

Importer Security Filing: Full Enforcement Begins January 26, 2010

U.S. Customs and Border Protection (CBP) recently issued a [notification](#) to remind the trade that full compliance with the Importer Security Filing (ISF) requirements, for all ocean vessel shipments arriving into the United States, is effective **January 26, 2010**.

“On January 26, 2009, the filing requirements for Importer Security Filing became mandatory. CBP expects all filers to be filing ISF data for any ocean shipment entering the U.S. While CBP has provided a one year flexible enforcement period to allow filers to work through various problems and to come into compliance with these requirements, the end of that time frame is fast approaching. Please be sure ISF data is filed for every applicable ocean shipment that you are importing into the U.S.”

For more information regarding the [ISF Interim Final Rule](#) or the [ISF Sanctions and Mitigation Guidelines](#), please refer to the International Trade Updates (ITU) dated February 27, 2009 and August 10, 2009, respectively, or visit our web page. The five situations which CBP may initiate liquidated damages for an ISF Importer remain unchanged:

1. Failure to file an ISF – In addition to liquidated damages, CBP will withhold the release or transfer of the cargo until the agency reviews the required ISF information.
2. Late submission of an ISF – liquidated damages will be issued for \$5,000.
3. Inaccurate submission of an ISF – liquidated damages will be issued for \$5,000.
4. Inaccurate updates – liquidated damages will be issued for \$5,000.
5. Failure to withdraw a filing – liquidated damages will be issued for \$5,000.

NGJ continues to STRONGLY recommend that all Importers of Ocean Freight begin filing their ISF Transactions IMMEDIATELY and to also establish Standard Operating Procedures, which must incorporate methods to address Exceptions.

NGJ is pleased to offer two services to help you submit your Importers Security Filing data on time and in compliance with the U.S. Customs and Border Protection Security Filing Rule. Please refer to our [ISF web page](#), or contact your local NGJ representative for more information.

The *NGJ International Trade Update* provides information obtained from third parties, primarily government, and advice based on that information. Norman G. Jensen Inc. (NGJ) has not verified the accuracy of the information nor is it capable of verifying the accuracy of the information. As a consequence, NGJ will not be liable for injury suffered as a result of reliance on the information or the recommendations provided in the *NGJ International Trade Update*.

If you have questions, no longer wish to receive these notices via fax, or wish to receive these notices via e-mail, contact NGJ's Trade/Compliance Services Department at: compliance.us@ngjensen.com

Visit our website at www.ngjensen.com

Norman G. Jensen, Inc. is a validated participant in the Customs-Trade Partnership Against Terrorism (C-TPAT).

Surety Bonds

While bonds are not currently required for ISF, CBP would like to emphasize that the bond data must be submitted properly beginning **January 26, 2010**. Importers currently holding a valid Importer Continuous Transaction Surety Bond may use this Bond for ISF purposes. Importers may wish to obtain a "stand-alone" ISF Continuous Transaction Surety Bond should they prefer not to obligate their Importer Bond.

Importers that do not currently hold a valid Importer Continuous Transaction Surety Bond, instead utilize a Single Transaction Surety Bond to obtain Release of their goods, will be required to obtain an additional "stand-alone" ISF Single Transaction Surety Bond. This ISF Single Transaction Surety Bond MUST be obtained no later than 24 hours prior to the departure of the goods from the foreign port of lading. NGJ is restricted, by the Bonding (Surety) Company, to issue ISF Single Transaction Surety Bonds, on behalf of Importers, after the vessel is known to have sailed. To avoid sanctions related to the failure to file an ISF, due to the unavailability of a Bond, NGJ recommends all Importers obtain a "stand-alone" ISF Continuous Transaction Surety Bond and/or an Importer Continuous Transaction Surety Bond.

Powers of Attorney

NGJ will require updated Powers of Attorney from all ISF Importers prior to the Compliance / Enforcement Date of **January 26, 2010**. The Power of Attorney, recently approved by the National Customs Brokers and Forwarders Association of America (NCBFAA), contains specific verbiage related to the Security Filing authorization by the Importer. A [local NGJ representative](#) will be in contact with each ISF Importer to make the necessary arrangements regarding the updated Power of Attorney.

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