



U.S. Customs and  
Border Protection

June 23, 2008

Number 08-015

## PORT OF COLUMBUS PIPELINE

TO : Exporters, U.S. Principal Parties in Interest, Authorized Agents, Freight Forwarders, Exporting Carriers, Customs Brokers, Customs and Border Protection Officers, and Other Interested Parties.

SUBJECT: Mandatory Automated Export System Filing for All Shipments Requiring Shipper's Export Declaration information

Section 343(a) of the Trade Act of 2002, as amended by section 108 of the Maritime Transportation Security Act of 2002, required the Secretary of the Treasury (transferred to the Secretary of Homeland Security by the Homeland Security Act of 2002) to promulgate regulations that provide for the mandatory collection of electronic cargo information prior to the departure of cargo from the United States by any mode of commercial transportation. Customs and Border Protection (CBP) regulations pertaining to electronic export information were created by final rule on December 5, 2003 and are contained in 19 CFR 192.14. The compliance date for these regulations was contingent upon the redesign of CBP's Automated Export System (AES) commodity module and the effective date of Department of Commerce regulations pertaining to mandatory electronic filing of export information

The U.S. Census Bureau recently issued a final rule implementing provisions in the Foreign Relations Authorization Act, Public Law 107-228. This rule was published in the Federal Register on June 2, 2008 (73 FR 31548), amending Title 15, Code of Federal Regulations, Part 30, Foreign Trade Regulations (FTR) [formerly the Foreign Trade Statistics Regulations (FTSR)] in its entirety. The final rule may be viewed at the following website:  
<http://edocket.access.gpo.gov/2008/pdf/E8-12133.pdf>.

Under the final rule, the Census Bureau is requiring mandatory filing of export cargo information through the AES or through *AESDirect* (the Census Bureau's free Internet-based system) for all shipments where a Shipper's Export Declaration (SED) was previously required. The electronic reporting of export trade data through AES and *AESDirect* is referred to as Electronic Export Information (EEI). EEI strengthens the U.S. government's ability to prevent the export of certain items by unauthorized parties to unauthorized destinations and end users, by aiding in the targeting and identifying of suspicious shipments prior to export. It also affords the government the ability to significantly improve the quality, timeliness, and coverage of export statistics.

The effective date of the Census Bureau Final rule is July 2, 2008. However, to allow all affected entities sufficient time to come into compliance with this rule, the Census Bureau will implement the provisions of the rule on September 30, 2008. Accordingly, as a result of the

publication of the Census Bureau regulations and completion of the redesign of the AES commodity module, the compliance date for the CBP regulations pertaining to pre-departure electronic filing of export cargo information, pursuant to 19 CFR 192.14(e), will coincide with the implementation date of the final rule, September 30, 2008.

### **Pre-Departure Time Frames for Filing EEI**

The time frame for pre-departure filing of EEI varies according to method of transportation pursuant to 19 CFR 192.14(b) and 15 CFR 30.4(b). A list of the various time-frame requirements by mode of transportation is provided in [attachment 1](#) to this pipeline.

Shipments on the State Department U.S. Munitions List (USML) [Part 121 of the International Traffic in Arms Regulations (ITAR) (22 CFR 120-130)] are subject to different time-frame requirements. Time frames for shipment on the USML are also listed in [attachment 1](#).

### **Post-Departure Filing of EEI**

A moratorium was placed on AES Option 4 (post-departure filing) applications on August 15, 2003 (see notice at <http://www.census.gov/foreign-trade/aes/>). In agreement with CBP and the Census Bureau, this moratorium will remain in effect pending further review of the post-departure filing program. Active AES Option 4 filers are not affected by the moratorium.

### **Proof of AES Filing Citations, Exemption and Exclusion Legends**

The U.S. principal party in interest (USPPI) or authorized agent is responsible for annotating the proper proof of filing citation, post-departure filing citation, AES downtime filing citation, or exemption or exclusion legend on the first page of the bill of lading, air waybill, export shipping instructions or other commercial loading documents pursuant to 15 CFR 30.7. Appendix D of the FTR contains properly formatted proof of filing citations and exemption or exclusion legends. The information contained in Appendix D of the FTR is listed in [attachment 2](#) to this pipeline.

