

10+2 Requirements for Maritime Cargo Carriers & Importers

U.S. Customs Border and Protection's (CBP) 10+2 Ruling (Importer Security Filing (**ISF**) and Additional Carrier Requirements) became effective on January 26, 2009. The regulation requires importers and ocean carriers to electronically submit additional data to CBP for cargo destined for direct discharge at, or transiting through, a port in the United States. This new Rule does not replace the current 24 Hour Advance Manifesting requirements, but rather supplements it with additional data for CBP to use in their cargo risk assessment processes.

CBP has granted the first 12 months to be an Informed Compliance period to allow carriers, importers and their agents to modify systems and process to comply with the regulations. CBP has not been issuing penalties or Do Not Load (DNL) Holds during this period; however CBP has been monitoring and issuing report cards for the importers compliance performance. The Informed Compliance period is scheduled to end on January 26, 2010.

The following FAQ's are intended to provide an overview of the rule, however should not be considered to be the full and complete requirement. Please consult US CBP website for the final rule requirements:

http://www.cbp.gov/xp/cgov/trade/cargo_security/carriers/security_filing/

1) What are the types of ISF's?

- ISF10 – Required for cargo discharging in the US, and entering into the US consumption channel. Importers or their agents must submit 10 data elements no less than 24 hours before cargo is loaded onto the vessel that will call the US.
 - The data elements are: (1) Seller, (2) Buyer, (3) Importer of record number/FTZ applicant number, (4) Consignee number, (5) Manufacturer (or supplier), (6) Ship To party, (7) Country of origin, (8) Commodity Harmonized Tariff Schedule number of the US (HTSUS) 6 digit number, (9) Container stuffing location and (10) Consolidator name and address.
 - ** Note 9 and 10 must be filed no later than 24 hours prior to vessel arrival at the first US port)
- ISF5 - Required for cargo moving 'in-transit' through the US as FROB, IE or T&E
 - BCO FROB cargo - To be filed by the ocean carrier.
 - NVOCC FROB, IE or T&E cargo - To be filed by the party filing the NVOCC House B/L in AMS.
 - BCO IE or T&E cargo - To be filed by the party filing the IE or T&E in AMS.
 - The data elements are: (1) Booking party (Shipper under Phase One), (2) Foreign port of unloading, (3) Place of delivery, (4) Ship To name and address (Consignee), (5) Commodity HTSUS 6 digit number

There are 2 additional message sets that must be filed by the carrier

- Stow Plan (Baplie) – the data elements are: (1) Vessel name, (2) Vessel operator, (3) Voyage number, (4) Container operator, (5) Equipment number, (6) Equipment size & type, (7) Stow position, (8) Hazmat code, (9) Port of load and (10) Port of discharge
- Container Status Messages (CSM's) – the data elements are: (1) Container number, (2) Event code being reported, (3) Date and time of event, (4) Status of container (full or empty), (5) Event location and (6) Vessel identification.

2) When must the ISF be filed?

- ISF10 and ISF5 for IE and T&E cargo must be filed no less than 24 hours prior to loading onto the vessel that will call the US. (See exceptions to ISF10 in #7 below)
- ISF5 for FROB must be filed prior to loading, but not necessarily 24 hours prior.
- Stow plan data must be submitted no later than 48 hours after the vessel departs the last foreign port.
- CSM's must be sent within 24 hours of entry into the Ocean Carrier's tracking system.

3) What reference number is to be used by the Importer for their ISF10 filing?

Importers must file using the lowest B/L number that is manifested in AMS. For BCO cargo, it is the ocean carrier B/L number. For NVOCC cargo, it is the House B/L number. If the House B/L data has been filed by "K" Line on behalf of the shipper, "K" Line House B/L number is to be used.

4) When will the B/L number be issued

"K" Line origin offices will either follow the scheme of Booking number = B/L number, OR a separate B/L number will be supplied at the time of booking. It will be the responsibility of the booking party to disseminate the B/L number to the proper party for ISF submission. The importer must verify with the exporter that the B/L number for the ISF filing is accurate based on cargo actually loaded.

5) Can the Ocean Carrier file the ISF10 on behalf of the Importer?

The ISF10 is completely separate from the 24 Hour Advance Manifest filing done by the carrier. Importers without a direct link to US CBP via EDI may choose to utilize a 3rd Party Provider to handle their ISF submission. The data may be submitted via either ABI (Automated Broker Interface) or AMS (Automated Manifest System). "K" Line subsidiary Century Distribution Systems will offer this service to both "K" Line and non-"K" Line customers. Please contact your "K" Line America, Inc. Sales Representative for additional information on ISF services through Century Distribution Systems.

6) Was "K" Line compliant with the carrier requirements on January 26, 2009?

Yes. "K" Line was a test carrier for submission of both the Stow Plan Data and Container Status Messages, and has been voluntarily submitting this data since 2007. Phase One ISF5 filing began in July 2009.

7) Is an ISF required for all cargo, or are there exemptions?

An ISF is required for all cargo subject to the 24Hour Advance Manifest rule and an ISF must be submitted 24 Hours prior to loading except FROB cargo which may be submitted any time prior to loading. Cargo currently exempt from advance manifest filing will receive the same exemption for timing of the ISF. Stow data and CSM's are only required for containerized cargo.

8) Where can I find "K Line vessel schedule information to determine ISF filing dates?

Sailing schedules are available at www.kline.com. ISF submission should be completed a minimum of 24 hours prior to the vessel's posted ETA to the port of load.

9) Are importers still subject to the Cargo Data Declaration Charge (CDDC)?

Yes. The CDDC fee charged by "K" Line covers the carrier required manifest under the 24 Hour Advance Manifest Rule. There is no change to this filing requirement and therefore the CDDC fee still applies as per the tariff or individual Service Contract terms.

10) What happens if cargo is rolled after the ISF has been submitted?

The ISF does not contain vessel/voyage information. As long as the cargo remains manifested against the same B/L number, the ISF does not need to be amended. If the change in vessel also results in a change to the B/L number, the ISF must be re-filed with the corrected B/L number.

11) What happens if the BL is split?

The ISF filing is tied to the B/L number. Any change in B/L number will require an amendment of the ISF filing. Every B/L must have at least one ISF associated to it.

12) Where can I find additional information about the "10+2" Security Filing Initiative?

For complete details of the new regulation, please visit:
http://www.cbp.gov/xp/cgov/trade/cargo_security/carriers/security_filing/ .