

JUNE 15, 2013

EXPORTERS TO USA: ISF ENFORCEMENT MORE STRICTLY ENFORCED FROM JULY 9, 2013

U.S. Customs and Border Protection (CBP) announced the next phase of its Importer Security Filing (ISF) enforcement during a teleconference on June 6th with key representatives from the trade community.

Importer Security Filing, commonly known as the "10+2" initiative, is a US Customs and Border Protection (CBP) regulation that requires importers and vessel operating carriers to provide advance trade and security data to CBP pursuant to Section 203 of the SAFE Port Act of 2006 and section 343(a) of the Trade Act of 2002. On January 26, 2010, the ISF program became mandatory for all sea freight cargo arriving in the USA.

CBP will begin assessing liquidated damages on improperly filed or late ISF's filed on/after July 9, 2013.

ISF-10 REQUIRED KEY DATA ELEMENTS

1. Importer of Record Number - This is your tax ID number if you are the US Importer of Record.
2. Consignee Number - tax ID for the consignee on the house bill of lading
3. Buyer/Owner
4. Seller/Owner
5. Ship To Parties
6. Manufacturer (Supplier) Name/ Address
7. Country of Origin
8. Harmonized Tariff Number for all items in the shipment
9. Container Stuffing Location
10. Consolidator Name/ Address

CBP enforcement actions may include (at CBP's discretion):

- no-load message to the carrier (prior to export);
- denying or delaying the carrier's permission to unload at the U.S. port;
- withholding Customs release of merchandise or issuing liquidated damages for up to \$5000 per late, incorrect or incomplete ISF transmission.

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If you are experiencing continuous late ISF filings, we suggest that you conduct a thorough review of your supply chain to correct documentation inefficiencies that could eventually lead to penalties and fines.

SUGGESTED ISF BEST PRACTICES:

- Know what you are importing before your import
- Know your supply chain partners (Seller, Manufacturer/Supplier, Container Stuffing Location, Overseas Consolidator)
- Decide in advance of shipment who will be filing your ISF and be sure that the shipper is also aware. The ISF is typically (but not required) filed by the Customs Broker on behalf of the importer, as the broker has in-depth knowledge of the merchandise to be imported.
- Require that 10+2 data be collected and provided early in the shipping process. Add data to existing forms such as Purchase Orders, Advance Shipping Notices, Commercial Invoices, etc.

Penalties for late filings will be issued directly to the importer. It is the Importer of Record's responsibility to provide Future Forwarding Company with accurate and timely ISF information based on your import schedule. Future Forwarding Company will not be responsible for late ISF or penalties due to incorrect, inaccurate or untimely data.

If you have questions about the ISF regulations, your ISF compliance history or other compliance-related issues, please contact your sales representative or call (0844) 879 4977

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