Under the final rule, only the Internal Transaction Number (ITN) is acceptable as the proof of filing citation. The ITN confirms that the shipment information has been accepted in the AES. The External Transaction Number (XTN) will no longer be accepted as proof of filing.

The USPPI or authorized agent is also required to deliver the proof of filing citations and exemption or exclusion legends required in 15 CFR 30.7 ([see attachment 2](#)) to the exporting carrier in accordance with the time periods set forth in § 30.4(b) ([see attachment 1](#)).

### **Exemptions and Exclusions from EEI Filing**

As stated above, the final rule amends Title 15, Code of Federal Regulations, Part 30, in its entirety. Exemptions from the requirements for the filing of EEI are now provided for in Subpart D and exclusions from EEI filing are provided for in Subpart A. Appendix C to Part 30 has been added to provide a summary of all FTR exemptions and exclusions from EEI filing. The information contained in Appendix C is listed in [attachment 3](#) to this pipeline.

## **Exporting Carrier Requirements**

Carrier and manifest issues are consolidated in Subpart E of the FTR. Requirements for SEDs being attached to the manifest are replaced with requirements for proof of filing citations and/or exemption legends to be shown on the outbound cargo manifest, bill of lading, air waybill, or other commercial loading documents attached to the manifest. Exporting carriers shall not accept paper SEDs under any circumstances nor load cargo that does not have a proof of filing citation, or exemption or exclusion legend as provided in Appendix D (see [attachment 2](#)). Exporting carriers accepting paper SED or loading cargo without all proof of filing citations, exemption or exclusion legends are subject to the penalties provided for in Subpart H.

Exporting carriers are responsible for presenting the appropriate proof of filing citation or exemption legend to the CBP Port Director at the port of export. Such presentation shall be without material change or amendment from the proof of filing citation or exemption legend as provided to the carrier from the USPPI or the authorized agent.

## **Penalties**

A new Subpart H has been created by the final rule to cover the FTR penalty provisions formerly addressed in § 30.95 of the FTSR. New penalty provisions addressed in Subpart H describe the increase in penalties that may be imposed for violations. Penalties for failure to file EEI or delayed filing of EEI have increased from \$100 to \$1,100 for each day of delinquency. The maximum penalty per violation has increased from \$1,000 to \$10,000.

The new penalty provisions also provide for situations when the filer knowingly fails to file, files false and/or misleading information and other violations of the FTR. Any person, including USPPIs, authorized agents or carriers, who knowingly fails to file or knowingly submits, directly or indirectly, to the U.S. Government, false or misleading export information through the AES, shall be subject to a fine not to exceed \$10,000 or imprisonment for not more than five years, or both, for each violation.

Finally, for exporting carriers using incomplete manifesting procedures, the penalty for each day's delinquency of filing a complete manifest beyond the prescribed bond period has been increased from \$50 (first three days)/\$100 (each succeeding day) to \$1,100 per day and the maximum per violation increased from \$1,000 to \$10,000.

Should you have any questions concerning this pipeline, please contact Craig L. Vette at 614-497-1865.

/s/

Craig L. Vette  
Port Director

Attachments

### Time Frames for Filing EEI for Exports

Mode of Transportation	Time Frame Requirement	Regulation
Vessel	No later than 24 hours prior to departure from the U.S. port where the vessel cargo is to be laden	15 CFR 30.4(b)(2)(i) 19 CFR 192.14(b)(1)(i)
Air	No later than 2 hours prior to scheduled departure time of the aircraft	15 CFR 30.4(b)(2)(ii) 19 CFR 192.14(b)(1)(ii)
Truck	No later than 1 hour prior to the arrival of the truck at the U.S. border	15 CFR 30.4(b)(2)(iii) 19 CFR 192.14(b)(1)(iii)
Rail	No later than 2 hours prior to the arrival of the train at the U.S. border	15 CFR 30.4(b)(2)(iv) 19 CFR 192.14(b)(1)(iv)
Mail and cargo shipped by other methods, except pipeline	No later than 2 hours prior to exportation	15 CFR 30.4(b)(2)(v)
All other modes	No later than 2 hours prior to exportation	15 CFR 30.4(b)(2)(vi)
Pipeline	No later than four calendar days following the end of the month	15 CFR 30.46

