

FROM OUR CEO + PRESIDENT

As we reflect on 2023, it is evident that global supply chains underwent significant fluctuations, peaking in the resolution of the pandemic-induced disruptions and the stabilization of freight market conditions worldwide.

Throughout this period, we closely monitored market dynamics and implemented necessary adjustments to remain agile. We are pleased to report that 2023 was a great year that provided a platform for our 2024 growth initiatives.

We extend our gratitude to our dedicated staff, whose unwavering commitment enabled us to deliver personalized services to our valued clients and agents. The steadfast support from all stakeholders has served as the cornerstone of our success.

Looking ahead, we are confident that our collective efforts will contribute to an expansion of our market shares. With your continued support, we anticipate making 2024 a Year of Growth for us all.

Thank you once again for your ongoing partnership.

Best wishes Anders Fisker, CEO + President, FCL Fisker Customs & Logistics

IN REVIEW | JANUARY 2024

MARINE

January 3 | "Chinese New Year 2024"

As the Chinese Spring Festival fast approaches, and although the official holiday date is February 10 to 17, many factories will begin closing from Jan 25 and return to work during the week beginning 18 February. To add further strain on the China / AU trade lane, vessels have been returning late from Australia back to China as a direct result of the issues caused by the DP world industrial action, resulting in both blank and delayed sailings. Expect space and rates to be at a premium through January and week 1 of February. *Source: ICAL*

January 3 | "Update on Industrial Action at DP World"

There seems to be no end in sight with the Protected Industrial Action (PIA) still ongoing at DP World terminals Australia wide. The Maritime Union of Australia division (CFMMEU) yesterday released further notices of works bans and stoppages up to and including Monday January 15. This will continue to significantly impact industry operations, which has already seen delays of between 2 – 5 weeks on original scheduling and an estimated cost to the Australian Economy of \$20 million per day. **Source:** ICAL

January 3 | "Update on the Suez Canal"

Many shipping lines have continued with their pause on movements of their vessels through the Suez Canal and into the Red Sea / Gulf of Aden as the challenging situation continues in the region. As vessels are diverted around the Cape of Good Hope, we have received notice of Transit Disruption Surcharges (TDS) and Emergency Contingency Surcharges (ECS) being implemented by the lines. We are monitoring the situation closely. Access the links below to recent media coverage on the above issues: Source: ICAL

<u>UK and US shoot down more Houthi drones in the Red Sea as shipping companies pause operations</u> - ABC News

<u>Price hike fears over Red Sea shipping chaos, crippling DP World MUA port strikes | news.com.au — Australia's leading news site</u>

Global Trade Faces Uncertainty as Red Sea Tensions and Port Strikes Threaten Supply Chains - Australian Business Journal (theabj.com.au)

UPDATE: Jan 8: Spot freight rates are the leading indicator of the mounting repercussions from ongoing disruptions to the shipping industry due to security problems in the Red Sea. With the attacks continuing, nearly 20 major carriers have reported that they are rerouting vessels, adding to travel time and expense, which is quickly being reflected in the spot price for shipping, as well as the growing concerns of impacts to supply chains and a renewal of port congestion.

Analytics firm Drewry provided its first report of 2024 on its closely watched World Container Index and to no surprise rates have skyrocketed. In one week, Drewey calculates the composite index is up by two-thirds (61 percent) per 40-foot container and stands 25 percent above the end of 2022/start of 2023. The latest Drewry World Container Index composite is 88 percent higher than the 2019 average.

Predictability, the highest increases are on the routes most directly impacted, i.e. those using the Suez Canal. Freight rates from Shanghai to Rotterdam, for example, are up by 115 percent. The increases for shipping containers to the Mediterranean are also up more than 100 percent, while rates from Asia to North America are up a more modest 26 to 30 percent. Read more in an article from <a href="mailto:article-from-

January 4 | "Saving the Panama Canal will take Years and Cost Billions, if it's even Possible"

The vestiges of an ancient forest tell the story of just how bad things are at the drought-stricken Panama Canal.

A few hundred feet from the massive tankers hauling goods across the globe, gaunt tree stumps rise above the waterline. They're all that remains of a woodland flooded more than a century ago to create the canal. It's not unusual to see them at the height of the dry season – but now, in the immediate aftermath of what's usually the rainy period, they should be fully submerged.

