

already suffering collateral damage. Leadership in Washington will prolong the negotiations to time the outcome and resolution as close to the 2020 election campaign cycle as possible.

To pre-empt the damage and help companies navigate the landmines, firms are looking to their inhouse trade subject matter experts to take the lead role. Those firms without a SME are feverishly searching for seasoned trade strategists for guidance.

It's déjà vu all over again.

The Customs Modernization Act of 1993, which created the trilateral trading bloc formerly known as NAFTA, was the impetus for many companies to create a dedicated in-house customs compliance role to sort out trade relationships and government scrutiny. Fast forward 25 years and that role has evolved and has gone through several iterations.

While the titles have changed, the focus continues to be identifying the company's most advantageous global trade policy. Today these same strategists are at the frontlines of a Trade Fratricide — a Tarifficide — as the world's two largest economies and superpowers engage in a high stakes chess match.

Waterways Council

Michael J. Toohey

President and CEO
www.waterwayscouncil.org



Inland waterways challenges in 2019 begin with implementing the achievements of 2018. Con-

gress provided on-time appropriations for modernizing and maintaining the inland transportation system. Capital investment for five projects: Olmsted, \$50 million; Lower Mon 2, 3, 4, \$89 million; Kentucky Lock, \$43.6 million; Chickamauga Lock, \$89.7 million; and LaGrange, \$133.5 million, will be at full and efficient levels so that the Corps of Engineers can build and renovate these locks at its capability to execute, which will deliver outcomes ahead of schedule and under budget. Record appropriations for Opera-

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World Customs Organization

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While technology has transformed the economic and trade landscape, whittling away the demarcation lines between physical, digital, and biological components, Customs stands on the cusp of the line with a unique mandate to connect and coordinate efforts along the supply chain, ensuring that the three T's (Trade, Travel and Transport) are carried out swiftly and under smooth conditions. Against this background, the World Customs Organization (WCO) has declared 2019 as the year of "SMART borders" in an effort to make Trade, Travel and Transport seamless.

Estimates show that passenger numbers are expected to double by 2034, reaching 7.3 billion, and that freight will quadruple by 2030. This will place considerable strain on Customs and relevant government agencies, as well as posing new threats to security and new challenges to facilitation. Customs is, however, poised to play a major role in ensuring coordination with other players who share the common objective of facilitating legitimate trade, easing the flow of passengers and conveyances and protecting frontiers against a plethora of safety and security/biosecurity threats, including terrorist financing, improvised explosive devices (IEDs), dual-use goods, and firearms.

Customs stands on the frontline, studying the impact of new technologies and their use to enhance and measure performance, automate Customs processes and adopt a risk-management based approach that enables effective decision-making at all levels. The WCO is also exploring opportunities to develop a new performance-measurement tool to further assist the Customs community in identifying bottlenecks and taking prompt and reliable decisions.

tions and Maintenance, \$3.74 billion, will enable a robust dredging and maintenance program that will challenge coordination efforts between the corps and navigation industry partners.

Passage of "America's Water Infrastructure Act," which included a Water Resources Development Authorization (WRDA 2018,) added a new authorized inland navigation project to our priorities: Three Rivers, Arkansas. Most importantly, Congress rejected tolls and fees on the inland system and elimination of the federal role in maintaining and operating locks and dams that were advocated by the administration. We will face these same wrong-headed ideas in 2019 as a new infrastructure initiative is formulated by the administration and Congress.

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John W. Butler

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included in any infrastructure legislation, and, second to assure that the proposal does no harm. Our real challenge will be to embrace a national goal of initiating construction of the \$8.8 billion portfolio of inland modernization projects in the next 10 years with full and efficient funding to deliver on-time and on-budget performance.

World Shipping Council

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President and CEO
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2019 will bring challenges both in the marketplace and in new and continuing regulatory initiatives.

Uneven economic growth and trade policy uncertainty make the outlook for containerized cargo difficult to predict. What we do know is that the industry will continue to address major regulatory developments.

The European Commission has begun its five-year review of the EU consortia block exemption regulation (CBER). The CBER provides the legal certainty that makes the most common form of operational cooperation, the vessel-sharing arrangement (VSA), more efficient and easier to use. That regulation provides legal certainty in the EU and provides an example that other countries have looked to in creating their own rules for vessel sharing. The regulation is clear and easy to apply, and it provides a tool that allows carriers to burn less fuel, which lowers customer costs and reduces vessel air emissions, including greenhouse gases.

We also look for international regulatory consistency as the global 0.5 percent marine fuel sulfur cap becomes effective Jan. 1, 2020. The industry and IMO member states were successful in securing IMO agreement to ban carried as bunkers that exceeds 0.5 percent sulfur content (excepting ships using scrubbers, LNG, or carrying high-sulfur fuel oil as cargo). This is an important step in ensuring consistent global enforcement and a level regulatory playing field. JOC