

10 + 2 ISF Filing

Importer Security Filing

The U.S. Department of Homeland Security announced new information requirements on maritime cargo destined for the United States. The *Importer Security Filing and Additional Carrier Requirements* interim final rule will require maritime cargo carriers and importers to submit additional data to U.S. Customs and Border Protection (CBP) before vessels are permitted entry into the country. This will go into effect on January 26, 2009.

U.S. Customs and Border Protection is requiring additional data from U.S. importers and carriers. CBP believes the additional information will enhance the Automated Targeting System for cargo screening. This is being implemented to help prevent terrorist weapons from being transported into the United States. Vessel carriers bringing cargo into the US are required to transmit certain information to CBP about the cargo they are transporting prior to lading (arrival). The required information is reasonably necessary to improve CBP's ability to identify high-risk shipments so as to prevent smuggling and ensure cargo safety and security.

The rule requires carriers to submit a vessel stow plan and container status messages under certain scenarios where cargo containers are destined for the United States. The rule also requires importers or their agents to submit an Importer Security Filing (ISF) with ten data elements, **no later than 24 hours before the cargo is laden aboard a vessel destined for the United States.** All ISF filings are to be done electronically via Automated Manifest System (AMS) or Automated Broker Interface (ABI). There will be no paper forms of filing.

The ISF program will dramatically alter the manner in which information is processed in the supply chain. Recognizing that the trade will require time to adjust to the new requirements, CBP has provided for a "*structured review and flexible enforcement period*" of at least 12 months. During this period, CBP will show restraint and forego the issuance of liquidated damages or penalties to importers and ISF Filers making a good faith effort to comply with the new ISF requirements. While CBP has yet to finalize all the elements of this program, CBP has intimated that importers who do not demonstrate a good faith effort to comply with the program may be subject to enforcement actions during this 12-month phase-in period. The rule requires carriers to submit a vessel stow plan and container status messages under certain scenarios where cargo containers are destined for the United States. All ISF filings are to be done electronically via Automated Manifest System (AMS) or Automated Broker Interface (ABI). There will be no paper forms or filing. The Carrier will need to submit 2 additional data sets which are: Vessel Stowage Plan (or BAPLIE), and Container Status Messages.

The ISF Importer, as a business decision, may designate an authorized agent (Broker) to file the Importer Security Filing on the ISF Importer's behalf. After the informed compliance period officially ends (date is currently unknown) the ISF Importer is bound to provide a complete, accurate and timely filing or risk liquidated damages in the amount of \$5000.00 per violation.

ISF filings must be secured by a Customs bond. Generally, continuous bonds will be accepted for ISF filings. The ISF Importer must possess a bond or designate an agent to file under the agent's bond prior to file an ISF.

If you have any other questions, please direct them to:

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The ten data elements are:

1. Importer of Record Number – This can be the US based commodities agent, trading company or some other party that has an oversight regarding the transaction. The ISF importer number must be on file with CBP prior to the filing of the ISF. Importers of Record are limited to the following only: Internal Revenue Service (IRS) number, Employer Identification Number (EIN), Social Security Number (SSN), or CBP assigned number of the entity liable for payment of all duties and responsible for meeting all statutory and regulatory requirements incurred as a result of importation.

2. Consignee Number - The Importer of Record number can be used for this element as well given that the information remains the same. Internal Revenue Service (IRS) number, Employer Identification Number (EIN), Social Security Number (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 CBP Form 3461.

3. Seller (Owner) Complete Name/Address including postal code – The name and complete address of the owner of the goods. This may be the same as the seller if applicable. Name and address of the last known entity by whom the goods are sold or agreed to be sold. If the goods are to be imported otherwise than in pursuance of a purchase, the name and address of the owner of the goods must be provided. The party required for this element is consistent with the information required on the invoice of imported merchandise.

4. Buyer (Owner) Complete Name/Address including postal code - The name and complete address of the owner of the goods. This may be the same as the seller if applicable. Name and address of the last known entity to whom the goods are sold or agreed to be sold. If the goods are to be imported otherwise than in pursuance of a purchase, the name and address of the owner of the goods must be provided. The party required for this element is consistent with the information required on the invoice of imported merchandise.

5. Ship to Party – May provide the identity of the facility where the goods will be unladen (e.g. FIRMS Code). Name and address of the first deliver-to party scheduled to physically receive the goods after the goods have been released from customs custody. CBP is looking for the actual deliver to name/address; not the corporate address. If unknown, provide the name of the facility where the goods will be unladen. May provide a FIRMS code of a warehouse or terminal if the specific ship to name/address is unknown at the time of the filing. For example, a container freight station is acceptable. May provide the name and address of an in-land distribution center if the specific ship to name/address is unknown at the time of the ISF filing.

6. Manufacturer (Supplier) Complete Name/Address including postal code - Name and address of the entity that last manufactures, assembles, produces, or grows the commodity. Or, name and address of the supplier of the finished goods in the country from which the goods are leaving.

7. Country of Origin - Country of manufacture, production, or growth of the article, based upon the import laws, rules and regulations of the United States.

8. Commodity – HTUS (Complete 10 digit code) - Duty/statistical reporting number under which the article is classified in the Harmonized Tariff Schedule of the United States (HTSUS).

9. 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" must be provided.

10. Consolidator - **Complete Name/Address** including postal code - 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" or the party who arranged for the goods to be made "ship ready" must be provided.

In addition to the 10 data elements set forth above, a bill of lading number at the lowest level must also be provided. This is known as the identifier.