They're a visible reminder of how parched conditions have crippled a waterway that handles \$270 billion a year in global trade. And there are no easy solutions. The Panama Canal Authority is weighing potential fixes that include an artificial lake to pump water into the canal and cloud seeding to boost rainfall, but both options would take years to implement, if they're even feasible.

Read more in an article from the American Journal of Transportation. Source: CIFFA

January 4 | "Transpacific Rates Poised to Rise as Liner Networks come under Pressure"

Transpacific container rates could spike to highs not seen since early 2022, if the Red Sea crisis continues to disrupt liner networks.

Asia-Europe ocean carriers have already announced new FAK (freight all kinds) rates of \$6,000 per 40ft or more ahead of Chinese New Year on 11 February, and the rate contagion looks likely to spread to other trade lanes in the coming weeks. Jon Monroe of US-based Jon Monroe Consulting, believes we could be heading back to Covid-type disruptions in the liner industry, due to ships being unable to safely transit the Red Sea to and from the Suez Canal. Subsequently the lines have announced a number of surcharges shippers must pay before they will allow release of containers at destination ports. Source: The Loadstar

January 5 | "Houthi Red Sea Attacks Show No Sign of Abating, U.S. Admiral Says"

The U.S.-led force in the Red Sea has shot down 19 drones and missiles launched by the Iranian-backed Houthis in Yemen in less than a month, but there's no sign that the militants are backing off, the commander of U.S. Navy forces in the Middle East said. Houthi attacks aren't abating comes as the U.S. and allies are giving increasingly stern warnings of more aggressive action. On Wednesday, more than a dozen nations led by the U.S. issued a statement warning that the Houthis "will bear the responsibility of the consequences should they continue to threaten lives, the global economy and free flow of commerce in the region's critical waterways."

A UK official said Thursday that allied action against the Houthis in Yemen, where they are based, is likely if they don't heed that warning.

Read more in an article from the American Journal of Transportation Source: CIFFA

UPDATE: Jan 24: FIATA Calls for Global Monitoring and Coordination to Facilitate Maritime Transport as Red Sea Tensions Intensify

In the wake of mounting tensions in the Red Sea, FIATA has released a call to action for strengthened international dialogue and monitoring between governments and industry decision-makers to ensure maritime supply chain fluidity and connectivity amidst surcharges imposed by shipping lines operating on and outside of the Red Sea and Suez Canal, for the protection of consumers and economies worldwide.

Amid sharp increases in freight rates, concerns are being raised on the extent of surcharges levied on both affected and unaffected routes. Careful management will be required to mitigate impacts on international trade. In its recent <u>communication</u> and <u>position paper</u>, FIATA calls for governments and all supply chain stakeholders to strengthen international dialogue and collaboration to facilitate a coordinated approach to finding and implementing united solutions for a resilient maritime supply chain.

Drawing lessons from the recent maritime crisis and, at a time of significant inflationary pressure, FIATA has urged shipping lines at large to exercise particular care in the imposition of surcharges, and to communicate additional surcharges in a transparent and clear manner. Prof. Sys, Professor at the University of Antwerp in the Department of Transport and Regional Economics, describes the surcharges levied as being of an "unprecedented magnitude" given the discrepancy calculated between the proportion of surcharges and the actual costs incurred when rerouting ships away from the Suez Canal. FIATA also raises concerns about the lack of information on the content of these

surcharges, noting the alarming 'all in' invoicing with no itemization of the various components for shipments.

Read more in a press release from FIATA. Source: CIFFA

January 8 | "National Protests and Strikes in Germany (Farmers and Rail Workers Announcing Strike"

In addition to the ongoing Suez crisis, impacting the global trade, farmers' unions have announced a "week of action" in cities across Germany taking place as of January 8th until January 15th, 2024. As both groups converge on the streets and rails, the nation faces major transport disruptions throughout all ports of Germany, mainly Port of Hamburg and city centers around it as well as borders to Benelux. Disruptions are expected throughout the week. *Source: Rohlig*

January 9 | "Maersk Announces New Peak Season Surcharges Worldwide"

Maersk will introduce a peak season surcharge from North Europe, South Europe, Mediterranean, Adriatic and North Africa to United States and Canada, effective from 5 February. The table below pertains to the destinations USA and CANADA. For a full list of Origin & Destinations, access: <u>Full Article</u>. *Source: Container News*

