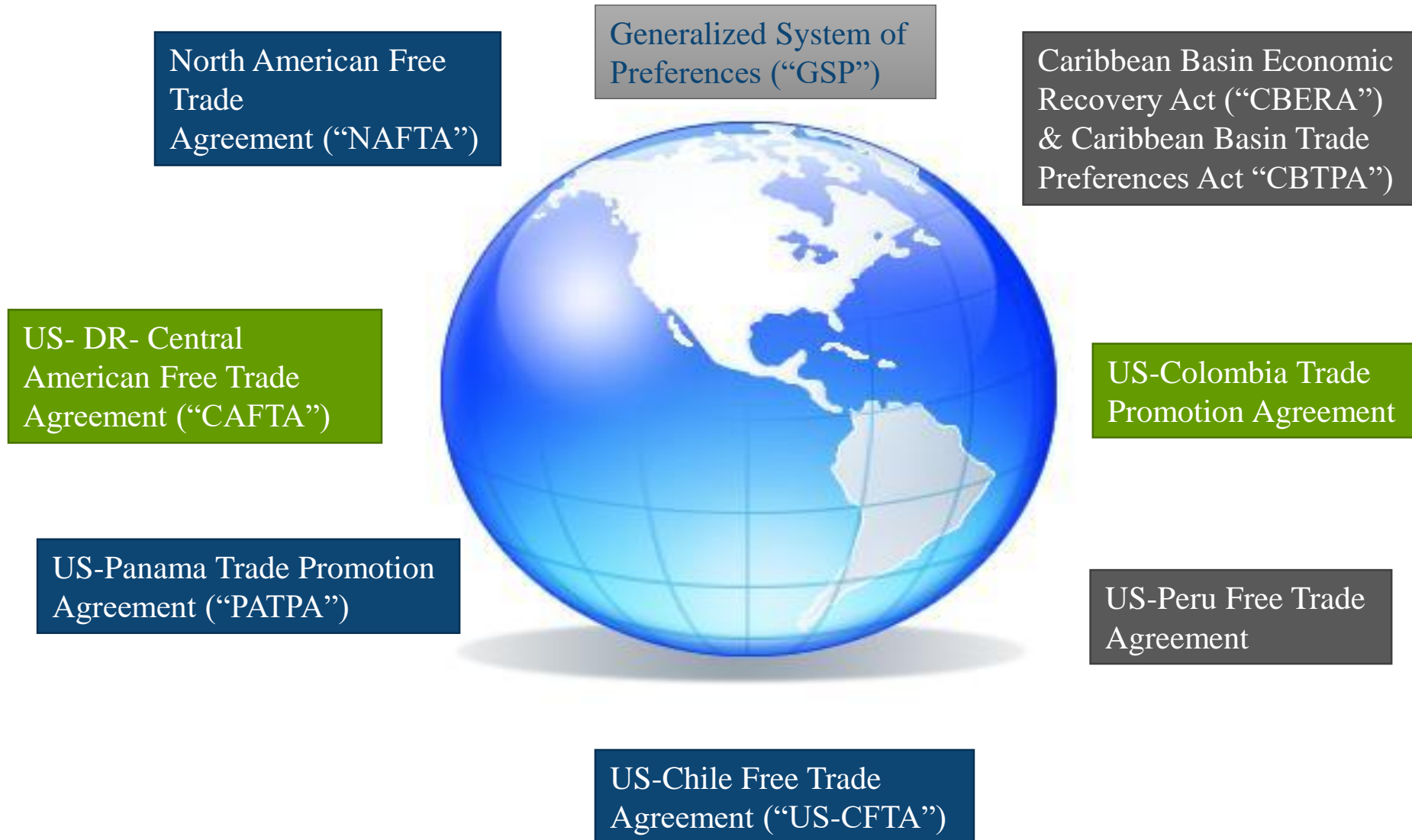


Significant improvement for de minimis users. Could enhance e-commerce trade. Encourages other countries to establish commercially meaningful de minimis values.

5. Florida is Poised to Capitalize on this Trade Transformation

- Trade Programs & FTAs
- Multi-Modal Access
- Hemispheric “E-Market”
- Transit & Warehousing Hub

Trade Programs - West



Trade Programs - East

US-Israel Free Trade Agreement (“USIFTA”) and QIZs

US-Korea Free Trade Agreement

US-Jordan Free Trade Agreement (“JFTA”)

US- Singapore Free Trade Agreement

US-Morocco Free Trade Agreement

US-Australia Free Trade Agreement

African Growth and Opportunity Act (“AGOA”)

US-Oman Free Trade Agreement



US-Bahrain Free Trade Agreement

Questions?



Lenny Feldman

Esquire

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Questions?

Upcoming Events

- [May 22-23](#) | Florida Business Leaders' Summit on Prosperity and Economic Opportunity- West Palm Beach
- [May 29-30](#) | Florida International Trade & Investment Conference (FITIC)- Miami
- [June 18,2019](#) | Learners to Earners Workforce Summit-Orlando
- [August 13, 2019](#) | Military, Defense & Veterans –Jacksonville
- [October 28, 2019](#) | Future of Florida Forum-Orlando

CONTACT US

Get in touch

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