


U.S. Customs and Border Protection



PROPOSED REVOCATION OF ONE RULING LETTER, PROPOSED MODIFICATION OF TWO RULING LETTERS, AND PROPOSED REVOCATION OF TREATMENT RELATING TO THE TARIFF CLASSIFICATION OF POLYURETHANE ANTI-STRESS FIGURES

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of proposed revocation of NY A81640, and proposed modification of NY B83710 and NY B86962, and proposed revocation of treatment relating to the tariff classification of polyurethane anti-stress figures not in the shape of balls.

SUMMARY: Pursuant to section 625(c), Tariff Act of 1930 (19 U.S.C. § 1625(c)), as amended by section 623 of title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057), this notice advises interested parties that U.S. Customs and Border Protection (CBP) intends to revoke one ruling letter and modify two ruling letters concerning tariff classification of polyurethane anti-stress figures not in the shape of balls under the Harmonized Tariff Schedule of the United States (HTSUS). Similarly, CBP intends to revoke any treatment previously accorded by CBP to substantially identical transactions. Comments on the correctness of the proposed actions are invited.

DATE: Comments must be received on or before April 30, 2021.

ADDRESS: Written comments are to be addressed to U.S. Customs and Border Protection, Office of Trade, Regulations and Rulings, Attention: Erin Frey, Commercial and Trade Facilitation Division, 90 K St., NE, 10th Floor, Washington, DC 20229–1177. Due to the COVID-19 pandemic, CBP is also allowing commenters to submit electronic comments to the following email address: 1625Comments@cbp.dhs.gov. All comments should reference the title of the proposed notice at issue and the *Customs Bulletin* volume, number and date of publication. Due to the relevant COVID-19-related restrictions, CBP has limited its on-site public inspection of public comments to 1625 notices. Arrangements to inspect submitted comments should be made in advance by calling Ms. Erin Frey at (202) 325–1757.

FOR FURTHER INFORMATION CONTACT: Ms. Arim J. Kim, Chemicals, Petroleum, Metals and Miscellaneous Articles Branch, Regulations and Rulings, Office of Trade, at (202) 325–0266.

SUPPLEMENTARY INFORMATION:

BACKGROUND

Current customs law includes two key concepts: informed compliance and shared responsibility. Accordingly, the law imposes an obligation on CBP to provide the public with information concerning the trade community's responsibilities and rights under the customs and related laws. In addition, both the public and CBP share responsibility in carrying out import requirements. For example, under section 484 of the Tariff Act of 1930, as amended (19 U.S.C. § 1484), the importer of record is responsible for using reasonable care to enter, classify and value imported merchandise, and to provide any other information necessary to enable CBP to properly assess duties, collect accurate statistics, and determine whether any other applicable legal requirement is met.

Pursuant to 19 U.S.C. § 1625(c)(1), this notice advises interested parties that CBP is proposing to revoke one ruling letter and modify two ruling letters pertaining to the tariff classification of polyurethane anti-stress figures not in the shape of balls. Although in this notice, CBP is specifically referring to NY A81640, dated April 8, 1996 (Attachment A), NY B83710, dated April 16, 1997 (Attachment B), and NY B86962, dated July 22, 1997 (Attachment C), this notice also covers any rulings on this merchandise which may exist, but have not been specifically identified. CBP has undertaken reasonable efforts to search existing databases for rulings in addition to the three identified. No further rulings have been found. Any party who has received an interpretive ruling or decision (i.e., a ruling letter, internal advice memorandum or decision, or protest review decision) on the merchandise subject to this notice should advise CBP during the comment period.

Similarly, pursuant to 19 U.S.C. § 1625(c)(2), CBP is proposing to revoke any treatment previously accorded by CBP to substantially identical transactions. Any person involved in substantially identical transactions should advise CBP during this comment period. An importer's failure to advise CBP of substantially identical transactions or of a specific ruling not identified in this notice may raise issues of reasonable care on the part of the importer or its agents for importations of merchandise subsequent to the effective date of the final decision on this notice.

In NY A81640, NY B83710 and NY B86962, CBP classified polyurethane anti-stress figures not in the shape of balls in heading 9503, HTSUS, specifically in subheading 9503.90.00, HTSUS, which provides for “[t]ricycles, scooters, pedal cars and similar wheeled toys; dolls’ carriages; dolls, other toys; reduced-scale (“scale”) models and similar recreational models, working or not; puzzles of all kinds; parts and accessories thereof”. CBP has reviewed NY A81640, NY B83710 and NY B86962 and has determined the ruling letters to be in error. It is now CBP’s position that polyurethane anti-stress figures not in the shape of balls are properly classified, in heading 3926, HTSUS, specifically in subheading 3926.40.00, HTSUS, which provides for “[o]ther articles of plastics and articles of other materials of headings 3901 to 3914: [s]tatuettes and other ornamental articles.”

Pursuant to 19 U.S.C. § 1625(c)(1), CBP is proposing to revoke NY A81640, to modify NY B83710 and NY B86962, and to revoke or modify any other ruling not specifically identified to reflect the analysis contained in the proposed HQ H316531, set forth as Attachment D to this notice. Additionally, pursuant to 19 U.S.C. § 1625(c)(2), CBP is proposing to revoke any treatment previously accorded by CBP to substantially identical transactions.

Before taking this action, consideration will be given to any written comments timely received.

Dated: March 26, 2021

for
CRAIG T. CLARK,
Director
Commercial and Trade Facilitation Division

Attachments

PD A81640

April 8, 1996

CLA-2-95:NEW:TCB II:DO5-A81640

CATEGORY: Classification

TARIFF NO.: 9503.90.0030

MR. MICHAEL ROSBACH
RITE AID CORPORATION
P.O. BOX 3165
HARRISBURG, PA 17105

RE: The tariff classification of a "Foam Brain and Heart" from China.

DEAR MR. ROSBACH:

In your letter dated March 18, 1996, you requested a tariff classification ruling.

With your letter you submitted a sample of your item number 962606 "Foam Heart". In your letter you state that the article will also be available in the shape of a foam brain. The heart is red in color, and the brain will be colored both red and white. Both items will be made of polyurethane.

The applicable subheading for the "Foam Brain and Heart" will be 9503.90.0030, Harmonized Tariff Schedule of the United States (HTS), which provides for other toys (except models), not having a spring mechanism.....The applicable rate of duty will be free.

This ruling is being issued under the provisions of Part 177 of the Customs Regulations (19 C.F.R. 177).

A copy of this ruling letter should be attached to the entry documents filed at the time this merchandise is imported. If the documents have been filed without a copy, this ruling should be brought to the attention of the Customs officer handling the transaction.

Sincerely,

KATHLEEN M. HAAGE
Area Director
New York/Newark Area

NY B83710

April 16, 1997

CLA-2:RR:NC:SP:225 B83710

CATEGORY: Classification

TARIFF NO.: 9503.90.0030

MR. KEN BARGTEIL
KUEHNE & NAGEL, INC.
BALTIMORE BRANCH
BRISTOL BUSINESS CENTER
7483 "H" CANDLEWOOD ROAD
HANOVER, MD 21076

RE: The tariff classification of "stress" toys from China

DEAR MR. BARGTEIL:

In your letter dated March 20, 1997, received in this office on March 26, 1997, you requested a tariff classification ruling on behalf of your client Aetas International Inc.

Several samples of "Stress Products" were submitted with your inquiry. The subject items are constructed to resemble stress balls (BBA-100), baseballs (BBA-200), soccer balls (BSO-250), capsules (HCA-110) and hearts (HHA-150). The balls have a diameter of 3 inches or less and the other items measure no more than 5 inches in length.

The articles are basically made of foam rubber and are intended to be squeezed tightly in the hand. Upon release, the items will spring back to their original shape. The act of squeezing may be construed as a form of tension release, however, the article's principal use is viewed as a toy for amusement purposes.

The applicable subheading for the "Stress Products" will be 9503.90.0030, Harmonized Tariff Schedule of the United States (HTS), which provides for other toys (except models), not having a spring mechanism. The rate of duty will be free.

This ruling is being issued under the provisions of Part 177 of the Customs Regulations (19 C.F.R. 177).

A copy of the ruling or the control number indicated above should be provided with the entry documents filed at the time this merchandise is imported. If you have any questions regarding the ruling, contact National Import Specialist Alice J. Wong at 212-466-5538.

Sincerely,

GWENN KLEIN KIRSCHNER

Chief,

*Special Products Branch National
Commodity Specialist Division*

NY B86962

July 22, 1997

CLA-2-95:RR:NC:SP:225 B86962

CATEGORY: Classification

TARIFF NO.: 9502.10.0020; 9503.90.0030

Ms. RUTH FORRESTER
FRITZ COMPANIES, INC.
4621 LaGuardia Dr., #100
Berkeley, MO 63134

RE: The tariff classification of "stress" toys from China

DEAR Ms. FORRESTER:

In your letter dated June 24, 1997 you requested a tariff classification ruling on behalf of Ariel Premium Supply Inc.

Several samples of "stress" toys were submitted with your inquiry. The products are made of solid foam rubber and come in assorted configurations which include a human figure, an apple, a smile face ball and a star shape. These items, marketed as "stress balls," assert to providing an outlet for stress symptoms through repeated squeezing of the articles. Although the act of squeezing may be interpreted as a form of tension release, the products principal use is for amusement purposes.

The applicable subheading for the "Man Figure Stress Ball" will be 9502.10.0020, Harmonized Tariff Schedule of the United States (HTS), which provides for dolls representing only human beings and parts and accessories thereof: whether or not dressed: other: not over 33 cm in height. The rate of duty will be free.

The applicable subheading for the "Smiley Face, Apple and Star Stress Balls" will be 9503.90.0030, Harmonized Tariff Schedule of the United States (HTS), which provides for other toys (except models), not having a spring mechanism. The rate of duty will be free.

In addition, this office notes that, the submitted samples are not marked with the country of origin. For your information, the marking statute, section 304, Tariff Act of 1930, as amended (19 U.S.C. 1304), provides that, unless excepted, every article of foreign origin (or its container) imported into the U.S. shall be marked in a conspicuous place as legibly, indelibly and permanently as the nature of the article (or its container) will permit, in such a manner as to indicate to the ultimate purchaser in the U.S. the English name of the country of origin of the article. Please ensure that these requirements are satisfied.

This ruling is being issued under the provisions of Part 177 of the Customs Regulations (19 C.F.R. 177).

A copy of the ruling or the control number indicated above should be provided with the entry documents filed at the time this merchandise is imported. If you have any questions regarding the ruling, contact National Import Specialist Alice J. Wong at 212-466-5538.

Sincerely,

GWENN KLEIN KIRSCHNER
*Chief, Special Products Branch
National Commodity Specialist Division*

HQ H316531
OT:RR:CTF:CPMMA H316531 AJK
CATEGORY: Classification
TARIFF NO: 3926.40.00

MR. MICHAEL ROSBACH
RITE AID CORPORATION
P.O. BOX 3165
HARRISBURG, PA 17105

RE: Revocation of NY A81640; Modification of NY B83710 and NY B86962;
Classification of Polyurethane Anti-stress Figures

DEAR MR. ROSBACH:

This letter is in reference to your New York Ruling Letter (NY) A81640, dated April 8, 1996, concerning the tariff classification of polyurethane anti-stress figures not in the shape of balls. In NY A81640, U.S. Customs and Broder Protection (CBP) classified the merchandise in heading 9503, Harmonized Tariff Schedule of the United States (HTSUS), as toys. We have reviewed the ruling, and have determined that the classification of the merchandise in heading 9503, HTSUS, was incorrect.

We have also reviewed NY B83710, dated April 16, 1997, and NY B86962, dated July 22, 1997, and have determined that the rulings were incorrect. For the reasons set forth below, we modify the two ruling letters.

FACTS:

The subject merchandise was described in NY A81640 as follows:

[I]tem number 962606 "Foam Heart" ... will also be available in the shape of a foam brain. The heart is red in color, and the brain will be colored both red and white. Both items will be made of polyurethane.

The products described in NY B83710 and NY B86962 are substantially similar to the products described above.

ISSUE:

Whether the polyurethane anti-stress figures not in the shape of balls are classified in heading 3926, HTSUS, as plastics statuettes, or heading 9503, HTSUS, as toys.

LAW AND ANALYSIS:

Classification of goods under HTSUS is governed by the General Rules of Interpretation (GRI), and, in the absence of special language or context which otherwise requires, by the Additional U.S. Rules of Interpretation. GRI 1 provides that classification shall be determined according to the terms of the headings of the tariff schedule and any relative section or chapter notes. In the event that the goods cannot be classified solely on the basis of GRI 1, and if the headings and legal notes do not otherwise require, the remaining GRIs 2 through 6 may then be applied in order.

The Additional U.S. Rule of Interpretation 1(a), which applies to principal use provisions, provides as follows:

In the absence of special language or context which otherwise requires—

- (a) a tariff classification controlled by use (other than actual use) is to be determined in accordance with the use in the United States at, or

immediately prior to, the date of importation, of goods of that class or kind to which the imported goods belong, and the controlling use is the principal use

* * * * *

The HTSUS provisions at issue are as follows:

- 3926: Other articles of plastics and articles of other materials of headings 3901 to 3914:
- 3926:40.00: Statuettes and other ornamental articles
- 9503.00.00: Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls, other toys; reduced-scale ("scale") models and similar recreational models, working or not; puzzles of all kinds; parts and accessories thereof

* * * * *

The Harmonized Commodity Description and Coding System (HS) Explanatory Notes (ENs) constitute the official interpretation of the HS. While not legally binding or dispositive, the ENs provide a commentary on the scope of each heading of the HS at the international level, and are generally indicative of the proper interpretation of these headings. See T.D. 89-80, 54 Fed. Reg. 35127 (August 23, 1989).

The General EN to Chapter 39, HTSUS, provides as follows:

Cellular plastics are plastics having many cells (either open, closed or both), dispersed throughout their mass. They include foam plastics, expanded plastics and microporous or microcellular plastics. They may be either flexible or rigid.

The General EN to Chapter 95, HTSUS, provides as follows:

This Chapter covers toys of all kinds whether designed for the amusement of children or adults.

EN 39.26 provides as follows:

They include:

...

(3) Statuettes and other ornamental articles

EN 95.03 provides, in pertinent part, as follows:

This heading covers:

...

(D) Other toys.

This group covers toys intended essentially for the amusement of persons (children or adults). However, toys which, on account of their design, shape or constituent material, are identifiable as intended exclusively for animals, e.g., pets, do not fall in this heading, but are classified in their own appropriate heading

* * * * *

The General EN to Chapter 95, HTSUS, provides that Chapter 95 "covers toys of all kinds whether designed for the amusement of children or adults." Specifically, EN 95.03 states that heading 9503, HTSUS, includes dolls and other toys for "the amusement of persons (children or adults)". Although neither HTSUS nor ENs state that a classification as a toy is dependent on its

use, the Court of International Trade held in *Minnetonka Brands v. United States* that heading 9503, HTSUS, is a principal use provision for toys. 24 C.I.T. 645, 651 (2000). Accordingly, pursuant to the Additional U.S. Rule of Interpretation 1(a), the *Minnetonka* court held that the classification under heading 9503, HTSUS, is “controlled by the principal use of goods of that class or kind to which the imported goods belong in the United States at or immediately prior to the date of importation.” *Id.* The court, therefore, held that “inherent in the definitions of toy is the notion that an object is a toy only if it is designed and used for amusement, diversion or play, rather than practicality.” *Id.*

Pursuant to *Minnetonka*, the instant polyurethane anti-stress figures not in the shape of balls do not constitute toys for classification purposes because their principal use is neither for nor intended for amusement. In NY F81529, dated January 28, 2000, CBP reviewed similar merchandise of polyurethane anti-stress figures and held that they were not toys. Although the anti-stress figures are intended to be squeezed and released in a sequential manner by the user to relieve stress, CBP held that such utilization do not amount to a manipulative play value of a toy. Moreover, CBP found that the principal use of the items was for marketing purposes as the articles were printed with advertising logos and distributed to intended recipients. Thus, CBP has historically held that polyurethane anti-stress figures not in the shape of balls are merely decorative articles of plastics.

It is undisputed that CBP has previously classified polyurethane anti-stress figures not in the shape of balls under heading 9503, HTSUS, as toys. The classification of these items, however, is determined by the shape which provides the manipulative play value. For example, to qualify as a toy, the merchandise must be intended to provide amusement to the user and be in the general form of a toy, such as balls. In NY F81414, dated January 24, 2000, CBP classified polyurethane anti-stress figures not in the shape of balls under heading 9503, HTSUS, as toys, because they can be utilized for amusement or play, such as bouncing and catching balls.¹ This classification of polyurethane anti-stress figures not in the shape of balls is also consistent with the Decision of the Harmonized System Committee of the World Customs Organization.²

Pursuant to GRI 1, therefore, the polyurethane anti-stress figures not in the shape of balls are classified, in accordance to their constituent material of polyurethane, under heading 3926, HTSUS, as plastic statuettes. This conclusion is consistent with prior CBP rulings classifying other polyurethane anti-stress figures not in the shape of balls and similar articles under heading 3926, HTSUS.³

¹ See also NY F81414, dated January 24, 2000; NY B83710, dated April 16, 1997; NY I83864, dated July 16, 2002; and NY N295413, dated April 3, 2018.

² See Annex F/9 to Doc. NC2692E1b (HSC/65/September 2019).

³ See NY F81529, dated January 28, 2000 (classifying polyurethane anti-stress figures in the shape of a heart, a pill bottle, a doctor’s bag, a stress guy, a tooth, a blue star, and a yellow star under subheading 3926.40.00, HTSUS, as plastic statuettes); NY I83864, dated July 16, 2002 (classifying polyurethane anti-stress figures in the shape of a computer, an apple, and a star under subheading 3926.40.00, HTSUS, as plastic statuettes); and NY N295413, dated April 3, 2018 (classifying polyurethane anti-stress figures in the shape of a brain and a star under subheading 3926.40.00, HTSUS, as plastic statuettes).

HOLDING:

By application of GRI 1, the polyurethane anti-stress figures not in the shape of balls are classified in heading 3926, HTSUS, specifically subheading 3926.40.00, HTSUS, which provides for “[o]ther articles of plastics and articles of other materials of headings 3901 to 3914: [s]tatuettes and other ornamental articles”. The 2021 column one, general rate of duty is 5.3% *ad valorem*.

Duty rates are provided for your convenience and subject to change. The text of the most recent HTSUS and the accompanying duty rates are provided at *www.usitc.gov*.

EFFECT ON OTHER RULINGS:

NY A81640, dated April 8, 1996, is hereby revoked. NY B83710, dated April 16, 1997, and NY B86962, dated July 22, 1997, are modified.

Sincerely,

CRAIG T. CLARK,

Director

Commercial and Trade Facilitation Division

CC: Mr. Ken Bargteil
Kuehne & Nagel, Inc.
Baltimore Branch
Bristol Business Center
7483 “H” Candlewood Road
Hanover, MD 21076

Ms. Ruth Forrester
Fritz Companies, Inc.
4621 LaGuardia Dr., #100
Berkeley, MO 63134

**PROPOSED MODIFICATION OF TWO RULING LETTERS
AND REVOCATION OF TREATMENT RELATING TO THE
COUNTRY OF ORIGIN OF CERTAIN WRISTWATCHES
PRODUCED IN MORE THAN ONE COUNTRY**

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of proposed modification of two ruling letters and revocation of treatment relating to the country of origin of certain wristwatches produced in more than one country.

SUMMARY: Pursuant to section 625(c), Tariff Act of 1930 (19 U.S.C. §1625(c)), as amended by section 623 of title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057), this notice advises interested parties that U.S. Customs and Border Protection (CBP) intends to modify two ruling letters concerning the country of origin of certain wristwatches produced in more than one country. Similarly, CBP intends to revoke any treatment previously accorded by CBP to substantially identical transactions. Comments on the correctness of the proposed actions are invited.

DATE: Comments must be received on or before April 30, 2021.

ADDRESS: Written comments are to be addressed to the U.S. Customs and Border Protection, Office of Trade, Regulations and Rulings, Attention: Trade and Commercial Regulations Branch, 90 K St., NE, 10th Floor, Washington, DC 20229–1177. Due to the COVID-19 pandemic, CBP is also allowing commenters to submit electronic comments to the following email address: 1625Comments@cbp.dhs.gov. All comments should reference the title of the proposed notice at issue and the Customs Bulletin volume, number and date of publication. Due to the relevant COVID-19-related restrictions, CBP has limited its on-site public inspection of public comments to 1625 notices. Arrangements to inspect submitted comments should be made in advance by calling Ms. Erin Frey at (202) 325–1757.

FOR FURTHER INFORMATION CONTACT: Cynthia Reese, Valuation and Special Programs Branch, Regulations and Rulings, Office of Trade, at (202) 325–0046.

SUPPLEMENTARY INFORMATION:

BACKGROUND

Current customs law includes two key concepts: informed compliance and shared responsibility. Accordingly, the law imposes an obligation on CBP to provide the public with information concerning the trade community's responsibilities and rights under the customs and related laws. In addition, both the public and CBP share responsibility in carrying out import requirements. For example, under section 484 of the Tariff Act of 1930, as amended (19 U.S.C. § 1484), the importer of record is responsible for using reasonable care to enter, classify and value imported merchandise, and to provide any other information necessary to enable CBP to properly assess duties, collect accurate statistics, and determine whether any other applicable legal requirement is met.

Pursuant to 19 U.S.C. §1625(c)(1), this notice advises interested parties that CBP is proposing to modify two ruling letters pertaining to the country of origin of certain wristwatches produced in more than one country. Although in this notice, CBP is specifically referring to Headquarters Ruling Letter (HQ) H304105, dated June 25, 2019, (Attachment A), and HQ H047115, dated June 22, 2009, this notice covers any rulings on this merchandise which may exist, but have not been specifically identified. CBP has undertaken reasonable efforts to search existing databases for rulings in addition to the ones identified. No further rulings have been found. Any party who has received an interpretive ruling or decision (*i.e.*, a ruling letter, internal advice memorandum or decision, or protest review decision) on the merchandise subject to this notice should advise CBP during the comment period.

Similarly, pursuant to 19 U.S.C. §1625(c)(2), CBP is proposing to revoke any treatment previously accorded by CBP to substantially identical transactions. Any person involved in substantially identical transactions should advise CBP during this comment period. An importer's failure to advise CBP of substantially identical transactions or of a specific ruling not identified in this notice may raise issues of reasonable care on the part of the importer or its agents for importations of merchandise subsequent to the effective date of the final decision on this notice.

In HQ H304105, CBP found that, although the country of origin of the watch was the country of origin of the movement, the origin of the case components for duty purposes did not change when the case and movement were joined to form a watch. A similar finding was made in HQ H047115 with regard to a Japanese watch movement joined with

an Israeli case in Israel. CBP has reviewed HQ H304105 and HQ H047115 and has determined the ruling letters are in error as to the origin of the watch cases for duty purposes.

Pursuant to 19 U.S.C. § 1625(c)(1), CBP is proposing to modify HQ H304105 and HQ H047115, and to revoke or modify any other ruling not specifically identified, to reflect the analysis contained in proposed HQ H306338 and HQ H315335, set forth as Attachments “C” and “D” to this notice. Additionally, pursuant to 19 U.S.C. §1625(c)(2), CBP is proposing to revoke any treatment previously accorded by CBP to substantially identical transactions.

Before taking this action, consideration will be given to any written comments timely received.

CRAIG T. CLARK,
Director
Commercial and Trade Facilitation Division

Attachments

HQ H306338

OT:RR:CTF:VS H306338 CMR

CATEGORY: Origin

SHARA L. ARANOFF, ESQ.

WILLIAM R. ISASI, ESQ.

COVINGTON & BURLING LLP

ONE CITYCENTER

850 TENTH STREET, NW

WASHINGTON, DC 20001-4956

RE: Modification of Headquarters Ruling Letter (HQ) H304105; Country of origin of imported watches; Section 301 Trade Remedies

DEAR MS. ARANOFF AND MR. ISASI:

This is in response to your submission, dated October 28, 2019, submitted on behalf of the American Watch Association (“AWA”) and certain of its member companies, including Casio, Citizen, Fossil, Movado, Seiko and Selco, requesting U.S. Customs and Border Protection (CBP) reconsider and revoke Headquarters Ruling Letter (HQ) H304105, dated June 25, 2019, issued to Seiko Watch of America, LLC, one of your member companies, regarding the country of origin to declare in Block 10 of the CBP Entry Summary Form (CBP 7501)¹ or its electronic equivalent in ACE, and for purposes of the constructively segregated components as required in Block 27² for certain imported watches, and whether Section 301 duties apply.³ In reaching our decision to modify HQ H304105, set forth below, CBP has taken into consideration the additional arguments submitted in your supplemental submission, dated June 17, 2020.

FACTS:

Seiko is a wholly owned U.S. subsidiary of Grand Seiko Corporation of America which is, in turn, a wholly owned subsidiary of Seiko Watch Corporation, headquartered in Tokyo, Japan. Seiko distributes watches and related products in the United States. The chart below sets forth the four scenarios that you presented.

¹ The instructions for the CBP Form 7501 state, in relevant part: “The country of origin is the country of manufacture, production, or growth of any article. If the article consists of material produced, derived from, or processed in more than one foreign territory or country, or insular possession of the U.S., it shall be considered a product of that foreign territory or country, or insular possession, where it last underwent a substantial transformation.”

² The instructions of the CBP Form 7501 state with regard to Block 27, in relevant part: “A ‘line number’ refers to a commodity from one country, covered by a line which includes a net quantity, entered value, HTS number, charges, rate of duty and tax. However, some line numbers may actually include more than one HTS number and value. . . . [M]any items in Chapter 91 of the HTS require as many as four HTS numbers. Watches classifiable under subheading 9101.11.40, for example, require that the appropriate reporting number and duty rate be shown separately for the movement, case, strap, band or bracelet, and battery.”

³ The Section 301 duties became effective for goods classified in heading 9101 or 9102 on September 1, 2019 per Executive Order.

	Movement Production	Case Production	Band Production	Battery Production	Assembly of entirety to wearable watch
1	Japan	China	China	Japan	Japan
2	Japan	China	China	Japan	China
3	Japan	China	China	Japan	Thailand
4	Malaysia	China	China		China

In the fourth scenario, the watch movement was mechanical and, therefore, the watch did not contain a battery.

The complete wristwatches are classified in headings 9101 or 9102 of the Harmonized Tariff Schedule of the United States (HTSUS), specifically, subheadings 9101.11.40, 9101.11.80, 9101.19.40, 9101.19.80, 9102.11.10, 9102.11.25, 9102.11.30, 9102.11.45, 9102.11.50, 9102.11.65, 9102.11.70, 9102.11.95, 9102.19.20, 9102.19.40, 9102.19.60 and 9102.19.80, which are listed in Statistical Note 1(a), Chapter 91, and subheadings 9101.21.80, 9101.29.10, 9101.29.20, 9101.29.30, 9101.29.40, 9101.29.50, 9102.21.10, 9102.21.25, 9102.21.30, 9102.21.50, 9102.21.70, 9102.21.90, 9102.29.10, 9102.29.15, 9102.29.20, 9102.29.25, 9102.29.30, 9102.29.35, 9102.29.40, 9102.29.45, 9102.29.50, 9102.29.55 and 9102.29.60, which are listed in Statistical Note 1(d), Chapter 91.