Origin	Destination	Effective Date	Container Type	Currency	New tariff levels
North Europe	United States and Canada	5 February	ALL DRY & NOR	US\$	US\$500/TEU US\$750/FEU
South Europe, Mediterranean, Adriatic and North Africa (Excluding Turkey, Lebanon, Egypt, Israel, Romania, Bulgaria, and Georgia)	United States and Canada	5 February	ALL DRY & NOR	US\$	US\$500/TEU US\$750/FEU

January 12 | "More Delayed Cargo Arrivals in Halifax This Week"

What's the one thing nearly two out of every three ships arriving in Halifax this week have in common? They're running late. Of the 17 cargo ships, container ships, bulk carriers and oil tankers that have berthed – or are still scheduled to berth – in Halifax before Sunday, 11 are behind schedule. And those delays vary anywhere from a day to nearly two-and-a-half weeks. **Source: CIFFA via The Coast**

January 12 | "Extreme Weather is 2024's Top Supply Chain Risk: Everstream"

Extreme weather events are the top risk facing supply chains in 2024, according to an annual outlook report from Everstream Analytics. Rounding out the full list of Everstream's top five supply chain risks for 2024 were:

- Extreme weather.
- New environmental regulations that could create disruption to operations.
- National protectionist measures, particularly between the U.S. and China.
- The potential for escalating tension over Taiwan and its political status with respect to China.
- Shortages of agricultural commodities.

Source: Supply Chain Dive

January 12 | "Import Regulation by European Customs"

Dear Valued Customers, We would like to remind you about a new import regulation that is now mandatory by European Board of Customs Authorities. This regulation has been in effect since December 2023, and it is important to note that all House Bill of Ladings (HBL) and manifests submitted to and via Europe must include the following information:

- 1. Country of origin.
- 2. HS Code: minimum 6 digit for each Product/Commodity listed.
- 3. Clear and specific commodity description and breakdown for each HS code listed.

Vague and general descriptions (i.e. Spare Parts, Textiles, Tools) are no longer accepted.

Example (3 product groups):

- 24 Pkas: Pants, Screwdrivers, Rubber Gaskets S.T.C. 600 kg / 1,600 cbm
- 8 ctns: Screw Drivers electr. Insulated HS CODE 6 DIGITS
- 8 ctns: Rubber Gaskets for Water Pumps HS CODE 6 DIGITS
- 8 ctns: Gents Cotton/Polyester Pants HS CODE 6 DIGITS

To ensure compliance with this new regulation, cargo will not be loaded unless you list the required information the on the shipping instructions.

It is essential to comply with this new regulation to ensure a smooth import process and avoid any potential delays, issues, or penalties. Thank you for your continued support and patience as we get through this together. **Source: FCL Fisker via Shipco**

January 15 | "Dispute at Australian Ports Heats Up, Leading to Threat of 'Lockouts'"

Work stoppages have resumed across Australian ports after the latest round of bargaining between DP World and the Maritime Union of Australia (MUA) proved unsuccessful.

Until January 22, DP World's Sydney, Brisbane, and Fremantle terminals will see no work, while limited operations are being performed at its Melbourne terminal.

The action by union members primarily relates to the loading and unloading of trucks and trains and includes a ban on overtime and shift extensions. **Source: CIFFA & The Loadstar**

January 22 | "Federal Officials Brought in to Assist Labour Negotiations at Port of Montreal"

Federal officials have been brought in to help prevent a third labour stoppage in four years at the Port of Montreal.

Dock workers at Canada's second-busiest port have been without a labour deal since their pact expired Dec. 31. About 1,290 longshore workers and 165 checkers work for the Maritime Employers Association (MEA) in Montreal.

Union and management officials have held several mediation meetings – including some this month – in a bid to reach a new collective agreement, MEA spokesperson Anabel Martin Kaigle said Wednesday. Experts from the Federal Mediation and Conciliation Service are taking part in the discussions, she added. Source: CIFFA & The Montreal Gazette

January 29 | "CIFFA Writes to Prime Minister About 'Disrupting Developments'"

CIFFA wrote to Prime Minister Justin Trudeau to acquaint him with some disturbing developments concerning international shipping and their impacts on Canada's economy and asking the government to take immediate decisions to avoid a serious economic situation.

