



U.S. CUSTOMS & BORDER PROTECTION NUMBER: CLX 2018-003
PORT INFORMATION NOTICE – TRADE ISSUE DATE: November 21, 2017

SUBJECT: Rule Changes Concerning In-Bond Processing

DISTRIBUTION: Calexico Trade Community

PURPOSE: On September 28, 2017, U.S. Customs and Border Protection (CBP) published a Federal Register Notice (FRN) with a Final Rule concerning changes to the in-bond processing. With the implementation of Automated Commercial Environment (ACE) Cargo Release functionality for in-bond shipments, carriers and their agents who process in-bonds have had the capability to arrive and export in bonds. The following sets forth the mandatory dates for compliance and the requisite in-bond processing procedures.

REFERENCE:

CSMS message # 17-000621, which notified the trade community of implementation of the new in-bond changes to the in-bond regulations (Title 19, U.S. Code of Federal Regulations, Parts 18, 122 and 123).

MANDATORY DATES:

- September 28, 2017- Publication in Federal Register with 60 day implementation.
- November 27, 2017- Implementation of Regulations- CBP will no longer accept paper copies of the CBP form 7512 for input by CBP (except in pipeline movements). Trade will be required to submit all in-bonds electronically. Informed compliance for other elements will begin.
- January 2, 2018- CBP will no longer accept paper copies of CBP form 7512 to perform arrival and export functionality. Electronic reporting will be mandatory.
- February 5, 2018- Electronic reporting of diversion to a port other than reported on the in-bond will be required. ACE edit will reject arrival if not performed.
- March 5, 2018- Electronic reporting of bond location (FIRMS code) will be required. ACE edit will reject arrival if not provided.

PROCEDURES AND REQUIREMENTS:

- Carriers or their agents will be required to electronically file the in-bonds.
- CBP will no longer require carriers to present in-bonds for arrival and export processing at the Calexico Export Facility. In-bonds will include the six digit United States Harmonized Tariff Schedule number.
- A standard 30 day maximum transit time to transport in-bond merchandise between U.S. ports will be in effect for all modes of transportation.
- Carriers will be required to electronically request and receive permission from CBP before diverting in-bond merchandise from its intended destination port to another port.
- Carriers will be required to report the arrival and location of the in-bond merchandise within 24 hours of arrival at the port of destination or port of exportation. The in-bond procedures found in the air commerce regulations at 19 CFR part 122 have not been changed.

- Carriers will be required to post arrival and export within 24 hours, as per the regulatory change.

Note: CBP may conduct random risk assessments of in-bond shipments and may place a hold on a shipment. If the carriers fails to hold that shipment, a Liquidated Damage claim may be issued for irregular delivery.

Proof of Exportation

CBP may conduct random verifications and request documentation for proof of exportation. The following documents and electronic transmission records will be accepted, provided they contain sufficient information that is clear, legible and corresponds with the in-bond entry to validate the exportation.

- Validated copy (signed and dated) of CBP Form 7512 certifying exportation (the use of container numbers and booking numbers will create an audit trail linking the CBP Form 7512 to the bill of lading).
- Mexican Pedimento (Importation Document) with the specific exportation data for the shipment (accompanied by an English translation).
- Outbound bill of lading/air waybill or manifest with in-bond number and exportation data (date, description of merchandise).
- Canadian Statement with stamp of receipt for rail or truck.
- Delivery receipt/packing slip from foreign consignee (accompanied by an English translation).
- Paid freight bill (proof of payment from foreign consignee) (accompanied by an English translation).
- Custom Forms with the "certificate of lading" portion signed and dated by CBP.
- Automated Commercial Environment Exports (ACE / AES) assigned internal or external transaction number, ITNIXTN, Immediate Exportation (I.E.) only.

Transfers of Bonded Merchandise and Seals

For sealed containers carrying in-transit merchandise, the bonded carrier will no longer have to request CBP approval to break the seals to trans-load. Carriers must keep a record of breaking a seal and replacement seal.

Trans-Loads - Transfer to Another Conveyance

Merchandise being transported in-bond may be transferred to another conveyance at any time. CBP notification is not required. The transfer to one or more conveyances will not extend the maximum in-transit time.

Manipulations

No change on manipulations, carrier must request CBP authorization.

Should you have problems processing In-Bonds, please contact the Calxico Cargo Entry team, (760)768-2436.

For questions regarding this Port Information Notice, please contact a Calxico Trade Supervisor at (760) 768-2347 or Trade Branch Chief David P. Kish at (760) 768-2437.

We appreciate your assistance in disseminating this information to your clients. If you have any further questions, please feel free to contact my staff at (760) 768-2347/2348.



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