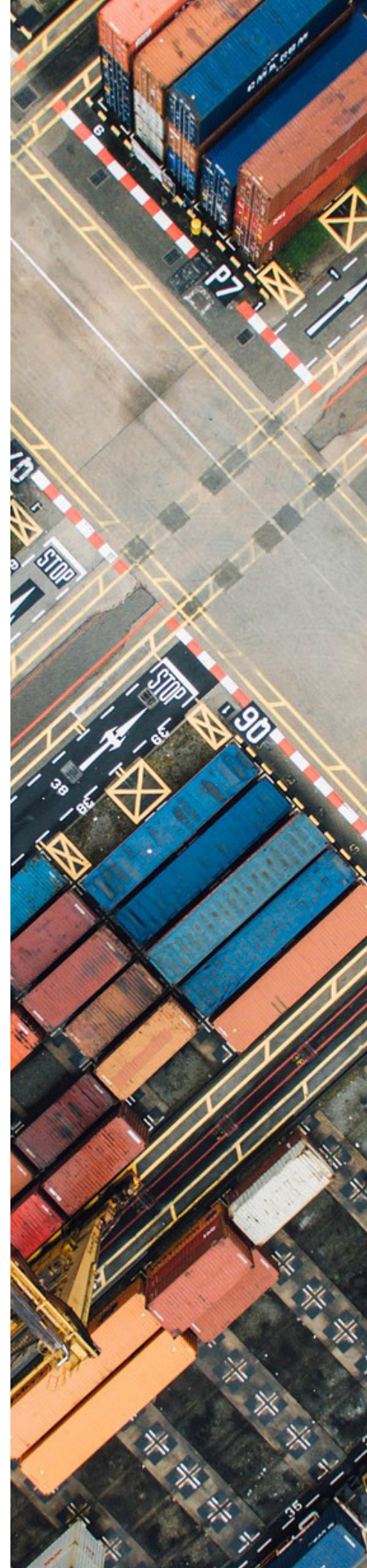


Reviewing your import / export business in 2020

As we begin any new year, it is always an excellent practice to set aside time to review key parts of your business at the account level. Taking this action can save you time, resources and stress through the year. As such, BDP International compiled the following guide to lead you through your new year review process.



U.S. IMPORTS

Broker Powers of Attorney

A yearly timeline is an excellent approach to review all U.S. customs powers of attorney (POAs) you have provided to your U.S. customs brokers, whether they are expiring or not. We recommend that all POAs are issued with a two-year expiration time period. You should have a documented list of all issued POAs and when they expire. Ensure that your company's senior management has signed off and is still in their active role. A good practice to know who has your POAs is to run your ACE report for a given time period to ensure that you have covered all POAs.

Your Surety Bonds

Take time to make sure that your current bond amount will work for you for the time period that is noted on the current bond to ensure that your bond is sufficient. Punitive tariff and AD/CVD products can quickly impact your bond amount as well as any increases with imported goods that has been forecasted within your firm. An excellent measure to determine if the amount is appropriate is to use the 12 months of history and add the forecast of the next 12 months to determine a sufficient dollar amount.

Classification

Ensure that all of your current products have been classified under the current version of the Harmonized Tariff (HT) and are updated in your operating system. Additionally, you should work with your procurement team to gather a full list of new products that will be imported in advance. This will ensure a classification has been set prior to all purchase orders being issued. Having your products identified and documented up front will save you time as the goods start their journey to the U.S.

Pay special attention to any/all products that will/may fall into the Anti-Dumping (AD), Counter-Vailing Duties (CVD) as these special products can change with duty amounts. Knowing your case number and ensuring that your Custom-House Broker is fully aware with documentation will save you time and stress.

ACE Reports

The ACE Portal gives you access to the same data that Customs views and becomes master data. With ACE, you can view all data elements to ensure that everything is moving along as planned. When something goes wrong, ACE gives you the ability to view all details and correct/update the issue as necessary. Running a yearly report and reviewing the details will assist you in any/all anomalies that may have happen during the course of the year. The ability to request your time and data elements and export into an Excel sheet for furthest analysis will help you understand your data better.

