
Field Operations, Los Angeles

PUBLIC BULLETIN



U.S. Customs and
Border Protection

Number: LA11-017

Date: OCT 24 2011

Subject: Broker/Importer Frequency of Examination (FOE) Inquiries Specific to the Los Angeles/Long Beach (LA/LB) Seaport

Purpose:

This Public Bulletin supersedes all other previously issued Public Bulletins which address this concern specific to the Los Angeles/Long Beach (LA/LB) Seaport. The information and instructions provided apply to the responsibilities associated with the examination of all merchandise, containers (empty or packed), pallets, and other packaging material imported into or exported from the United States. Instructions regarding what information must be provided in inquiries addressing frequency or timeliness of examination are also included.

Background:

U.S. Customs and Border Protection (CBP) is responsible for guarding the Nation's borders and enforcing compliance with U.S. laws and regulations. Successful accomplishment of these tasks necessitates the examination of imported and exported merchandise, containers (empty or packed), pallets, and other packaging material. These examinations include non-intrusive inspections (NII), tailgate exams conducted at the docks, and full physical examinations, including full or partial devanning of containers, conducted at a Centralized Examination Station (CES).

Examination Costs:

CBP does not charge to conduct examinations and will not respond to requests for refunds or cost adjustments related to examinations. Individual commercial service providers, such as terminal operators and centralized exam stations, set fees for facilitating CBP examinations at their facilities.

Basis for an Examination:

Agriculture Examinations: As mandated, up to 100% of all fresh fruit and vegetable shipments will be examined at the **port of arrival**. Agriculture examinations are also conducted on other food, animal products, and goods with wood packing materials. CBP-Agriculture may also designate exams on non-food shipments to prevent hitchhiker pests from entering the U.S. The examination rate will vary based on many factors. Customs-Trade Partnership Against Terrorism (C-TPAT) membership will not absolve an importer from an agriculture-related examination. Movement of the cargo to the CES will be arranged by the importer or his agent under the importer's bond.

Trade Examinations (non-agriculture): CBP enforces laws and regulations associated with the Food and Drug Administration (FDA), Environmental Protection Agency (EPA), Alcohol, Tobacco and Firearms (ATF), Consumer Product Safety Commission (CPSC), Fish and Wildlife (F&W),

Intellectual Property Rights (IPR), and many more. Shipments that infringe on trademark or copyrighted material, or are in violation of safety or other laws, must be denied entry. Shipments suspected of containing such merchandise will be subject to examination. To facilitate the release of a shipment, ensure that all letters of approval to import the merchandise are **included** in the entry package. Movement of the cargo to the CES will be arranged by the importer or his agent under the importer's bond.

Compliance Measurement (CM) Examinations (stratified exams): The Compliance Measurement (CM) program is a method by which CBP measures risk in the areas of trade compliance and revenue collection. CBP provides an annual report on the status of trade compliance through the Customs Modernization Act (Mod Act), which is included as part of the North American Free Trade Agreement (NAFTA) Implementation Act (Public Law 103-182). To meet these requirements, CBP has relied on the CM program to provide an objective evaluation of trade compliance on an annual basis since 1995. CM exams are generated by use of stratified random sampling. C-TPAT membership will not absolve an importer from undergoing a CM exam. Movement of the cargo to the CES will be arranged by the importer or his agent under the importer's bond. For additional information go to: www.cbp.gov/xp/cgov/trade/trade_programs/trade_compliance/compliance_measure.xml.

Enforcement Examinations: CBP plays a critical role in securing the nation's borders by assessing the risk of all imported and exported shipments. In order to accomplish this, CBP employs a RISK MANAGEMENT STRATEGY through a layered enforcement approach. This strategy is comprised of five interrelated initiatives:

- Advanced Information under 24-hour rule (Trade Act of 2002)
 - Complete and timely manifest data including the Importer Security Filing (ISF) must be transmitted 24 hours prior to lading at the foreign port. **Failure to adhere to this requirement will increase the possibility of the shipment being held and/or targeted for examination.**
- Targeting and Analysis – National Targeting Center and Advanced Targeting System (ATS)
 - ATS is a sophisticated rule-based system that interfaces with various law enforcement and trade databases incorporating specific intelligence threats and trends allowing CBP to determine the risk of import shipments. The focus is to examine shipments where the perceived risk is unknown or high based on the transaction data.
- Use of Non-Intrusive Inspection (NII) Technology and mandatory exams for high-risk shipments;
- Container Security Initiative (CSI) / Secure Freight Initiative (SFI);
- C-TPAT – For additional information go to http://www.cbp.gov/xp/cgov/trade/cargo_security/ctpat/.

To maintain the security of the merchandise, a trucking firm contracted by CBP will move cargo to the CES for all enforcement exams.

