



# WESCCON 2018

RIVIERA PALM SPRINGS - OCT 18TH - 21ST



# WESCCON OVERVIEW

AGENTS OF TRANSFORMATION  
MASTERING CHANGES IN TRADE

# Did you attend WESCCON 2018?

Yes

No

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# WESCCON 2018: a record year

## Two Educational Tracks

- Import
- Transportation and Logistics/Export

## The Most Regulatory Agencies Under One Roof

- CBP, FDA, Census, FMC, BIS

## Record Vendors and Attendees to Date

- Vendors:
- Attendees:

## Timely Key Note Speakers

- CBP Deputy Commissioner Robert E. Perez, Erin Ennis, VP, US-China Business Council, Paul Bingham, Global Trad & Transportation Economist



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# Tips of the Trade: Victoria Lane, Coppersmith

- ACE Business Rules (Next Slide)
- Best Practices
- Absolute Quota
- Protests
- 232/301/tariffs
- New 5106 and Broker Validated POAs

Check out CBP's Presentation Here:

[https://docs.wixstatic.com/ugd/3e0f60\\_fa2105ee87a94ca3b73ad5cc8132a312.pdf](https://docs.wixstatic.com/ugd/3e0f60_fa2105ee87a94ca3b73ad5cc8132a312.pdf)

# Are you familiar with the ACE Business Rules document?

Yes

No

# ACE Business Rules and Process Document

ACE Business Rules:

<https://www.cbp.gov/document/guides/ace-entry-summary-business-process>

ACE Cargo Release:

<https://www.cbp.gov/document/technical-documentation/ace-cargo-release-status-notification-implementation-guide>

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# 5106 and Broker Validating POA

CBP Guidance:

<https://www.cbp.gov/trade/programs-administration/customs-brokers/validating-power-attorney>



U.S. Customs and Border Protection  
**CREATE/UPDATE IMPORTER IDENTITY FORM**  
 19 CFR 24.5

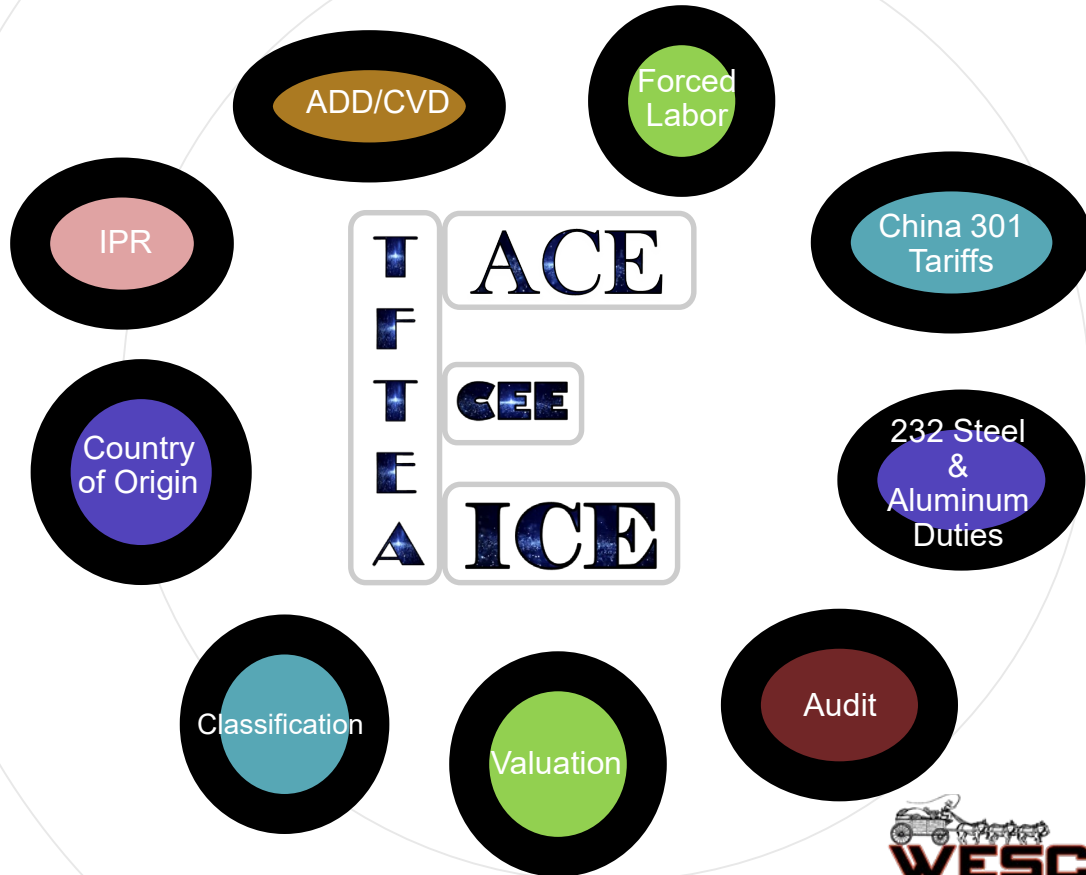
OMB APPROVAL NO. 1651-0064  
 EXPIRATION DATE 01-31-2018  
 ESTIMATED BURDEN: 45 MIN.



