

VICS Importer Security Filing (ISF) Recommendation Document

Introduction

1. Background

Since 9/11, Supply chain security is the major driver for CBP (Customs and Border Protection) with the regulatory requirement stated in the '24 Hour Rule' back in October 2002. This rule requires Carrier filing of manifest information via AMS (Automated Manifest System) 24 hours prior to lading (loading) at foreign port. Subsequently, Section 203 of the SAFE (Security and Accountability For Every Port Act of 2006) provisions CBP the ability to enforce via ATS (Automated Targeting System) by acquiring additional shipment data to be used prior to vessel loading security screening process.

As a result, CBP defined what is now commonly referred to as "10+2".

2. Interim Final Rule

On November 25, 2008, CBP (Customs and Border Protection) officially published into the Federal Register the Interim Final Rule for 10+2. The interim final rule makes it official that Importers has a one year grace period, starting from January 26, 2009, to comply with the legislative requirements.

In the "Structured Review and Flexible Enforcement Period", CBP solicited feedback from the Trade community for implementation feasibility and challenges to comply with the 24 hours reporting requirements and received comments on 6 data elements (Container stuffing location, Consolidator (stuffer), Manufacturer (or supplier), Ship to Party, Country of origin, and Commodity HTSUS number). This comment period was completed on June 1, 2009.

By taking comments from Trade during the NPRM (Notice of Proposed Rule Making) period, CBP has loosened the exacting requirements of when the 10 sets of data elements must be filed as part of the Importer Security Filing. Specifically, the 10+2 requirements could now be summarized as 4+4+2+2 and include:

- a. 4 elements must be submitted accurately 24 hours PRIOR to container lading onto US-bound vessel
 - i. Seller, Buyer, Importer of Record, Consignee #
- b. 4 elements should be as accurately submitted 24 hours PRIOR to container lading; accurate information must be submitted as soon as it's available but no later than 24 hours PRIOR to arrival
 - i. Manufacturer/Supplier, Ship to party, Country of Origin and HTSUS (@ 6 – 10 digit level)
- c. 2 elements could be submitted no later than 24 hours PRIOR to arrival
 - i. Consolidator/Stuffer, Container Stuffing Locations
- d. 2 sets of data elements to be submitted by the Carriers for Vessel Stow Plans and Container Status Messages

3. How Can VICS Help?

The Voluntary Interindustry Commerce Solutions (VICS) Association is a voluntary, nonprofit corporation, which takes a global leadership role in the development of business guidelines & specifications. The Global Logistics sub-committee focuses on issues that impact the global supply chain and will be reviewing these new regulations. We believe the current Global Logistics Model and the underlying transactions can be modified to accommodate these new

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Customs requirements in an automated fashion. This should help companies file the “10+2” requirements timely, accurately and cost effectively.

4. VICS' Implementation Guide

- a. Low-tech Option: Use if import volume is small, your business is not complex, or you have few foreign vendors to manage. Timing for receipt of this information would need to be agreed upon between importer, vendor, and filer to meet requirements.
 - i. Email a standardized template to your selected filer
 1. See attachment A
 - ii. Web portal solution via Logistic Service and/or Software Providers
- b. High-tech Option – Use if import volume is high, cumbersome classifications, large declared value/ duty outlay, complex business or have a large number of foreign suppliers.
 - i. Integrated global trade management platform
 1. Leverage VICS GLM, specifically the PO/ASN transaction sets to help communicate the 10 data elements to your filer.
 2. See attachment B refer to steps 1,2,& 6
 3. See attachment C for guidance using revised EDI transaction sets.

5. Conclusion-

The Global Logistics Sub-committee is currently updating the GLM Model to accommodate these new regulations and assist our membership in developing standard approaches that can be used with multiple trading partners. The committee will first address executing the filing of this data. Post Audit and Key Performance Indicator recommendations will be discussed at later meetings. Please plan to join our monthly calls to provide input and share ideas.

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ATTACHMENT A

New ISF Update to Existing ISF Delete Existing ISF, No longer destined for U. S.

Date:

Filer:	ISF#
Importer of Record Number/IRS, SSN, Customs Assigned	
Sender	
Telephone	
Emergency Contact Information	

Importer Security Filing - Shipment Header Information

Bill of Lading Number	
Booking Number	
Estimated Time of Departure	
File by Date	

ISF Data Elements (items 1 through 7 require Name and Address, State/Province, Country, Postal Code)

1. Manufacturer	
2. Seller	
3. Buyer	
4. Ship to Party	
5. Container Stuffing Location	
6. Consolidator	
7. Importer of Record	
8. Consignee (IRS EIN, SSN or Customs assigned #)	
9. Country of Origin	
10. HTS Number	

Note:

The following 3 data elements are to be associated together. Repeat the above template for all unique combinations.

Item #1 Manufacture Name and Address, State/ Province, Country, Postal

Item# 9 Country of Origin(ISO Code)

Item# 10 HTS Number (6 digits)

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ATTACHMENT B:

Global Logistics Model: Full Ocean Container (Seller to Buyer Door to Door)

