

**Update from U.S. Customs and Border Protection Concerning the
Implementation of the Ultimate Consignee**
(U.S. Customs and Border Protection)

The correspondence from Assistant Commissioner Ahern of August 9, 2004 referencing amendments to the current reporting requirements for the ultimate consignee at the time of entry or release and my correspondence of March 22, 2004 memorandum to the Northern Border Customs Brokers' Association referencing the reporting of all line items on northern border entries are scheduled to go into effect on October 1, 2004. Both of these policies involve reviews of compliance by Customs and Border Protection (CBP) Officers at time of release and/or entry.

The trade community has expressed concern regarding their ability to meet the implementation date for these policies without creating disruption in the flow of trade through ports of entry. This correspondence is intended to provide procedures and guidance to avoid this disruption.

Beginning October 1, 2004 through October 31, 2004, CBP will exercise enforcement discretion at all ports of entry in regard to the requirements for ultimate consignee reporting. This discretion will substitute informed compliance notification for rejection of entries. For those entries found to be non-compliant, CBP Officers at release and summary will attach a written notice to entry package or write the entry number on a notice containing the following statement:

“The attached entry has been submitted without providing required ultimate consignee numbers. Further violations of this policy may lead to rejection of the entry or entry summary by CBP and/or penalty action under broker compliance requirements.”

Beginning October 1, 2004 through October 31, 2004, CBP will exercise enforcement discretion at northern border ports of entry in regard to the requirement for reporting of all line items on Border Cargo Selectivity entries. This discretion will substitute informed compliance notification for rejection of entries. For those entries found to be non-compliant, CBP Officers at release and summary will attach a written notice to entry package or write the entry number on a notice containing the following statement:

“The attached BCS entry has been submitted without classification of all line items as required. Further violations of this policy may lead to rejection of the entry by CBP and/or penalty action under broker compliance requirements.”

This limited enforcement discretion should in the interim, provide CBP with sufficient information to perform our primary mission of providing security at U.S. borders while allowing legitimate trade to continue to occur. The informed compliance approach should allow trade partners to measure the effectiveness of their compliance programs for these very important initiatives. Thank you for your continued support of the CBP mission. If you have any questions or comments feel free to contact Mr. James Swanson at (202) 344-2576.