On June 25, 2019, CBP issued HQ H304105 and determined that the country of origin of the watches was Japan in scenarios 1, 2, and 3, based upon the country of origin of the watch movement, and Malaysia in scenario 4, again based upon the country of origin of the watch movement. However, with regard to the components of the watches, *i.e.*, and for purposes of constructive segregation, HQ H304105 explained that the movement's origin and where the entire watch was assembled with its components was relevant. Therefore, in scenario 1, CBP held that because the movement was made in Japan and the assembly of all of the components to form the watch occurred in Japan, the country of origin of all of the components would be Japan. However, in scenario 2, because the assembly of all of the components to form the watch occurred in China (not the country of origin of the movement which was Japan), the assembly of the components did not substantially transform the case or band and their origin remained China. Similarly, in scenario 3, as the assembly of the components to form the watch occurred in Thailand (a country other than the country where the movement was made which was Japan), the assembly of the components did not substantially transform the case or band and their origin remained China. Finally, in scenario 4, again, as the assembly of the components in China to form the watch did not occur in the same country as the origin of the movement which was Malaysia, the case and band retained their origin of China.

Based upon the analysis in HQ H304105, CBP held that although the origin of the watches in scenarios 1, 2, and 3 was Japan, and the origin of the watch in scenario 4 was Malaysia; the watch cases and watch bands in scenarios 2, 3, and 4 did not undergo substantial transformations and retained their original origin which was China. In calculating the duties owed on these constructively segregated components of the subject watches, the Section 301 duties were found to apply as these components remained products of China.

You seek reconsideration and revocation of HQ H304105 because you believe it incorrectly held that the watch cases and watch bands in scenarios 2, 3, and 4 were products of China subject to the Section 301 duties. You submit that CBP (and its predecessor the U.S. Customs Service) has, for decades, continuously and consistently found a watch to be a single article with a single country of origin which is determined by the country of assembly of the watch movement. You assert that HQ H304105 effectively modified or revoked Customs' treatment of watches without complying with the notice and comment procedures of 19 U.S.C. § 1625 and 19 C.F.R. § 177.12(c)(2). You request that CBP find that the watches at issue are products of Japan or Malaysia for country of origin purposes, and likewise, are products of Japan or Malaysia for purposes of duty assessment. As such, they should not be subject to Section 301 duties.

Further, you submit that CBP should immediately revoke HQ H304105 because the Automated Commercial Environment (ACE) does not permit importers to enter their imports in accordance with the ruling's holding. You assert that the inability to comply with the ruling in ACE demonstrates the need for CBP to reconsider and revoke the ruling.

ISSUE:

What is the country of origin for the watches made with components from Japan, China, and Malaysia for purposes of application of the Section 301 measures in the four scenarios described above?

LAW AND ANALYSIS:

For watches listed in Statistical Notes 1(a) and 1(d), Chapter 91, HTSUS, duty is assessed based upon the value of the constructively segregated components of the watch, *i.e.*, the separately valued movement, watch case, and watch band, bracelet or strap. In addition, the battery is separately assessed pursuant to Statistical Note 1(a). The values of these components must equal the declared value of the watch. *See* Statistical Note 1, Chapter 91, HTSUS. The rate set forth in the tariff specifies a set amount per movement, an *ad valorem* rate for the case and band, strap, or bracelet, and a different *ad valorem* rate for the battery.

To understand the tariff treatment⁴ of watches for classification and origin purposes, an understanding of the history of watches under the various tariff schedules of the United States is essential. A review of the previous tariff schedules and various court decisions reveal that watches have received substantially similar treatment under the tariff schedules for more than 80 years. As stated in a report prepared by the United States International Trade Commission in the early 1980s, when the Tariff Schedules of the United States (TSUS) were in effect, the tariff structure for watches and parts of watches dates from 1930. Under the TSUS, "the duty on a watch classified under item 715.05 [was] composed of separate duties assessed on the case, the movement, and the bracelet (if any)."⁵ This is the case in the

⁴ The term "treatment" is used in the ordinary sense of the word here and is not to be confused with "treatment" as defined in the CBP Regulations at 19 CFR § 177.12.

⁵ All watches were classified under item 715.05, TSUS, until the Court of Customs and Patent Appeals decided in 1982 that solid-state watch modules did not fit the TSUS definition of a watch movement and those watches were reclassified under item 688.45, TSUS. *See United States v. Texas Instruments, Inc.*, 69 C.C.P.A. 136

specific subheadings at issue here, *i.e.*, the various subheadings of headings 9101 and 9102, HTSUS, identified above, with the addition of duties assessed on the battery, if applicable. Duty rates are established by Congress, and Congress did not change the manner in which duty is assessed for imported watches. Duty is not assessed against the watch, but based upon the value of the separately identified components of the watch. As the structure of the tariff with regard to the assessment of duty for watches has changed little over the years since 1930, reference to court cases involving watches under previous tariff schedules is not misplaced.⁶

First, it is vital that all parties understand the definition of a watch for tariff purposes. Additional U.S. Note 1(a), Chapter 91, HTSUS, states:

For purposes of this chapter:

The term “watches” embraces timepieces (including timepieces having special features, such as chronographs, calendar watches and watches designed for use in skin diving) of a kind for wearing or carrying on the person whether or not the movement contained therein conforms to the definition of “watch movements” in note 3, above. Timepieces incorporating a stand, however simple, are not classifiable as watches.

We note that the definition of watches in Chapter 91, HTSUS, is substantially similar to the definition of watches in Headnote 2(a), Subpart E, Schedule 7, TSUS, which provided:

[T]he terms “watches” embraces timepieces (including timepieces having special features, such as chronographs, calendar watches, stopwatches, and watches designed for use in skin diving) suitable for wearing or carrying on or about the person, whether or not the movement therein is within the definition of “watch movements” in headnote 2(b), below.

Item 715.05, TSUS, was a new provision for “watches.” The previous tariff act had no provision for watches, but provided “for them by separate classification provision for their movements and for their cases.” See *Tariff Classification Study, Explanatory and Background Materials, Schedule 7*, United States Tariff Commission (November 15, 1960), at 166. See *Mitsui & Co., v. United States*, 70 Cust. Ct. 53 (February 7, 1973), at 61, wherein the court noted that:

. . . prior to [the] TSUS, watches had not been provided for *eo nomine* under the Tariff Acts of 1897 down through 1930. See *Concord Watch Co., Inc. v. United States*, 41 CCPA 13, C.A.D. 523 (1953). Therefore, watch movements and watch cases were held to be dutiable as separate entities. Accordingly, if a complete watch, or a clock incorporating a complete watch movement, were imported, the case was held to be separately dutiable from the movement; and the movement, complete with dial and hands, was assessed as a watch movement. *United States v. Continental Lemania, Inc.*, 21 CCPA 192, T.D. 46726 (1933); *United States v. John Wanamaker, Philadelphia, Inc.*, 20 CCPA 367, T.D. 46132 (1933); *United States v. European Watch & Clock Co.*, 11 Ct. Cust. Appls. 363, T.D. 39160 (1922); *United States v. Strasburger & Co.*, 9 Ct. Cust. Appls. 138, T.D.

⁶ The assessment of duties on the components of watches, as opposed to watches themselves, may be found as far back as the Tariff Act of 1897. See *Racine v. United States*, 107 F. 111 (“The word ‘watches’ was one well known to congress. It had appeared in the earlier tariff acts. . . . The natural conclusion is that congress decided not to lay any duty upon ‘watches’ as such.”)

37982 (1919); *Racine et al. v. United States*, 99 F. 557 (S.D. N.Y. 1899), *aff'd*, 107 F. 111 (2d Cir. 1901).

See also, *United States v. Continental Lemania, Inc.*, 21 CCPA 192, 199 (October 12, 1933), in which the court stated:

In a long line of decisions, among them *United States v. European Watch Co.*, 11 Ct. Cust. App. 363, T.D. 59160, it is definitely settled that watch movements and watchcases had by judicial determination, as well as by departmental direction, attained a settled definite status as separate entities for tariff purposes prior to the act of 1913. See *Racine v. United States*, 107 F. 111; *Chicago Watchman's Clockworks v. United States*, 4 Ct. Cust. App. 105, T.D. 33376; *United States v. Strasburger & Co.*, 9 Ct. Cust. App. 138, T.D. 37982. If this was true then, it is certainly true under the act of 1922.

Although the TSUS provided for watches at item 715.05, the recognition of the cases and movements as separate articles for tariff purposes was evident in the expression of the duty assessment for the provision, *i.e.*, the rate of duty was the rate applicable to the case plus the rate applicable to the movement, as if they had been imported separately. This treatment of cases and movements continues today in the HTSUS as the method of duty assessment is based upon the segregated components of the watch.

Additional U.S. Note 2, Chapter 91, HTSUS, provides:

Watch straps, watch bands and watch bracelets entered with wrist watches and of a kind normally sold therewith, whether or not attached, are classified with the watch in heading 9101 or 9102. Otherwise, watch straps, watch bands and watch bracelets shall be classified in heading 9113.

Further, Additional U.S. Note 3, Chapter 91, HTSUS, provides:

Batteries entered with battery powered watches or clocks, or with the complete, assembled movements thereof, and intended for use therewith, are classifiable under the provision for the watch, clock or movement. Similarly, batteries entered with a complete watch or clock movement, unassembled or partly assembled (movement set) or with an incomplete watch or clock movement, assembled, and intended for use therewith, are classifiable under the provision for such movement. Batteries are otherwise classifiable in heading 8506 or 8507, whether or not suitable for use with watches or clocks.

We note that Additional U.S. Note 2 addresses the classification of watch straps, watch band and watch bracelets with “the watch” and does not reference them as parts of watches. The same is true of Additional U.S. Note 3 with regard to batteries entered with watches. The note addresses the classification of the item, but does not infer that the item is to be considered a part of a watch.

Based upon the Additional U.S. Notes to Chapter 91, the implementation of item 715.05, TSUS, as evident in the TSUS and discussed in the *Tariff Classification Study*, the method of duty assessment based upon the constructive segregation of the components of the watches at issue, and the historical treatment of watches under the various tariff schedules and reflected in court decisions, CBP believes that for tariff purposes a watch consists of the move-

ment and the case which are separate articles for purposes of tariff assessment. A watch, under the tariff, does not by definition include a band, strap, or bracelet. *See United States v. European Watch & Clock Co.*, 11 Ct. Cust. 363 (April 26, 1922) wherein the court rejected the Government's argument that watch cases and wristlets should be regarded as entreties and classified as jewelry. The court considered the classification of wristwatches and found that the watch cases and watch movements were classifiable within paragraph 161 of under the Tariff Act of 1913 which provided for, in relevant part, "[w]atch movements, whether imported in cases or not, watchcases and parts of watches[.]" The court noted with approval the decision of the Board of United States General Appraisers that the wristlets or bracelets were a necessary and useful attachment to the watches. We note that neither the Board nor the court viewed the wristlets or bracelets to be classifiable in paragraph 161 as "parts of watches."

As is evident, determining the classification of a good is a separate exercise from its origin determination. CBP's long-standing position has been that the origin of a watch (excluding the strap, band or bracelet) is the country of assembly of the watch movement. Although the addition of the hands, dial, case or watchband may add definition to the timepiece, it does not substantially change the character or use of the watch movement, which is the essence of the watch. *See HQ 735197*, dated January 4, 1994.

In HQ 560471, dated January 5, 1997, CBP held that the assembly in the U.S. Virgin Islands of a watch strap band or bracelet of non-U.S. Virgin Island origin to a watch made in the U.S. Virgin Islands resulted in a substantial transformation of the watch strap or bracelet in the U.S. Virgin Islands. However, in HQ 560471 CBP noted that, as a separate component, the watch band did not serve the function for which it was intended, but when assembled with the watch, the two components operate as a wristwatch. If this assembly takes place in the country in which the watch was produced, the production of the finished wristwatch cannot be stated to have resulted from a "simple assembly." *See, e.g.*, 19 CFR §10.195(a)(2). Therefore, HQ 560471 modified HQ 733533 and HQ 734565 and held that, when attached in a country to a watch produced in that country, watch straps lose their identity and become an integral part of the finished watch. Therefore, CBP held that the watch bands assembled with their watches did not have to be marked, as they were considered to be a product of the U.S. Virgin Islands, a U.S. insular possession. *See also HQ 563287*, dated August 23, 2005.

The holding in HQ 560471 applies in the situation (Scenario 1) where the Chinese watch band is assembled with the Japanese movement, Chinese case and Japanese battery in Japan. However, the holding in HQ 560471 does not apply in the situation where the Japanese or Malaysian watch movements are combined with the Chinese watch bands in China or Thailand. As noted in HQ 560471, the rulings were only modified therein to the extent that CBP stated or held that, based on the applicable facts, the watch straps assembled with their watches in the country in which the watches were produced must be marked with their own origin, if different from the country of origin of the watch. Based on the facts of some of the rulings mentioned in HQ 560471, it was not always clear where the final assembly of the watch took place.

Therefore, based upon the facts presented, we make the following determinations.

The watch movements, manufactured in Japan or Malaysia, are not substantially transformed in China or Thailand. The country of origin of the watch movements for marking purposes is Japan or Malaysia, as appropriate.

Concerning the bands, it is CBP's position that a watch strap must be separately marked with its country of origin when that country of origin is different from the country of origin of the watch. CBP has reasoned that the watch strap maintains its separate identity from the watch as the attachment of the watch strap to the watch does not effect a substantial transformation of the watch strap. *See*, for example, HQ 560471, dated January 5, 1997 and HQ 968218, dated July 10, 2006 (where it was noted that where the strap would be assembled in a country other than the Philippines, where the movement was made, the strap would be separately marked with its own origin). Therefore, the country of origin of the bands for marking purposes is China, except in scenario 1, as discussed above.

As noted above, CBP has been consistent in ruling that the country of origin of an imported watch for marking purposes, 19 U.S.C. 1304, (excluding the strap, band or bracelet) is the country of assembly of the movement. In HQ H243796, CBP stated that a watch with one country of origin for the movement, another for the case, and another for the battery, was considered, for purposes of 19 U.S.C. 1304, to be a product of the country in which the movement was produced. Therefore, in accordance with HQ H243796, we find that the H304105 was incorrect and that the watch cases should be considered a product of Japan or Malaysia, where the movement was made.

Statistical Note 1 to Chapter 91, HTSUS, provides in pertinent part that "[t]he calculation of duties on various watches, clocks, watch movements and clock movements requires that these articles be constructively segregated into their component parts and each component separately valued."

As the watches are products of Japan or Malaysia, the segregated components of the watch, *i.e.*, the movement, case and battery, are assessed duty based upon the origin of the watch. However, as the bands of the watches are not substantially transformed when joined to the Japanese or Malaysia watches in China or Thailand, the bands remain products of China.

Please note that the subject watches must also satisfy the special marking requirement of Additional U.S. Note 4, Chapter 91, HTSUS, which in part, requires the movement and case to be marked with the name of the country of manufacture. In this situation, the country of manufacture of the movement would be Japan, and the country of manufacture of the cases, for purposes of the special marking requirements would be China.

HOLDING:

HQ H304105 is modified in accordance with the analysis above. The country of origin of the watches is the country of assembly of the watch movements. Thus, for scenarios 1 through 3, the country of origin of the watches is Japan. For scenario 4, the country of origin is Malaysia.

However, with regard to the country of origin of the dutiable components of the imported watches, in Scenario 1, since all of components of the watches are of Japanese origin, the Section 301 duties for Chinese origin products would not be applicable. In Scenarios 2, 3, and 4, the country of origin of the watch components (the movement, case, and battery) is the country of assembly of the watch movement; the watch bands are not substantially transformed, and their country of origin is China. As these watch bands will be

products of China, in calculating the duties that will be imposed on the watches, the proposed Section 301 measures would apply to these items in Scenarios 2, 3, and 4.

HQ H304105, dated June 25, 2019, is MODIFIED.

Sincerely,

CRAIG T. CLARK,

Director

Commercial and Trade Facilitation Division

HQ H315335
OT:RR:CTF:VS H315335 CMR
CATEGORY: Classification

RICHLINE GROUP
1385 BROADWAY
NEW YORK, NY 10018

RE:Modification of Headquarters Ruling Letter H047115, dated June 22, 2009; Eligibility of bracelet watches under the United States-Israel Free Trade Agreement Act of 1985

DEAR SIR/MADAM:

On June 22, 2009, we issued Headquarters Ruling Letter (HQ) H047115 to Silpada Designs Inc. In 2016, your company acquired select assets of Silpada Designs Inc., including the brand name, jewelry designs and all sterling silver and fashion jewelry inventory.⁷ As the apparent successor company, we are informing you that we intend to modify HQ H047115, which dealt with the eligibility of bracelet watches under the United States-Israel Free Trade Agreement Act of 1985 (“Israeli FTA”). Upon review, we have determined that we erred in the determination of the origin of the watch case for the assessment of duty. For the reasons set forth below, we are modifying HQ H047115 with regard to the origin for duty purposes of the constructively segregated components, specifically, the watch case.

FACTS:

The relevant facts stated in HQ H047115 are:

Silpada Designs, Inc. (“Silpada”) sells bracelet watches which are produced by a vendor in Israel. Item numbers T1372 and T1749 are at issue here. The bracelet watches are stated to be classified in subheading 9102.11.25, Harmonized Tariff Schedule of the United States (“HTSUS”). The value of the watches is determined by four components: the sterling silver bracelet; the sterling silver case; the watch movement; and the battery. The watch movement and battery are imported into Israel from Japan. The watch movement and battery are imported from Japan into Israel where they are made into the finished watches.

In HQ H047115, Silpada asked that if Customs and Border Protection (“CBP”) did not determine that the country of origin of the bracelet watches was Israel, that CBP issue a ruling regarding the proper allocation of duties to the bracelet watches, *i.e.*, Silpada asked that CBP determine that duties were not applicable on the components of the bracelet watches that were produced in Israel.

ISSUE:

Whether the country of origin of the watches is Israel and whether the segregated components of the watches qualify for preferential tariff treatment under the Israeli FTA for duty assessment purposes.

⁷ See *Richline Group has Acquired Silpada Designs*, October 21, 2016 at richlinegroup.com/2016/10/21/richline-group-has-acquired-silpada-designs

LAW AND ANALYSIS:

Under the Israel FTA, eligible articles which are the growth, product, or manufacture of Israel and are imported directly to the U.S. from Israel qualify for preferential treatment provided, in pertinent part, the sum of (1) the cost or value of the materials produced in Israel, plus (2) the direct costs of processing operations performed in Israel, is not less than 35% of the appraised value of the article at the time it is entered. *See* General Note 8(b), Harmonized Tariff Schedule of the United States (HTSUS).

Pursuant to General Note 8(b)(i), HTSUS, in order to qualify for duty-free treatment under the U.S.-Israel FTA, the article must be the growth, product, or manufacture of Israel or a new and different article of commerce that has been grown, produced or manufactured in Israel.

You state that the bracelet watches are classified in subheading 9102.11.25, HTSUS. Articles classified under this provision which otherwise satisfy the requirements of the Israel FTA will not be subject to duty upon return to the U.S. Articles are considered “products of” Israel if they are made entirely of materials originating there or, if made from materials imported into Israel, they are substantially transformed into a new or different article of commerce. A substantial transformation occurs when an article emerges from a process with a new name, character or use different from that possessed by the article prior to the processing. *See Texas Instruments v. United States*, 69 CCPA 152, 681 F.2d 778 (1982).

CBP’s long-standing position has been that the origin of a watch (excluding the strap, band or bracelet) is the country of assembly of the watch movement. Although the addition of the hands, dial, case or watchband may add definition to the timepiece, it does not substantially change the character or use of the watch movement, which is the essence of the watch. *See* HQ 735197, dated January 4, 1994. In the instant situation, the country of origin of the watches is Japan as the movement is imported from Japan. *See* HQ 731546, dated October 27, 1978.

Additionally, CBP has also ruled in numerous cases that the country of origin of a watch strap must be separately marked when its country of origin is different from the country of origin of the watch. In these cases, CBP has reasoned that the attachment of the watch strap to the watch does not effect a substantial transformation of the watch strap and that, after attachment, the strap maintains its separate identity. Therefore, the watch would be considered a product of Japan and the band a product of Israel.

In HQ 560471, dated January 5, 1997, CBP held that the assembly in the U.S. Virgin Islands of a watch strap band or bracelet of non-U.S. Virgin Island origin to a watch made in the U.S. Virgin Islands resulted in a substantial transformation of the watch strap or bracelet in the U.S. Virgin Islands. However, in HQ 560471 CBP noted that, as a separate component, the watch band did not serve the function for which it was intended, but when assembled with the watch, the two components operate as a wristwatch. If this assembly takes place in the country in which the watch was produced, the production of the finished wristwatch cannot be stated to have resulted from a “simple assembly.” *See, e.g.*, 19 CFR §10.195(a)(2). Therefore, HQ 560471 modified HQ 733533 and HQ 734565 and held that, when attached in a country to a watch produced in that country, watch straps lose their identity and become an integral part of the finished watch. Therefore, CBP held that

the watch bands assembled with their watches did not have to be marked, as they were considered to be a product of the U.S. Virgin Islands, a U.S. insular possession. *See also* HQ 563287, dated August 23, 2005.

However, the holding in HQ 560471 does not apply in the situation where the Japanese watch movement is combined with the Israeli sterling silver case bracelet in Israel. As noted in HQ 560471, the rulings were only modified therein to the extent that CBP stated or held that, based on the applicable facts, the watch straps assembled with their watches in the country in which the watches were produced must be marked with their own origin, if different from the country of origin of the watch. Based on the facts of some of the rulings mentioned in HQ 560471, it was not always clear where the final assembly of the watch took place.

Therefore, based upon the facts presented, we make the following determinations.

The watch movement, manufactured in Japan, is not substantially transformed in Israel. The country of origin of the watch movement is Japan. The battery, manufactured in Japan, is not substantially transformed in Israel. The country of origin of the battery is Japan.

Concerning the bracelet, it is CBP's position that a watch strap must be separately marked with its country of origin when that country of origin is different from the country of origin of the watch. CBP has reasoned that the watch strap maintains its separate identity from the watch as the attachment of the watch strap to the watch does not effect a substantial transformation of the watch strap. *See, for example, HQ 560471, dated January 5, 1997 and HQ 968218, dated July 10, 2006* (where it was noted that where the strap would be assembled in a country other than the Philippines, where the movement was made, the strap would be separately marked with its own origin). Therefore, the country of origin of the bracelet for marking purposes is Israel.

Regarding the watch case, however, in HQ H047115 it was determined that the country of origin of the watch case was Israel, which for the article under consideration was made in Israel of silver like the bracelet and that held the Japanese movement. After further consideration and review, we have determined that this is in error. While the Additional U.S. Notes to Chapter 91 make it clear that the method of duty assessment is based upon the constructive segregation of the components of a watch, and that for tariff purposes a watch consists of the movement and the case which are separate articles for purposes of tariff assessment, determining the classification of a good is a separate exercise from its origin determination.

As noted above, CBP has been consistent in ruling that the country of origin of an imported watch for marking purposes, 19 U.S.C. 1304, (excluding the strap, band or bracelet) is the country of assembly of the movement. In HQ H243796, CBP stated that a watch with one country of origin for the movement, another for the case, and another for the battery, was considered, for purposes of 19 U.S.C. 1304, to be a product of the country in which the movement was produced. Therefore, in accordance with HQ H243796, we find that the watch case should be considered a product of Japan, where the movement was made.

Statistical Note 1 to Chapter 91, HTSUS, provides in pertinent part that "[t]he calculation of duties on various watches, clocks, watch movements and clock movements requires that these articles be constructively segregated into their component parts and each component separately valued."

As the watch is a product of Japan, it does not qualify for preferential tariff treatment under the Israeli FTA. After assembly, the segregated components of the watch, *i.e.*, the movement, case and battery, are assessed duty based upon the origin of the watch. However, as the band of the watch is not substantially transformed when joined to the Japanese watch in Israel, the band, or in this case, bracelet, remains a product of Israel. As such, the bracelet is eligible for preferential tariff treatment under the Israeli FTA.

Please note that the subject watches must also satisfy the special marking requirement of Additional U.S. Note 4, Chapter 91, HTSUS, which in part, requires the movement and case to be marked with the name of the country of manufacture. In this situation, the country of manufacture of the movement would be Japan, and the country of manufacture of the case, for purposes of the special marking requirements would be Israel.

HOLDING:

The origin of the bracelet watch at issue is Japan, *i.e.*, the country of origin of the movement. The movement, case, and battery, which are dutiable as segregated components, are subject to duty as products of Japan as the watch is a product of Japan. The band or bracelet of the wrist watch is not substantially transformed when joined to the watch and retains its origin of Israel. As such, the band or bracelet is dutiable as a good of Israel and eligible for preferential tariff treatment under the Israeli FTA.

HQ H047115, dated June 22, 2009, is hereby MODIFIED with regard to the origin for duty purposes of the constructively segregated components.

Sincerely,

CRAIG T. CLARK,
Director

Commercial and Trade Facilitation Division

19 CFR PARTS 4, 122, 123, 145, and 149**CBP Dec. 21-04****RIN 1651-AB33****MANDATORY ADVANCE ELECTRONIC INFORMATION
FOR INTERNATIONAL MAIL SHIPMENTS**

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security (DHS).

ACTION: Interim final rule; request for comments.

SUMMARY: To address the threat of synthetic opioids and other dangerous items coming to the United States in international mail shipments and to implement the requirements of the Synthetics Trafficking and Overdose Prevention Act of 2018 (STOP Act), U.S. Customs and Border Protection (CBP) is amending its regulations to require the United States Postal Service (USPS) to transmit certain advance electronic information to CBP. These amended regulations provide that, for certain inbound international mail shipments, CBP must electronically receive from USPS, within specified time frames, certain mandatory advance electronic data (AED) and updates thereto. These regulations describe the new mandatory AED requirements, including the types of inbound international mail shipments for which AED is required, the time frame in which USPS must provide the required AED to CBP, and the criteria for the exclusion from AED requirements for mail shipments from specific countries. The regulations also address compliance dates and the necessary remedial actions that must be taken with respect to shipments for which USPS has not complied with AED requirements.

DATES:

Effective date: This interim final rule is effective March 15, 2021.

Comment date: Comments must be received by May 14, 2021.

ADDRESSES: Please submit any comments, identified by docket number [USCBP-2021-0009], by one of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

Due to COVID-19-related restrictions, CBP has temporarily suspended its ability to receive public comments by mail.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Due to relevant COVID-19-related restrictions, CBP has temporarily suspended its on-site public inspection of submitted comments.

FOR FURTHER INFORMATION CONTACT: Quintin Clarke, Cargo and Conveyance Security, Office of Field Operations, U.S. Customs & Border Protection, by telephone at (202) 344-2524, or email at quintin.g.clarke@cbp.dhs.gov.