The current geopolitical climate presents threats for international shipping: Panama Canal authorities announced that the severe drought experienced in that region has forced them to reduce traffic by 35%. Houthi attacks in the Red Sea are leading to sharp increases in transportation costs, with diversion of shipping around the Cape of Good Hope and additional fuel and labour costs, as well as shortages of vessels and containers.

There is also cause for alarm concerning the deteriorating situation in labour relations at the Port of Montreal. With the most recent actions taken by the disputing parties, Canadian shippers are experiencing steadily deteriorating service levels, a slow strangulation of trade that threatens a serious economic blow to Montreal, to Quebec and to Canadian business generally.

Read the full letter. Source: CIFFA

AIR

January 3 | "Airfreight Rates Bounce Back to 50% Above Pre-COVID Levels"

Preliminary figures for week 50 (December 11 to 17) indicate that global tonnages and average worldwide rates were stable compared with the previous week, after recovering more quickly than last year from the seasonal post-Thanksgiving dip, based on the more than 400,000 weekly transactions covered by World ACD's data.

Comparing weeks 49 and 50 this year with the preceding two weeks (2Wo2W), overall tonnages increased 1%, and overall global average rates continued to rise, by 2%, with capacity up 1%. The figures indicate that demand and pricing are levelling off, as they usually do in the second half of December, after rallying in the last three months.

Although the main driver for the recent increases has been a surge in tonnages and rates ex-Asia Pacific, especially China, volumes ex-Asia Pacific have now flattened, although there have still been some modest rises in average rates ex-Asia Pacific, especially to North America (+4%), on a 2Wo2W basis.

January 15 | "\$74 Million in Federal Funding to Expand Vancouver International Airport's Cargo Facilities"

Cargo-handling facilities at Vancouver International Airport (YVR) will be expanded through an infusion of over \$74 million in new funding from the federal government.

This will directly go towards expanding the capacity for the movement of larger aircraft between cargo facilities and the runways, including increasing aircraft parking space capacity to accommodate additional widebody freighter aircraft, upgrading an access road, and preparing the site for the construction of a new air cargo warehouse. **Source: CIFFA**

ROAD

January 3 | "Infrastructure Increase on February 1"

Another year and another increase in the fees truckers are required to pay to the terminals to collect and deliver loaded containers through the terminal gates. Unfortunately, on the East coast there is no government intervention on landslide fees, and while it is widely agreed in the industry that these costs should be passed onto the terminals commercial clients being the shipping lines, this is not the case, and it is left to the truckers to foot the cost and pass on. As a result, on Feb 1st there will be an \$83.00 increase per container to the wharf infrastructure fee billed along with the cartage and fuel surcharges. **Source:** ICAL

January 25 | "Power Failure Simard Montreal Warehouse"

Montreal warehouse (Simard) has experienced a power failure due to the icy weather conditions and Hydro Quebec is working diligently to restore the power and expectations are that the power will be restored later in the day. Truckers will need to postpone any deliveries until such time Simard is able to receive freight once the power is restored. UPDATE: Power has been restored hours after the failure occurred. Source: FCL Fisker

CUSTOMS

January 3 | "CBSA CARM Toolkit"

Don't forget, CARM Release 2 is almost here!

To prevent potential delays in your commercial shipments in the future, every business should register on the CARM Client Portal (CCP) before April 19, 2024, ahead of CBSA's accounting system blackout period (April 26-May 13). Even if you use a customs broker, you still need to register your business in the CCP. Importers who register prior to CARM Release 2 launch will benefit: (1) be eligible to participate in the Release Prior to Payment (RPP) program, (2) access <u>CARM Release 1 functionalities</u>, (3) avoid Cash Security Deposits, (4) avoid cash C-type entries, that have added costs and greater potential for clearance delays.

The CBSA has released a helpful <u>CARM Toolkit</u> and <u>Onboarding documentation</u> to assist importers with the registration process. **Source: CBSA**

January 3 | "Reporting Questionnaire for Supply Chains Act (S-211) Now Available in HTML Format"

Please note that the questionnaire that reporting entities must complete is now available in text (HTML) format. This allows you to view the complete list of questions so that you may easily refer to the information as you prepare your report and before you complete the full questionnaire. The text version of the questionnaire can be found on the <u>Submit a report</u> page.

