



U.S. Customs and
Border Protection

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JOHN S. JAMES CO.
CHARLESTON S.C.

DATE: July 2, 2008

PORT OF CHARLESTON NOTICE NO: FY2008-14

TO: All Brokers, Importers, Carriers and Other Interested Parties

SUBJECT: New U.S. Census Bureau Regulations Requiring Mandatory Automated Filing of Export Information

The purpose of this notice is to inform all interested parties of the new regulations requiring mandatory filing of export information through the Automated Export System (AES) or through AESDirect for all shipments where a Shipper's Export Declaration (SED) has been required. The new regulations become effective July 2, 2008.

Beginning September 30, 2008, paper SEDs will no longer be accepted. Exporters will be required to file export information electronically through AES or AESDirect to eliminate the use of paper SEDs immediately.

New regulations (15 CFR 30.4) also require that electronic export information (EEI) be filed in AES or AESDirect according to specific timeframes. For non-USML shipments, the U.S. Principal Party in Interest (USPPI) or authorized agent must file the EEI as required by 15 CFR 30.6 and provide the filing citation or exemption legend to the exporting carrier as follows:

- for vessel cargo, 24 hours prior to loading cargo
- for air cargo, including express carriers, no later than two hours prior to the scheduled departure time of the aircraft
- for truck cargo, no later than one hour prior to the arrival of the truck at the U.S. border to go foreign
- for rail cargo, no more than two hours prior to the time the cargo arrives at the border to go foreign
- for mail and cargo shipped by other means, other than pipeline exports, no later than two hours prior to exportation
- for pipeline exports, within four days following the end of each calendar month for post departure-filing, by approved USPPIs, no later than ten calendar days from the date of export

Filing requirements for USML shipments can be found in the International Traffic in Arms Regulations (ITAR) (22 CFR 120-130).

CBP has been delegated authority to enforce penalty provisions in the regulations that potentially impact multiple parties in the export process. Penalties under the Foreign Trade Regulations (FTR) may be issued to USPPs, freight forwarders, authorized agents, carriers, brokers, and any other party to the export transaction, as appropriate. Under 15 CFR Subpart H, the penalty may be issued in an amount up to \$10,000 per violation. Penalties may be assessed against more than one person for a violation stemming from the same transaction.

Penalties may be imposed for the following violations of the FTR:

- Failure to file EEI in AES
- Late filing of EEI in AES
- Other FTR violations, such as incorrect value, failure to cite license code, etc.
- Penalties against exporting carriers or other persons as appropriate for violations such as failure to adhere to requirements set forth in Section 30.45(f)

Although new regulations will become effective July 2, 2008, U.S. Census Bureau is providing the trade an additional 90 days to implement these changes. During the 90 day implementation phase, paper SEDs will be accepted by Census and no penalties will be issued by CBP.

Questions concerning the new regulations should be referred to the CBP Outbound Team at (843) 856-8494 or Chief Officer at (843) 579-6513.


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