SUPPLEMENTARY INFORMATION:

Table of Contents

- I. Public Participation
- II. Executive Summary
- III. Background
 - A. Purpose of Rule
 - B. Statutory and Regulatory History
 1. Statutory History
 2. Regulatory History
 - i. Trade Act of 2002 Implementing Regulations
 - ii. Safe Port Act and ISF Regulations
 - iii. ACAS Regulations
 - iv. Mail Importation Regulations
 - C. AED and the Mail System
 1. The International Mail System for Inbound U.S. Mail
 2. Current CBP Regulatory Requirements for Mail Shipments to the United States
 3. Process for Mail Shipments to the United States
 4. International Framework for the Provision of AED for Mail Shipments
 5. Current USPS Transmission of AED to CBP
- IV. Mandatory AED for Mail Shipments
 - A. New 19 CFR Part 145, Subpart G
 - B. Definitions
 - C. Mandatory Advance Electronic Data (AED)
 1. General Requirements
 2. Types of Inbound International Mail Shipments for Which AED is Required
 3. Time Frames for Providing and Updating AED

4. Required AED
 - a. Item Attribute Information
 - b. Pre-Advice of Despatch Information
5. Exclusions From AED Requirements for Mail Shipments From Specific Countries
6. Compliance Dates
7. Shipments for Which USPS has Not Complied With AED Requirements
- D. Penalties
- E. Amendment to 19 CFR 145.0
- F. Amendment to Other Parts of 19 CFR Chapter 1
- G. Flexible Enforcement
- V. Statutory and Regulatory Reviews
 - A. Administrative Procedure Act
 - B. Executive Orders 12866 and 13563
 1. Purpose of Rule
 2. Overview of Analysis
 3. Population Affected by Rule
 4. Costs of Rule
 5. Benefits of Rule
 6. Regulatory Alternatives
 7. Net Impact of Rule
 - C. Regulatory Flexibility Act
 - D. Unfunded Mandates Reform Act
 - E. Privacy
 - F. Paperwork Reduction Act
 - G. Other Regulatory Requirements
 - H. Required Report to Congress
- VI. Signing Authority

Glossary of Terms Used

ACAS	Air Cargo Advance Screening
AED	Advance Electronic Data
APA	Administrative Procedure Act
APO	Army Post Office
CBP	U.S. Customs and Border Protection
CDC	Centers for Disease Control and Prevention
CFR	Code of Federal Regulations

DHS	Department of Homeland Security
DPO	Diplomatic Post Office
EMS	Inbound Express Mail Service
FPO	Foreign Postal Operators
IMPC	International Mail Processing Center
IMF	International Mail Facility
ISC	International Service Center
ISF	Importer Security Filing
ITMATT	Item Attribute Information
MOU	Memorandum of Understanding
NTC	National Targeting Center
OMB	Office of Management and Budget
PLACI	Pre-Loading Advance Cargo Information
PREDES	Pre-Advice of Despatch Information
SAFE Port Act	Security and Accountability for Every Port Act of 2006
SOP	Standard Operating Procedures
STOP Act	Synthetics Trafficking and Overdose Prevention Act of 2018
UPU	Universal Postal Union
USPS	United States Postal Service
WCO	World Customs Organization

I. Public Participation

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of this interim final rule. The Department of Homeland Security (DHS) and CBP also invite comments that relate to the economic, environmental, or federalism effects that might result from this interim final rule. Comments that will provide the most assistance to CBP will reference a specific portion of the interim final rule, explain the reason for any recommended change, and include data, information, or authority that supports the recommended change.

DHS and CBP specifically invite comments on the following issues, discussed in the rule document below:

- Whether CBP should require AED on mail shipments classified as EMS or parcel post regardless of whether these are identified as containing documents;
- Whether CBP should require AED on mail that is sent using channels that USPS identifies as “domestic” even as these remain subject to customs examination, including: Mail from APO/ FPO/DPO addresses; mail to/from U.S. territories and possessions, or to/from/ between the Freely Associated States of the Federated States of

Micronesia, the Republic of the Marshall Islands, and the Republic of Palau; returned U.S. origin items; and items transiting the U.S. in closed transit;

- Whether updates to the AED should be required until the mail shipment has arrived at the first CBP port;
- If any data elements identified as optional under this rule should be deemed mandatory;
- The costs to USPS to return mail without AED;
- Comments on CBP's flexible enforcement policy.

II. Executive Summary

The United States is experiencing the worst drug overdose epidemic since the 1990s. In recent years, there has been a marked increase in the consumption of illicit opioids, such as heroin and its synthetic analogues, such as fentanyl. In 2016, there were nearly 64,000 overdose deaths, of which two-thirds involved opioids, including fentanyl.¹ From 2016 to 2017, synthetic opioid-involved death rates increased by 45.2 percent.² In light of this, the President declared a public health emergency in 2017,³ and the Secretary for Health and Human Services made a determination that a public health emergency exists nationwide.⁴ The public health crisis continues unabated as rate of overdose deaths has sharply accelerated in the coronavirus disease (COVID-19) pandemic⁵ and synthetic opioids (primarily illicitly manufactured fentanyl) appear to be the primary driver of the increases in overdose deaths.⁶

On October 24, 2018, Congress enacted the Synthetics Trafficking and Overdose Prevention Act of 2018 (STOP Act), primarily to fight the influx of deadly opioids, particularly synthetic opioids such as

¹ U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, *Morbidity and Mortality Weekly Report: Drug and Opioid-Involved Overdose Deaths—United States, 2013–2017*, Vol. 67, Nos. 51 & 52, 1419–27 (January 4, 2019), available at <https://www.cdc.gov/mmwr/volumes/67/wr/mm675152e1.htm> (last accessed, June 17, 2019)

² *Id.*

³ *Establishing the President's Commission on Combating Drug Addiction and the Opioid Crisis*, 82 FR 16283 (Apr. 3, 2017) (Executive Order 13784 of Mar. 29, 2017).

⁴ <https://www.phe.gov/emergency/news/healthactions/phe/Pages/opioid-19apr2019.aspx>.

⁵ White House, Notice on the Continuation of the National Emergency Concerning the Coronavirus Disease 2019 (COVID-19) Pandemic, February 24, 2021. Available at <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/02/24/notice-on-the-continuation-of-the-national-emergency-concerning-the-coronavirus-disease-2019-covid-19-pandemic/> (last accessed February 24, 2021).

⁶ Centers for Disease Control, Press Release, *Overdose Deaths Accelerated During COVID-19: Expanded Prevention Efforts Needed*, December 17, 2020, available at <https://www.cdc.gov/media/releases/2020/p1218-overdose-deaths-covid-19.html> (last accessed February 20, 2021).

fentanyl, coming to the United States in international mail shipments.⁷ Among other things, the STOP Act amends section 343(a)(3) of the Trade Act of 2002 to require CBP to issue regulations requiring the United States Postal Service (USPS) to transmit certain advance electronic data (AED) to CBP for international mail shipments. The AED required by this rule includes various details about the package's sender, recipient and contents, information that is generally provided by foreign senders on customs declarations forms, but only on paper copies that are affixed to the packages. It is the same information that is currently required by the UPU and CBP on existing custom declaration forms and that is provided by foreign senders.

The current paper process has made it difficult for CBP to most effectively use the information for targeting packages containing illegal goods since CBP processing has relied mostly on physical inspection of the declarations and the packages.

In recent years and in advance of the enactment of the STOP Act, USPS has been working with CBP through pilot programs to provide the information received on customs declaration forms to CBP electronically and in advance of arrival of the package. This assists CBP in its targeting of high risk shipments. The international postal community has also been moving towards requiring AED for mail shipments if required by customs and security authorities in the country of destination. However, the international mail customs process remains largely paper-based and there is currently no regulation requiring AED for mail shipments. As required by the STOP Act, this rule addresses that gap. Requiring USPS to transmit AED to CBP for international mail shipments will make data requirements for international mail shipments comparable to existing AED requirements currently imposed on non-mail shipments of cargo, subject to the parameters set forth in section 343(a)(3) of the Trade Act of 2002 (19 U.S.C. 1415). The principal benefit of this rule will be a more precise identification of at-risk postal shipments in advance of arrival of the package. The required AED will enable CBP to better target and identify risky mail shipments and is expected to disrupt the supply chain of illegal opioids and other dangerous goods. The lack of required AED for mail shipments presents a security gap that could be exploited by bad actors because it hinders CBP's ability to effectively target for illegal opioids and other dangerous goods before they enter the commerce of the United States. Requiring AED for mail ship-

⁷ Synthetics Trafficking and Overdose Prevention Act of 2018 (STOP Act), Subtitle A of Title VIII of the Substance Abuse-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT for Patients and Communities Act), Public Law 115-271 (2018); *see also* H.R. Rep. No. 115-722, pt. 1, at 7 (2018).

ments will enhance the security of the supply chain with respect to international mail shipments by giving CBP adequate time and information necessary to perform targeted risk assessments geared towards interdicting illicit and dangerous goods before they enter the U.S. mail system. This will improve CBP's ability to detect and disrupt the flow of illicit supply chains that exploit the postal environment and will reduce the risk that shipments of illicit fentanyl and other dangerous goods will enter the country.

This rule would impose costs on CBP and USPS in the form of increased technology costs to set up targeting systems to identify mail to be inspected based on the AED, as well as training costs, and hold processing costs. Costs to the United States government total an undiscounted \$55.8 million over a ten-year period of analysis. This rule would also impose costs on foreign posts in the form of technology costs needed to transmit AED to the USPS, training costs, and the time cost to key in AED. The principal benefit of the rule is more precise identification of mail shipments with illicit goods, including fentanyl, at an earlier time, improving CBP's effectiveness in preventing prohibited mail items from reaching the United States. Accepting the high degree of uncertainty, taking account of the magnitude of the underlying problem, and recognizing that the rule is likely to have additional benefits from assisting CBP's targeting to prevent smuggling of items other than fentanyl, DHS believes, in the terms of Executive Order 13563, "that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify)."

In developing these regulations, CBP considered the process and information flow unique to the movement of international mail to the United States, international efforts to develop AED requirements, and the AED requirements that apply to non-mail shipments arriving in the United States. The required AED consists of two elements: (1) Information already collected through the customs declaration forms attached to incoming mail, including the contents and value of the goods in the package as well as sender and recipient information; and (2) information about the movement of the package, such as the date and time of departure of the transporting conveyance, the scheduled date and time of arrival in the United States, transportation information (*e.g.*, carrier, flight number, voyage number), and destination International Mail Facility (IMF).⁸ Taking into account how the international mail process works, these requirements are comparable to the requirements for the transmission of AED imposed on similar non-mail shipments of cargo and are consistent with the requirement

⁸ In the United States, the IMF is operated by CBP. The new regulations define IMF as an "official international mail processing center operated by CBP."

in section 343(a)(3) of the Trade Act of 2002 (19 U.S.C. 1415) that regulations developed under the Act consider certain parameters.⁹ These parameters include, among others, consulting parties likely to be affected by the regulations, considering existing commercial practices, and taking into account the extent to which the technology necessary for parties to transmit the information is available. See 19 U.S.C. 1415(a)(3).

The new regulations provide that for certain inbound international mail shipments, CBP must electronically receive from USPS, within specified time frames, certain mandatory AED and updates thereto. The AED requirement generally pertains to all mail shipments except for *letter class mail—documents*.¹⁰ *Letter class mail—documents* means letter class mail containing only documents (*i.e.*, any piece of written, drawn, printed or digital information), excluding objects of merchandise, and may include M-bags to the extent that such items do not contain goods. This exception for *letter class mail—documents* is comparable with the current AED requirements for non-mail, which do not apply to letters and documents. Specifically, the new regulations provide that USPS must transmit AED for inbound international mail shipments containing goods classified as Express Mail Service (EMS), parcel post, or *Letter class mail—goods*, unless a shipment originates from a country that CBP has, in accordance with the procedures set forth in the new regulations,¹¹ excluded from the AED requirements and has informed USPS of the exclusion. The new regulations will not require AED for *letter class mail—documents* and items for the blind consisting of correspondence, literature in whatever format including sound recordings, and equipment or materials of any kind made or adapted to assist blind persons in overcoming the problems of blindness (up to 7 kilograms). Under this rule, AED will also not be required for items sent as Parcel Post or EMS that do not contain goods. Similarly, AED will not be required for returned U.S. origin items, items transiting the U.S. in closed transit, items sent as U.S. domestic mail, or mail treated as domestic, including mail to or from APO, FPO, and DPO addresses, mail to or from U.S. territories and possessions, and mail, from or between the Freely Associated States of the Federated States of Micronesia, the Republic of the

⁹ The Postal Accountability and Enhancement Act (PAEA) also mandates that CBP will afford comparable treatment to shipments of international mail that are competitive products, regardless of whether these are shipments by the Postal Service or shipments by private companies. See 39 U.S.C. 407(e).

¹⁰ The UPU uses slightly different terminology (letter post instead of letter class), however, existing CBP regulations use the term *letter class mail*, thus CBP uses *letter class mail* in this rule to maintain consistency throughout CBP regulations.

¹¹ New 19 CFR 145.74(e) provides that CBP will consult with USPS in order to make this determination.

Marshall Islands, and the Republic of Palau. However, this exclusion does not preclude CBP's existing authority to inspect any of these shipments. Pursuant to the new regulations, USPS must provide the required AED to CBP as soon as practicable, but no later than prior to loading the inbound international mail shipment onto the transporting conveyance. Additionally, USPS must electronically provide CBP with updates to the AED as soon as USPS becomes aware of any changes to the submitted data or as soon as it becomes aware that more accurate data is available, until the timeframes for updated AED set forth in the Air Cargo Advance Screening (ACAS) regulations at 19 CFR 122.48b(b)(2).

In accordance with the STOP Act, these regulations also contain the criteria by which certain mail shipments from specific countries may be excluded from the requirement to provide AED. Namely, if a specific country or countries do not have the capacity to collect and transmit AED, represent a low risk for mail shipments that violate relevant U.S. laws and regulations, and account for low volumes of mail shipments that can be effectively screened for compliance with relevant U.S. laws and regulations through an alternative means, they may be excluded from the AED requirement. CBP will re-evaluate determinations to exclude specific countries from the requirement to provide AED at a minimum, on an annual basis.

Additionally, these regulations incorporate provisions of the STOP Act that address compliance dates, as well as the necessary remedial actions that must be taken with respect to shipments for which USPS has not complied with the AED requirements.

To implement the AED requirements, CBP is adding a new subpart G to title 19 of the Code of Federal Regulations (CFR) part 145. Title 19 CFR part 145 covers Mail Importations. The new subpart G is titled Mandatory Advance Electronic Data for Mail Shipments. CBP is also making certain revisions to 19 CFR 145.0 to expand the scope of 19 CFR part 145 to include the AED provisions. Additionally, CBP is making revisions to 19 CFR 4.7, 122.0, 123.0, and 149.1 to refer readers looking for the AED requirements for international mail shipments to part 145.

The new subpart G of 19 CFR part 145, consists of three new sections. New § 145.73 adds various definitions specific to the subpart, new § 145.74 provides details regarding the mandatory AED CBP must receive from USPS, and new § 145.75 provides the applicable penalties if USPS accepts a shipment in violation of the regulations.

III. Background

A. Purpose of Rule

As explained in the Executive Summary, the United States is experiencing the worst drug overdose epidemic since the 1990s. The nature of this drug use and overdose has changed over the decades since it first began. Initially characterized by the abuse of prescription opioids, drug use shifted towards the consumption of illicit opioids, such as heroin, in the 2000s. In recent years, there has been a shift towards the use of synthetic opioids, such as fentanyl, particularly as suppliers have begun mixing synthetic opioids into heroin in order to decrease their costs. For the reasons explained below, this shift towards synthetic opioids has led to a marked increase in the number of overdose deaths. The consumption of synthetic opioids is particularly worrisome given this class of drugs' high lethality. Fentanyl is 40 times more potent than heroin¹² and 100 times more potent than morphine, a common prescription opiate.¹³ Moreover, consumers of other opioids may be unaware of the presence of synthetic opioids in the drugs they purchase through non-prescription means. The heroin supply has been contaminated with fentanyl, and counterfeit opioid pills are laced with fentanyl, unbeknownst to many users.¹⁴ According to drug seizure data from the DEA National Forensic Laboratory Information System, fentanyl reports have increased fifty-fold between 2013 and 2017.¹⁵ According to data from the Centers for Disease Control and Prevention (CDC), there were nearly 64,000 drug overdose deaths in 2016, of which two thirds (or, approximately 42,000) involved opioids. Moreover, the sharpest increase in overdose deaths between 2015 and 2016 occurred in deaths

¹² Ciccarone, D. (2017). Fentanyl in the US heroin supply: A rapidly changing risk environment. *International Journal of Drug Policy*, 46: 107–111, 3.

¹³ Centers for Disease Control and Prevention (CDC), *Synthetic Opioid Overdose Data*. Last updated December 19, 2018. Available at <https://www.cdc.gov/drugoverdose/data/fentanyl.html> (last accessed February 22, 2021).

¹⁴ Centers for Disease Control and Prevention (CDC), *Increases in Fentanyl Drug Confiscations and Fentanyl-related Overdose Fatalities*. Released October 26, 2015. Available at <https://emergency.cdc.gov/han/han00384.asp> (last accessed February 22, 2021).

¹⁵ U.S. Drug Enforcement Administration (DEA), *National Forensic Laboratory Information System: Special Maps Release. Tracking Fentanyl and Fentanyl-Related Substances Reported in NFLIS-Drug by State, 2016–2017*. Washington, DC: Department of Justice at 2, Available at: <https://www.nflis.deadiversions.usdoj.gov/DesktopModules/ReportDownloads/Reports/NFLISDrugSpecialRelease-Fentanyl-FentanylSubstancesStateMaps-2016–2017.pdf>.

related to synthetic opioids, including fentanyl.¹⁶ From 2016 to 2017, synthetic opioid-involved death rates increased again by 45.2 percent¹⁷ In March 2017, the Commission on Combating Drug Addiction and the Opioid Crisis declared a public health emergency under the Public Health Services Act.¹⁸ Subsequently, on October 26, 2017, the Secretary of Health and Human Services made a determination that a public health emergency existed nationwide as a result of the consequences of the opioid crisis. This determination of a public health emergency has been consistently renewed and remains active. Renewals are located on the Public Health Emergency website.¹⁹ The COVID-19 pandemic has only intensified this public health crisis as the rate of overdose deaths has sharply increased during the pandemic and synthetic opioids (primarily illicitly manufactured fentanyl) appear to be the primary driver of the increases in overdose deaths.²⁰ According to the CDC, the pandemic has accelerated drug overdose deaths, resulting in over 81,000 drug overdose deaths in the 12-month period ending in May 2020 (CDC 2020). CDC notes that “synthetic opioids (primarily illicitly manufactured fentanyl) appear to be the driver,” increasing 38.4 percent relative to the prior year. Ten western states reported a more than 98 percent increase in synthetic opioid-involved deaths over the same period.²¹

Synthetic opioids circulating in the United States generally originate internationally (principally from China and Mexico) and arrive into the United States through the international mail system, express consignment carriers, cross-border smuggling operations, and

¹⁶ U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, *Morbidity and Mortality Weekly Report: Drug and Opioid-Involved Overdose Deaths—United States, 2013–2017*, Vol. 67, Nos. 51 & 52, 1419–27 (January 4, 2019), available at <https://www.cdc.gov/mmwr/volumes/67/wr/mm675152e1.htm> (last accessed, June 17, 2019).

¹⁷ *Id.*

¹⁸ *Establishing the President’s Commission on Combating Drug Addiction and the Opioid Crisis*, 82 FR 16283 (Apr. 3, 2017) (Executive Order 13784 of March 29, 2017).

¹⁹ See <https://www.phe.gov/emergency/news/healthactions/phe/Pages/opioid-2april2020.aspx> and <https://www.phe.gov/emergency/news/healthactions/phe/Pages/opioid-24jan2020.aspx>; see also, <https://www.phe.gov/newsroom/Pages/healthactions.aspx>.

²⁰ Centers for Disease Control, Press Release, *Overdose Deaths Accelerated During COVID-19: Expanded Prevention Efforts Needed*, December 17, 2020, available at <https://www.cdc.gov/media/releases/2020/p1218-overdose-deaths-covid-19.html> (last accessed February 20, 2021).

²¹ *Id.*

other means.²² CBP is responsible for screening inbound international mail for and removing packages with dangerous goods (including but not limited to opioids) from the mail stream before delivery to intended recipients in the United States. The number of packages flowing through the international mail system has increased dramatically in recent years due to the proliferation of e-Commerce and an increase in the threshold value of goods that can be imported into the United States free of duties and taxes.²³ This increased volume of parcels coupled with the urgency of the opioid epidemic requires that CBP utilize its resources more effectively to target and intercept packages with illegal goods. Despite this increase in the volume of mail, there is currently no requirement in the CBP regulations regarding the transmission of AED for mail shipments. To fulfill the STOP Act mandate to stem the flow of deadly opioids and to facilitate the interdiction of suspect packages, CBP is establishing in this rule requirements for USPS to transmit certain AED for inbound international mail shipments. The required AED will also enable CBP to better target and identify all risky mail shipments and is expected to disrupt the supply chain of illegal opioids and other dangerous goods. The current lack of required AED for mail shipments presents a security gap that could be exploited by bad actors because it hinders CBP's ability to effectively target for dangerous goods before they enter the commerce of the United States. Requiring AED for mail shipments will enhance the security of the supply chain with respect to international mail shipments and help close this security gap by giving CBP adequate time and information necessary to perform targeted risk assessments geared towards interdicting dangerous goods before they enter the U.S. mail system.

²² Fentanyl from China generally enters the United States in one of two ways: It is either shipped directly to the United States or is sent to Canada or Mexico before being trafficked across the border. Mexico also sources fentanyl locally. Fentanyl originating from China is highly pure, while the drugs sourced from Mexico are largely impure. U.S. Department of Justice, Drug Enforcement Administration, *2018 National Drug Threat Assessment*, DEA-DCT-DIR-032-18, pp. 33-36 (Oct. 2018), available at <https://www.dea.gov/sites/default/files/2018-11/DIR-032-18%202018%20NDTA%20final%20low%20resolution.pdf> (last accessed, February 20, 2021); see also U.S. Department of Justice, Drug Enforcement Administration, *2019 National Drug Threat Assessment*, DEA-DCT-DIR-007-20 (Dec. 2019), available at https://www.dea.gov/sites/default/files/2020-01/2019-NDTA-final-01-14-2020_Low_Web-Dir-007-20_2019.pdf (last accessed, February 20, 2021).

²³ Interim final rule, Administrative Exemption on Value Increased for Certain Articles, 81 FR 58831 (Aug. 26, 2016); see also De Minimis Value Increases to \$800. CBP News Release, dated March 11, 2016, available at <https://www.cbp.gov/newsroom/national-media-release/de-minimis-value-increases-800> (last accessed, June 16, 2019).

B. Statutory and Regulatory History

1. Statutory History

Congress has long recognized that the provision of AED for imported cargo shipments is an essential security tool which enables CBP to perform advance targeting before the shipments arrive in the United States, and has authorized CBP to prescribe regulations that mandate the provision of AED.

Section 343(a) of the Trade Act of 2002 authorizes CBP to promulgate regulations, in accordance with certain parameters,²⁴ providing for the mandatory transmission of cargo information by way of a CBP-approved electronic data interchange (EDI) system before the cargo is brought into or departs the United States by any mode of commercial transportation. The required cargo information is that which is reasonably necessary to enable high-risk cargo to be identified for purposes of ensuring cargo safety and security, pursuant to the laws enforced and administered by CBP.

Section 203 of the Security and Accountability for Every Port Act of 2006 (Pub. L. 109–347, 120 Stat 1884) (SAFE Port Act), requires the Secretary of Homeland Security, acting through the Commissioner of CBP, to promulgate regulations requiring the electronic transmission of additional data elements for improved high-risk targeting, including appropriate security elements of entry data for cargo destined to the United States by vessel. These electronic data elements are required prior to loading the cargo on vessels at foreign seaports.

Most recently, on October 24, 2018, Congress enacted the “Substance Use—Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act” (SUPPORT for Patients and Communities Act). Public Law 115–271. Title VIII of this law is the “Synthetics Trafficking and Overdose Prevention Act of 2018” (STOP Act), which mandates certain actions regarding mail.²⁵ Section 8003 of the STOP Act amends section 343(a)(3)(K) of the Trade Act of 2002, to require DHS to prescribe regulations mandating that USPS transmit certain advance electronic information for inter-

²⁴ Section 343(a)(3) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)) provides parameters for developing regulations under the Act, such as consulting parties likely to be affected by the regulations, considering existing commercial practices, and taking into account the extent to which the technology necessary for parties to transmit the information is available.

²⁵ Section 8002 of the STOP Act imposes new payment requirements for items that are sent to the United States through the international postal network by Inbound Express Mail service (EMS). This section also requires the Secretary of the Treasury to prescribe new regulations in this regard. The regulations to implement section 8002 of the STOP Act was the focus of a separate CBP and Department of the Treasury rulemaking. 85 FR 47018 (Aug. 4, 2020).

national mail shipments to CBP.²⁶ This rule implements the AED requirements set forth in the STOP Act.²⁷

2. Regulatory History

The AED requirements as currently provided in CBP's regulations pursuant to the Trade Act of 2002 and the SAFE Port Act are described below. They generally require the carrier or other eligible parties to provide certain AED to CBP. The specific requirements vary by mode of transportation.

i. Trade Act of 2002 Implementing Regulations

On December 5, 2003, CBP published a final rule in the **Federal Register** (68 FR 68140) to effectuate the provisions of the Trade Act of 2002 (Trade Act final rule). The Trade Act final rule amended the regulations in title 19, Code of Federal Regulations (CFR), to require carriers or other eligible parties to submit certain electronic data for cargo in advance, *i.e.*, AED. The required time frame varies depending on the mode of transportation:

- For vessel cargo, the AED must be received by CBP 24 hours before the cargo is laden aboard the vessel at the foreign port. 19 CFR 4.7.

- For air cargo, the AED must be received by CBP either: (1) No later than the time of the departure of the aircraft for the United States,²⁸ in the case of aircraft that depart for the United States from any foreign port or place in North America, including locations in Mexico, Central America, South America (from north of the Equator only), the Caribbean, and Bermuda; or (2) no later than 4 hours prior to the arrival of the aircraft in the United States, in the case of aircraft that depart for the United States from any foreign area other than that specified in 19 CFR 122.48a(b)(1). 19 CFR 122.48a(b)(1).

- For rail cargo, the AED must be received by CBP no later than 2 hours prior to the cargo reaching the first port of arrival in the United States. 19 CFR 123.91.

²⁶ Sec. 802, Consolidated Appropriations Act, 2021, Public Law 116–260 (Dec. 27, 2020), further amended certain provisions of the Trade Act of 2002, such that during the period beginning on January 1, 2021, through March 15, 2021, the Postmaster General may accept a shipment without transmission of AED if the Commissioner determines, or concurs with the determination of the Postmaster General, that the shipment presents a low risk of violating any relevant United States statutes or regulations, including statutes or regulations relating to the importation of controlled substances such as fentanyl and other synthetic opioids.

²⁷ In keeping with the requirements of the Trade Act of 2002, these regulations are developed in adherence to the parameters set forth in section 343(a)(3) of the Trade Act of 2002 (19 U.S.C. 1415(A)(3)).

²⁸ The trigger time is no later than the time that wheels are up on the aircraft, and the aircraft is en route directly to the United States. 68 FR 68140; *see also*, 19 CFR 122.48a(b).