### Time Frames for Filing EEI for State Department USML Exports

Mode of Transportation	Time Frame Requirement	Regulation
Air or Truck	At least 8 hours prior to departure	22 CFR 123.22(b)(i)
Sea or Rail	At least 24 hours prior to departure	22 CFR 123.22(b)(ii)

## Appendix D to Part 30

## AES Filing Citation, Exemption and Exclusion Legends

I.	USML Proof of Filing Citation	AES ITN example: <a href="#">AES X20060101987654</a>
II.	AES Proof of Filing Citation, Subpart A, § 30.7	AES ITN example: <a href="#">AES X20060101987654</a>
III.	AES Postdeparture Citation-USPPI is filing the EEI	AESPOST USPPI EIN mm/dd/yyyy example: <a href="#">AESPOST 12345678912 01/01/2006</a>
IV.	Postdeparture Citation-Agent	AESPOST USPPI EIN-Filer ID mm/dd/yyyy example: <a href="#">AESPOST 12345678912-987654321 01/01/2006</a>
V.	AES Downtime Citation-Use only when AES or AESDirect is unavailable	AESDOWN Filer ID mm/dd/yyyy example: <a href="#">AESDOWN 123456789 01/01/2006</a>
VI.	Standard Exclusions are found in 15 CFR 30, Subpart A, § 30.2(d)(1) through § 30.2(d)(4). The following types of transactions shall be excluded from EEI filing: (1) Inbond Shipments through the United States, Puerto Rico, and the U.S. Virgin Islands (2) Goods Shipped from U.S. territories * (3) Electronic transmissions and intangible transfers (4) Goods Shipped to or from Guantanamo Bay Naval Base in Cuba and the United States	<a href="#">NOEEI § 30.2(d)(site corresponding number)</a>
VII.	Exemption for Shipments to Canada	<a href="#">NOEEI § 30.63</a>
VIII.	Exemption for Low-Value Shipments	<a href="#">NOEEI § 30.37(a)</a>
IX.	Miscellaneous Exemption Statements are found in 15 CFR 30 Subpart D § 30.37(b) through § 30.37(u)	<a href="#">NOEEI § 30.37(site corresponding alphabet)</a>
X.	Special Exemption for Shipments to the U.S. Armed Forces	<a href="#">NOEEI § 30.39</a>
XI.	Special Exemptions for Certain Shipments to U.S. Government Agencies and Employees (Exemption Statements are found in 15 CFR 30 Subpart D § 30.40(a) through § 30.40(d).	<a href="#">NOEEI § 30.40(site corresponding alphabet)</a>
XII.	Split Shipments by Air "Split Shipments" should be referenced as such on the manifest in accordance with provisions contained in § 30.28, "Split Shipments by Air". The notation should be easily identifiable on the manifest. It is preferable to include a reference to a split shipment in the exemption statements cited in the example, the notation SS should be included at the end of the appropriate exemption statement.	AES ITN SS example: <a href="#">AES X20060101987654 SS</a>
XIII.	Proof of filing citations by pipeline	<a href="#">NOEEI § 30.8(b)</a>

