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# Importer Security Filing

*Formerly known as 10+2*



# Current Requirements



**The 24 hour rule requires –**

**“..the advance and accurate presentation of certain manifest information 24 hours prior to lading of containerized and non-exempt break bulk cargo at a foreign port and to encourage the presentation of this information electronically”**

**(Final rule dated October 31, 2002)**

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# The Safe Port Act of 2006



## Section 203 “AUTOMATED TARGETING SYSTEM”

**(a) In general, The Secretary, acting through the Commissioner, shall –**

**“..promulgate regulations to require the electronic transmission of additional data elements for improved high-risk targeting, including appropriate security elements of entry data for cargo destined to the United States by vessel prior to loading of such cargo on vessels at foreign seaports.”**

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# Who is responsible to file?



**The Trade Act of 2002 states:**

***The requirement to provide the information is generally the party likely to have direct knowledge of the required information.***

**However, CBP is proposing to take into account on whom the requirement is imposed and how this party is able to verify the information it has acquired.**

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# Carrier Requirements



- The vessel stow plan.
- Container status messages regarding certain events relating to containers loaded on vessels destined to the United States.

*The “2” of the 10+2*

# Vessel Stow Plan



**CBP must receive the stow plan for vessels transporting containers and/or break bulk cargo no later than 48 hours after departure from the last foreign port.**

**(for voyages less than 48 hours in duration, plan must be received prior to the arrival at the first US Port)**

**Bulk carriers are exempt from this requirement for vessels exclusively carrying bulk cargo.**

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# Container Status Messages (CSM)



Carriers must submit a CSM when any of the required events occurs if the carrier creates or collects a CSM in its equipment tracking system reporting that event. The following require CSMs:

- (A) When the booking is confirmed
- (B) When a container undergoes a terminal gate inspection
- (C) When a container arrives or departs a facility
- (D) When a container is loaded on or unloaded from a conveyance
- (E) When a vessel transporting a container departs from or arrives at a port
- (F) When a container undergoes an intra-terminal movement
- (G) When a container is ordered stuffed or stripped
- (H) When a container is confirmed stuffed or stripped
- (I) When a container is shipped for heavy repair

CBP is aware it may be cost beneficial for some carriers to transmit all CSMs, rather than filter out those relating only to US destined cargo, so are proposing to allow carriers to transmit their “global” CSM messages.

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# The Importers Requirements



1. **Manufacturer (Supplier) Name and Address**
2. **Seller Name and Address**
3. **Buyer Name and Address**
4. **Ship to Name and Address**
5. **Container Stuffing Location**
6. **Consolidator Name and Address**
7. **Importer of Record**
8. **Consignee Number**
9. **Country of Origin of goods**
10. **HTS Number – 6 digit level**

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# Manufacturer (or supplier)



- **The name and address of the entity that last manufacturers, assembles, produces, or grows the commodity, or the name and address of the supplier of the finished goods in the country from which the goods are leaving.**

*(In the alternative, the information used to created the existing manufacturer identification {MID} number for entry purposes.)*

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# Importer Requirements



## Seller Name and Address

- Name and address of the last known entity from whom the goods are sold or agreed to be sold\*.

## Buyer Name and Address

- Name and address of the last known entity to whom the goods are sold or agreed to be sold\*.

## Ship to Name and Address

- Name and address of the first deliver-to party scheduled to physically receive the goods after the goods have been released from Customs custody.

•If imported otherwise than in pursuance of a purchase, the name and address of the owner of the goods – 19 USC 141.86(a)(2)

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# Importer Requirements



## Container Stuffing Location

- Name and address(es) of the physical location(s) where the goods were stuffed into the container.
- For Break-Bulk shipments, the name and address(es) of the physical location(s) where the goods were made “ship ready”.

## Consolidator (stuffer) name and address

- Name and address of the party who stuffed the container or arranged for the stuffing of the container.
- For Break-Bulk shipments, the name and address of the party who made the goods “ship ready”.

# Importer Requirements



## Importer of record number / FTZ applicant identification number

- **Internal Revenue Service (IRS) number, Employer Identification Number (EIN), Social Security Number (SSN) , CBP assigned number (for FTZ cargo – the party filing the documentation) of the entity liable for payment of all duties and responsible for meeting all statutory and regulatory requirements incurred as a result of importation.**
- *For purposes of the ISF, the Importer of record is the same as recorded on the CF 3461.*

# Importer Requirements



## Consignee Number(s)

- **IRS, EIN, SSN or CBP assigned number of the individual(s) or firm(s) in the United States on whose account the merchandise is shipped.**
- This element is the same as the “consignee number “on the CF 3461

## Country of Origin

- **Country of manufacture, production, or growth of the article, based upon the import laws, rules and regulations of the US.**
- This element is the same as the “country of origin” on the CF 3461