- For truck cargo, the AED must be received by CBP no later than either 30 minutes or 1 hour prior to the carrier's reaching the first port of arrival in the United States, or such lesser time as authorized, based upon the CBP-approved system employed to present the information. 19 CFR 123.92.

To date, no rule has been published that extends the advance electronic cargo information mandate to USPS shipments.

ii. SAFE Port Act and ISF Regulations

Pursuant to section 203 of the SAFE Port Act, and section 343(a) of the Trade Act of 2002, on November 25, 2008, CBP published an interim final rule in the **Federal Register** (73 FR 71730), requiring importers (referred to as ISF importers) and carriers to submit additional information pertaining to cargo before the cargo is brought into the United States by vessel.²⁹ This became known as the Importer Security Filing or "ISF" rule. The ISF rule was silent on whether it covered mail shipments or whether USPS is considered to be an ISF importer. To date, CBP has not required ISF information from USPS.

iii. ACAS Regulations

To address ongoing aviation security threats, on June 12, 2018, CBP published an interim final rule in the **Federal Register** entitled, "Air Cargo Advance Screening (ACAS)" (83 FR 27380), which amended the CBP Trade Act regulations to implement a mandatory ACAS program. Under this program, specified AED must be submitted to CBP for air cargo transported onboard U.S.-bound aircraft as early as practicable, but no later than prior to loading of the cargo onto the aircraft. *See* 19 CFR 122.48b(b)(1). The party submitting the initial ACAS data must also update the initial filing if any submitted data changes or more accurate data becomes available, up until the timeframes specified in 19 CFR 122.48a(b) for submitting advance information under 19 CFR 122.48a(a). *See* 19 CFR 122.48b(b)(2). The required ACAS data is a subset of the data required under 19 CFR 122.48a. The ACAS program enhances the security of the aircraft and passengers on U.S.-bound flights by enabling CBP to perform targeted risk assessments on the air cargo earlier, namely, prior to the aircraft's departure for the United States. These risk assessments aim to identify and prevent high-risk air cargo from being loaded on the aircraft that could pose a risk to the aircraft during flight.

²⁹ The ISF requirements apply to vessels and are requirements in addition to what is required pursuant to the Trade Act rule. In general, ISF importers must submit the required information 24 hours before the cargo is laden aboard the vessel at the foreign port. In general, carriers are required to provide stow plan information 48 hours after the vessel departs from the last foreign port, or for voyages less than 48 hours, prior to arrival. *See* 19 CFR part 149 (AED requirements for ISF importers) and 19 CFR 4.7c (AED requirements for carriers); *see also* 19 CFR 4.7d.

iv. Mail Importation Regulations

Title 19 CFR part 145 contains the specific requirements and procedures for the importation of mail subject to customs examination. These regulations are discussed in section III.C (AED and the Mail System), below. There is currently no AED requirement for mail shipments in 19 CFR part 145.

C. AED and the Mail System

Currently, the AED requirements described in section III.B. (Statutory and Regulatory History) above have not been applied to items being shipped via the international mail system. This is due to unique circumstances that pertain to international mail shipments that do not exist for non-mail shipments. Specifically, there are different processes, technologies, and international agreements that apply to international mail shipments that are not applicable to non-mail shipments. These differences must be taken into account in developing AED requirements for international mail. This rule establishes AED requirements for international mail that take its unique circumstances into account. CBP has consulted with USPS in the development of this rule.

The sections below describe in detail the CBP requirements and processes for mail shipments, the international transmission of AED and USPS's transmission of that AED to CBP.

1. The International Mail System for Inbound U.S. Mail

International mail destined for the United States is customarily collected at origin country local branches (*i.e.*, local post offices) of foreign postal operators (FPOs), moved to larger international mail processing centers (IMPCs),³⁰ sorted and loaded for transport to the United States.³¹ Most mail is transported to the United States in the cargo portion of commercial carrier flights, although some mail may be transported via sea, rail, or land. IMPCs communicate the pending arrival of mail shipments via an automated messaging system described in further detail below. Mail arrives in the United States at a CBP port of arrival. After arrival it is transferred to an International Mail Facility (IMF) or International Service Center (ISC) for process-

³⁰ In the United States, IMPCs are referred to as "International Mail Facilities" or IMFs. In this document, we use the term IMPC where the reference is to a facility located outside the United States and the term IMF when the reference is to a facility located within the United States.

³¹ For further information about IMPCs see: <http://www.upu.int/en/activities/standards/impcs.html>.

ing and inspection by USPS and CBP.³² Once mail is cleared by CBP, it enters the domestic mail stream.³³

The international mail system is governed by the Universal Postal Union (UPU). The UPU was established in 1874 and has its headquarters in Berne, Switzerland. It is a specialized agency of the United Nations that governs the international movement of mail amongst its over 190 member countries under the Universal Postal Convention. Members of the UPU agree to provide a “single postal territory” for international mail, which involves responsibility for sending and receiving international mail across a global network of cooperating posts. The UPU establishes the rules for international mail exchange among its members and provides technical assistance to improve the quality of postal services. It is the primary forum for cooperation between postal sector entities across a global network of posts. The United States is a member of the UPU. Pursuant to 39 U.S.C. 407, the Department of State, in collaboration with USPS represents the United States at the UPU.³⁴ USPS is the designated postal operator in the United States and is required to accept and deliver inbound international mail on behalf of foreign postal operators.

Both documents and goods may be transported through the international mail system. There are four main classes of mail relevant to this rule, described in more detail in section IV.B (Definitions) and C (Mandatory Advance Electronic Data (AED)): *Letter class mail—documents*, *Letter class mail—goods* (also referred to as “small packets”), Parcel post, and Express Mail Service (EMS).³⁵ Most countries, including the United States, impose customs requirements only on packages containing goods. For these, customs declaration forms with specific data requirements agreed to at the UPU are used world-

³² IMFs are CBP facilities. USPS has a presence at each IMF. At four of the IMFs USPS operates a major ISC.

³³ The mail inspection process is described in detail in sections III.C.1 (The International Mail System for Inbound Mail) and III.C.5 (Current USPS Transmission of AED to CBP).

³⁴ Pursuant to 39 U.S.C. 407, the Secretary of State is responsible for the formulation, coordination and oversight of foreign policy related to international postal services, and has the power to conclude postal treaties, conventions and amendments related to the same. In addition, in carrying out the aforementioned responsibilities, the Secretary of State shall coordinate with other agencies as appropriate, and include appropriate liaison with the USPS. See 39 U.S.C. 407(b).

³⁵ As noted earlier, the UPU uses slightly different terminology, *i.e.*, letter post rather than letter class, however, in order to remain consistent with existing CBP regulations, this rule will use the term letter class.

wide.³⁶ For the most part, the international mail process is paper-based and involves the sender providing information to an FPO using paper forms that are affixed to the package and the FPOs submitting that information/form to the destination post. In the case of the United States, the destination post is USPS. USPS in turn submits this information to CBP. In the electronic environment, information also travels between established postal networks and uses existing messaging standards. In order to require AED for mail shipments to the United States, FPOs first have to develop the capability to provide AED to USPS. Until recently, that capability was non-existent. However, in recent years, a number of FPOs, as well as the United States, have been moving towards providing AED for mail, and USPS has been actively pursuing data sharing agreements with several countries that would require the mutual transmission of AED. Concurrently, the UPU has developed a Customs Declaration System (CDS) that can be used by any country to collect and transmit customs data and the United States has been assisting with capacity building efforts. As a result of the STOP Act and other international efforts to require AED for international mail, the capability and the provision of AED for international mail shipments has been increasing and is now likely to be accelerated.

In general terms, all international mail arriving into the United States is subject to examination by CBP. Initially, all packages enter the mail facility through a portal designed to detect radiation. Once inside the facility, a subset of packages is targeted for additional non-intrusive inspection, and a subset of these undergoes further visual inspection by CBP officers. Due to the large volume of mail arriving in the United States on a daily basis, it is not feasible for CBP to inspect every package for illegal or dangerous items. Therefore, CBP has established protocols to determine which packages it will consider for inspection based on intelligence surrounding known risks, referred to as targeting.

³⁶ Specifically, the UPU forms CN 22 and 23 as described in the Acts of the UPU (which include the UPU Constitution, General Regulations, Convention Regulations, and Postal Payment Services Agreement). The United States requires a customs declaration on certain incoming mail, as set forth in 19 CFR part 145, subpart B. The forms CN 22 and CN 23, provided by the foreign postal operators to the sender, are used for such purpose. As such, the forms indicate the sending country. In general terms, the CN 22 requires, inter alia, the item ID (barcode), sender name, address (a sender may also provide a telephone/fax/email), recipient name and address, description of contents, quantity, weight, and value, conditionally requires the HS Tariff number, country of origin and comments (e.g. whether goods are subject to quarantine, sanitary/phytosanitary inspection or other restrictions), and contains a section for the mailing office to place a date stamp, thus providing the mailing date. The CN 23 is required for items valued over \$300. The CN 23 requires the same information as the CN22, as well as postal charges/fees, conditionally requires a license number, certificate number and invoice number, optionally requires the importer's reference number and telephone/email.

As noted above, the United States and various other members of the UPU have improved technical capabilities to provide AED in the postal environment in recent years. At present, a number of FPOs collect and share AED with USPS voluntarily or on the basis of mutual agreements. The AED generally includes the same information collected on the customs declarations forms for mail.³⁷

Since 2014, USPS and CBP have been engaged in a pilot program at various IMFs to use the inbound AED collected by USPS to develop more automated and sophisticated targeting systems. The pilot program is described in more detail in section III.C.5 (Current USPS Transmission of AED to CBP). AED allows CBP to target based on information customarily provided by the sender on the customs declarations forms. This information is received by USPS, which in turn provides it to CBP. CBP officers analyze the information at targeting facilities, including the CBP Office of Field Operations National Targeting Center (NTC), and at IMFs in the United States. This electronic data-driven approach is expected to result in better targeting of packages most likely to contain illegal goods. Moreover, because AED data can be analyzed prior to the arrival of a package at the IMF, the provision of AED will enable CBP to place a hold request on a package in time for USPS to prepare its systems to locate the package. While CBP expects to utilize AED targeting alongside other risk assessment methods and random inspections, the mandatory provision of AED will enable more sophisticated and efficient targeting moving forward. As the volume of mail received in the United States steadily rises, the ability to target better and more efficiently is of critical importance.

2. Current CBP Regulatory Requirements for Mail Shipments to the United States

Title 19 CFR part 145 contains the specific requirements and procedures for the importation of mail subject to CBP examination. Currently, the focus of these regulations is on duties and entry requirements and it does not include an AED requirement for mail shipments. This rule amends the existing regulations to add a new subpart G to part 145 to cover AED for mail shipments. Several sections included in part 145 are relevant to this rule.

Section 145.1 provides definitions for *mail article* and *letter class mail*. A *mail article* is any posted parcel, packet, package, envelope, letter, aerogramme, box, card, or similar article or container, or any contents thereof, which is transmitted in mail subject to customs

³⁷ Currently, these are usually the UPU forms CN 22 and CN 23.

examination. *Letter class mail* is any mail article, including packages, post cards, and aerogrammes, mailed at the letter rate or equivalent class or category of postage. This rule adds some new definitions in the new subpart G that are relevant to the AED provisions, including definitions of *letter class mail—documents* and *letter class mail—goods*. Pursuant to § 145.11(a), a clear and complete Customs declaration on the form provided by the foreign post office, giving a full and accurate description of the contents and value of the merchandise, must be securely attached to at least one mail article of each shipment. Currently, this requirement is satisfied by attaching a UPU declaration form. This requirement generally does not apply to *letter class mail—documents*.

The above provisions will continue to apply to 19 CFR part 145, including the new subpart G regarding AED.

3. Process for Mail Shipments to the United States

Most international mail comes to the United States by air, although it can be transported by any mode of transportation. The mail process is briefly described below.

International mail is generally subject to customs control and eligible mail items are accompanied by paper forms.³⁸ After receipt of the mail item with paper forms that satisfy the requirements of 19 CFR 145.11,³⁹ the FPO assigns it to a labeled receptacle, typically a bag or tray. Receptacles are then assigned to a dispatch. A dispatch is a shipment of receptacles of the same mail category and class sent from one post to another. A dispatch may consist of only one receptacle (*e.g.*, bag or tray) or may consist of several, depending on the volume of mail at the time. Each dispatch is accompanied by a paper bill describing the dispatch.⁴⁰ This “dispatch level information” includes information relating to the origin and destination post, dispatch number, date of departure of the transporting conveyance, scheduled international mail facility, total weight of dispatch, and

³⁸ These are UPU Forms CN 22 and 23. For examples of the CN 22 and CN 23 forms, see the WCO–UPU Postal Customs Guide, Universal Postal Union (June 2014) at pages 31, 33, found at <http://www.upu.int/en/activities/customs/wco-upu.html>. See also, footnote 36. Letters and papers sent letter class mail to the United States are generally not subject to customs control.

³⁹ These are the UPU forms CN 22 and CN 23. For more information, see footnotes 36 and 40.

⁴⁰ These are the UPU forms CN 31 letter bill, CN 32 letter bill for bulk mail or CP 87 parcel bills. See <http://www.upu.int/en/activities/letter-post/form-completion-instructions.html>, <http://www.upu.int/en/activities/parcels/form-completion-instructions.html> (last accessed July 24, 2019).

similar information for receptacles contained within the dispatch.⁴¹ Individual receptacles of a dispatch do not always stay together as they progress through the supply chain. The FPO hands over the receptacles to the transporting carrier, along with dispatch level information on the mail to be conveyed.⁴² The carrier does not receive any item level information about the contents or other data about mail items in the receptacles.

The carrier assigns receptacles to a specific transport—referred to as a consignment—regardless of the dispatch (or dispatches) to which the receptacles belong. The transporting carrier, pursuant to CBP manifest requirements, manifests the shipment as receptacles of mail. Upon arrival in the United States at a CBP port of arrival the mail is transferred to an IMF or ISC for processing and inspection by USPS and CBP.⁴³ USPS scans the barcoded receptacle IDs, opens the receptacles, and scans the barcoded mail as received. USPS is generally required to present all inbound mail to CBP for inspection. CBP then selects mail for inspection based on its risk determinations, as described above. Subject to certain exceptions, CBP can open any mail item and hold it for further examination or review. Once the mail is cleared, CBP returns it to USPS to be introduced to the domestic USPS network and delivered to its final destination.

As described further in section III.C.5 (Current USPS Transmission of AED to CBP), USPS transmits AED to CBP only in those cases where the sending FPO has an agreement with USPS and USPS actually receives AED, and where the pilot program between CBP

⁴¹ In UPU terms, when this information is transmitted electronically, it may be referred to as “pre-advance of dispatch” or PREDES. As described in section IV (Mandatory AED for Mail Shipments) below, the U.S. receives this information electronically, *i.e.*, as PREDES, in situations where the USPS–CBP pilot is active and a data sharing agreement exists between the United States and the origin post.

⁴² In UPU terms, this dispatch level information conveyed to the carrier is referred to as “carrier/ documents international transport advice.” The information is provided via copies of the paper Delivery Bills CN 38 and CN 41, or the equivalent electronic message referred to by the UPU as CARDIT. The information contains dispatch level information similar to the information the destination post receives, as well as the origin post’s expectation of the transport service for the consignment of mail receptacles assigned to the carrier.

⁴³ The USPS has nine international mail processing facilities in the United States. Five of these facilities are designated as International Service Centers (ISCs) and they process inbound international mail originating from, and dispatch outbound international mail destined to, foreign countries. The five ISCs are located in: New York City, New York; Miami, Florida; Los Angeles, California; San Francisco, California; and Chicago, Illinois. USPS also receives international mail in four smaller facilities in Honolulu, Hawaii; Newark, New Jersey; San Juan, Puerto Rico; and St. Thomas, U.S. Virgin Islands. In this rule, we will refer to USPS facilities collectively as “mail facilities” unless it is necessary to make a specific reference to an ISC. Separately, CBP has nine International Mail Facilities (IMFs), located at or near the USPS mail facilities, in: New York City, New York; Miami, Florida; Los Angeles, California; San Francisco, California; Chicago, Illinois; Honolulu, Hawaii; Newark, New Jersey; San Juan, Puerto Rico; and St. Thomas, U.S. Virgin Islands. In our document, we will refer to the CBP facilities as IMFs.

and USPS for the transmission of such AED is operational. In cases where CBP does not receive AED for a mail shipment, the only information CBP receives is on the paper forms affixed to the package.⁴⁴ This means that CBP generally only gets an opportunity to access this information when the mail shipment is physically presented. This paper process does not provide sufficient time for CBP to evaluate risks in advance or even after the items have been presented, due to the steadily increasing volume of mail reaching the United States and the need for speedy clearance for domestic distribution of the mail.

4. International Framework for the Provision of AED for Mail Shipments

In 2012, with strong U.S. encouragement, the UPU resolved to advance an international mail security model that would rely on the provision of AED, adopting Article 8 (Postal Security) of the Universal Postal Convention to provide for the exchange of AED, effective January 1, 2014.⁴⁵ As a result, the UPU established an AED task force to help guide and accelerate programs necessary to advance the provision of AED by the UPU membership. This entailed the member countries' agreeing on a standardized AED message format, having the UPU develop Information Technology (IT) systems capable of transmitting AED, and fostering efforts to build capacity by providing these IT systems (and training) to postal operators in need of them. These efforts have increased the adoption of AED exchanges among UPU members and have made it easier for countries to participate. The UPU and its member countries continue to move towards making AED mandatory if required by destination customs and/or security authorities.

Separately, the World Customs Organization (WCO)⁴⁶ SAFE Framework of Standards of 2015⁴⁷ provides standards on implementing a Pre-loading Advance Cargo Information (PLACI) regime as an

⁴⁴ As noted earlier, these are the UPU forms CN 22 and CN 23. For more, see footnotes 36 and 40.

⁴⁵ Joint WCO–UPU Guidelines on the Exchange of Electronic Advance Data (EAD) Between Designated Operators and Customs Administrators, at 12, available at <http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/tools/joint-wco-upu-guidelines.aspx> (last accessed July 31, 2019).

⁴⁶ The World Customs Organization (WCO) is an independent intergovernmental body with a mission to enhance the effectiveness and efficiency of Customs administrations. The WCO provides a forum for dialogue between national Customs delegations, technical assistance and training. It is also a global center of customs expertise in all modes of traffic, including postal traffic. WCO–UPU Postal Customs Guide, Universal Postal Union (June 2014) at page 6.

⁴⁷ Acronym for Framework of Standards to Secure and Facilitate Global Trade (“SAFE Framework of Standards”).

additional layer of security for air cargo and mail shipments. Specifically, a PLACI regime includes the submission of pre-loading data (7+1 data elements)⁴⁸ by various entities in the air cargo supply chain, including “Postal Operators,” as soon as the information becomes available, but no later than prior to loading the cargo/mail shipment onto the aircraft.⁴⁹ The goal is to ensure a harmonized approach towards the implementation of the PLACI regimes, so that Members may align their efforts to the fullest extent possible.

The AED requirements set forth in this rule are consistent with these international programs.

5. Current USPS Transmission of AED to CBP

Since the enactment of the Trade Act of 2002, the United States and a number of other industrialized countries have improved their technical capabilities to provide AED. AED for inbound international mail is made possible by FPOs collecting and sharing the data with USPS voluntarily, through bilateral or multilateral agreements. In order to receive AED from a foreign post, USPS needs to sign a data sharing agreement that sets out the appropriate data formats to be used, privacy considerations, and regulatory requirements. USPS has leveraged its provision of AED for outbound shipments to incentivize FPOs to provide AED for inbound shipments. Additionally, USPS has prioritized obtaining AED from the largest volume FPOs, which collectively account for more than 90 percent of all inbound volume. Currently, USPS has data sharing agreements with about 150 foreign postal operators, though such data sharing agreements do not imply that a foreign post is actually tendering data to USPS. Such agreements rather provide a mechanism for the exchange of such data were it to occur.

Currently, USPS adheres to global standards established by the UPU for the particular data element requirements for the AED it collects. These data elements include item information⁵⁰ (referred to by the UPU as ITMATT, which is the Item Attribute EDI message standard) such as the sender’s full name and address (including full business name), the recipient’s full name and address, the stated

⁴⁸ The shipper name and address (referred to as the consignor per the WCO guidelines), consignee name and address, cargo description, piece count, weight and the air waybill number. See Annex III of the SAFE Framework of Standards.

⁴⁹ Representative PLACI regimes include the United States Air Cargo Advance Screening (ACAS), Canada Pre-load Air Cargo Targeting (PACT), and European Union Pre-load consignment information for secure entry (PRECISE).

⁵⁰ This item information is the same information collected using UPU forms CN 22 and 23 in the paper environment. For additional information, see Section III.C.1 (International Mail System for Inbound Mail) and footnotes 36, and Section III.C.2 (Current CBP Requirements for Mail Shipments to the U.S.) and footnote 40.

content description, unit of measure, and the quantity, weight, value, and date of the mailing.⁵¹ The data also includes receptacle and flight arrival information (referred to by the UPU as PREDES).⁵² As detailed in section IV.C.4.a (Item Attribute Information), with the exception of the elements declared value and designated operator, the required data elements are comparable to the information CBP requires under ACAS and the Trade Act of 2002 implementing regulations.⁵³ In general, under the pilot FPOs are required to submit AEDup to four hours prior to loading. The pilot is discussed in greater detail below.

USPS and CBP began a pilot program in 2014 at the New York IMF to use the inbound AED that USPS collects as detailed above to facilitate more automated and advance targeting by CBP. Starting in 2015, similar pilot programs and targeting based on AED have been expanded to include seven IMFs. Concurrently, on September 1, 2017, CBP and USPS signed a Memorandum of Understanding (MOU) in which both agencies agreed to collaborate together on day-to-day operations, strategic planning, and other initiatives related to the inspection of goods imported and exported through the mail, including the transmission of AED.⁵⁴ To date, the pilots cover seven IMFs, and pursuant to these pilots USPS transmits AED to CBP on incoming mail, assuming it is provided with the AED by the FPO. The pilots are voluntary and even FPOs with agreements with the USPS do not provide AED on all mail sent to the United States and there are no consequences for non-compliance.

Pursuant to the pilot, if USPS receives AED, USPS provides CBP with that AED via electronic message files from the USPS Electronic Manifest-Central Database (EM-CDB) system to CBP's Automated

⁵¹ See generally, Joint WCO-UPU Guidelines on the Exchange of Electronic Advance Data (EAD) Between Designated Operators and Customs Administrators, available at <http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/tools/joint-wco-upu-guidelines.aspx> (last accessed July 24, 2019).

⁵² This information is the same information collected using UPU forms CN 31, 32 and 87 in the paper environment. For additional information, see Section III.C.2 (Current CBP Requirements for Mail Shipments to the U.S.) and footnotes 40, 41, and 42.

⁵³ As noted previously, the element relating to declared value is required on the customs declarations forms. The designated operator generally appears on these forms. (Designated operator is the entity officially designated by a member country of the UPU to operate postal services and fulfill its treaty obligations to the UPU and is usually the entity that issues the declaration forms. For example, in the United States, the designated operator is USPS and is reflected on the USPS declaration forms for use by senders mailing items to destinations outside the United States. Similarly, the declaration forms for mail coming to the United States generally reflect the designated operator of the sending post/country).

⁵⁴ The MOU was updated in June 2019 and again in December 2020.

Targeting System (ATS)⁵⁵ to enable CBP to review and target specific high-risk mail items prior to their arrival in the United States. AED allows CBP to target based on the same information provided by the sender on the customs declarations forms (including sender name, recipient name, and the contents of the package), except in the AED environment this information is provided in advance in electronic form. This AED is analyzed by CBP officers at IMFs using locally developed algorithms as well as intelligence linked to their system from the NTC and local law enforcement. For example, CBP officers may flag a package being sent by a known distributor of illicit drugs. CBP identifies the individual target items by placing what is called an electronic hold on the item. An electronic hold is transmitted to USPS using a secure file transfer protocol between CBP and USPS that is automated and takes place in near real-time. USPS then uses its barcode tracking and scanning system to locate the inbound targeted high-risk items with electronic holds. The holds are executed at the USPS mail facilities, downstream plants or delivery units. Once located, USPS presents the targeted items to CBP for inspection.

The USPS–CBP AED pilot programs, which are voluntary and depend upon mutual agreement with some, but not all FPOs, will be replaced by the AED regulatory program when this rule takes effect. After implementation of the rule, the AED requirement will be mandatory and enforceable.

IV. Mandatory AED for Mail Shipments

To fulfill the STOP Act⁵⁵ mandate to stem the flow of deadly opioids and to facilitate the interdiction of suspect packages, CBP is establishing requirements for USPS to transmit certain AED for inbound international mail shipments. This AED consists of two elements—“Item attribute information” and “Pre-advice of despatch information”.

Item attribute information is the information about the attributes (characteristics) of mail items and their contents already collected through the customs declaration forms, including the contents and value of the goods in the package as well as sender and recipient information.⁵⁶ USPS will collect this information from its counterparts at foreign posts through existing “ITMATT” electronic messages.

⁵⁵ The CBP Automated Targeting System (ATS) is the system of data CBP currently uses for this purpose.

⁵⁶ For a more detailed discussion of this information as collected in the paper environment, see Section III.C.1 (International Mail System for Inbound Mail) and footnote 36, and Section III.C.2 (Current CBP Requirements for Mail Shipments to the U.S.) and footnote 40.

Pre-advice of despatch information is information about the shipment (“dispatch” or “despatch”)⁵⁷ of mail receptacles of the same category and class sent from one post to another that includes the mail item. This information relates to the movement of the package by a carrier and is information of the type customarily collected by USPS via letter or parcel bills,⁵⁸ including the scheduled date and time of arrival in the United States, transportation information (*e.g.*, carrier, flight number, voyage number), and destination IMF.⁵⁹ USPS will collect this information from its counterparts at foreign posts through existing “PREDES” electronic messages.

Obtaining this ITMATT information and the dispatch level information as AED will enable CBP to better identify, target and mitigate high-risk mail shipments.

Taking into account how the international mail process works, these requirements are comparable to the requirements for the transmission of AED imposed on similar non-mail shipments and are consistent with the requirement in section 343(a)(3) of the Trade Act of 2002 (19 U.S.C. 1415) that regulations developed under the Act consider certain parameters.⁶⁰ As described in section III.B (Statutory and Regulatory History), CBP’s AED requirements for non-mail shipments vary depending on the mode of transportation and generally require the carrier to transmit the information to CBP. However, the requirements for transmission of AED for mail shipments must follow the international postal framework which does not vary based on mode of transportation. Additionally, the STOP Act specifically provides that USPS must provide AED for mail shipments to CBP.⁶¹ For non-mail, the AED requirements generally pertain to carriers and other eligible parties. Accordingly, the AED requirements set forth in this rule are comparable to the AED requirements for non-mail. These AED requirements will be the only AED requirements applicable to USPS for inbound international mail shipments at this time.

⁵⁷ Despatch is an international term of art used in UPU documentation. CBP has used the term here for consistency. The “pre-advice of despatch information” is usually referred to by its acronym PREDES in the AED format.

⁵⁸ The UPU forms CN 31, 32, and 87. For more information, see footnote 40.