The Supply Chains Act comes into force on January 1, 2024. Further details about the reporting process and guidance for reporting entities are now available at: Forced Labour in Canadian Supply Chains (publicsafety.gc.ca). Source: Public Safey Canada

January 5 | "CBSA Trade Verification Priorities January 2024"

The CBSA has released the January 2024 Trade Compliance Verification priorities.

Tariff verification priorities are:

- Freezers and other freezing equipment Harmonized System Number(s): Headings 84.18
- Washer and Dryers Harmonized System Number(s): Headings 84.50 and 84.51
- Spent fowl Harmonized System Number(s): Headings 02.07, 16.01 and 16.02
- LED lamps Harmonized System Number(s): Heading 85.39
- Furniture for non-domestic purposes Harmonized System Number(s): Headings 94.01 and 94.03
- Parts of lamps Harmonized System Number(s): Heading 94.05
- Cell phone cases Harmonized System Number(s): Headings 39.26, 42.02 and 85.17
- Pickled vegetables Harmonized System Number(s): Heading 20.01
- Parts of machines and mechanical appliances Harmonized System Number(s): Heading 84.79
- Bicycle Parts Harmonized System Number(s): Heading 87.14
- Parts for Use with Machinery of Chapter 84 Harmonized System Number(s): Heading 84.31
- Indicator Panels and Light-Emitting Diodes (LED) Harmonized System Number(s): Heading 85.31 and 84.41
- Safety Headgear (Round 5) Harmonized System Number(s): Subheading 6506.10
- Disposable and Protective Gloves (Round 5) Harmonized System Number(s): Subheadings 3926.20 and 4015.19

Valuation priorities are:

Apparel - Harmonized System Number(s): Chapters 61 and 62, with an emphasis on assists.

Most-Favoured-Nation tariff treatment withdrawn from Russia and Belarus

Effective March 2, 2022, the Most-Favoured-Nation (MFN) tariff treatment no longer applies to goods imported into Canada that originate in Russia or Belarus.

This includes goods shipped:

- directly from Russia or Belarus
- from a third country

You must now account for these goods under the General Tariff rate of customs duty of 35%.

If a good is produced with inputs (materials, labour, etc.) from Russia or Belarus, at least 50% of the cost to produce the good must be incurred in one or more MFN beneficiary countries or Canada. This is required by the rule of origin respecting the MFN tariff.

It is a priority for the Government of Canada that goods originating from Russia or Belarus do not enter the Canadian economy under the MFN tariff treatment.

The list of goods currently being monitored, and risk assessed includes, but is not limited to:

- products of iron or steel
- fertilizer
- petroleum
- non-ferrous metals
- tires

For more information:

- <u>Customs Notice 22-02: Order withdrawing the Most-Favoured-Nation status from</u> Russia and Belarus
- Memorandum D11-4-3: Rules of Origin Respecting the Most-Favoured-Nation Tariff

Members who have clients who import any of the goods on this list should be aware so that they can be prepared for when CBSA comes calling. Full details are available on the <u>CBSA website</u>. **Source: CBSA**

January 9 | "Customs Notice 24-01: Notification of the Requirement to Present Global Affairs Canada (GAC) Import Permits for all "NEW" Restricted Handgun Importations"

- 1. This Customs Notice supersedes Customs Notice 22-16 which expired Dec 15, 2023. Effective immediately, with the coming into force of Bill C-21, the requirement to present a GAC import permit is no longer applicable for the re-importation of lawfully registered restricted handguns by Canadian residents holding a Possession and Acquisition Licence (PAL) with restricted privileges, registration certificate, and an Authorization to Transport (ATT).
- 2. "New" importations of handguns by Canadian residents and businesses, whether for personal or commercial use, and regardless of the mode of importation still require an import permit issued by GAC.
- 3. The documentation requirements for new imports of restricted handguns will be a GAC import permit, as well as a PAL with restricted privileges, a registration certificate, and an Authorization to Transport for individual imports, and a Firearms Business Licence (FBL) for commercial imports with the correct import conditions listed on the FBL.
- 4. An ATT is a separate paper document that is no longer linked to the PAL with restricted privileges. ATTs are issued at the discretion of the Chief Firearms Officer of the respective province into which the firearm is being imported.
- 5. This policy does not impact the temporary importation of handguns by non-residents pursuant to s.35 of the Firearms Act.
- 6. Please note that commercial firearm shipments must be processed through a paper release option. The importer is responsible for presenting physical copies of all required permits, licenses, etc. at the time of entry.
- 7. For information on import controls and permits, including how to apply for an import permit, please refer to GAC's <u>Import Controls web page</u>.

