

2011 Trade Symposium

In-bond – April 14, 2011

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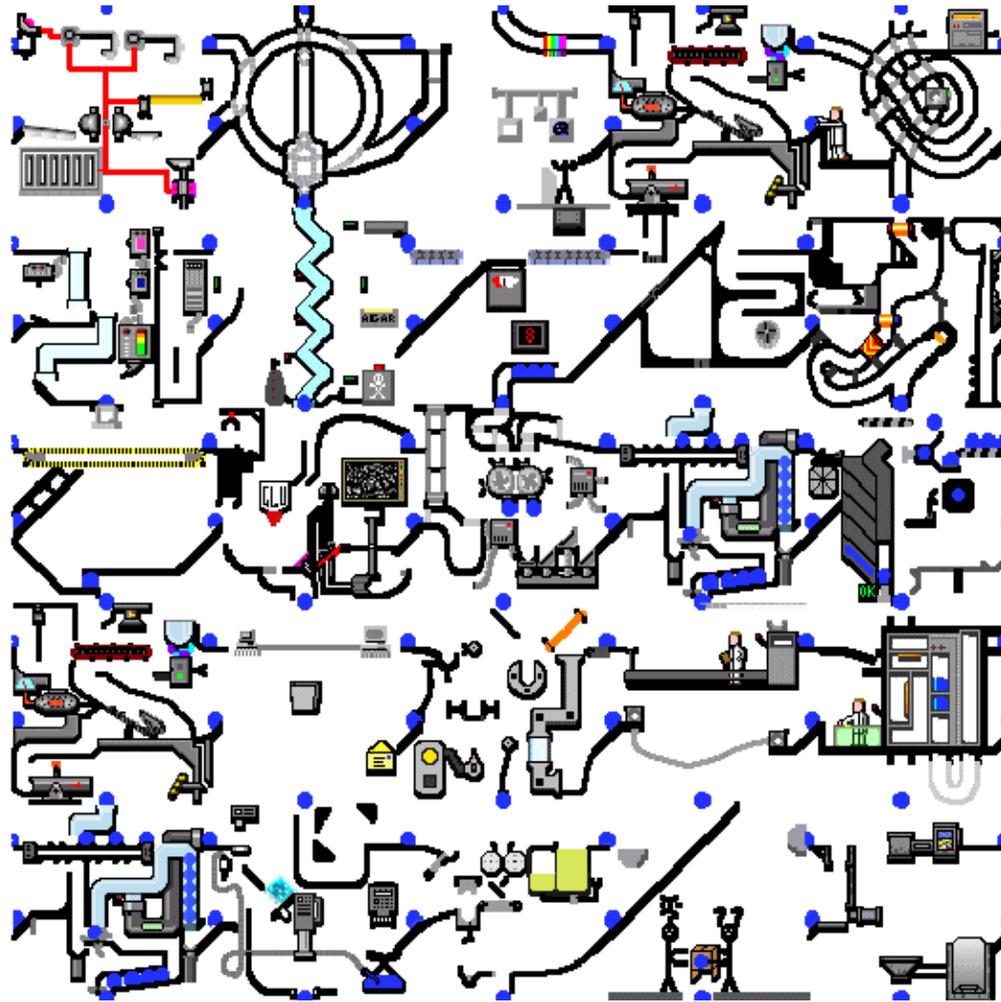
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In-bond – Flow Chart



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Regulatory Issues

Background

- The in-bond concept goes back to the 1700's
- Last major revision of the in-bond regulations was in the 1930's
- Obviously the in-bond regulations have not been updated in a long time
- CBP is currently in the process of rewriting the in-bond regulations (19 CFR Part 18)



Proposed Regulatory Changes

Summary of pending changes

- Automate the entire process, and require all in-bond applications be submitted to CBP electronically
- Change the in-bond transit times, 30-days all modes, except pipeline will be 90 days
- Modify 19 CFR 18.5 to require that CBP be notified prior to diverting to another port
- Require all in-bonds to be arrived to a port code/FIRMS code combination



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Proposed Regulatory Changes

Summary of pending changes (continued)

- Require associated permits to be transmitted with the application
- Clarify the ISF in-bond requirements
- No more UNKN bill numbers
- FTZ operators will be able to issue bill numbers for bonds using their FIRMS code number as the bill issuer code



The Future

CBP is looking to implement the following:

- Identifying all of the systemic shortcomings in ACS, so that we do not transfer them to ACE
- Continue to update guidance issued to the field
- Combat in-bond fraud
- Use technology to track in-bonds



Significant changes to in-bond

Significant changes to in-bond

- All R4 (ACE e-Manifest: Trucks) in-bonds will be converted to M1 (ACE Ocean and Rail manifest)
- A new function to track permits
- Build better reporting and tracking capabilities for both CBP and the trade
- Oversight, oversight, oversight
- Electronic in-bond for Air cargo - QX/WX April, 2011
- Much more



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