⁵⁹ For a more detailed discussion of this information as collected in the paper environment, see Section III.C.2 (Current CBP Requirements for Mail Shipments to the U.S.) and footnotes 40, 41, and 42.

⁶⁰ The PAEA also mandates that CBP will afford comparable treatment to shipments of international mail that are competitive products, regardless of whether these are shipments by the Postal Service or shipments by private companies. *See* 39 U.S.C. 407.

⁶¹ While the STOP Act requires regulations that require USPS to provide AED for international mail shipments to CBP, it does not preclude CBP from imposing requirements to obtain AED relating to international mail shipments from other appropriate parties, such as private carriers. *See* section 343(a)(3)(K)(viii) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(viii)). This rule only addresses the AED that must be provided by USPS.

In order to implement mandatory AED for mail shipments, CBP must adhere to the parameters applicable to the development of regulations under section 343(a) of the Trade Act of 2002. While public health, safety and national security are paramount, the Trade Act of 2002 parameters require CBP to give due consideration to the concerns of the affected parties and the flow of commerce. These parameters include, among others, provisions requiring consultation with the affected parties and consideration of the differences in the practices among the different parties in comparable non-mail shipments. In addition, the parameters require that the information collected pursuant to the regulations be used for ensuring cargo safety and security, preventing smuggling, and commercial risk assessment targeting, and require CBP to balance the expected improvement in cargo safety and security with the impact of this information collection and targeting on the flow of commerce. The parameters also require that the obligations imposed must generally be upon the party most likely to have direct knowledge of the required information and mandate that if this is not feasible, that the obligations imposed take into account ordinary commercial practices for receiving data and what the party transmitting the information reasonably believes to be true. In developing the AED regulations, CBP has considered all of the parameters.

For this rule, USPS is the party responsible for providing AED to CBP. Throughout the development of the AED pilot and this interim final rule, CBP gathered information from the USPS about its business practices, the international mail system, and how to best formulate the mandatory AED requirements to take these business practices into consideration in developing a regulatory program that addressed the relevant security and public health concerns. As a result of these consultations, CBP has been able to develop AED regulations that, in accordance with the parameters of the Trade Act of 2002, balance the expected improvements in cargo safety and security with the impact of the regulations on the flow of commerce, and take into consideration existing standard business practices and interactions among stakeholders.

In developing these regulations, CBP also considered both the process and information flow with regard to the movement of international mail to the United States and international efforts to develop AED requirements. As described in section III.C (AED and the Mail System), the information regarding the item to be shipped to the United States is provided by the foreign sender to the FPO, the FPO provides the information to USPS, and USPS provides the information to CBP. Although the current process for providing the data is

often a paper-based process, under the provisions of this rule, the pertinent information must be provided by USPS to CBP electronically in advance, *i.e.*, as AED. It is important to note that the ITMATT data that USPS must provide to CBP electronically under this rule is the same data that USPS receives from the FPO via the customs declarations forms, which CBP is able to access when packages are presented for inspection.⁶² Similarly, the PREDES data is the same information that USPS receives from the FPOs on certain UPU forms.⁶³ The key difference is that under this rule CBP will receive the data in electronic form prior to the arrival of the mail shipments, which will allow for sophisticated and more effective targeting than the pre-rule paper-based process. Under the pilot programs between CBP and USPS and when information sharing agreements exist between the USPS and other FPOs, USPS has also been providing this information, as well as PREDES information, electronically. However, under these arrangements, the furnishing of this advance information is voluntary and does not cover all mail shipments. Under this rule, the data must be transmitted electronically and in advance in *all* instances, subject to the graduated compliance provided for in the new regulations.⁶⁴

As discussed in section III.C.4 (International Framework for the Provision of AED for Mail Shipments), in the international arena, various efforts are underway to provide for the exchange of AED. The AED referenced in Article 8 (Postal Security) of the Universal Postal Convention is the same type of data that is currently provided through paper forms. The pre-loading data provided pursuant to the WCO SAFE Framework of Standards PLACI regime is comparable to what USPS will be required to provide to CBP under this rule. Thus, the AED requirements in this rule are consistent with existing international programs.

To implement the AED requirements, CBP is adding a new subpart G to 19 CFR part 145, titled Mandatory Advance Electronic Data for Mail Shipments, and making certain conforming revisions to 19 CFR

⁶² See footnote 36 for more details.

⁶³ As noted above in Section III.C.2 (Current CBP Requirements for Mail Shipments to the U.S.) and in footnotes 41 and 42, this “dispatch level information” includes information relating to the origin and destination post, dispatch number, date of departure of the transporting conveyance, scheduled international mail facility, total weight of dispatch, and similar information for receptacles contained within the dispatch. This information is provided to USPS via UPU forms CN 31, 32 and 87. In the AED environment, this is referred to as “PREDES”.

⁶⁴ As provided in section 343 (a)(3)(K)(iv) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(iv) and the new regulations, USPS will be required to provide AED on 100% of mail shipments no later than December 31, 2020.

145.0. Additionally, CBP is revising 19 CFR parts 4, 122, 123, and 149 to clarify that the AED requirements for mail importations are found in part 145.

A. *New 19 CFR Part 145, Subpart G*

The new subpart G of 19 CFR part 145, titled Mandatory Advance Electronic Data for Mail Shipments, adds three new sections to the regulations. New § 145.73 adds various definitions specific to the subpart. New § 145.74 provides details regarding the mandatory AED that CBP must receive from USPS. New § 145.75 provides the applicable penalties if USPS accepts a shipment in violation of the regulations.

B. *Definitions*

The new 19 CFR 145.73 provides definitions for terms as they are used in the new subpart G. Specifically, for purposes of this subpart the terms *Designated operator*, *Express Mail Service* or *EMS*, *International Mail Facility* or *IMF*, *Item ID*,⁶⁵ *Letter class mail—documents*,⁶⁶ *Letter class mail—goods*, *Parcel post*, and *Universal Postal Union* or *UPU* are defined as set out in the regulatory text below.

C. *Mandatory Advance Electronic Data (AED)*

1. *General Requirements*

The new AED regulation, 19 CFR 145.74, provides that pursuant to section 343(a)(3)(K) of the Trade Act of 2002 (Pub. L. 107–210, 19 U.S.C. 1415), as amended, for certain inbound international mail shipments, CBP must electronically receive from USPS within the specified time frames certain mandatory advance electronic data (AED) and updates thereto. Below, we describe the new program, including the types of inbound international mail shipments for which AED is required, the time frames for providing and updating AED, the required AED, the potential exclusion from AED require-

⁶⁵ For example, the UPU Technical Standard S10. UPU standards (both technical and messaging) are available for purchase (subscription or individual copy) via the UPU website at www.upu.int/en/activities/standards/about-standards.html.

⁶⁶ As noted in section III.C.2 (Current CBP Regulatory Requirements for Mail Shipments to the United States), 19 CFR 145.1 provides definitions for *mail article* and *letter class mail*. 19 CFR 145.1(a) defines *mail article* as any posted parcel, packet, package, envelope, letter, aerogramme, box, card, or similar article or container, or any contents thereof, which is transmitted in mail subject to customs examination. 19 CFR 145.1(b) defines *letter class mail* as any mail article, including packages, post cards, and aerogrammes, mailed at the letter rate or equivalent class or category of postage. These definitions will not change as a result of this rulemaking. New 19 CFR 145.73 adds additional definitions relevant to the new AED regulations.

ments for mail shipments from specific countries, compliance dates, and the expected actions for shipments for which USPS has not complied with the AED requirements.

2. Types of Inbound International Mail Shipments for Which AED Is Required

The new 19 CFR 145.74(b) provides that CBP must electronically receive AED from USPS for inbound international mail shipments containing goods classified as Express Mail Service (EMS), Parcel post, or *Letter class mail—goods*, unless CBP has informed USPS that mail shipments from that specific country or countries are excluded from the AED requirements. AED is not required for *Letter class mail—documents* or for items for the blind consisting of correspondence, literature in whatever format including sound recordings, and equipment or materials of any kind made or adapted to assist blind persons in overcoming the problems of blindness (up to 7 kilograms). Each of these terms is defined in new § 145.73. Under this rule, AED will not be required for items sent as Parcel Post or EMS that do not contain goods. AED will also not be required for returned U.S. origin items, items transiting the U.S. in closed transit, items sent as U.S. domestic mail, or mail treated as domestic, including mail to or from APO, FPO, and DPO addresses, mail to or from U.S. territories and possessions, and mail, from or between the Freely Associated States of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. However, this exclusion does not preclude CBP's existing authority to inspect any of these shipments. The scope of the new requirements is comparable to the scope of the requirements for advance electronic information for non-mail shipments. Advance electronic information for non-mail shipments is not currently required for letters and documents by the regulations promulgated under the Trade Act of 2002, as detailed in the preamble to the Trade Act final rule. See 68 FR 68140, 68150 (Dec. 5, 2003).⁶⁷

3. Time Frames for Providing and Updating AED

Under the Trade Act of 2002, as amended by the STOP Act, the time frame for submitting the AED for mail shipments must be as soon as practicable in relation to the transportation of the shipment, consistent with section 343(a)(3)(H) of the Trade Act of 2002. See 19 U.S.C.

⁶⁷ The scope of the AED regulations for inbound international mail shipments is generally consistent with Article 08-002 of the Universal Postal Convention Regulations. See Universal Postal Convention Manual: <http://www.upu.int/en/the-upu/acts-of-the-union-and-other-decisions/manuals-in-three-volumes.html> (last accessed: March 16, 2020).

1415(a)(3)(H).⁶⁸ The new 19 CFR 145.74(c) specifies the time frames for USPS to provide and update the AED. CBP must electronically receive from USPS the AED as soon as practicable, but no later than prior to loading the inbound international mail shipment onto the transporting conveyance. The *as soon as practicable but no later than prior to loading* time frame is the same time frame as in the ACAS regulations. See 19 CFR 122.48b(b)(1). Additionally, CBP must electronically receive from USPS updates to the AED, if any of the submitted data changes or more accurate data becomes available after USPS transmits the AED, up until the timeframes for AED updates set forth in the ACAS regulations in 19 CFR 122.48b(b)(2). The requirement to provide and update AED is the same as the current AED requirements for commercial cargo shipments. These time frames are consistent with the PLACI time frame of the SAFE Framework of Standards. In the interest of facilitating the objectives of the STOP Act and these regulations, USPS may continue to submit updates until the mail shipment arrives at the first CBP port of arrival in the United States.

4. Required AED

Under the Trade Act of 2002, as amended by the STOP Act, the required AED for international mail shipments is the information the Secretary determines is reasonably necessary to ensure cargo safety and security that is comparable to what is required for similar non-mail shipments, taking into account the parameters set forth in the Trade Act of 2002. The required AED is listed in the new 19 CFR 145.74(d). The AED that CBP must electronically receive from USPS within the specified time frames is the item attribute information and the pre-advice of despatch information, both described in more detail below. Some of this data is mandatory and other data elements are optional, but encouraged. The provided AED will only be used to the extent consistent with the Trade Act of 2002.

a. Item Attribute Information

The new 19 CFR 145.74(d)(1) sets forth the required AED categorized as item attribute information, that is, information about the attributes or characteristics of mail items and their contents. USPS receives the item attribute or “ITMATT” information from the origin

⁶⁸ Section 343(a)(3)(H) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(H)) provides that when determining the timing for transmittal of any information, the Secretary shall balance likely impact on flow of commerce with impact on cargo safety and security. With respect to requirements that may be imposed on carriers of cargo, the timing for transmittal of information shall take into account differences among different modes of transportation, as described in subparagraph (D).

post. USPS may then transmit this information to CBP in an electronic message that is the customs declaration equivalent to the paper declaration forms.⁶⁹

The required data elements are listed below. An “M” next to any listed data element indicates that the data element is mandatory in all cases and an “O” next to the listed data element indicates that the data element is optional, but encouraged if available. The AED elements categorized as item attribute information are:

- (1) Sender’s Name (M);
- (2) Sender’s Address (M);
- (3) Sender’s Telephone/fax/email (O);
- (4) Recipient’s Name (M);
- (5) Recipient’s Address (M);
- (6) Recipient’s Telephone/fax/email (O);
- (7) Detailed description of contents (M);
- (8) Quantity (M);
- (9) Weight (M);
- (10) Item ID (M);
- (11) Category of Item (gift, documents, sale of goods, commercial sample, merchandise, returned goods, other) (O);
- (12) Declared Value (M) *;
- (13) Date of Posting (O);
- (14) Postal Charges/Fees (O);
- (15) 10-digit HS Tariff Number (for commercial items) (O);
- (16) Country of Origin of Goods (for commercial items) (O);
- (17) Importer’s reference (tax code, VAT number, importer number, etc.) (O);
- (18) Importer’s telephone/fax/email (O);
- (19) License Number (O);
- (20) Certificate Number (O);
- (21) Invoice Number (O);
- (22) Details if the goods are subject to quarantine, sanitary/phytosanitary inspection, or other restrictions (O); and
- (23) Designated operator (M) *.

As noted previously, this required AED is aligned to the information already required on customs declarations forms that satisfy the requirements of 19 CFR 145.11 and are used by FPOs internationally pursuant to the guidelines set forth by the UPU. This alignment is consistent with the Trade Act of 2002 parameters, specifically 19 U.S.C. 1415(a)(3)(B), which provides that where it is not practicable

⁶⁹ As noted earlier, these are the UPU forms CN 22 and CN 23. For more information, see Section III.C.1 (International Mail System for Inbound Mail) and footnotes 36, and Section III.C.2 (Current CBP Requirements for Mail Shipments to the U.S.) and footnote 40.

to require information from the party with direct knowledge of that information, the regulations shall take into account how, under ordinary commercial practices, information is acquired by the party on which the requirement is imposed, and whether and how such party is able to verify the information. The majority of the mandatory data elements are also in line with the globally recognized PLACI data elements and with requirements for non-mail shipments, particularly the ACAS requirements for air cargo. The two exceptions, Declared Value and Designated Operator,⁷⁰ are noted with an asterisk in the list above. CBP is requiring USPS to provide these data elements to CBP because these data elements are globally recognized as mandatory.⁷¹ In the AED environment, USPS can easily provide this data (Declared Value, and Designated Operator) to CBP, and this data, along with the other required data, is valuable for targeting purposes to identify high-risk shipments. Although CBP is only making mandatory the data elements that are currently mandatory on the paper forms, CBP encourages USPS to transmit all available data elements to CBP in order for CBP to better target incoming mail.

b. Pre-Advice of Despatch Information

In addition to the information about each mail item, the required AED also includes information about the shipment, referred to as the “dispatch” or “despatch,” of mail receptacles of the same mail category and class sent from one post to another. As noted above, individual receptacles in one dispatch, may not arrive in the United States together as a unit. Dispatch level information helps CBP to identify where the mail items are likely to be and when they should arrive. This information is comparable to the shipment information CBP requires for non-mail shipments under the Trade Act final rule. However, it is tailored to align with the way mail is shipped (*i.e.*, in dispatches containing receptacles), the way information is provided by the origin post to USPS, and where the mail arrives. USPS receives the “pre-advice of dispatch” or “PREDES” information from the foreign post. USPS may transmit this information to CBP in an electronic message. The new 19 CFR 145.74(d)(2) lists the required AED categorized as “pre-advice of despatch information,” as follows:

⁷⁰ As defined in new 19 CFR 145.73, “Designated operator” means an entity officially designated by a member country of the UPU to operate postal services and fulfill its treaty obligations to the UPU. USPS is considered a designated operator for the United States.

⁷¹ These are the UPU forms CN 22 and CN 23. CBP accepts these forms as satisfactory for the requirements of a customs declaration under 19 CFR 145.11. For more information, see Section III.C.1 (International Mail System for Inbound Mail) and footnotes 36, and Section III.C.2 (Current CBP Requirements for Mail Shipments to the U.S.) and footnote 40.

- (1) Dispatch information including origin post, destination post, and dispatch number;
- (2) Scheduled date and time of departure of the transporting conveyance;
- (3) Scheduled date and time of arrival in the United States;
- (4) Transportation information including carrier and, as applicable, flight number, voyage number, trip number, and/or transportation reference number;
- (5) Scheduled International Mail Facility (IMF) in the United States;
- (6) Total weight of the dispatch; and
- (7) The information for receptacles contained within the dispatch, including receptacle type, receptacle ID, and weight, as well as item ID for items nested to the receptacles, if applicable.

5. Exclusions From AED Requirements for Mail Shipments From Specific Countries

Under the Trade Act of 2002, as amended by the STOP Act, CBP, in consultation with USPS, may determine to exclude a country from the AED requirements if CBP determines that certain specified conditions exist. New 19 CFR 145.74(e) incorporates this provision. It provides that pursuant to section 343(a)(3)(K)(vi) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vi)), CBP, in consultation with USPS, may determine that a specific country or countries do not have the capacity to collect and transmit AED, represent a low risk for mail shipments that violate relevant U.S. laws and regulations, and account for low volumes of mail shipments that can be effectively screened for compliance with relevant U.S. laws and regulations through an alternate means. It further provides that in such case(s), CBP will notify USPS that mail shipments from that specific country or countries are excluded from the AED requirements. Section 145.75(e) also provides that CBP will re-evaluate these determinations on an annual basis. This provision aligns not only with new section 343(a)(3)(K)(vi) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vi)), but also with the parameters set forth at section 343(a)(3)(E) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(E)), which requires regulations to take into account the extent to which the technology necessary for parties to transmit data is available.

6. Compliance Dates

The Trade Act of 2002, as amended by the STOP Act, specifies that USPS must fully comply with the AED requirements no later than December 31, 2020, but allows for the implementation of the AED

requirement in phases prior to that date. Pursuant to the statute, CBP may set incremental targets for the transmission of AED prior to December 31, 2020 that take into consideration the risk posed by such shipments, the volume of mail shipped to the United States by or through a particular country, and the capacities of foreign postal operators to provide that information to USPS. See section 343(a)(3)(K)(iv) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(iv)).

New 19 CFR 145.74(f) provides that full compliance is required no later than December 31, 2020, as set forth in section 343(a)(3)(K)(vi) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vi)). This means that, except for mail shipments from countries that are excluded from AED requirements pursuant to new 19 CFR 145.74(e), USPS must comply with the AED requirements of this section for 100 percent of mail shipments described in new 19 CFR 145.74(b) no later than December 31, 2020.

7. Shipments for Which USPS Has Not Complied With the AED Requirements

The Trade Act of 2002, as amended by the STOP Act, sets forth the actions to be taken for shipments for which USPS has not complied with the AED requirements. New 19 CFR 145.74(g) incorporates these provisions. Under new 19 CFR 145.74(g)(1), pursuant to section 343(a)(3)(K)(vii) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vii)), USPS must, in consultation with CBP, refuse any shipments received after December 31, 2020, for which the required AED is not received by CBP, unless remedial action is warranted in lieu of refusal of a shipment. If remedial action is warranted, CBP and USPS will determine the appropriate remedial action. Remedial action may include, but is not limited to, destruction, seizure, controlled delivery or other law enforcement initiatives, or a correction of the failure to provide the AED. Pursuant to an amendment to the Trade Act of 2002 that was included in Sec. 802, Consolidated Appropriations Act, 2021, Pub. L. 116-260, new 19 CFR 145.74(g)(2) provides that, notwithstanding paragraph (g)(1) of the section, during the period beginning on January 1, 2021, through March 15, 2021, the Postmaster General may accept a shipment without transmission of the information described in paragraph (d) of the section if the Commissioner determines, or concurs with the determination of the Postmaster General, that the shipment presents a low risk of violating any relevant United States statutes or regulations, including statutes or regulations relating to the importation of controlled substances such as fentanyl and other synthetic opioids.

D. Penalties

Section 8007 of the STOP Act amends section 436 of the Tariff Act of 1930 (19 U.S.C. 1436) to add a new paragraph (e), which mandates the imposition of civil penalties for certain violations of the STOP Act. Specifically, new 19 U.S.C. 1436(e)(1) provides that a civil penalty “shall be imposed against the United States Postal Service if the Postal Service accepts a shipment in violation of section 1415(a)(3)(K)(vii)(I) of this title.” To implement this statutory provision, CBP is adding a new 19 CFR 145.75. This new section provides that a violation of the new 19 CFR 145.74(g) after December 31, 2020, will result in the USPS being liable for penalties in accordance with 19 U.S.C. 1436(e)(1). The amount of the penalty will be \$5,000 per violation, however, as provided by 19 U.S.C. 1436(e)(2), the penalty will be reduced or dismissed based on certain factors.

E. Amendment to 19 CFR 145.0

Current 19 CFR 145.0 specifies the scope of 19 CFR part 145. CBP is expanding the scope to account for the addition of the new subpart G. Accordingly, a new sentence stating that the part also contains regulations requiring USPS to transmit certain AED to CBP for certain inbound international mail shipments is added at the end of the section.

F. Amendment to Other Parts of 19 CFR Chapter I

The AED requirements in 19 CFR 145.74 applicable to inbound international mail shipments are intended to be the only AED requirements applicable to USPS for inbound international mail shipments. Accordingly, CBP is making revisions to 19 CFR parts 4, 122, 123, and 149 to clarify that the AED requirements for mail importations are found in part 145.

G. Flexible Enforcement

In order to provide the USPS sufficient time to adjust to the new requirements and in consideration of the business process changes that may be necessary to achieve full compliance, CBP will show restraint in enforcing the data submission requirements of the rule, taking into account difficulties USPS may face in complying with the rule, so long as USPS is making significant progress toward compliance and is making a good faith effort to comply with the rule to the extent of its current ability. This CBP policy will last for twelve months after the effective date. While full enforcement will be phased

in over this twelve month period, willful and egregious violations will be subject to enforcement actions at all times. CBP welcomes comments on this enforcement policy.

V. Statutory and Regulatory Reviews

A. *Administrative Procedure Act*

The Administrative Procedure Act (APA) generally requires agencies to publish a notice of proposed rulemaking in the **Federal Register** and to provide interested persons the opportunity to submit comments. 5 U.S.C. 553(b), (c). The APA also generally requires agencies to delay the effective date of substantive rules by no less than 30 days. 5 U.S.C. 553(d). However, the APA enumerates certain exceptions to these requirements. 5 U.S.C. 553(b)(A), (B). The APA provides an exception from notice and comment procedures “when the agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.” 5 U.S.C. 553(b)(B). The APA also provides an exception from the 30-day delayed effective date requirement “as otherwise provided by the agency for good cause found and published with the rule.” 5 U.S.C. 553(d)(3). These exceptions to notice-and-comment procedures are to be “narrowly construed” and only “reluctantly countenanced.” *New Jersey v. EPA*, 626 F.2d 1038, 1045 (D.C. Cir. 1980). Courts have found “good cause” to be a permissible exception where “the delay created by the notice and comment requirements would result in serious damage to important interests.” *Woods Psychiatric Inst. v. United States*, 20 Cl. Ct. T324, 333 (1990), *aff’d*, 925 F.2d 1454 (Fed. Cir. 1991) (absence of relevant comprehensive regulations had led to administrative difficulties and litigation regarding basic issues such as eligibility, scope and reasonable charges for benefits and delay would have caused medical and financial hardships for beneficiaries); *see also Nat’l Fed’n of Fed. Emps. v. Nat’l Treasury Emps. Union*, 671 F.2d 607, 611 (D.C. Cir. 1982) (lacking information on insurance contract terms due to circumstances beyond its control, the agency elected to delay “open season” because failure to do so would threaten the financial stability of the Federal employee health benefit program constituting a threat to the welfare of employees and annuitants enrolled in that program). These interests include public safety and public health. *United States v. Dean*, 604 F.3d 1275, 1279 (11th Cir. 2010) (to delay regulations would harm the public interest because it would delay the registration of sex offenders who would evade registration requirements during the notice and comment period, putting the public’s safety at risk).

This rule is being promulgated pursuant to the STOP Act to fight the influx of deadly opioids, particularly synthetic opioids such as fentanyl, coming to the United States in international mail ship-

ments. Given the critical public health and safety implications of continued shipments of illegal opioids into the United States, to delay the implementation of this rule would be “impracticable, unnecessary, and contrary to the public interest” as it would allow a gap that invites illegal and toxic drugs into our communities. There is particular urgency in view of recent and current events, connected with the COVID–19 pandemic and a significant spike in deaths as a result of opioids. On January 7, 2021, the Secretary of Health and Human Services renewed public health emergency declarations for both the opioid crisis⁷² and COVID–19 pandemic.⁷³

Additionally, and critically, CDC has reported an accelerating rate of overdose deaths during the COVID pandemic, with the highest number of such deaths ever recorded in a 12-month period.⁷⁴ The CDC has found “an acceleration of overdose deaths during the pandemic.” This is a testament to the imminent risk of having these types of goods enter the U.S. mail stream and thus endanger public health. In view of the recent declarations and the recent acceleration in overdose deaths, a delay would clearly be “contrary to the public interest.”

The recent and marked increase in demand for opioids by Americans has had a detrimental impact on this country as seen by the sharp rise in overdoses and the increased strain placed on law enforcement, healthcare, and social service providers. According to the CDC, the COVID–19 pandemic has accelerated drug overdose deaths, resulting in over 81,000 drug overdose deaths in the 12-month period ending in May 2020. CDC notes that “synthetic opioids (primarily illicitly manufactured fentanyl) appear to be the driver,” increasing 38.4 percent relative to the prior year. Ten western states reported a more than 98 percent increase in synthetic opioid-involved deaths over the same period.⁷⁵ CBP is a vital line of defense to secure the

⁷² <https://www.phe.gov/emergency/news/healthactions/phe/Pages/opioids-7Jan2021.aspx>.

⁷³ <https://www.phe.gov/emergency/news/healthactions/phe/Pages/covid19-07Jan2021.aspx>; see also White House, Notice on the Continuation of the National Emergency Concerning the Coronavirus Disease 2019 (COVID–19) Pandemic, February 24, 2021. Available at <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/02/24/notice-on-the-continuation-of-the-national-emergency-concerning-the-coronavirus-disease-2019-covid-19-pandemic/> (last accessed February 24, 2021).

⁷⁴ Centers for Disease Control, Press Release, *Overdose Deaths Accelerated During COVID–19: Expanded Prevention Efforts Needed*, December 17, 2020, available at <https://www.cdc.gov/media/releases/2020/p1218-overdose-deaths-covid-19.html> (last accessed February 20, 2021).

⁷⁵ Centers for Disease Control, Press Release, *Overdose Deaths Accelerated During COVID–19: Expanded Prevention Efforts Needed*, December 17, 2020, available at <https://www.cdc.gov/media/releases/2020/p1218-overdose-deaths-covid-19.html> (last accessed February 20, 2021).

border, and needs to move toward improving its ability to detect and interdict illicit supply chains in the postal environment.