Factors Affecting the Time Required to Release a Shipment:

- Size of the vessel and number of containers may require **days** to unlade.
- Consolidated shipments (shipments belonging to multiple importers packed into the same container) significantly increase the possibility of an examination. Security factors against one of the shipments may result in an NII or physical examination of the container, postponing the release of all of the shipments within the same container (to possibly include C-TPAT member shipments).
- Although CBP is prepared to conduct an NII exam at any time, the exam can only be conducted once the terminal operator stages the container for exam and then notifies CBP.

- The following procedures also apply to Trade-related exams, whether or not the container was targeted for an NII exam.
 - If an anomaly is discovered during an NII, the CES warehouse proprietor must move the container, and **all** shipments within, to the Enforcement CES for a full physical examination.
 - If an anomaly is **not** discovered, and a non-agriculture trade-related hold is placed against a shipment, the shipment must be moved to an importer-designated CES. If the container is a consolidation, that container may be taken to a Container Freight Station (CFS) where all shipments that are not targeted for further examination may be released. The designated shipment can then be moved to the CES
 - The broker or the importer is responsible for coordinating the movement of the targeted shipment to the Trade CES for a physical examination.
 - The importer whose shipment is targeted will be responsible for all charges associated with the movement of the shipment to the CES (charges are set and issued by the CES).
 - If the entry has a paperless release, CBP will notify the broker and request a hard-copy entry package, if required.
- C-TPAT member-owned shipments subject to **trade-related** examinations will be examined before non-C-TPAT member-owned shipments.

Frequency of Examination Inquiry Requirements:

If the importer and/or broker has reviewed the volume and frequency of importations against the number of examinations, and a concern still exists that the examination rate is excessive, the broker or importer/exporter must provide a written inquiry that includes a response to all of the applicable (import or export) data elements listed below:

Inbound Shipments:

1. Importer's name, including names under which the importer is Doing Business As (DBA), IRS number(s), and address(s);
2. Statement indicating whether or not the importer is a C-TPAT member;
3. Name, address, and phone number of the broker(s) assigned to clear each specific entry(s), if local entries are filed;
4. Total number of entries filed on behalf of the specific importer through the LA/LB and Port Hueneme Seaports (port codes 2704/2709/2713) in the last 12 months. (Provide number of container and bills of lading if no local entries are filed);
5. Entry numbers for each shipment examined (provide container numbers and bill of lading numbers if no local entries are filed);
6. The specific commodity in each shipment;
7. Type(s) of examination(s) conducted (i.e. MET, NII, A-TCET, Agriculture, etc.);
8. Indicate if the shipment was packed in a consolidated container (consolidated shipment);
9. A brief explanation regarding why you feel the examination rate is excessive;
10. Name, address and phone number of a point of contact for the inquiry.

If the inquiry involves the timeliness of the exam, or the timeliness of release from exam, the letter should also provide the following information:

11. Actual date the vessel arrived;
12. Date the container left the terminal;

13. Date the container arrived at the examination location (i.e. CES) – **If the examination was strictly enforcement-related (i.e. NII or A-TCET), no response is required for this item;**
14. Date and time the container was released and picked up from the examination site;
15. Date and time the entry was presented/submitted (time stamp) to CBP;
16. Location examination was conducted (i.e. A-TCET, Price Dominguez, FCL, terminal).

Outbound Shipments:

1. Exporter's name including names under which the exporter is Doing Business As (DBA), IRS number(s), and address(s);
2. Name and phone number of the forwarder, consolidator and shipping line associated with the export;
3. Number of Internal Transaction Numbers (ITNs) filed on behalf of the specific exporter through the LA/LB and Port Hueneme Seaports (port codes 2704/2709/2713) in the past twelve months;
4. ITN numbers, container numbers, and booking numbers for each shipment examined (provide master booking number, if available);
5. Name of the Vessel and date of departure.
6. The specific commodity in each shipment;
7. Indicate if this was a consolidated shipment;
8. A brief explanation regarding why you feel the examination rate is excessive;
9. Name, address and phone number of a point of contact for the inquiry.

If the inquiry involves the timeliness of the exam, or the timeliness of release from exam, the letter should also provide the following information:


10. Date and time the container originally arrived at the terminal;
11. Date and time the container was released from exam;
12. Date and time the ITN in question was generated;

For inquiries submitted by a broker or freight forwarder: To ensure that the supervisor of the broker handling the entries (inbound shipments) or forwarder consolidator (outbound) is aware of the questions and letters being sent to CBP, all inquiries must be signed by a supervisor. The signatory's title and phone number must also be included.

Inquiries must be addressed to:

Port Director
Los Angeles/Long Beach Seaport
U.S. Customs and Border Protection
301 E. Ocean Boulevard, 14th floor
Long Beach, CA 90802



Carlos C. Martel 
Port Director
Los Angeles/Long Beach Seaport