

## **In-Bond Processing and Customs Form 7512 Preparation**

U.S. Customs and Border Protection directive #3240-03 is entitled, "In-Bond Processing and Customs Form 7512 Preparation." This directive is being distributed to allow time for implementation planning.

The purpose of this directive is to ensure uniform processing of in-bond documents, improve accountability of the in-bond process, and improve enforcement capability by mandating more complete information. Key elements of this directive include:

- Reviews of in-bond documents performed by CBP officers to ensure completeness and accuracy of the information provided.
- A uniform correction policy with improved accountability.
- Mandatory input of information into the CBP automated systems prior to movement of in-bond shipments.
- Arrival at destination port must be reported and input into the CBP automated systems promptly.
- Reporting exportation of in-bond shipments in the CBP automated systems may not take place until the merchandise is physically located where exportation is reasonably assured.
- Examination of in-bond shipments in addition to mandated "Tin Man" examinations is encouraged to prevent smuggling.
- Preparation instructions for the CF 7512 that include data requirements for each field that are consistent with the regulations.
- Description requirements that are consistent with the "24 hour rule", CBP regulations and the Trade Act of 2002.

Due to the potentially disruptive nature of some of these provisions, the implementation of this directive is being phased in over 60 days. Key elements of the implementation include:

- The publication date of the directive is August 7, 2003.
- The instructions to the trade (Attachment A) shall be informational only until October 20, 2003. During this 60-day period, CBP personnel may provide guidance to

trade participants in an attempt to gain informed compliance. At the end of this time frame, CBP officers may reject shipments that do not meet the guidelines.

- The operational provisions of the Directive shall be effective October 20, 2003. This will allow CBP field offices to develop procedures consistent with the policy change and implement them with minimal disruption. Local procedures will be made available prior to October 1, 2003 as they are completed. It will also allow time for trade participants to explore in-bond automation options.
- Implementation of this directive is not dependent on the rollout schedule for automation options. Input of paper in-bond documents will be performed under current procedure allowing for manual input of data elements. The manual processing will be discontinued at land border locations as the Trade Act regulations are implemented.

Questions regarding policy changes should be directed to James Swanson, Office of Field Operations, CBP Headquarters at (202) 927-0966.

For specific questions regarding local procedures, contact your local port office.