One of the greatest challenges to effective interdiction is the sheer volume of mail received. The use of AED for mail shipments will thus facilitate the interdiction of suspect packages, a critical tool in stemming the flow of deadly opioids. Requiring AED for mail shipments will enhance the security of the supply chain with respect to international mail shipments by giving CBP adequate time and information necessary to perform targeted risk assessments geared towards interdicting dangerous and illicit items before they enter the U.S. mail system. For further details regarding the benefits of the rule, see sections III.A (Purpose of Rule), V.B (Executive Orders 12866 and 13563), and the stand-alone regulatory impact analysis.⁷⁶

Where an agency reasonably determines that existing regulations do not sufficiently protect public safety, authorized measures to address the regulatory deficiency need not await the completion of notice and comment procedures to begin saving lives. See *Hawaii Helicopter Operators Ass'n v. FAA*, 51 F.3d 212, 213–14 (9th Cir. 1995). This is especially true with respect to measures taken to prevent the exploitation of security or public health vulnerabilities, which do not involve “complex and controversial questions of ethics and public policy.” Cf. *American Academy of Pediatrics v. Heckler*, 561 F. Supp. 395, 401 (D.D.C. 1983). This is the case here. It is DHS’s determination that the relevant existing regulatory framework does not sufficiently protect public safety, and in the context of a public health crisis of this magnitude every day is important. In fact, no regulations exist at this time that require USPS to provide CBP with AED. These regulations, promulgated pursuant to the STOP Act, aim to address this regulatory deficiency, and as such, they need not await the completion of notice and comment procedures or the 30-day delayed effective date period. See *Hawaii Helicopter Operators Ass'n v. FAA*, 51 F.3d 212, 213–14 (9th Cir. 1995). In filling the regulatory gap, this rule will have a substantial impact on stemming the flow of illicit drugs. As detailed above, the use of AED in targeting and risk mitigation will help CBP disrupt the supply chain of illicit opioids by reducing the amount of illicit opioids entering the country. This, in turn, should lead to a decrease in lives lost to this epidemic.

For the same reasons that the new regulations will address the regulatory gap described above, delaying the implementation of these regulations could result in serious harm to public health and safety

⁷⁶ CBP prepared a regulatory impact analysis of the estimated impacts of this rule for public awareness, which CBP summarizes in the sections below. The complete analysis, entitled Mandatory Advance Electronic Information for Postal Shipments, can be found in the public docket for this rulemaking (docket number USCBP–2021–0009) at www.regulations.gov.

by continuing to allow the illicit flow of opioids into the country while the procedural periods elapse. The agency “only has to show that there is good cause to believe that delay would do real harm.” *United States v. Dean*, 604 F.3d 1275, 1281 (11th Cir. 2010) (quoting *Jifry v. FAA*, 370 F.3d 1174, 1179 (D.C. Cir. 2004)). This is especially the case in the context of vulnerabilities that may be susceptible to exploitation, including in the context of an escalating public health crisis of this magnitude or in the case of a significant public safety concern. It is therefore sufficient for the agency to make a reasonable determination that a vulnerability exists that the proposed lawful rule would effectively mitigate and for that reason determine that a delay in promulgation would cause serious and immediate harm. See *Jifry*, 370 F.3d at 1179; *Dean*, 604 F.3d at 1281. In the absence of prior regulations that mandate USPS to transmit AED to CBP, the use of notice and comment prior to the issuance of this rule would delay CBP’s ability to take immediate and effective action to keep illicit shipments of all kinds out of the supply chain.

Such a delay might well lead as well to an influx of illicit shipments before the rule was issued and took effect. To delay the implementation of effective mitigation measures in this way would unreasonably prolong the public’s exposure to high levels of illicit opioids and their analogues. On that basis, it is reasonable for DHS to determine that it may, for good cause, forgo the usual prior notice and comment and delayed effective date procedure and publish a rule that is effective immediately.

B. Executive Orders 12866 and 13563

Executive Orders 12866 (“Regulatory Planning and Review”) and 13563 (“Improving Regulation and Regulatory Review”) direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule is a “significant regulatory action,” and one that the Office of Information and Regulatory Affairs has determined is economically significant under section 3(f) of Executive Order 12866. Accordingly, this rule has been reviewed by the Office of Management and Budget (“OMB”). CBP prepared an economic analysis of the estimated impacts of this rule for public awareness, which CBP summarizes below. The complete analysis, entitled “Regulatory Impact Analysis: Mandatory Advance Electronic

Data (AED) for International Postal Shipment Final Rule” can be found in the public docket for this rulemaking (docket number US-CBP–2021–0009) at *www.regulations.gov*. The complete economic impact analysis of this rule is intended to address the requirements of Executive Order 12866 (1993), “Regulatory Planning and Review” and related executive orders and laws, which require Federal agencies to assess the costs and benefits of significant regulatory actions.

1. Purpose of Rule

CBP has developed this interim final rule requiring the submission of advance electronic data (AED) from the United States Postal Service (USPS) for inbound international mail shipments containing goods destined for the United States. This interim final rule follows from the requirements mandated in section 8003 of the Synthetics Trafficking and Overdose Prevention (STOP) Act of 2018, principally intended to lessen the flow of illegal opioids into the United States. The STOP Act imposes new responsibilities on the USPS for providing AED for international mail. AED contains details about the package’s sender, recipient, and related content that have historically been available to USPS on customs declaration forms but only in paper copies, making it difficult for CBP to use the information for targeting of mail containing illegal goods. Requiring USPS to provide CBP with AED will address a current safety and security gap regarding mail importations. Having this data available in electronic format and submitted to CBP before the package is loaded on the transporting carrier is expected to improve the success and efficiency of targeting packages for inspection and to disrupt the supply chain for illegal opioids, particularly synthetic fentanyl.⁷⁷ Fentanyl is one of many synthetic opioids that are produced in both licit and illicit manners. Many chemical compounds—commonly known as fentanyl analogs—share the majority of their chemical structure with fentanyl, albeit with some molecular modifications. In this report, we refer to this class of substances as fentanyl for simplicity and to reflect its share among synthetic opioids. While synthetic fentanyl is the primary motivation behind the STOP Act, the interim final rule will also improve CBP’s ability to identify and seize other illegal and dangerous items (including other illegal drugs, other hazardous materials, etc.) and close the gap that has the potential to be exploited by bad actors. With the implementation of this interim final rule, CBP regu-

⁷⁷ U.S. Drug Enforcement Administration, *National Forensic Laboratory Information System: Special Maps Release: Tracking Fentanyl and Fentanyl-Related Substances Reported in NFLIS-Drug by State, 2016–2017*, Washington, DC: Department of Justice (2019) (“DEA, *Tracking Fentanyl and Fentanyl-Related Substances*”).

lations will require the transmission of AED on all shipments of goods, whether or not they are transported through the international mail system.

Beginning in 2014, CBP and USPS piloted programs at IMFs around the United States to collect AED from foreign posts (*i.e.*, non-U.S. postal operators, analogous to the USPS in the United States) to improve CBP's targeting efforts. As required by the STOP Act and informed by the results of the pilots,⁷⁸ CBP has developed an interim final rule to transition the AED pilot program to a regulatory program.⁷⁹

The interim final rule requires that CBP must receive AED from USPS for inbound international mail containing goods classified as *Letter class mail—goods*, Parcel post, or Express Mail Service (EMS). *Letter class mail—goods* refers to letter class (in UPU terms, letter post) mail up to two kilograms containing goods, also referred to as “small packets.” Mail over two kilograms containing goods must use a postal service other than letter class. Parcel post refers to any mail article mailed at the parcel rate or equivalent class or category of postage. EMS refers to the optional supplementary postal express service for documents and merchandise and is whenever possible the quickest postal service by physical means. Under this interim final rule, AED is not required for mail containing only letters and documents (*i.e.*, *Letter class mail—documents*). AED will not be required for items for the blind consisting of correspondence, literature in whatever format including sound recordings, and equipment or materials of any kind made or adapted to assist blind persons in overcoming the problems of blindness (up to 7 kilograms). Under this rule, AED will not be required for items sent as Parcel Post or EMS that do not contain goods. AED will also not be required for returned U.S. origin items, items transiting the U.S. in closed transit, items sent as U.S. domestic mail, or mail treated as domestic, including mail to or from APO, FPO, and DPO addresses, mail to or from U.S. territories and possessions, and mail, from or between the Freely Associated States of the Federated States of Micronesia, the Republic of the

⁷⁸ U.S. Customs and Border Protection. *International Mail Security: Advance Electronic Data (AED) Cost Benefit Analysis of Inbound International Mail at JFK* (DHS/CBP/OT/ ORR/EIA Branch 2018) (“CBP, *International Mail Security*”).

⁷⁹ CBP prepared its assessment (CBP, *International Mail Security*) of the costs and benefits of implementing the JFK IMF pilot in 2017 in response to a recommendation from the Government Accountability Office (GAO). U.S. Government Accountability Office, *International Mail Security: Costs and Benefits of Using Electronic Data to Screen Mail Need to be Assessed, Report to Congressional Requesters*. GAO-17-606. (2017, p. 1) (GAO, *International Mail Security, Report to Congressional Requesters*).

Marshall Islands, and the Republic of Palau. However, this exclusion does not preclude CBP's existing authority to inspect any of these shipments.

AED are comprised of two elements, as described in full detail in Exhibit 1 and summarized below:

1. Information already collected through the customs declaration forms CN 22 and CN 23, including the contents and value of the goods in the package as well as sender and recipient information. USPS will collect this information from its counterparts at foreign posts through existing "ITMATT" electronic messages; and

2. Information about the movement of the shipment by a carrier, including the scheduled date and time of arrival in the United States, flight number, and destination IMF. USPS will collect this information from its counterparts at foreign posts through existing "PRE-DES" electronic messages.

EXHIBIT 1—MANDATORY AND OPTIONAL AED ELEMENTS

Data element	Requirement
ITMATT Contents:	
Sender's name	Mandatory.
Sender's address	Mandatory.
Sender's telephone/fax/email	Optional.
Recipient's name	Mandatory.
Recipient's address	Mandatory.
Recipient's telephone/fax/email	Optional.
Detailed description of contents	Mandatory.
Quantity	Mandatory.
Weight	Mandatory.
Item ID	Mandatory.
Category of item (gift, document, sale of goods, commercial sample, merchandise, returned goods, other)	Optional.
Declared value	Mandatory.
Date of posting	Optional.
Postal charges/fees	Optional.
10-digit HS tariff number (for commercial items)	Optional.
Country of origin of goods (for commercial items)	Optional.
Importer's reference (tax code, VAT number, importer number, etc)	Optional.
Importer's telephone/fax/email	Optional.
License number	Optional.
Certificate number	Optional.
Invoice number	Optional.

Data element	Requirement
Details if the goods are subject to quarantine, sanitary/phytosanitary inspection, or other restrictions	Optional.
Designated operator	Mandatory.
PREDES Contents:	
Dispatch information including origin, destination, and dispatch number	Mandatory.
Scheduled date and time of departure of transporting conveyance	Mandatory.
Scheduled date and time of arrival	Mandatory.
Transportation information including carrier and, as applicable, flight number, voyage number, trip number, and/or transportation reference number.....	Mandatory.
Scheduled International Mail Facility (IMF)	Mandatory.
Total weight of the dispatch	Mandatory.
The information for receptacles contained within the dispatch, including receptacle type, receptacle ID, and weight, as well as item ID for items nested to the receptacles if applicable.	Mandatory

Recognizing the magnitude of the change in operations necessary to accommodate the international flow of AED, the STOP Act and this interim final rule offer a phased approach to the mandatory AED requirement. No later than the end of 2018, the Act required USPS to transmit AED to CBP on no less than 70 percent of mail shipments, including 100 percent of mail from China.⁸⁰ No later than the end of 2020, USPS must transmit AED for 100 percent of mail. Beginning in March 2021, USPS will be required to refuse mail shipments that do not include AED, unless a “remedial action” is identified. Such action may include destruction, seizure, controlled delivery, other law enforcement action for mail without AED, or correction of the failure to provide AED. The interim final rule allows that CBP and USPS create country-specific exceptions for countries with low mail volume, that are considered low-risk, or lack the capacity to collect and transmit AED.

2. Overview of Analysis

In the complete economic impact analysis of this rule, we estimate the incremental costs of implementing (1) AED pilot projects initiated prior to the STOP Act and (2) the interim final rule. We also provide a discussion of the anticipated benefits of the rule qualitatively. We

⁸⁰ These milestones were not met. Approximately 60 percent of international packages were transported with AED by the of end 2018 (personal communication with CBP on May 1, 2019). USPS data from March 2019, after the end-2018 requirement, reports 77 percent of all packages were transported with AED—over the current requirement threshold, but below the 100 percent.

present information on the available data sources we rely upon and the analytic methodologies we employ and discuss the implications of limitations of the analysis.

Our analysis focuses on two discrete time periods. All incremental costs and benefits of collecting and transmitting AED occurring in the time period before the STOP Act was enacted into law are associated with the pre-statute period, while all incremental costs and benefits incurred after the STOP Act was enacted (*i.e.*, post-statute period), including current and future costs, are attributed to the interim final rule. Taken together, the two time periods address the costs and benefits of the entire AED program.

Pre-statute period: 2013 through 2018; and

Post-statute period: 2019 through 2028.

All costs are estimated in 2019 dollars, and present value calculations reported in the document use a base year of 2019.⁸¹ CBP summarizes the results of the rule's complete economic impact analysis below.

Between 2014 and 2018, USPS worked with foreign postal operators to collect available AED for CBP targeting of postal shipments across a subset of IMFs. CBP's use of the AED, which is voluntarily provided by foreign postal operators to USPS, is considered a pilot program to determine how AED can improve CBP's targeting process. John F. Kennedy International Airport (JFK) was the first IMF to launch a pilot in 2014, followed by Los Angeles International Airport (LAX) and Miami International Airport (MIA) in 2017, Chicago O'Hare International Airport (ORD) and San Francisco International Airport (SFO) in 2018, and the New Jersey International and Bulk Mail facility located in Jersey City, New Jersey (JEC) and the Daniel K. Inouye International Airport (Honolulu International Airport) (HNL) in 2019. These pilots have provided insight into how the interim final rule will be implemented. Two more IMFs—Cyril E. King Airport (St. Thomas Airport) (STT), and Luis Munoz Marin International Airport (San Juan Airport) (SJU)—are expected to commence AED operations in 2020.

Furthermore, separate from the STOP Act, a desire to receive AED has been gaining traction among other countries. Motivated by the collection of goods and services (GST) tax on imported goods, the European Union (EU) and Australia recently passed or are considering legislation that would also require AED for inbound international mail. Several other countries are also likely to impose AED requirements, including but not limited to China, Russia, Malaysia, Brazil,

⁸¹ Figures in the exhibits are generally unrounded to provide the detail necessary to recreate these calculations.

and Thailand.⁸² Beyond individual country initiatives, the UPU approved a roadmap in 2016 for working toward universal AED capabilities among its members.⁸³

In consideration of the AED requirements passed by other countries, as well as the general move towards storing information electronically, foreign posts would need to make upgrades to their systems to accommodate AED in the absence of the STOP Act and this interim final rule. Nonetheless, the STOP Act plays a key role in accelerating the adoption of AED internationally.⁸⁴ Exhibit 2, below, illustrates our assumptions regarding this acceleration, differences between the types of actions taken, and the timing of these actions under the baseline and regulatory scenarios. The differences between these two scenarios represent the incremental effects measured in the analysis.

BILLING CODE 9111-14-P

⁸² Personal communication with UPU on May 1, 2019 and follow up information provided via personal communication on May 10, 2019.

⁸³ Universal Postal Union (UPU). (2017). "Issues relating to electronic advance data (EAD)." Report of AED Roadmap steering committee. Document number POC C 1 2017.2–Doc 6b.

⁸⁴ Personal communication with representatives of the UPU on May 1, 2019.

**Exhibit 2. Affected Populations under Baseline Environment
(World without STOP Act) Compared to World with
Pre-Statute and Post-Statute Actions**

YEAR	BASELINE ENVIRONMENT (NO AED PILOT OR STOP ACT)		WORLD WITH THE AED PILOT AND THE STOP ACT				
	REQUIREMENT	ACTION TAKEN	REQUIREMENT	ACTION TAKEN			
2013	None	None	None	CBP & USPS incur costs to establish systems to receive inbound AED from foreign posts France incurs upfront costs	PRE-STATUTE ANALYSIS PERIOD		
2014			JFK Pilot begins	France begins transmitting AED for U.S.-bound parcels Additional select countries incur upfront costs			
2015			JFK Pilot continues	Number of countries transmitting AED to the United States and the amount of data transmitted increases each year			
2016			LAX and MIA Pilots begin				
2017			ORD and SFO Pilots begin				
2018			STOP Act enacted October 24 th . By December 31st, receive AED for 70% of relevant mail, including 100% of relevant mail from China				
2019			None	None		Continued implementation of the initial STOP Act requirements Additional IMFs (JEC and HNL) begin receiving AED New countries incur upfront costs and begin transmitting data	POST-STATUTE ANALYSIS PERIOD
2020				Countries incur upfront costs to establish systems for transmitting AED		By December 31st, receive AED for 100% of relevant mail from all countries Final IMFs begin receiving AED	
2021	By January 1st, provide European Union countries with AED for relevant mail from all countries	Countries incur recurring costs to transmit AED pursuant to	Continued implementation of the STOP Act	Most countries transmitting AED for 100% of U.S.-bound mail ^b			
2022							

2023	Continued implementation of European Union country-requirements and similar requirements established in additional countries	non-U.S. requirements; no AED transmitted for U.S.-bound mail ^a			
2024					
2025					
2026					
2027					
2028					

Notes:

a. In the absence of the STOP Act, it is possible USPS would request reciprocity with the countries to which it provides AED for outbound mail. However, we do not know which countries would be included in such agreements. Thus, the assumption that USPS would not receive any AED for inbound mail likely overstates the incremental costs of the interim final rule to foreign countries.

b. According to the UPU, some countries are unlikely to achieve compliance with the STOP Act requirements. These countries represent approximately a small percentage of mail coming into the United States. For the purpose of this analysis, we assume CBP will exclude these countries from the mandatory AED requirements per STOP Act section 8003 allowances. (Information provided by UPU provided to IEC via personal communication with CBP on May 10, 2019.)

BILLING CODE 9111-14-C**3. Population Affected by Rule**

CBP and USPS are the two U.S.-based actors that incur costs in response to the AED pilots and the requirements of the interim final rule. All activities related to the collection, transmission, and use of inbound AED are incremental to the rule. We summarize these cost categories below.

4. Costs of Rule

CBP incurs costs to draft and negotiate agreements with USPS, implement software upgrades to accommodate AED, train staff on the use of AED for targeting, and analyze inbound AED at IMF's. Among the categories of cost we are able to quantify, costs associated with analyzing AED data and placing holds associated with the AED are the largest, followed by the costs to upgrade software and, lastly, by the time spent developing the MOU and SOPs with USPS. CBP also incurred costs to train its staff to use AED; we are unable to quantify these costs.

Exhibit 3 presents costs incurred by CBP to implement the pilot program in the pre-statute period (2013 through 2018). Specifically, its total present value cost over the 6-year period ranges from \$19 million to \$22 million, depending on the discount rate assumption (3 and 7 percent, respectively). Because we are unable to quantify CBP's training costs, this estimate may understate total costs incurred by the agency during the prestatute period. However, these costs are

unlikely to be large enough to significantly impact our estimate of the total cost of the regulation. Importantly, these costs have already been incurred.

BILLING CODE 9111-14-P

Exhibit 3. Total Present Value Costs to CBP in Pre-Statute Years (2019 U.S. Dollars, 2019 Base Year)

YEAR	DEVELOP MOU AND SOPS WITH USPS	UPGRADE SOFTWARE	TRAIN STAFF	ANALYZE AED DATA	TOTAL
2013	\$0	\$2,191,338	Qualitative	\$0	\$2,191,338
2014	\$548	\$641,732		\$2,001,441	\$2,643,722
2015	\$0	\$641,732		\$2,001,441	\$2,643,173
2016	\$0	\$641,732		\$2,001,441	\$2,643,173
2017	\$6,397	\$641,732		\$2,535,159	\$3,183,288
2018	\$3,381	\$641,732		\$3,286,750	\$3,931,864
Total undiscounted	\$10,327	\$5,400,000		\$11,826,232	\$17,236,559
Total present value (3 percent)	\$10,905	\$6,125,828		\$12,834,789	\$18,971,522
Total present value (7 percent)	\$11,711	\$7,237,374		\$14,301,782	\$21,550,867

Source: IEC calculations using data from various sources. See main text for details.

Exhibit 4 provides estimates of the costs incurred by CBP in the post-statute period (2019 through 2028). We estimate the total present value of these costs will range from \$41 million to \$49 million, assuming discount rates of 7 and 3 percent, respectively. The majority of these costs are likely to be incurred in the future.⁸⁵

⁸⁵ Importantly, the estimates presented in Exhibit 4 include future costs that will be incurred by the five IMF's who participated in the pilot program.

Exhibit 4. Total Present Value Costs to CBP in Post-Statute Years (2019 U.S. Dollars, 2019 Base Year)

YEAR	DEVELOP MOU AND SOPs WITH USPS	UPGRADE SOFTWARE	TRAIN STAFF	ANALYZE AED DATA	TOTAL
2019	\$2,361	\$641,732	Qualitative	\$3,420,179	\$4,064,273
2020	\$3,625	\$641,732		\$5,073,452	\$5,718,809
2021	\$0	\$641,732		\$5,073,452	\$5,715,184
2022	\$0	\$641,732		\$5,073,452	\$5,715,184
2023	\$0	\$641,732		\$5,073,452	\$5,715,184
2024	\$0	\$641,732		\$5,073,452	\$5,715,184
2025	\$0	\$641,732		\$5,073,452	\$5,715,184
2026	\$0	\$641,732		\$5,073,452	\$5,715,184
2027	\$0	\$641,732		\$5,073,452	\$5,715,184
2028	\$0	\$641,732		\$5,073,452	\$5,715,184
Total undiscounted	\$5,986	\$6,417,324		\$49,081,245	\$55,504,555
Total present value (3 percent)	\$5,880	\$5,638,330		\$42,922,627	\$48,566,838
Total present value (7 percent)	\$5,749	\$4,822,768		\$36,474,896	\$41,303,412

Source: IEc calculations using data from various sources. See main text for details.

BILLING CODE 9111-14-C

USPS also incurs costs to implement the new requirements. Specifically, it must negotiate operational agreements with CBP at the IMFs, negotiate datasharing agreements with foreign posts, upgrade software, train staff, process AED holds for CBP, and potentially return mail to foreign posts that do not meet the mandatory AED requirement. In this analysis, we quantify three of the six categories of costs likely to be incurred by USPS. Among them the labor devoted to processing holds for CBP constitutes a larger share than costs of upgrading and maintaining software or the requirement to return mail. Moreover, between the two periods examined, a majority of these costs are incurred in the post-statute period. CBP does not expect USPS to need to return mail without AED and this will not experience costs associated with that return. To the extent that these costs do take place, the costs of this rule will be higher. CBP requests comment on the size of these costs.

Exhibit 5 presents the costs incurred by USPS in the pre-statute period (2013 through 2018). The total present value of these past costs is likely to range from \$11 million to \$13 million, assuming discount rates of 3 and 7 percent, respectively. Because we are unable to estimate the costs to USPS of developing MOUs and SOPs with

CBP, negotiating data sharing agreements with foreign posts, and training its staff, these estimates may understate the actual costs incurred during this period.

BILLING CODE 9111-14-P

Exhibit 5. Total Present Value Costs to USPS in Pre-Statute Years (2019 U.S. Dollars, 2019 Base Year)

YEAR	DEVELOP MOU AND SOPS WITH CBP	NEGOTIATE AED SHARING AGREEMENTS WITH FOREIGN POSTS	UPGRADE SOFTWARE	TRAIN STAFF	PROCESS AED HOLDS FOR CBP	REJECT PACKAGES WITHOUT AED	TOTAL
2013	Qualitative	Qualitative	\$675,000	Qualitative	\$0	\$0	\$675,000
2014			\$675,000		\$626,726	\$0	\$1,301,726
2015			\$675,000		\$626,726	\$0	\$1,301,726
2016			\$675,000		\$626,726	\$0	\$1,301,726
2017			\$675,000		\$1,722,583	\$0	\$2,397,583
2018			\$675,000		\$2,818,439	\$0	\$3,493,439
Total undiscounted			\$4,050,000		\$6,421,201	\$0	\$10,471,201
Total present value (3 percent)			\$4,497,162		\$6,847,255	\$0	\$11,344,417
Total present value (7 percent)	\$5,166,464	\$7,456,208	\$0	\$12,622,672			

Source: IEc calculations using data from various sources. See main text for details.

Exhibit 6 presents the future costs likely to be incurred by USPS in the post-statute period. Specifically, total present value costs are likely to range from \$41 million to \$49 million, assuming discount rates of 7 and 3 percent, respectively. Similar to the pre-statute period, because we are unable to quantify certain categories of costs incurred by USPS, these estimates may understate the total costs experienced by the organization.

Exhibit 6. Total Present Value Costs to USPS in Post-Statute Years (2019 U.S. Dollars, 2019 Base Year)

YEAR	DEVELOP MOU AND SOPS WITH CBP	NEGOTIATE AED SHARING AGREEMENTS WITH FOREIGN POSTS	UPGRADE SOFTWARE	TRAIN STAFF	PROCESS AED HOLDS FOR CBP	REJECT PACKAGES WITHOUT AED	TOTAL	
2019	Qualitative	Qualitative	\$675,000	Qualitative	\$3,914,295	Qualitative	\$4,589,295	
2020			\$675,000		\$5,010,151		\$5,685,151	
2021			\$675,000		\$5,010,151		\$5,685,151	
2022			\$675,000		\$5,010,151		\$5,685,151	
2023			\$675,000		\$5,010,151		\$5,685,151	
2024			\$675,000		\$5,010,151		\$5,685,151	
2025			\$675,000		\$5,010,151		\$5,685,151	
2026			\$675,000		\$5,010,151		\$5,685,151	
2027			\$675,000		\$5,010,151		\$5,685,151	
2028			\$675,000		\$5,010,151		\$5,685,151	
Total undiscounted					\$6,750,000		\$49,005,657	\$55,755,657
Total present value (3 percent)					\$5,930,624		\$42,923,879	\$48,854,503
Total present value (7 percent)					\$5,072,782		\$36,556,595	\$41,629,376

Source: IEc calculations using data from various sources. See main text for details.

BILLING CODE 9111-14-C

Foreign posts around the world incur costs to upgrade and maintain outbound AED systems in order to comply with the requirements of the STOP Act. The STOP Act, however, is not the only international AED requirement. As described earlier, it represents the first in a series of similar requirements under development by other countries and encouraged by the UPU. As a result, the costs foreign posts incur to update their systems to accommodate the outbound flow of AED are not fully attributable to the pilot or the interim final rule; foreign posts would be making many of these upgrades to their systems in the absence of the STOP Act. The law, however, accelerates their timeline for having functional AED systems and capabilities in place.

In general, we consider when countries incur costs due to the interim final rule relative to when they would incur similar costs to comply with other mandatory AED requirements imposed by other countries. In particular, the European Union AED rule is scheduled to take effect in early 2021. The incremental cost of the pilot or interim

final rule, therefore, is the opportunity cost to foreign posts of upgrading their systems earlier than they would have in the absence of the STOP Act.

To estimate the opportunity cost of earlier action, we estimate the stream of costs through time under the baseline scenario (i.e., the world without the pilot or the interim final rule) and compare it to a scenario with the pilot and the interim final rule, separately for the pre-statute period and the post-statute period. The difference between the present value of these two cost streams represents the incremental costs of the pilot and the interim final rule.

