



Ship Type: All Trade Area: USA

Bulletin 299 - 04/03 - New enforcements - 24 hour rule - USA

We refer to LP Bulletins 274 12/02 and 285 02/03 that explained the requirements for ocean cargo manifest information to be received by the US government at least 24 hours prior to loading the cargo at the foreign port. Enforcement of the rule began on February 2nd 2003, with initial enforcement efforts focused only on the cargo description field. On April 4th 2003 the next phases for enforcement were announced that relate only to the 24-hour rule for inbound ocean shipments. Other modes will be subject to regulations under the Trade Act of 2002, which will be issued this autumn.

From May 4th 2003 enforcement activity will be expanded to include the following:

1. Parties making untimely data submissions will be subject to penalties. Customs will conduct post-departure audits to review whether the requisite 24-hour notice was provided. Although the rule requires notice be received 24 hours prior to loading, the audits may measure the time period prior to departure when the exact time of loading cannot be established. Customs plans to assess penalties up to \$5,000 per violation, i.e. for each AMS transmission found to be untimely. The penalties will be assessed against the party making the transmission.

From May 15th 2003 Customs will expand enforcement activity to the following:

2. Submissions with inadequate consignee information will trigger "DO NOT LOAD" orders. The consignee field must include a name and address. Blank or "to order" submissions without any further identification of the consignee will be inadequate.

3. Parties submitting inadequate cargo descriptions for Freight Remaining On Board ("FROB") will be subject to penalties just like any other cargo. Thus far, Customs have not initiated any enforcement action relating to FROB shipments.

A comprehensive Question and Answer page on the rule can be found at

www.customs.gov/ImageCache/cgov/content/import/carriers/24hour_5frule/24hour_5ffaq_2edoc/v6/24hour_5ffaq.doc on the US Customs Service site www.customs.gov.

Source of information: Loss Prevention Department