As the importer, consignee, or other party listed in block 1, you are responsible for the validity of the information provided in this document. Any Customs Broker or third party who is submitting the information on your behalf is only obligated to convey this information to Customs and Border Protection (CBP).

TYPE OF ACTION (Mark all applicable): <input type="checkbox"/> Notification of identification number <input type="checkbox"/> Change of name* <input type="checkbox"/> Change of address*			
<b>1. NAME AND IDENTIFICATION NUMBER</b>			
1A. Importer/Business/Private Party Name:		1B. Internal Revenue Service (IRS) number/Social Security Number (SSN):	
1C. <input type="checkbox"/> DIV <input type="checkbox"/> AKA <input type="checkbox"/> DBA		1D. DIV/AKA/DBA Name:	
1E. <input type="checkbox"/> I wish to be assigned a CBP Number. Check here if requesting a CBP-assigned number and indicate reason(s). Check all reasons that apply. <input type="checkbox"/> I have a SSN, but wish to use a CBP-Assigned Number on all my entry documents <input type="checkbox"/> I have no Social Security Number <input type="checkbox"/> I have no IRS Number <input type="checkbox"/> I have not applied for an IRS number or SSN <input type="checkbox"/> I am not a U.S. Resident			
1F. CBP-Assigned Number:			
1G. Type of Company: <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Individual <input type="checkbox"/> U.S. Government <input type="checkbox"/> State/Local Government <input type="checkbox"/> Foreign Government			
1H. If you are an importer, how many entries do you plan on filing in a year? Please select from the following: <input type="checkbox"/> 1-5 per year <input type="checkbox"/> 5-25 per year <input type="checkbox"/> 25 or more per year <input type="checkbox"/> infrequent personal shipments, or <input type="checkbox"/> I do not intend to import.			
1I. How will the identification number be utilized? Please select all options that will apply: <input type="checkbox"/> Importer of Record <input type="checkbox"/> Consignee/Ultimate Consignee <input type="checkbox"/> Drawback Claimant <input type="checkbox"/> Refunds/Bills, or <input type="checkbox"/> Other			
1J. Program Code 1:	1K. Program Code 2:	1L. Program Code 3:	1M. Program Code 4:
<b>2. ADDRESS INFORMATION</b>			
<b>2A. MAILING ADDRESS</b>			
Street Address 1:		City:	State/Province:
Street Address 2:		Zip Code:	Country ISO Code:
Is the address in 2A, a <input type="checkbox"/> Residence <input type="checkbox"/> Corporate Office <input type="checkbox"/> Warehouse <input type="checkbox"/> Retail Location <input type="checkbox"/> Office Building <input type="checkbox"/> Business Service Center <input type="checkbox"/> Post Office Box or <input type="checkbox"/> Other - Explain:			
<b>2B. PHYSICAL LOCATION ADDRESS</b>			
Street Address 1:		City:	State/Province:
Street Address 2:		Zip Code:	Country ISO Code:
Is the address in 2B, a <input type="checkbox"/> Residence <input type="checkbox"/> Corporate Office <input type="checkbox"/> Warehouse <input type="checkbox"/> Retail Location <input type="checkbox"/> Office Building or <input type="checkbox"/> Other - Explain:			
2C. Phone number:	Extension:	2D. Fax number:	
2E. Email address:		2F. Website:	
<b>3. COMPANY INFORMATION</b>			
3A. Provide a brief business description:			
3B. Provide the 6-digit North American Industry Classification System (NAICS) code for this business:			
3C. Provide the D-U-N-S Number for the Importer:			
3D. If you are also a broker/self-filer, supply the filer code that will be used when conducting business with CBP:			

# Broker Liability: Judy Haggin, CEVA







## Which section of law applies to products from China?

232

301

314

321

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# Broker Liability: Judy Haggin, CEVA

## ***Broker Surveys / Audits Objective***

“To inform (Brokerage) of its responsibilities as a Licensed Customs Broker and determine whether discrepancies exist that warrant further action by CBP.”