January 15 | "Alliance Formed to Offer Internationally Recognized Freight Forwarding Education"

TraversEd has entered into an agreement with the NCBFAA Educational Institute (NEI) to offer internationally recognized freight forwarder education in the U.S.

TraversEd provides flexible online courses that enable learners to start and finish at their own pace, from anywhere in the United States. These interactive, fully narrated lessons are designed to challenge and prepare the learner for a career in Freight Forwarding and teach the competencies that NCBFAA member firms require to operate in a competitive market.

Training new and existing staff can be costly and time consuming, as can maintaining training programs to keep up with constant change. These online courses to be offered through NEI are deemed vital for freight forwarding companies which seek to provide new employees and future leaders with the vital skill sets necessary to succeed in global logistics.

The core offering is the <u>TraversEd Global Trade Certificate (TGT)</u>, which includes three levels consisting of the following courses:

- International Transportation and Trade Tier 1 or 2
- Essentials of Freight Forwarding Tier 1 or 2
- Advanced Freight Services Tier 3

NEI will offer learners who successfully complete all three courses with the ability to apply for the globally recognized <u>FIATA International Federation of Freight Forwarders</u> diploma once the courses are validated by FIATA. Courses are scheduled to become available via the NEI in late winter 2024.

For course descriptions on TraversEd's TGT offerings, visit www.traversedglobal.com

About NCBFAA Educational Institute (NEI): https://www.ncbfaa.org/education

The NCBFAA Educational Institute (NEI) provides educational opportunities to the members of NCBFAA & the larger trade community in the areas of international trade, supply chain management, global logistics, customs brokerage, export transactions, transportation, attendant government regulation, and those areas of knowledge necessary to manage or advance a career path in a business providing services to those sectors.

NCBFAA is a member of <u>FIATA - International Federation of Freight Forwarders</u>, and intends to validate the TraversEd freight forwarding courses to offer the <u>FIATA diploma</u> within the United States in Spring 2024.

About TraversEd: www.traversedglobal.com

TraversEd is owned by CIFFA a Canadian logistics association whose members include freight forwarders, freight brokers, customs brokers, drayage, and warehouse operators. TraversEd courses are based on the highly successful courses offered by CIFFA and redesigned for the international learner. Through partnerships with 16 Colleges, and over 300 freight forwarding companies, these courses have been completed by more than 20,000 learners.

All material is designed by industry experts and equip students with the essential knowledge and skills to succeed in the demanding world of global logistics and freight forwarding. TraversEd partners with US and international academic institutions and businesses, providing custom education and specialized training solutions to help develop the next generation of professional global freight forwarders. TraversEd is a member of the Association to Advance Collegiate Schools of Business (AACSB). Source: CIFFA

January 19 | "Notification of Upcoming CARM and NRI Webinar Dates"

Webinar Registration –Non-Resident Importers (NRI) *NEW (English)

•	Thursday, February 1st, 2024,	11:00pm - 12:00pm EST	<u>Register</u>
•	Thursday, February 8th, 2024,	8:00am - 9:00pm EST	<u>Register</u>

Webinar Registration - Registering Your Small / Medium Business on the CARM Client Portal (English)

•	Tuesday, January 16th, 2024,	7:00pm - 8:00pm EST	<u>Register</u>
•	Thursday, January 25th, 2024,	10:00am -11:00am EST	<u>Register</u>
•	Wednesday, January 31st, 2024,	1:00pm - 2:00pm EST	<u>Register</u>
•	Tuesday, February 6th, 2024,	1:00pm - 2:00pm EST	<u>Register</u>
•	Tuesday, March 19th, 2024,	1:00pm - 2:00pm EST	Register

Webinar Registration – What You Need to Know with CARM Release 2 Webinar (English)

•	Thursday, January 18th, 2024,	1:00pm - 2:30pm EST	<u>Register</u>
•	Tuesday, February 13th, 2024,	1:00pm - 2:30pm EST	<u>Register</u>
•	Tuesday, March 26th, 2024,	1:00pm - 2:30pm EST	<u>Register</u>

Webinar Registration – Open Mic (Bilingual)