## Commodity HTSUS Number

- **Duty/Statistical reporting number under which the article is classified in the Harmonized Tariff Schedule of the United States (HTSUS), 6 digits. The HTSUS may be provided up to the 10 digit level.**
- This element is the same as the “country of origin” on the CF 3461 if provided at the 10 digit level and only for entry purposes

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# CBP responses to initial comments



- Where the presenting party is not reasonably able to verify such information, CBP will permit the party to electronically present the information on the basis of what the party reasonably believes to be true.
- Changes to a Security filing are required (if discovered after the vessel sails) before the goods enter the limits of a port in the United States.
- CBP will not accept forms 3461, 7501, or 214 in lieu of an amendment to an ISF.
- If an importer does not know a required element, the importer must take steps necessary to obtain that information.
- CBP is not proposing to allow exemption from, or alteration of, the requirements that C-TPAT partners submit ISF information in advance of arrival.
- While CBP understands that some business practices may need to be altered to obtain the required information at an earlier point, CBP does not anticipate that these changes will be unduly burdensome.
- Importers may submit the HTSUS number up to the 10 digit level, if using as part of an entry filing.
- If an Importer, chooses to use a foreign freight forwarder as an agent for ISF purposes, the importer will need to provide this data to that party at the line item level.

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# Master Bills / House Bills



- An Importer Security Filing is required for each shipment, at the lowest bill of lading level, (i.e., at the house bill of lading, if applicable). It is information from the relevant house bill that CBP seeks for targeting purposes.
- Under the proposed rule, one ISF can satisfy multiple bills of lading (**but MID information must be linked at the line item level**).

# CBP approved Electronic Interchange System



- The current approved electronic data interchange systems for the Importer Security Filing are the
  - Automated Broker Interface (ABI); and the
  - Vessel Automated Manifest System (AMS).
- CBP is proposing to amend 19 CFR 143.1 to permit any Importer Security Filing filer to gain access to ABI for the purpose of transmitting the ISF, if that party obtains a bond.
- CBP will provide to the filer, electronic acknowledgement that the filer's submission has been received according to ABI and AMS standards.
- The proposed regulations allow for the withdrawal of an ISF when a shipment is no longer intended to arrive within the port limits of a port in the US.

*However, ABI and AMS filers will not have the ability to query (1) whether an ISF is complete, (2) the actual data elements, or (3) the identity of the party who filed the elements.*

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# “Other Freight”



- **FROB** – Freight Remaining on Board
- **IE** – Immediate Export
- **T&E** – Transportation and Exportation

The five data elements required for “other freight” are:

1. **Booking party name and address** – the entity paying for the transportation of the goods
2. **Foreign port of unloading** – Foreign port code at the intended final destination
3. **Place of Delivery** – City code
4. **Ship to name an address** – first deliver to party to physically receive the goods after Customs release
5. **Commodity HTSUS number** – the HTSUS number (to 6 digits) under which the article is classified in the HTSUS

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# Who is responsible for other freight?



- For Freight Remaining on Board:
  - Importer is construed as the carrier
- For Immediate Exportation, Transportation and Exportation and for cargo delivered to a Foreign Trade Zone (FTZ):
  - Importer is defined as the party filing the IE, T&E or FTZ documentation with CBP

# Authorized Agents



- Under the proposed rule, a party can act as an authorized agent for purposes of filing the Importer Security Filing if that party obtains access to ABI or AMS and obtains a bond.
- The Importer is ultimately responsible for the timely, accurate, and complete submission of the Importer Security Filing.
- The transmission of the ISF alone would not constitute “customs business”.
- If an Importer chooses to have applicable elements of the ISF used for entry purposes, the ISF must be either:
  - Self-filed by the Importer, or
  - Filed by a licensed customs broker
- Authorized agents must retain powers of attorney and make them available upon request to representatives of CBP.

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# Amendments to Bond Conditions



Proposed new regulations require:

- The principal to comply with the ISF filings or pay liquidated damages equal to the value of the merchandise involved, under 113.62 and 113.73 (Importer/FTZ)
- 3 new conditions to be added to 113.64 where the principal:
  - Agrees to comply with the proposed ISF requirements, if elected to provide on behalf of an importer
  - Agrees to comply with the proposed vessel stow plan requirements, or pay liquidated damages of \$50,000.00 for each vessel arrival
  - Agrees to comply with the container status message requirements, or pay liquidated damages of \$5,000 for each violation to a maximum of \$100,000 per vessel arrival

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# Comments on NPRM



- NCBFAA's comments to the initial "Straw-man" proposal were largely incorporated into the NPRM
- Comments on the proposed regulations are due by March 3, 2008

# Websites



- [www.ncbfaa.org](http://www.ncbfaa.org)
- [www.cbp.gov](http://www.cbp.gov)
  - Click on Legal Tab
  - CBP Bulletins and Decisions
  - 2008 Bulletins
  - Vol. 42, January 16, 2007
    - General Notices

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# **Importer Security Filing**

*Please contact us with any  
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