CBP is primarily looking at licensed broker to ensure use of reasonable care.

- *Customs brokers must use reasonable care in their submissions on behalf of their clients and also in accordance with Title 19 CFR 111 and related laws and regulations.*

CHECK OUT THE BROKER LIABILITY PRESENTATIONS HERE:

<https://www.pacificcoastcouncil.org/2018presentations>

# Broker Liability: Judy Haggin, CEVA



*It's a letter/questionnaire from the Government. Says they're going to help me.*



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# Broker Liability: Judy Haggin, CEVA

## ***Selection Criteria (Broker Track Record)***

- Late files;
- Rejects;
- Power of attorneys (complete - valid and available);
- Misuse of license – unlicensed party using the broker's license, permit, or name;
- Lack of broker supervision;
- Lack of direct contact with the actual importer of record (is there another party that the broker deals with instead of contacting the actual importer of record? Does the importer know who the broker is? Is broker billing importer or unlicensed third party?); and
- Customs duties and fees paid untimely.

# Broker Liability: Judy Haggin, CEVA

## ***Selection Criteria (Broker's Client Track Record)***

Have your clients demonstrated a potential risk to CBP?

- Number of Seizures
- Liquidated Damages
- Penalties
- Cargo Validation
- Numerous 28s/29s
- Unpaid Duties

# Broker Liability: Judy Haggin, CEVA

## ***Audit Key Areas of Review***

- Relationship with Customs
- Systems Review
- Licensing & Permits
- Powers of Attorney
- Recordkeeping
- Responsible Supervision & Control
- Accuracy & Timeliness
- Transactional Testing for Compliance

# FDA: Chuck Willis, Seko

- New FDA Filer Evaluation Guidelines and Procedures
- Every 4 years
- Size of evaluation based on number of FDA lines filed

Small 1-100 lines (50 lines reviewed)

Medium 101-1,000 lines (50 lines reviewed)

Large 1,001-10,000 lines (100 lines reviewed)

Super 10,001 up (100 Lines reviewed)

- Formal findings and classification letter will be sent to the filer. If the filer disagrees, there is a written appeals process.

Check out Roger Clark's Presentation Here:

[https://docs.wixstatic.com/ugd/3e0f60\\_2a5ba9d7e7c04fc588b61bd1adcbf7cf.pdf](https://docs.wixstatic.com/ugd/3e0f60_2a5ba9d7e7c04fc588b61bd1adcbf7cf.pdf)

# FDA: Filer Classifications Chuck Willis, Seko

	Description of Classification	Filer Evaluation Status (Public) and Staged Enforcement
<b>NAI</b>	No errors found or the significance of the errors found did not justify further action	Filer classification of NAI and VAI will have “Acceptable Level of Confidence” posted in the FDA Filer Evaluation Status public web page.
<b>VAI</b>	Some errors were found and documented, but the import division is not prepared to take or recommend any official follow-up action. The prior percentage error rate rule no longer applies. Shorter evaluation cycle can be recommended	Filer classification of NAI and VAI will have “Acceptable Level of Confidence” posted in the FDA Filer Evaluation Status public web page.
<b>VAI with Referral</b>	Significant errors were found on RLF entries and these files will be referred to the appropriate import division where the remote filer is physically located	Filer classification of NAI and VAI will have “Acceptable Level of Confidence” posted in the FDA Filer Evaluation Status public web page.
<b>OAI</b>	Significant error found warranting follow-up action and requiring the submission of a corrective action plan by the entry filer	Filer receiving an OAI designation will have posted “Unacceptable Level of Confidence” until issues are resolved with the following notation: OAI-CAP 1: Unacceptable level of confidence (40% manual review) OAI-CAP 2: Unacceptable level of confidence (60% manual review) OAI-CAP 3: Unacceptable level of confidence (100% manual review)



# FMC/NVOCC: Rate Filing Options

Patti Iverson-Summers, Janel Group

## **Tariff Rates:**

A publication containing a list of all terms and conditions of carriage and the services that will be offered in foreign commerce. Every time that your customer accepts your quote and is ready to ship cargo, you must file that rate, no later than the date you receive the cargo.