\* *Except the U.S. Virgin Islands*

## Appendix C to Part 30

## A. EEI is not required for the following types of shipments

1.	Exemption for shipments destined to Canada	§ 30.36
2.	Valued \$2,500 or less per Schedule B/HTSUSA classification for commodities shipped from one USPPI to one consignee on a single carrier	§ 30.37(a)
3.	Tools of the trade and their containers that are usual and reasonable kinds and quantities of commodities and software intended for use by individual USPPIs or by employees or representatives of the exporting company in furthering the enterprises and undertakings of the USPPI abroad	§ 30.37(b)
4.	Shipments from one point in the United States to another point in the United States by routes passing through Canada or Mexico.	§ 30.37(c)
5.	Shipments from one point in Canada or Mexico to another point in the same country by routes through the United States.	§ 30.37(d)
6.	Shipments transported inbond through the United States for export to a third country and exported from another U.S. port or transshipped and exported directly from the port of arrival never having made entry into the United States. If entry for consumption or warehousing in the United States is made, then an EEI is required if the goods are then exported to a third country from the United States.	§ 30.37(e)
7.	Exports of technology and software as defined in 15 CFR 772 of the EAR that do not require an export license. However, EEI is required for mass-market software.	§ 30.37(f)
8.	Shipments to foreign libraries, government establishments, or similar institutions, as provided in FTR Subpart D § 30.40(d).	§ 30.37(g)
9.	Shipments as authorized under License Exception GFT for gift parcels and humanitarian donations (EAR 15 CFR 740.12).	§ 30.37(h)
10.	Diplomatic pouches and their contents.	§ 30.37(i)
11.	Human remains and accompanying appropriate receptacles and flowers	§ 30.37(j)
12.	Shipments of interplant correspondence, executed invoices and other documents, and other shipments of company business records from a U.S. firm to its subsidiary or affiliate. This excludes highly technical plans, correspondence, etc. that could be licenses.	§ 30.37(k)
13.	Shipments of pets as baggage of persons leaving the United States.	§ 30.37(l)
14.	Carrier's stores, not shipped under a bill of lading or an air waybill, supplies and equipment, including usual and reasonable kinds and quantities of bunker fuel, deck engine and steward department stores, provisions and supplies, medicinal and surgical supplies, food stores, slop chest articles, and saloon stores or supplies for use or consumption on board and not intended for unloading in a foreign country.	§ 30.37(m)
15.	Dunnage not shipped under a bill of lading or an air waybill, of usual and reasonable kinds and quantities not intended for unloading in a foreign country.	§ 30.37(n)
16.	Shipments of aircraft parts and equipment; food, saloon, slop chest, and related stores; and provisions and supplies for use on aircraft by a U.S. airline. [(EAR license exception (AVS) for aircraft and vessels (15 CFR 740.15(c))].	§ 30.37(o)

17.	Baggage and personal effects, accompanied or unaccompanied, of persons leaving the United States including members of crews on vessels and aircraft, when they are not shipped as cargo under a bill of lading or an air waybill and do not require an export license.	§ 30.37(p)
18.	Temporary exports, whether shipped or hand carried, (e.g., carnet) that are exported from and returned to the United States less than one year (12 months) from date of export.	§ 30.37(q)
19.	Goods previously imported under Temporary Import Bond for return in the same condition as when imported including: goods for testing, experimentation, or demonstration; goods imported for exhibition; samples and models imported for review or for taking orders; goods for participation in races or contests; and animals imported for breeding or exhibition and imported for use by representatives of foreign government or international organizations or by members of the armed forces of a foreign country. Goods that were imported under bond for processing and re-exportation are not covered by this exemption.	§ 30.37(r)
20.	Issued banknotes and securities and coins in circulation exported as evidence of financial claims. The EEI must be filed for unissued bank notes and securities and coins not in circulation (such as bank notes printed in the United States and exported in fulfillment of the printing contract or as part of collections), which should be reported at their commercial or current value.	§ 30.37(s)
21.	Documents used in international transactions, documents moving out of the United States to facilitate international transactions including airline tickets, internal revenue stamps, liquor stamps, and advertising literature. Export of such documents in fulfillment of a contract for their production, however, are not exempt and must be reported at the transaction value for their production.	§ 30.37(t)

**B. The following types of transactions are outside the scope of the FTR and shall be excluded from EEI filing**

1.	Goods shipped under CBP bond through the United States, Puerto Rico, or the U.S. Virgin Islands from one foreign country or area to another where such goods do not enter the consumption channels of the United States	§ 30.2(d)(1)
2.	Goods shipped from the U.S. territories of Guam Island, American Samoa, Wake Island, Midway Island, and Northern Mariana Islands to foreign countries or areas, and goods shipped between the U.S. and these territories.	§ 30.2(d)(2)
3.	Electronic transmission and intangible transfers. See FTR, Subpart B, for export control requirements for these types of transactions.	§ 30.2(d)(3)
4.	Goods shipped to Guantanamo Bay Naval Base in Cuba from the United States, Puerto Rico, or the U.S. Virgin Islands and from Guantanamo Bay Naval Base to the United States, Puerto Rico, or the U.S. Virgin Islands. (See FTR Subpart D, § 30.39 for filing requirements for shipments exported by the U.S. Armed Services.)	§ 30.2(d)(4)