Significant uncertainty exists regarding when certain countries will be able to meet the requirements of the interim final rule. We rely on analysis provided by the UPU to estimate which countries will be able to send AED to the United States by December 31, 2020. For the purposes of this analysis, we assume that all countries unable to send AED to the United States by the end of 2020 will be granted exceptions under the interim final rule and will, therefore, not incur costs. In the absence of data to predict which countries will be able to begin transmitting AED between 2021 and 2028, we assume the number of countries transmitting AED in years 2021 through 2028 does not change. To the extent that more countries shift to AED submissions, costs will be higher and will depend on the income level of the country and its volume of mail. This analysis contains the necessary information on the costs per country and by volume, so extending this analysis to further countries can be done using the information in this analysis. Exhibit 7 describes the number of countries transmitting AED to the United States, as well as the percent of packages from these countries arriving with AED elements.

EXHIBIT 7—FOREIGN POSTAL OPERATORS TRANSMITTING AED TO USPS AND PERCENT OF PARCELS ARRIVING WITH AED

Year	High Income Countries		Upper-Middle Income Countries		Lower-Middle Income Countries		Low Income Countries		Other Countries
	#	% AED	#	% AED	#	% AED	#	% AED	% AED
2014	0	0.0	0	0.0	0	0.0	0	0.0	0.0
2015	7	5.9	0	0.0	0	0.0	0	0.0	38.8
2016	6	3.8	0	0.0	0	0.0	0	0.0	78.0
2017	16	11.8	2	5.7	1	49.0	0	0.0	32.5
2018	28	26.5	10	2.4	5	5.7	1	1.0	85.8
2019	35	34.4	12	8.6	8	5.8	2	0.5	89.2
2020 (predicted)...	50	67.2	21	54.3	8	52.9	2	50.3	94.6
2021 (predicted)...	65	100.0	30	100.0	8	100.0	2	100.0	100.0

Note: UPU divides foreign postal operators according to gross national incomes based on the World Bank stratification (<https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>). The number of countries in the Other category has been redacted to preserve commercially sensitive business information.

Sources: Calculations for most countries come from the UPU. For countries for which the UPU could not provide data, we use data from a proprietary source. See main text for details.

Foreign posts incur costs including the time devoted to negotiating datasharing agreements with USPS, the cost of upgrading software and hardware to accommodate the outbound flow of AED, efforts spent training staff on how to collect and transmit AED, and the costs related to accepted packages rejected from the United States because they do not meet mandatory AED requirements. Of these categories, the largest costs are associated with manually entering AED for transmission. The lowest cost categories are the one-time costs to upgrade hardware and train employees, in part because these costs would have been incurred—albeit in different years—in the absence of the STOP Act.

Exhibit 8 presents costs incurred by foreign posts in the pre-statute period (2013 through 2018). Total present value costs range from \$46 million to \$51 million, assuming discount rates of 3 and 7 percent, respectively. Nearly all of these costs (approximately 95 percent) result from the labor required to manually enter AED. Importantly, these costs have already been incurred.

Exhibit 9 presents costs likely to be incurred by foreign posts in the future, during the post-statute period (2019 through 2028). We estimate the total present value costs are likely to range from \$150 million to \$170 million, assuming discount rates of 7 and 3 percent, respectively. Labor costs associated with manually entering AED comprise the majority of these costs. Because we assume the amount of affected mail sent to the United States in future years remains constant, annual costs from 2021 (the year the interim final rule takes full effect) through 2028 are constant.⁸⁶

BILLING CODE 9111-14-P

⁸⁶ We evaluate the significance of this assumption (future mail volume) in Appendix B of the full Regulatory Impact Analysis, which can be found in the docket of this rulemaking.

**Exhibit 8. Present Value Costs to Foreign Posts in
Pre-Statute Years (2019 U.S. Dollars, 2019 Base Year)**

YEAR	NEGOTIATED SHARING AGREEMENTS WITH USPS	UPGRADE HARDWARE		UPGRADE AND RUN SOFTWARE		TRAIN STAFF	
		WITH PILOT	WITHOUT PILOT	WITH PILOT	WITHOUT PILOT	WITH PILOT	WITHOUT PILOT
2013	Qualitative	\$0	\$0	\$0	\$0	\$0	\$0
2014		\$140,000	\$0	\$0	\$0	\$84,000	\$0
2015		\$20,000	\$0	\$214,000	\$0	\$0	\$0
2016		\$200,000	\$0	\$186,000	\$0	\$136,500	\$0
2017		\$300,000	\$0	\$509,000	\$0	\$262,500	\$0
2018		\$260,000	\$0	\$1,020,000	\$0	\$0	\$0
2019		\$0	\$0			\$0	\$0
2020		\$0	\$920,000			\$0	\$483,000
Total (net) undiscounted			\$0		\$1,929,000		\$0
Total (net) present value (3 percent)			\$96,220		\$2,034,704		\$56,090
Total (net) present value (7 percent)		\$229,439		\$2,182,522		\$134,167	

Exhibit 8. (Continued) Present Value Costs to Foreign Posts in Pre-Statute Years (2019 U.S. Dollars, 2019 Base Year)

YEAR	KEY IN AED DATA ELEMENTS	ACCEPT REJECTED PACKAGES WITHOUT AED	TOTAL (NET)
2013	\$0	\$0	\$0
2014	\$0	\$0	\$224,000
2015	\$6,778,086	\$0	\$7,012,086
2016	\$13,608,060	\$0	\$14,130,560
2017	\$5,735,765	\$0	\$6,807,265
2018	\$15,192,404	\$0	\$16,472,404
2019			\$0
2020			-\$1,403,000
Total (net) undiscounted	\$41,314,315	\$0	\$43,243,315
Total (net) present value (3 percent)	\$44,231,940	\$0	\$46,418,954
Total (net) present value (7 percent)	\$48,377,897	\$0	\$50,924,025
Source: IEc calculations using data from various sources. See main text for details.			
Notes:			
2019 and 2020 included due to lag in “without pilot” scenario. Present value calculated with respect to number of years in pre-statute period (2013-2018).			

Exhibit 9. Total Present Value Costs to Foreign Posts in Post-Statute Years (2019 U.S. Dollars, 2019 Base Year)

YEAR	NEGOTIATE AED SHARING AGREEMENTS WITH USPS	UPGRADE HARDWARE		UPGRADE AND RUN SOFTWARE		TRAIN STAFF	
		WITH RULE	WITHOUT RULE	WITH RULE	WITHOUT RULE	WITH RULE	WITHOUT RULE
2018	Qualitative	\$260,000	\$0			\$136,500	\$0
2019		\$480,000	\$0	\$1,276,000	\$0	\$252,000	\$0
2020		\$480,000	\$1,220,000	\$1,858,000	\$0	\$252,000	\$640,500
2021		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
2022		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
2023		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
2024		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
2025		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
2026		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
2027		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
2028		\$0	\$0	\$2,440,000	\$2,440,000	\$0	\$0
Total (net) undiscounted				\$0	\$3,134,000		\$0
Total (net) present value (3 percent)			\$29,353	\$3,079,883		\$15,411	
Total (net) present value (7 percent)			\$66,611	\$3,012,449		\$34,971	

Exhibit 9. (Continued) Total Present Value Costs to Foreign Posts in Post-Statute Years (2019 U.S. Dollars, 2019 Base Year)

YEAR	KEY IN AED DATA ELEMENTS	ACCEPT REJECTED PACKAGES WITHOUT AED	TOTAL (NET)
2018		Qualitative	\$396,500
2019	\$15,937,686		\$17,945,686
2020	\$17,743,428		\$18,472,928
2021	\$19,952,257		\$19,952,257
2022	\$19,952,257		\$19,952,257
2023	\$19,952,257		\$19,952,257
2024	\$19,952,257		\$19,952,257
2025	\$19,952,257		\$19,952,257
2026	\$19,952,257		\$19,952,257
2027	\$19,952,257		\$19,952,257
2028	\$19,952,257		\$19,952,257
Total (net) undiscounted	\$193,299,167		\$196,433,167
Total (net) present value (3 percent)	\$169,143,636		\$172,268,283
Total (net) present value (7 percent)	\$143,866,946		\$146,980,977

Source: IEc calculations using data from various sources. See main text for details.
Notes:
2018 included due to one-time startup costs incurred in year before AED launch in 2019 in “with rule” scenario. Present value calculated with respect to number of years in post-statute period (2019-2028).

BILLING CODE 9111-14-C

Exhibit 10 presents the combined cost of the rule in the United States, including costs incurred by CBP and USPS. We estimate the total present value cost incurred in the pre-statute period ranges from approximately \$29 million to \$33 million, assuming discount rates of 3 and 7 percent, respectively. In the post-statute period, total present value costs likely to be incurred by these entities range from \$80 million to \$94 million, assuming discount rates of 7 and 3 percent, respectively. Over the combined 16-year period (2013 through 2028), present value costs range from \$110 million to \$120 million, assuming discount rates of 7 and 3 percent, respectively.

For the purpose of preparing the Circular A-4 (OMB 2003) accounting statement (presented in Exhibits 13 and 14), we also estimate the equal annual payment that would need to be made over the period of

analysis to achieve the present value costs estimated in Exhibit 10. On an annualized basis, total costs in the post-statute period are approximately \$11 million, regardless of discount rate. Over the entire 16-year period, U.S. costs range from \$7.7 to \$8.3 million on an annualized basis, assuming discount rates of 7 and 3 percent, respectively. Annualized costs are smaller over the longer period because the relatively larger costs incurred in the post-statute period are spread over more years.

EXHIBIT 10—TOTAL PRESENT VALUE COSTS OF THE IFR FOR U.S.-BASED ACTORS
 [2019 U.S. dollars, 2019 base year]

	Pre-statute period (2013–2018)	Post-statute period (2019–2028)	Overall (2013–2028)
Undiscounted Values:			
CBP	\$17,236,559	\$55,504,555	\$72,741,113
USPS	10,471,201	55,755,657	66,226,858
Total	27,707,760	111,260,212	138,967,971
Total Present Value:			
3 percent	30,315,939	97,421,341	127,737,280
7 percent	34,173,540	82,932,789	117,106,328
Annualized:			
3 percent	11,088,110	8,268,550
7 percent	11,035,293	7,719,980

Other Non-Quantified Costs:

Additional non-quantified costs include past and future training time for CBP and USPS staff, time spent by USPS to develop and negotiate MOU and SOPs with CBP, and time spent by USPS to negotiate AED sharing agreements with foreign posts. Furthermore, USPS will incur additional costs if it is required to separate, store, return, or destroy mail that arrives without AED, and intended U.S. recipients of this mail will experience delay costs. These costs will only result from long-term non-compliance, and CBP and USPS will continue to work with foreign posts to ensure that this does not take place.

Source: IEc calculations using data from various sources. See main text for details.

Notes:

1. We estimate the annualized cost over the post-statute period (2019–2028) from the perspective of an individual in 2019. This reflects the equal payment that would need to be made in each future year to equal the total present value of the costs.
2. We estimate the annualized cost over the full period of analysis (2013–2028) from the perspective of an individual in 2013, when U.S.-based actors started incurring costs related to the pilots. This reflects the equal payment that would need to be made during the pre- and post-statute years to equal the total present value of the costs.
3. Totals may not sum due to rounding.

Exhibit 11 presents the total cost of the pilot and interim final rule, including costs incurred by both U.S. actors (CBP and USPS) and non-U.S. actors (the foreign posts). Specifically, we estimate total present value costs incurred in the pre-statute period are likely to range from \$76 million to \$84 million, assuming discount rates of 3 and 7 percent, respectively. In the post-statute period, we estimate that total present value costs are likely to range from \$230 million to \$270 million, assuming discount rates of 7 and 3 percent respectively. Over the entire 16-year period, total present value costs range from \$310 million to \$340 million, assuming discount rates of 7 and 3 percent, respectively.

On an annualized basis, total post-statute costs are estimated to be approximately \$30 million, regardless of the discount rate assumption. Across the entire 16-year period, annualized costs range from \$21 million to \$22 million, assuming discount rates of 7 and 3 percent respectively. We present these annualized estimates for purposes of comparison with the estimates presented in Exhibit 10; however, for purposes of the Circular A-4 accounting statement, we focus on U.S.-based costs.⁸⁷

**EXHIBIT 11—TOTAL PRESENT VALUE COSTS OF THE IFR FOR U.S. AND
NON-U.S. BASED ACTORS**
[2019 U.S. dollars, 2019 base year]

	Pre-statute period (2013–2018)	Post-statute period (2019–2028)	Overall (2013–2028)
Undiscounted Values:			
U.S. Based Subtotal	\$27,707,760	\$111,260,212	\$138,967,971
Non-U.S. Based Subtotal ...	43,243,315	196,433,167	239,676,483
Total	70,951,075	307,693,379	378,644,454
Total Present Value:			
3 percent	76,734,894	269,689,624	346,424,517
7 percent	85,097,565	229,913,765	315,011,330
Annualized:			
3 percent	30,695,001	22,424,373
7 percent	30,593,035	20,766,436

⁸⁷ OMB’s Circular A-4 (p. 15) states “Your analysis should focus on benefits and costs that accrue to citizens and residents of the United States.” For this reason, we include only costs to U.S. based actors in Exhibits 13 and 14.

	Pre-statute period (2013–2018)	Post-statute period (2019–2028)	Overall (2013–2028)
--	--------------------------------	---------------------------------	---------------------

Other Non-Quantified Costs:

Additional non-quantified costs include past and future training time for CBP and USPS staff, time spent by USPS to develop and negotiate MOU and SOPs with CBP, and time spent by USPS and foreign posts to negotiate AED sharing agreements. Furthermore, USPS and/or foreign posts will incur additional costs if they are required to separate, store, return, or destroy mail that arrives without AED, and intended U.S. recipients will experience delay costs. These costs will only result from long-term non-compliance, and CBP and USPS will continue to work with foreign posts to ensure that this does not take place.

Source: IEC calculations using data from various sources. See main text for details.

Source: IEC calculations using data from various sources. See main text for details.

Notes:

1. We estimate the annualized cost over the post-statute period (2019–2028) from the perspective of an individual in 2019. This reflects the equal payment that would need to be made in each future year to equal the total present value of the costs.

2. We estimate the annualized cost over the full period of analysis (2013–2028) from the perspective of an individual in 2013, when U.S.-based actors started incurring costs related to the pilots. This reflects the equal payment that would need to be made during the pre- and poststatute years to equal the total present value of the costs.

3. Totals may not sum due to rounding.

5. Benefits of Rule

The AED interim final rule represents an important component of DHS's evolving layered strategy for limiting the flow of prohibited goods entering the United States. The rule provides CBP with earlier and more detailed information about international mail being received at IMFs. Specifically, the rule requires the information to be provided prior to loading the inbound mail shipment onto the transporting conveyance. The principal benefit of the new rule will be more precise identification of at-risk shipments at an earlier time. This information will allow for better targeting and aims to improve CBP's effectiveness in preventing prohibited mail items from entering the commerce of the United States. Our analysis examines how AED may reduce adverse opioid-related outcomes. While this category of benefits is one of many possible outcomes of the rule, our focus on opioids reflects the principal objective of the STOP Act and the relative share of benefits that we anticipate will be attributable to this category.⁸⁸

⁸⁸ Other potential benefits include: Reduced supply of illicit drugs and adverse drug-related outcomes; improved competitiveness for U.S. businesses facing counterfeit items from foreign markets; and reduced risks to the U.S. agricultural sector in the form of invasive pests, plants, and contagious diseases.

We also emphasize seizures of fentanyl and related compounds because the drug disproportionately influences opioid-related deaths and international mail is a major distribution channel for producers in China and elsewhere.⁸⁹

For context, from 2017 to 2018, CBP officers at IMF's seized 616 mail containing fentanyl, totaling 119 kilograms of the drug, or 59.5 kilograms per year. This volume of fentanyl seizures is significant, particularly considering its high purity (*i.e.*, exceeding 90 percent by weight, CEA 2019). The influence of these seizures can be gauged by comparing the dosage to heroin consumption in the United States. Assuming a moderately high purity of 75 percent for seized fentanyl at IMF's and that 0.25 to 1 milligram of fentanyl is equivalent to a single dose of heroin, this represents roughly 45 to 179 million replacement doses seized annually. Put another way, the fentanyl seized at IMF's annually is equivalent to approximately 4 percent of the total heroin consumption annually, assuming 40 metric tons of heroin consumption and a 40:1 potency ratio of fentanyl relative to heroin.^{90 91}

Replacement doses may also be transformed into another metric, person-years of use, using basic assumptions on doses per year. Assuming 1,000 doses per person-year of use, the seized fentanyl represents roughly 45,000 to 179,000 person-years of use. The death rate per person-year of use is likely between one and four percent, meaning this annual volume of seizures may represent 450 to 7,160 overdose deaths in total.^{92 93}

Notably, current seizures are not fully attributable to the pilot program. While AED may aid in the detection and seizure of fentanyl, the total seizure amount is likely also due to other forms of targeting, including screening mail from countries of interest. Nonetheless, the staggering volume of fentanyl seizures suggests that even small improvements in CBP's targeting capabilities resulting from the use of AED will likely result in benefits exceeding the cost of obtaining and

⁸⁹ U.S. Government Accountability Office, *Illicit Opioids: While Greater Attention Given to Combating Synthetic Opioids, Agencies Need to Better Assess their Efforts*. GAO-18-205 (2018, p. 9-10) ("GAO, *Illicit Opioids*").

⁹⁰ RAND (2014, p. 5) previously estimated annual U.S. heroin consumption totaled roughly 25 metric tons from 2000 to 2010, with growth later in the time period. Personal communication with Dr. Jonathan Caulkins on May 20, 2019 indicates that 40 metric tons may be an appropriate assumption for current heroin consumption.

⁹¹ 4 percent = [59.5 kilograms of fentanyl * 0.75 purity adjustment * 40 units of heroin per unit fentanyl * 0.001 metric tons per kilogram]/40 metric tons of heroin consumed annually.

⁹² Personal communication with Dr. Jonathan Caulkins, Carnegie Mellon University, May 20, 2019.

⁹³ 450 = 45,000 person-years * 0.01 deaths per person-year of use. 7,160 = 179,000 person-years * 0.04 deaths per person-year of use.

using AED in the targeting process. We also note that efforts to reduce the risk of opioid addiction, consistent with Executive Order 13563, help promote “values that are difficult or impossible to quantify, including equity, human dignity, fairness, and distributive impacts.” This is so especially in view of the fact that the relevant risks, including that of premature death, are often inflicted on particularly vulnerable members of society.

The interim final rule will only generate benefits if AED improves CBP’s ability to target mail containing illicit goods. Data from the JFK pilot provides clear evidence that AED improves CBP’s ability to target mail containing illicit goods. AED targeting increased the seizure rate per inspection from 9.29 percent under conventional targeting to 16.26 percent. CBP believes that this will result in a higher seizure rate of fentanyl and other dangerous goods, but CBP databases do not separately track AED seizures for fentanyl specifically compared to conventional targeting. While data doesn’t exist to show that fentanyl seizures would have also increased due to AED, there is no reason to believe that fentanyl seizures would be different from overall seizures in this regard. During the regulatory period, the improvements in targeting will be applied to a much larger portion of mail than in the pilot period because AED will be the standard requirement for all countries. CBP has seen bad actors use transshipment as a means of circumventing the enhanced enforcement that results from advance reporting of data. Requiring all countries to submit AED will close this security gap and increase the seizures from all countries. The exact effect of these seizures on the growing opioid epidemic is less clear. Literature on the effectiveness of supply-side drug policy is both limited and discouraging. For the fentanyl market, empirical studies on drug interdiction have not yet been published. However, available qualitative literature in related markets provides a more optimistic perspective on the anticipated outcomes stemming from the interim final rule because of fentanyl’s lethality and its ongoing emergence as an illicit market. As discussed in more detail in section 5.1 of the full regulatory impact analysis available in the docket of this rulemaking, because fentanyl’s emergence in illicit markets is relatively new, there is reason to believe that increased interdiction would reduce overall illicit use of fentanyl.

Nonetheless, data limitations hinder our ability to quantify the effectiveness, and thus the benefits, of the interim final rule. Most notably, we are unable to quantify the effect of fentanyl seizures on total use of the drug. Our assessment of benefits is therefore limited to this qualitative discussion. Quantification of the benefits of the interim final rule is unusually challenging. While the pilot programs

suggest that the rule may result in additional package seizures, it is not possible to extrapolate from any estimated increase in seized packages a number to represent likely benefits, including mortality reductions, from the interim final rule. This is particularly true because of uncertainty about the effectiveness of supply-side drug policies.

Important intended effects of the interim final rule are reduced mortalities from overdoses; other important intended effects include reductions in morbidity resulting from opioid addiction. It is possible to imagine a range of plausible scenarios, in which the interim final rule has different impacts on health and economic end-states. Further, while the rule is focused on the prevention of opioid deaths as its intended goal, additional information for targeted cargo screening obtained through AED could also be used to screen for CBP's other targets such as counterfeit and dangerous goods, fraudulent goods, or illicit biological matter, or even in counterterrorism. As it related to opioids, DHS is able to describe possible scenarios rather than estimates of net benefits. Each of those scenarios involves a degree of speculation, making it hazardous to make even qualitative judgments about which is most likely to occur.

As its standard practice, DHS values a statistical life at \$9.6 million.⁹⁴ The quantified costs of the rule from the post-statute period are about \$31 million annualized, but the unquantified costs of the rule may be substantial. Under one scenario, the interim final rule could have a moderate effect, preventing ten premature deaths annually; under a more conservative scenario, the interim final rule could have a more modest effect, perhaps preventing five premature deaths annually. Under the moderate scenario if the rule prevented 10 premature deaths by screening for and successfully seizing opioids as they enter the country, and if the unquantified costs were roughly equal to the quantified costs, the rule could provide benefits well in excess of costs. Under the more modest scenario if the rule prevented five premature deaths and if the unquantified costs were roughly equal to half the quantified costs, the rule would also have benefits in excess of costs. Accepting the high degree of uncertainty, taking account of the magnitude of the underlying problem, and recognizing that the rule is likely to have additional benefits from assisting CBP's targeting to prevent smuggling of other items, DHS believes, in the terms of Executive Order 13563, "that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify)."

⁹⁴ <https://www.transportation.gov/sites/dot.gov/files/docs/2016%20Revised%20Value%20of%20a%20Statistical%20Life%20Guidance.pdf>.

6. Regulatory Alternatives

CBP is considering three alternative time frames by which CBP must electronically receive AED from USPS: The preferred alternative that is the subject of the extensive quantitative analysis presented in this RIA, as well as two additional alternatives that are more and less stringent. Below we describe each alternative:

Alternative 1 (the preferred alternative): CBP must receive AED from USPS as soon as practicable, but no later than prior to loading the inbound international mail shipment onto the transporting conveyance destined for the United States. CBP must electronically receive from the USPS updates to the AED, if any of the submitted data changes or more accurate data becomes available after the USPS transmits the AED. USPS must provide these updates as soon as it becomes aware that any of the submitted data changes or as soon as it becomes aware that more accurate data is available. USPS must submit updated information up until the timeframes set forth for updating AED in 19 CFR 122.48b(b)(2) (which matches the requirement to update AED currently required for commercial cargo shipments). USPS may submit updates up until the mail shipment arrives at the first CBP port in the United States.

Alternative 2: Same as Alternative 1; however, instead of requiring USPS to update AED if any of the submitted data elements changes or more details are provided, CBP would require USPS to provide updated AED for all mail shipments regardless of a change to confirm PREDES data prior to departure of the transport from the origin post.

Alternative 3: Same as Alternative 1; however, instead of requiring USPS to transmit AED prior to loading, CBP would require USPS to transmit AED information prior to arrival.

By evaluating these three alternatives, CBP is seeking the most favorable balance between benefits (*i.e.*, security outcomes) and costs. In summary:

- CBP believes that Alternative 1 provides the most favorable combination of cost and stringency as it allows for flexibility while meeting the necessary security requirements.

- Alternative 2 is the most stringent alternative, and its costs are likely to be greater than the costs estimated for Alternative 1. At the same time, this alternative would likely result in increased benefits due to better targeting (*i.e.*, more time to conduct risk assessments based on information provided in the updated AED as well as providing greater certainty in the accuracy of the information). However, CBP anticipates that the increased benefits are marginal and do not justify the additional costs.

• Alternative 3 is the least stringent alternative, and its costs are likely lower than the costs we estimate for Alternative 1. However, these cost savings come at the expense of providing the time required for CBP to properly perform risk assessments, potentially resulting in many packages with AED going unanalyzed. Though this alternative would give the foreign posts and USPS more time to transmit the information to CBP and could lead to fewer corrections, most filings can be submitted by the Alternative 1 time frame without a problem, and Alternative 3 may not provide adequate security.

7. Net Impact of Rule

Exhibit 13 provides a cost accounting statement for the interim final rule (post-statute period, 2019 through 2028). Exhibit 14 provides a cost accounting statement for the overall time frame of this analysis (pre-statute and post-statute periods, 2013 through 2028).

EXHIBIT 13—ACCOUNTING STATEMENT: POST-STATUTE DOMESTIC COSTS

	3 Percent discount rate	7 Percent discount rate
U.S. Costs (2019 USD):		
Annualized monetized costs	\$11 million	\$11 million
Annualized quantified, but non-monetized costs	None quantified	None quantified.
Qualitative (non-quantified) costs	Costs to CBP and USPS to develop MOU and SOPs with each other and to train staff; and costs for USPS to negotiate AED sharing agreements with foreign posts.	
U.S. Benefits:		
Annualized monetized benefits	None monetized	None monetized.
Annualized quantified, but non-monetized benefits	None quantified	None quantified.
Qualitative (non-quantified) benefits .	The principal benefit of the new rule will be more precise identification of mail shipments with illicit goods at an earlier time, improving CBP's effectiveness in preventing prohibited mail items from entering the commerce of the United States. In the pilot program, AED targeting increased the seizure rate per inspection from 9.29 percent under conventional targeting to 16.26 percent. The anticipated benefits of this rule are wide-ranging given the breadth of prohibited items but may include reduced supply of illicit drugs and adverse-drug related outcomes; improved competitiveness for U.S. businesses facing counterfeit items from foreign markets; and reduced risks to the U.S. agricultural sector in the form of invasive pests, plants, and contagious diseases.	

EXHIBIT 14—ACCOUNTING STATEMENT: OVERALL COST OF RULE
 [Pre- and post-statute costs]

	3 Percent discount rate	7 Percent discount rate
U.S. Costs (2019 USD):		
Annualized monetized costs	\$8.3 million	\$7.7 million.
Annualized quantified, but non-monetized costs	None quantified	None quantified.
Qualitative (non-quantified) costs	Costs to CBP and USPS to develop MOU and SOPs with each other and to train staff; and costs for USPS to negotiate AED sharing agreements with foreign posts.	
U.S. Benefits:		
Annualized monetized benefits	None monetized	None monetized.
Annualized quantified, but non-monetized benefits	None quantified	None quantified
Qualitative (non-quantified) benefits .	The principal benefit of the new rule will be more precise identification of mail shipments with illicit goods at an earlier time, improving CBP's effectiveness in preventing prohibited mail items from entering the commerce of the United States. In the pilot program, AED targeting increased the seizure rate per inspection from 9.29 percent under conventional targeting to 16.26 percent. The anticipated benefits of this rule are wide-ranging given the breadth of prohibited items but may include reduced supply of illicit drugs and adverse-drug related outcomes; improved competitiveness for U.S. businesses facing counterfeit items from foreign markets; and reduced risks to the U.S. agricultural sector in the form of invasive pests, plants, and contagious diseases.	