•	Thursday, January 25th, 2024,	1:00pm - 2:00pm EST	Register
•	Wednesday, March 27th, 2024,	2:00pm - 3:00pm EST	Register

January 18 | "CFIA Manufactured Foods Licence Verification Presentation"

The Canadian Food Inspection Agency (CFIA) has created the following <u>presentation</u>, to promote awareness of the new automated licence verifications on imports of manufactured foods. The automated function will be implemented on February 12, 2024,

The presentation provides an overview of what the change is, its potential impacts for non-compliant entries, and provides some feedback on areas of concern with present day Manufactured Food Sector (MFS) entries. As a reminder this change will be implemented on February 12, 2024.

Please note that this presentation is will be available in French soon. Source: CSCB

January 25 | "U.K. Walks Away from Trade Talks with Canada"

British negotiators walked away from trade talks with Canada Thursday — a dramatic development that taps the brakes on a bilateral trade deal between the two Commonwealth nations that has been years in the making.

The Canada-United Kingdom Trade Continuity Agreement (Canada-UK TCA) entered into force on April 1, 2021, with the intent of providing continuity post-Brexit until Canada and the UK negotiated a new comprehensive bilateral free trade agreement. These negotiations commenced in 2022, with the aim of reaching an agreement by April 1, 2024. On January 25, 2024, the UK formally notified Canada that it had made a decision to pause the Free Trade Agreement negotiations. Meanwhile, the Canada-UK TCA remains in force.

Read the CBC article here, and Fasken article here.

January 29 | "Notice to Exporters No. 1108 – Export and Brokering of Items Listed on the Export Control List and the Brokering Control List to Türkiye"

On April 16, 2020, Canada implemented a <u>presumptive denial policy</u> for applications to export or broker Group 2 items (Munitions List) to Türkiye.

As of the date of this notification:

- The presumptive denial policy is no longer in place.
- Export and brokering permit applications destined to Türkiye for all groups on the Export Control List and the Brokering Control List, including Group 2 items (Munitions List) will now be reviewed on a case-by-case basis under Canada's risk assessment framework, including against the Arms Trade Treaty criteria, which are enshrined in the Export and Import Permits Act under Section 7.3.
- For the export or brokering of any items listed on the Export Control List or the Brokering Control
 List, and when the Turkish Armed Forces or any other Turkish government agency, subsidiary, or
 security service is identified as the final end user, exporters must obtain from the importer an end
 use assurance that includes:
 - 1. a statement from the government of Türkiye clearly indicating whether the items will be re-exported or transferred to a non-NATO country (excepting Ukraine) whether that item is to be re-exported or transferred from Türkiye in its original form, or incorporated into a weapons system,
 - 2. the end-use assurance requirements identified in sections E.4.2 (export) and E.7.2 (brokering) of the <u>Export and Brokering Controls Handbook</u>.

Under the Export and Import Permits Act (EIPA), the Minister also has broad authority to suspend or cancel permits. As such, Global Affairs will take appropriate action should credible evidence be found regarding the misuse of any controlled Canadian good or technology, including to commit or facilitate serious violations of international human rights law.

For further information, please contact the Export Controls Operations Division at Global Affairs Canada by phone or email: 613-996-2387 / tie.reception@international.gc.ca https://www.international.gc.ca/trade-commerce/controls-controles/notices-avis/1108.aspx?lang=eng. Source: CBSA

January 31 | "Undeclared Milk Allergens in Chocolate Products"

The Canadian Food Inspection Agency (CFIA) has published a <u>notice to industry</u> to remind manufacturers and importers of their obligation to ensure chocolate products do not contain undeclared milk allergens.

In 2022 and 2023, there were multiple non-compliances due to undeclared milk in dark chocolate samples tested by the CFIA, many of which resulted in recalls. Undeclared allergens can pose serious health problems for consumers who are allergic to them, sometimes even causing death. It is your responsibility to ensure that the food you import, or manufacture is safe and meets Canadian requirements.

Consult the notice to industry for guidance on how to prevent ingredients that contain milk allergens from contaminating chocolate and how to ensure that milk allergen hazards are appropriately declared on food labels. Source: CFIA (Canadian Food inspection Agency)

For inquiries about Customs News Articles contact: Christina Fisker, VP Customs & Compliance: christina@fisker.ca

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