## **NSA- NVOCC Service Arrangement**

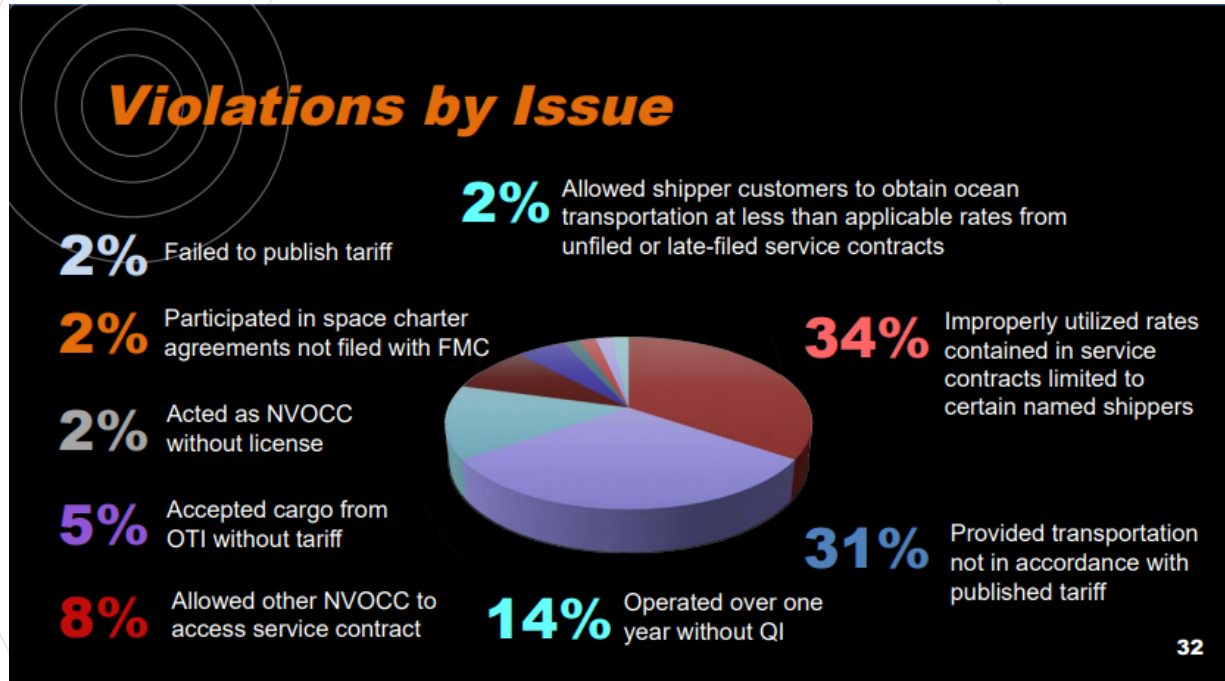
NVOCCs and shippers are authorized to enter into confidential ocean transportation agreements, much like a service contract offered by Carriers. Eliminates the filing requirement; and eliminates the "essential terms" publication requirement.

## **NRA- Negotiated Rate Arrangement**

Allows NRAs to be amended at any time; allows an NRA to contain economic terms beyond rates; and allows a booking request to constitute formal "acceptance" of an NRA.

# FMC/NVOCC: Enforcement

Patti Iverson-Summers, Janel Group



Check out Cameron Roberts and Tom Lloyd's Presentation Here:  
[https://docs.wixstatic.com/ugd/3e0f60\\_430fe800693c498eae1ecc1bb3549754.pdf](https://docs.wixstatic.com/ugd/3e0f60_430fe800693c498eae1ecc1bb3549754.pdf)

# Export Controls/Compliance: Kiffani Iverson, Allports

*“In many ways, Exports are harder than Imports.” – Jim Swanson*

## **What's New?**

- Progressive EEIs are coming.
- Auto export process updates

## **A reminder about ACE Reports:**

- Use them!

Check out the BIS presentation here:

[https://docs.wixstatic.com/ugd/3e0f60\\_c3009abca7964955a44191aa5d9adf36.pdf](https://docs.wixstatic.com/ugd/3e0f60_c3009abca7964955a44191aa5d9adf36.pdf)

# How the PCC delivers...

Contacts and Networking

Scholarship

Social Events

PCC Mission 2019

WESCCON 2019



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