Names and Addresses

Ensure that all names and addresses are properly on file with U.S. Customs. ACE holds a profile of your company and ensure that all business units are listed along with the names and addresses and especially the points of contact is an important to make sure that CBP is properly addressing all request for information. A 5106 is used by trade to send to CBP in order to record the most current and accurate details; if you need to view your profile in the Customs system, you can request from your CHB a copy of the 5106 details.

Educational Needs

Review your yearly needs for personal development as well as your staff educational needs for the year and set your course for the events that you should plan to attend. The CBP Trade Symposium Trade Association hosts a series of events throughout the calendar year that are excellent educational seminars. Education begins at home; take a close look at your internal learn systems and be sure to stay current with regulations and industry trends.

Request Manifest Confidentiality Treatment

An importer should request confidential treatment of its name and addresses contained in manifests, as provided for in 19 CFR 103.31(3)(d). This step will hide proprietary aspects of your data from competitors. It's important to keep in mind that confidentiality needs to be requested every two years.

Free Trade Agreement (FTA) Programs

Review all past and possible future FTAs to ensure that you are taking full advantage of free or reduce duty rates for your products that are imported into the U.S. From time to time changes will happen in the FTA programs and/or changes will happen in the components that you import into your supply chain.

U.S. EXPORTS

Review Powers of Attorney (POA) or Letters of Authorizations (LOA) with all Forwarders

Make sure that you develop a list of all freight forwarders (across all modes) in which a POA or a LOA has been provided. The list should contain the issue date as well as an expiration date (two-years – good practice). Exclude the shipments in which you provide a letter of authorization for a particular shipment (for example, a Routed Order).

Definition

The U.S. Census regulations uses a definition of U.S. Principle Party of Interest (USPPI) as the party that will be responsible for the data filing that is required for a U.S. export. If you issue a POA for exports or a LOA, please review the services that you are listing to ensure that your authorization granted covers all of the services that you will need for your orders. POA/LOA = total list of services.

Review Your ACE Export Data

Having access to your export data that Customs has in their system will assist you in knowing any and all details that CBP knows about your business. ACE data is Master Data, therefore, being able to download the data elements will let you know that everything is moving along as planned. If this is not the case, then you will see the details and have the ability to correct and update the issue. Running a yearly report and reviewing the details will assist you in any/all anomalies that may have occurred during the course of the year. The ability to request your time elements, the data elements that you need/want, and collect this into an Excel sheet for further analysis will help you to better understand your data.

ACE has an export report that will specifically call out your routed order details; reviewing all of your export shipments within this report will capture any/all orders that should have been tagged as routed and not properly filed.

Review your Routed orders

Orders in your company that denote a service provider that is outside of your selection process is normally known as the “routed order”. These orders need to be treated much differently than your orders in which you select your designated service provider. Routed orders will need a complete set of instructions to the service provider, informing them that the order must be marked as “routed” to ensure that only limited data elements will be noted to you as the USPPI. Your instruction should also have a request for a return acknowledgement back that they understand the regulation and will comply with all U.S. regulations.

Classification

For U.S. exports and declaring your products to the Government, you have the ability to file your data by using a Schedule-B number or the Harmonized Tariff number. Taking the time in the beginning of the year to ensure that all products have a classification number will save time, money as your orders start to move out to your customers. Some of your products that are exported may require another set of classification number, this is due to some level of Government control that has been placed on them. This additional classification number will require a different review by a different experienced individual within your company, normally someone in engineering or product design that understands the very import technical aspects of the product. Keeping a separate list of these “controlled” products along with their special designation will assist you in your communications details when the products need to move.

Confidential Manifest Details

An exporter should request confidential treatment of its name and addresses contained in manifests, as provided for in 19 CFR 103.31(3)(d). This step will hide proprietary aspects of your data from competitors. Confidentiality needs to be requested every two years.

Review your Denied Party Screening Program

Take time to review your denied parties screening program, which parties you are screening, and how often. This will ensure your program is appropriate for your current business model and bring to your attention any potential risks. Ensure that you have established a good internal channel of communication to capture all questions/concerns that may arise as the order starts to develop within your operating system. This also applies to the policies and procedures in place regarding how to manage all reviews that happen during the year.