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires Federal agencies to examine the impact a rule would have on small entities. A small entity may be a small business (defined as any independently owned and operated business not dominant in its field that qualifies as a small business per the Small Business Act); a small not-for-profit organization; or a small governmental jurisdiction (locality with fewer than 50,000 people). Because this rule is being issued as an interim final rule under the good cause exception (5 U.S.C. 553(b)(B)), as set forth above, a regulatory flexibility analysis is not required under the Regulatory Flexibility Act (5 U.S.C. 601–612).

D. Unfunded Mandates Reform Act of 1995

This rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year, and it will not significantly or

uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

E. Privacy

CBP will ensure that all Privacy Act requirements and policies are adhered to in the implementation of this rule, and will issue or update any necessary Privacy Impact Assessment and/or Privacy Act System of Records notice to fully outline processes that will ensure compliance with Privacy Act protections.

F. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) requires that CBP consider the impact of paperwork and other information collection burdens imposed on the public. There is no new information collection request burden placed on the public associated with this rule as the burden is imposed on a partner government agency. As such, the provisions of the Act do not apply to this rule.

G. Other Regulatory Requirements

For purposes of Congressional Review Act (CRA), the Office of Management and Budget (OMB) makes a determination as to whether a final rule constitutes a “major” rule. 5 U.S.C. 801–808. If a rule is deemed a “major rule” by the OMB, the CRA generally provides that the rule may not take effect until at least 60 days following its publication. 5 U.S.C. 801(a)(3). However, the CRA provides that if agency finds good cause that notice and public procedure are impracticable, unnecessary, or contrary to the public interest, the rule shall take effect at such time as the agency determines. 5 U.S.C. 808(2).

The CRA defines a “major rule” as any rule that the Administrator of the Office of Information and Regulatory Affairs of the OMB finds has resulted in or is likely to result in—(A) an annual effect on the economy of \$100,000,000 or more; (B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies or geographic regions, or (C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign based enterprises in domestic and export markets. 5 U.S.C. 804(2). The Office of Information and Regulatory Affairs has determined that this rule does constitute a major rule under 5 U.S.C. 804. However, DHS is proceeding with good cause and this rule will not be subject to the typical 60 day delayed effective date. *See* 5 U.S.C.

808(2). As discussed in more detail in section V.A *Administrative Procedure Act*, the COVID–19 pandemic has accelerated drug overdose deaths, resulting in over 81,000 drug overdose deaths in the 12-month period ending in May 2020. CDC notes that “synthetic opioids (primarily illicitly manufactured fentanyl) appear to be the driver,” increasing 38.4 percent relative to the prior year. Ten western states reported a more than 98 percent increase in synthetic opioid-involved deaths over the same period.⁹⁵ CBP believes this rule will address a regulatory gap related the importation of illicit opioids and that delaying the implementation of this rule could result in serious harm to public health and safety by continuing to allow the illicit flow of opioids into the country while the procedural periods elapse.

H. Required Report to Congress

Pursuant to section 343(a)(3)(L) of the Trade Act of 2002 (19 U.S.C. 1415 (a)(3)(L)), DHS must submit a report regarding this interim final rule document to the Committees on Finance and Commerce, Science, and Transportation of the Senate and the Committees on Ways and Means and Transportation and Infrastructure of the House of Representatives not later than 15 days prior to publication in the **Federal Register**. DHS has timely submitted the required report.

VI. Signing Authority

The signing authority for this document falls under 19 CFR 0.2(a). Accordingly, this document is signed by the Secretary of Homeland Security.

List of Subjects

19 CFR Part 4

Exports, Freight, Harbors, Maritime carriers, Oil pollution, Reporting and recordkeeping requirements, Vessels.

19 CFR Part 122

Administrative practice and procedure, Air carriers, Aircraft, Airports, Alcohol and alcoholic beverages, Cigars and cigarettes, Cuba, Drug traffic control, Freight, Penalties, Reporting and recordkeeping requirements, Security measures.

⁹⁵ Centers for Disease Control, Press Release, *Overdose Deaths Accelerated During COVID–19: Expanded Prevention Efforts Needed*, December 17, 2020, available at <https://www.cdc.gov/media/releases/2020/p1218-overdose-deaths-covid-19.html> (last accessed February 20, 2021).

19 CFR Part 123

Canada, Freight, International boundaries, Mexico, Motor carriers, Railroads, Reporting and recordkeeping requirements, Vessels.

19 CFR Part 145

Exports, Lotteries, Postal Service, Reporting and recordkeeping requirements.

19 CFR Part 149

Foreign trade, Foreign trade zones, Freight, Imports, Reporting and recordkeeping requirements, Vessels.

Regulatory Amendments

For the reasons set forth above, CBP amends parts 4, 122, 123, 145, and 149 of title 19 of the Code of Federal Regulations (19 CFR parts 4, 122, 123, 145, and 149) as follows:

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADES

■ 1. The general authority citation for part 4 is revised to read and the specific authority citation for § 4.7 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1415, 1431, 1433, 1434, 1624, 2071 note; 46 U.S.C. 501, 60105.

* * * * *

Section 4.7 also issued under 19 U.S.C. 1581(a);

* * * * *

■ 2. In § 4.7, add paragraph (f) to read as follows:

§ 4.7 Inward foreign manifest; production on demand; contents and form; advance filing of cargo declaration.

* * * * *

(f) *Inbound international mail shipments.* This section does not apply to the United States Postal Service's transmission of advance electronic information for inbound international mail shipments by vessel, see § 145.74 of this chapter.

PART 122—AIR COMMERCE REGULATIONS

■ 3. The general authority citation for part 122 is revised to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 58b, 66, 1415, 1431, 1433, 1436, 1448, 1459, 1590, 1594, 1623, 1624, 1644, 1644a, 2071 note.

* * * * *

■ 4. In § 122.0, revise paragraph (a) to read as follows:

§ 122.0 Scope.

(a) *Applicability.* (1) The regulations in this part relate to the entry and clearance of aircraft and the transportation of persons and cargo by aircraft, and are applicable to all air commerce.

(2) The regulations in this part do not apply to the United States Postal Service's transmission of advance electronic information for inbound international mail shipments by air, see § 145.74 of this chapter.

* * * * *

PART 123—CBP RELATIONS WITH CANADA AND MEXICO

■ 5. The general authority citation for part 123 is revised to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States (HTSUS)), 1415, 1431, 1433, 1436, 1448, 1624, 2071 note.

* * * * *

■ 6. Revise § 123.0 to read as follows:

§ 123.0 Scope.

This part contains special regulations pertaining to Customs procedures at the Canadian and Mexican borders. Included are provisions governing report of arrival, manifesting, unloading and lading, instruments of international traffic, shipments in transit through Canada or Mexico or through the United States, commercial traveler's samples transiting the United States or Canada, baggage arriving from Canada or Mexico including baggage transiting the United States or Canada or Mexico, and electronic information for rail and truck cargo in advance of arrival. Aircraft arriving from or departing for Canada or Mexico are governed by the provisions of part 122 of this chapter. The arrival of all vessels from, and clearance of all vessels departing for, Canada or Mexico are governed by the provisions of part 4 of this chapter. Fees for services provided in connection with the arrival of aircraft, vessels, vehicles and other conveyances from Canada or Mexico are set forth in § 24.22 of this chapter. Regulations pertaining to the treatment of goods from Canada or Mexico under the North American Free Trade Agreement are contained in part 181 of this chapter. The requirements for the United States Postal Service to transmit advance electronic information for inbound international mail shipments are set forth in § 145.74 of this chapter.

PART 145—MAIL IMPORTATIONS

■ 7. The authority citation for part 145 is amended by adding an entry for subpart G at the end to read in part as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States, 1624.

* * * * *

Subpart G also issued under 19 U.S.C. 1415, 1436.

■ 8. Revise § 145.0 to read as follows:

§ 145.0 Scope.

(a) The provisions of this part apply only to mail subject to Customs examination as set forth in § 145.2. This part contains regulations pertaining specifically to the importation of merchandise through the mail but does not contain all the regulations applicable to mail importations. Importations by mail are subject to the same requirements and restrictions as importations by any other means, except where more specific procedures for mail importations are set forth in this part. The fee applicable to each item of dutiable mail (other than Inbound Express Mail Service (EMS) items) for which Customs prepares documentation, and the fee applicable to all EMS items, is set forth in § 24.22 of this chapter.

(b) This part also contains regulations requiring the United States Postal Service (USPS) to transmit certain advance electronic data (AED) to U.S. Customs and Border Protection (CBP) for certain inbound international mail shipments as set forth in subpart G of this part.

■ 9. Add subpart G to read as follows:

Subpart G—Mandatory Advance Electronic Data for Mail Shipments

Sec.

145.73 Definitions.

145.74 Mandatory advance electronic data (AED).

145.75 Liability for civil penalties.

§ 145.73 Definitions.

For purposes of this subpart:

Designated operator means an entity officially designated by a member country of the UPU to operate postal services and fulfill its treaty obligations to the UPU. USPS is thus considered a designated operator for the United States.

Express Mail Service or *EMS* means the optional supplementary postal express service for documents and merchandise.

International Mail Facility or *IMF* means an official international mail processing center operated by CBP.

Item ID means the unique item identifier, in both human-readable and barcode format.

Letter class mail—documents means letter class (in UPU terms, letter post) mail containing only documents. Documents consist of any piece of written, drawn, printed or digital information, excluding objects of merchandise and may include M-Bags to the extent that such items do not contain goods.

Letter class mail—goods means letter class (in UPU terms, letter post) mail up to 2 kilograms containing goods, also referred to as “small packets”. Mail over 2 kilograms containing goods must use a postal service other than letter class.

Parcel post means any mail article mailed at the parcel rate or equivalent class or category of postage.

Universal Postal Union or *UPU* means the specialized agency of the United Nations that sets the rules for international postal service for member countries.

§ 145.74 Mandatory advance electronic data (AED).

(a) *General requirements.* Pursuant to section 343(a)(3)(K) of the Trade Act of 2002 (Pub. L. 107–210, 19 U.S.C. 1415), as amended, for certain inbound international mail shipments identified in paragraph (b) of this section, CBP must electronically receive from USPS within the time frames specified in paragraph (c)(1) of this section certain mandatory advance electronic data (AED) and updates thereto as set forth in paragraph (c)(2) of this section.

(b) *Inbound international mail shipments where—(1) AED is required.* Except as provided in paragraphs (b)(2) and (e) of this section, CBP must electronically receive AED from USPS for inbound international mail shipments containing goods classified as Express Mail Service (EMS), Parcel post, or Letter class mail—goods.

(2) *AED is not required.* AED is not required for:

- (i) Letter class mail—documents;
- (ii) Items for the blind consisting of correspondence, literature in whatever format including sound recordings, and equipment or materials of any kind made or adapted to assist blind persons in overcoming the problems of blindness (up to 7 kilograms);
- (iii) Items sent as Parcel post or EMS that do not contain goods;
- (iii) Returned U.S. origin items;
- (iv) Items transiting the U.S. in closed transit; and

(v) Items sent as U.S. domestic mail, or mail treated as domestic, including mail to or from APO, FPO, and DPO addresses, mail to or from U.S. territories and possessions, and mail to, from or between the Freely Associated States of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

(c) *Time frames for providing and updating AED*—(1) *Providing AED*. CBP must electronically receive from USPS the AED identified in paragraph (d) of this section as soon as practicable, but no later than prior to loading the inbound international mail shipment onto the transporting conveyance.

(2) *Updating AED*. CBP must electronically receive from USPS updates to the AED if any of the submitted data changes or more accurate data becomes available after USPS transmits the AED. USPS must provide these updates as soon as it becomes aware that any of the submitted data changes or as soon as it becomes aware that more accurate data is available. USPS must submit updated information up until the time frame specified in § 122.48b(b)(2) of this chapter and may submit updates up until the time the mail shipment arrives at the CBP port of arrival in the United States.

(d) *Required AED*. CBP must electronically receive from USPS within the time frames specified in paragraph (c) of this section the AED set forth in paragraphs (d)(1) and (2) of this section:

(1) *Item attribute information*. The AED must include the following information about the attributes (characteristics) of mail items and their contents. This information may be provided through the item attribute or “ITMAT” information that USPS receives from the origin post in an electronic message that is the customs declaration equivalent to paper forms that satisfy the declaration requirements as set forth in § 145.11. An “M” next to any listed data element indicates that the data element is mandatory in all cases; an “O” next to the listed data element indicates that the data element is not mandatory, but preferred.

- (i) Sender’s Name (M);
- (ii) Sender’s Address (M);
- (iii) Sender’s Telephone/fax/email (O);
- (iv) Recipient’s Name (M);
- (v) Recipient’s Address (M);
- (vi) Recipient’s Telephone/fax/email (O);
- (vii) Detailed description of contents (M);
- (viii) Quantity (M);
- (ix) Weight (M);
- (x) Item ID (M);

- (xi) Category of Item (gift, documents, sale of goods, commercial sample, merchandise, returned goods, other) (O);
- (xii) Declared Value (M);
- (xiii) Date of Posting (O);
- (xiv) Postal Charges/Fees (O);
- (xv) 10-digit HS Tariff Number (for commercial items) (O);
- (xvi) Country of Origin of Goods (for commercial items) (O);
- (xvii) Importer's reference (tax code, VAT number, importer number, etc.) (O);
- (xviii) Importer's telephone/fax/email (O);
- (xix) License Number (O);
- (xx) Certificate Number (O);
- (xxi) Invoice Number (O);
- (xxii) Details if the goods are subject to quarantine, sanitary/phytosanitary inspection, or other restrictions (O); and
- (xxiii) Designated operator (M).

(2) *Pre-advice of despatch information.* In addition to the information about each mail item in paragraph (d)(1) of this section, the required AED must also include the following information about the shipment, referred to as the “dispatch” or “despatch,” of mail receptacles of the same mail category and class sent from one post to another that includes the mail item. This information may be provided through the pre-advice of despatch or “PREDES” information that USPS receives from the origin post in an electronic message advising USPS about the shipment being sent.

(i) Dispatch information including origin post, destination post, and dispatch number;

(ii) Scheduled date and time of departure of the transporting conveyance;

(iii) Scheduled date and time of arrival in the United States;

(iv) Transportation information including carrier and, as applicable, flight number, voyage number, trip number, and/or transportation reference number;

(v) Scheduled International Mail Facility in the United States (IMF);

(vi) Total weight of the dispatch; and

(vii) The information for receptacles contained within the dispatch, including receptacle type, receptacle ID, and weight, as well as item ID for items nested to the receptacles, if applicable.

(e) *Exclusions from AED requirements for mail shipments from specific countries.* Pursuant to section 343(a)(3)(K)(vi) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vi)), CBP, in consultation with USPS, may determine that a specific country or countries do not have the

capacity to collect and transmit AED, represent a low risk for mail shipments that violate relevant United States laws and regulations, and account for low volumes of mail shipments that can be effectively screened for compliance with relevant United States laws and regulations through an alternate means. In such case(s), CBP will inform USPS that mail shipments from that specific country or countries are excluded from the AED requirements in this section. CBP will re-evaluate these determinations at a minimum on an annual basis.

(f) *Compliance date of this section—full compliance required not later than December 31, 2020.* Except for mail shipments from countries that are excluded from AED requirements as set forth in paragraph (e) of this section, USPS must comply with the requirements of this section for 100 percent of mail shipments described in paragraph (b) of this section not later than December 31, 2020, as set forth in section 343(a)(3)(K)(vi) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vi)).

(g) *Shipments for which USPS has not complied with the AED requirements—(1) Shipments received after December 31, 2020.* Pursuant to section 343(a)(3)(K)(vii) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vii)), USPS must, in consultation with CBP, refuse any shipments received after December 31, 2020, for which the AED required by this section is not received by CBP, unless remedial action is warranted in lieu of refusal of shipments. If remedial action is warranted, CBP and USPS will determine the appropriate remedial action. Remedial action includes, but is not limited to, destruction, seizure, controlled delivery or other law enforcement initiatives, or correction of the failure to provide the AED described in this section with respect to the shipments.

(2) *Certain shipments received during the period beginning on January 1, 2021, through March 15, 2021.* Pursuant to section 343(a)(3)(K)(vii) of the Trade Act of 2002 (19 U.S.C. 1415(a)(3)(K)(vii)) as amended by Sec. 802 Consolidated Appropriations Act, 2021, Public Law 116–260, notwithstanding paragraph (g)(1) of this section, during the period beginning on January 1, 2021, through March 15, 2021, the Postmaster General may accept a shipment without transmission of the information described in paragraph (d) of this section if the Commissioner determines, or concurs with the determination of the Postmaster General, that the shipment presents a low risk of violating any relevant United States statutes or regulations, including statutes or regulations relating to the importation of controlled substances such as fentanyl and other synthetic opioids.

§ 145.75 Liability for civil penalties.

(a)(1) Violation of § 145.74(g) after December 31, 2020, will result in USPS being liable for penalties in accordance with the provisions of 19 U.S.C. 1436(e)(1).

(2) The amount of the penalty will be \$5,000 per violation.

(b) The penalty will be reduced or dismissed based on the factors specified in 19 U.S.C. 1436(e)(2).

PART 149—IMPORTER SECURITY FILING

■ 10. The authority citation for part 149 is revised to read as follows:

Authority: 5 U.S.C. 301; 6 U.S.C. 943; 19 U.S.C. 66, 1415, 1624, 2071 note.

■ 11. In § 149.1, amend paragraph (a) by adding two sentences at the end of the paragraph to read as follows:

§ 149.1 Definitions.

(a) * * * For the purposes of this part the United States Postal Service is not an ISF Importer. Regulations related to the transmittal of advance electronic information for inbound international mail shipments are set forth in § 145.74 of this chapter.

* * * * *

ALEJANDRO N. MAYORKAS,
Secretary of Homeland Security.

[Published in the Federal Register, March 15, 2021 (85 FR 14245)]

19 CFR Part 12
CBP Dec. 21-05
RIN 1515-AE61

**EXTENSION OF IMPORT RESTRICTIONS IMPOSED ON
CERTAIN ARCHAEOLOGICAL AND ETHNOLOGICAL
MATERIALS FROM COLOMBIA**

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security; Department of the Treasury.

ACTION: Final rule.

SUMMARY: This document amends the U.S. Customs and Border Protection (CBP) regulations to reflect an extension of import restrictions on certain archaeological and ecclesiastical ethnological material from Colombia. The restrictions, which were originally imposed by CBP Dec. 06-09 and last extended by CBP Dec. 16-05, are due to expire on March 15, 2021. The Assistant Secretary for Educational and Cultural Affairs, United States Department of State, has made the requisite determinations for extending the import restrictions that previously existed, and the Government of the United States and the Government of Colombia entered into a new agreement to reflect the extension of these import restrictions. The new agreement, which enters into force on March 10, 2021, supersedes the existing Memorandum of Understanding (MOU) that became effective on March 15, 2006, and enabled the promulgation of the existing import restrictions. Accordingly, the import restrictions will remain in effect for an additional five years, and the CBP regulations are being amended to reflect this further extension until March 10, 2026. CBP Dec. 06-09 contains the amended Designated List of archaeological and ecclesiastical ethnological material from Colombia to which the restrictions apply.

DATES: Effective on March 10, 2021.

FOR FURTHER INFORMATION CONTACT: For legal aspects, Lisa L. Burley, Branch Chief, Cargo Security, Carriers and Restricted Merchandise Branch, Regulations and Rulings, Office of Trade, (202) 325-0215, *ot-otrrculturalproperty@cbp.dhs.gov*. For operational aspects, Pinky Khan, Branch Chief, Commercial Targeting and Analysis Center, Trade Policy and Programs, Office of Trade, (202) 427-2018, *CTAC@cbp.dhs.gov*.

SUPPLEMENTARY INFORMATION:

Background

Pursuant to the Convention on Cultural Property Implementation Act, Public Law 97-446, 19 U.S.C. 2601 *et seq.*, which implements the 1970 United Nations Educational, Scientific and Cultural Organization (UNESCO) Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property (823 U.N.T.S. 231 (1972)), the United States entered into a Memorandum of Understanding, titled “Memorandum of Understanding Between the Government of the United States of America and the Government of the Republic of Colombia Concerning the Imposition of Import Restrictions on Archaeological Material from the Pre-Columbian Cultures and Certain Ecclesiastical Ethnological Material from the Colonial Period of Colombia” (MOU), with the Republic of Colombia (Colombia) on March 15, 2006. The MOU enabled the promulgation of import restrictions on certain archaeological material representing Colombia’s pre-Columbian cultures and ranging in date from approximately 1500 B.C. to A.D. 1530, and Colombian ecclesiastical ethnological material of the Colonial period ranging in date from approximately A.D. 1530 to 1830. On March 17, 2006, CBP published CBP Dec. 06-09 in the **Federal Register** (71 FR 13757), which amended 19 CFR 12.104g(a) to reflect the imposition of these restrictions and included a list designating the types of articles covered by the restrictions.

Import restrictions listed at 19 CFR 12.104g(a) are effective for no more than five years beginning on the date on which the agreement enters into force with respect to the United States. This period may be extended for additional periods of not more than five years if it is determined that the factors which justified the initial agreement still pertain and no cause for suspension of the agreement exists.

Since the initial notice was published on March 17, 2006, the import restrictions were subsequently extended two (2) times. First, on March 15, 2011, following the exchange of diplomatic notes, CBP published a final rule (CBP Dec. 11-06) in the **Federal Register** (76 FR 13879) to extend the import restrictions for a period of five years to March 15, 2016. Second, on March 15, 2016, following the exchange of diplomatic notes, CBP published a final rule (CBP Dec. 16-05) in the **Federal Register** (81 FR 13721) to extend the import restriction for an additional five-year period to March 15, 2021.

On June 8, 2020, the United States Department of State proposed in the **Federal Register** (85 FR 35156) to extend the MOU between the United States and Colombia concerning the imposition of import restrictions on certain categories of archeological and ecclesiastical ethnological material from Colombia. On January 6, 2021, the Assis-

tant Secretary for Educational and Cultural Affairs, United States Department of State, after consultation with and recommendations by the Cultural Property Advisory Committee, determined that the cultural heritage of Colombia continues to be in jeopardy from pillage of certain archaeological and ecclesiastical ethnological material, and that the import restrictions should be extended for an additional five years. Subsequently, on March 4, 2021, the Government of the United States and Government of Colombia entered into a new agreement, titled “Agreement between the Government of the United States of America and the Government of the Republic of Colombia Concerning the Imposition of Import Restrictions on Categories of Archaeological and Ethnological Materials of the Republic of Colombia,” which is effective on March 10, 2021. The new agreement supersedes the existing MOU that first entered into force on March 15, 2006. Pursuant to the new agreement, the import restrictions will remain in effect for an additional five years.

Accordingly, CBP is amending 19 CFR 12.104g(a) to reflect the extension of the import restrictions. The restrictions on the importation of archaeological and ecclesiastical ethnological material are to continue in effect until March 10, 2026. Importation of such material from Colombia continues to be restricted through that date unless the conditions set forth in 19 U.S.C. 2606 and 19 CFR 12.104c are met.

The Designated List and additional information may also be found at the following website address: <https://eca.state.gov/cultural-heritage-center/cultural-property-advisory-committee/current-import-restrictions> by selecting the material for “Colombia.”

Inapplicability of Notice and Delayed Effective Date

This amendment involves a foreign affairs function of the United States and is, therefore, being made without notice or public procedure under 5 U.S.C. 553(a)(1). For the same reason, a delayed effective date is not required under 5 U.S.C. 553(d)(3).

Regulatory Flexibility Act

Because no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply.

Executive Order 12866

CBP has determined that this document is not a regulation or rule subject to the provisions of Executive Order 12866 because it pertains to a foreign affairs function of the United States, as described above, and therefore is specifically exempted by section 3(d)(2) of Executive Order 12866.

Signing Authority

This regulation is being issued in accordance with 19 CFR 0.1(a)(1), pertaining to the Secretary of the Treasury’s authority (or that of his/her delegate) to approve regulations related to customs revenue functions.

List of Subjects in 19 CFR Part 12

Cultural property, Customs duties and inspection, Imports, Prohibited merchandise, Reporting and recordkeeping requirements.

Amendment to CBP Regulations

For the reasons set forth above, part 12 of title 19 of the Code of Federal Regulations (19 CFR part 12) is amended as set forth below:

PART 12—SPECIAL CLASSES OF MERCHANDISE

■ 1. The general authority citation for part 12 and the specific authority citation for § 12.104g continue to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States (HTSUS)), 1624;

* * * * *

Sections 12.104 through 12.104i also issued under 19 U.S.C. 2612;

* * * * *

■ 2. In § 12.104g, in the table in paragraph (a) amend the entry for Colombia by removing the words “CBP Dec. 06—09 extended by CBP Dec. 16—05” in the column headed “Decision No.”, and adding in their place the words “CBP Dec. 06—09 extended by CBP Dec. 21—05”.

■ 2. In § 12.104g, amend the table in paragraph (a) by revising the entry for Colombia to read as follows:

§ 12.104g Specific items or categories designated by agreements or emergency actions.

(a) * * *

State party	Cultural property	Decision No.
	* * * * *	*
Colombia.....	Pre-Columbian archaeological material ranging approximately from 1500 B.C. to 1530 A.D. and ecclesiastical ethnological material of the Colonial period ranging approximately from A.D. 1530 to 1830.	CBP Dec. 06—09 extended by CBP Dec. 21—05.
	* * * * *	*

* * * * *

Troy A. Miller, the Senior Official Performing the Duties of the Commissioner, having reviewed and approved this document, is delegating the authority to electronically sign this document to Robert F. Altneu, who is the Director of the Regulations and Disclosure Law Division for CBP, for purposes of publication in the **Federal Register**.

Dated: March 9, 2021.

ROBERT F. ALTNEU,
Director,
Regulations & Disclosure Law Division,
Regulations & Rulings, Office of Trade,
U.S. Customs and Border Protection.

TIMOTHY E. SKUD
Deputy Assistant
Secretary of the Treasury.

[Published in the Federal Register, March 12, 2021 (85 FR 13993)]

Index

Customs Bulletin and Decisions
Vol. 55, No. 12, March 31, 2021

U.S. Customs and Border Protection

General Notices

	<i>Page</i>
Proposed Revocation of One Ruling Letter, Proposed Modification of Two Ruling Letters, and Proposed Revocation of Treatment Relating to the Tariff Classification of Polyurethane Anti-Stress Figures	1
Proposed Modification of Two Ruling Letters and Revocation of Treatment Relating to the Country of Origin of Certain Wristwatches produced in more than one Country	11

CBP Decisions

	CBP No.	Page
Mandatory Advance Electronic Information for International Mail Shipments	21-04	26
Extension of Import Restrictions Imposed on Certain Archaeological and Ethnological Materials From Colombia . .	21-05	103