



UNITED STATES DEPARTMENT OF COMMERCE  
Bureau of the Census  
Washington, DC 20233-0001

FTSR Letter No. 165

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To: U.S. Customs Service Headquarters, Customs Management Centers, Port Directors, Department of Commerce District Offices, Freight Forwarders, Exporters, Exporting Carriers, Consolidators, and Other Concerned

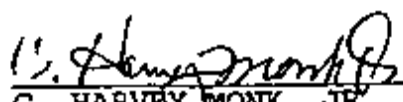
From: Bureau of the Census (Census) and the U.S. Customs Service (Customs)

Subject: Shipper's Export Declaration (SED) Requirements

The Census and Customs are concerned that an increasing number of SEDs are deficient -- as many as one out of every two paper SEDs contains errors of omission or commission. Also, concerns are now being raised about the accuracy of outbound vessel manifests. Customs, with Census' participation, has compared a sample of outbound vessel manifests and SEDs with actual cargo loaded. Preliminary results indicate that vessel manifests also are inaccurate. In many instances, cargo is not being manifested on the vessel actually carrying the merchandise, but rather included on the manifest of a vessel departing later when the SEDs are available.

This practice hinders Customs in its efforts to detect violations of export laws. Also, this practice results in inaccurate trade statistics. Since these statistics are utilized in sensitive trade negotiations and important economic policy decisions, accuracy is critical.

The principal cause of this problem is the failure of exporters and forwarders to provide complete and accurate SEDs to exporting carriers at the time of exportation. In the past, Customs has generally limited its enforcement actions to fining the carriers up to \$1,000 for filing SEDs late. However, Customs can detain shipments when the requirements as described in the attachment are not met (22 U.S.C. 401). If voluntary compliance with requirements is not improved, it may become necessary to delay or detain export shipments when SEDs have not been properly completed or presented in a timely manner. In order to avoid difficulties, please read the attachment which spells out the responsibilities of the various parties to the export transactions. Every effort should be made by exporters, freight forwarders, and carriers to comply with these requirements.

  
C. HARVEY MONK, JR.  
Chief, Foreign Trade Division  
Bureau of the Census

  
Peter J. Baish  
Outbound Process Owner  
U.S. Customs Service

Attachment

EXPORTER AND FREIGHT FORWARDER SED REQUIREMENTS

Must provide accurate and complete information on the SED. The exporter is responsible even if the SED is prepared by an authorized agent.	15 CFR §30.4 & §30.7
Exporter must provide the forwarder with a formal power of attorney, or the less formal written authorization as stated on the SED.	15 CFR §30.4
The forwarder must submit the SED to the exporting carrier prior to exportation--There is no four day delayed filing for freight forwarders.	15 CFR §30.12
Forwarders must provide the exporting carrier with statements or citations when an item or shipment is exempt from SED requirements.	15 CFR §30.50
Exporter or forwarders must report corrections, cancellations, or amendments to information reported on the SED to Customs at the port of exportation as soon as the need for such changes is determined.	15 CFR §30.16
Exporter or forwarders must maintain all records relating to the exportation for a period of 3 years.	15 CFR §30.11 & §787.13

EXPORTING CARRIER REQUIREMENTS

Must receive SEDs or exemption statements or citations from exporter prior to departure.	15 CFR §30.12 & 30.50
Must file manifest (vessel & aircraft) and all required SEDs with Customs prior to departure unless a bond is filed with Customs. The manifest must include exemption statements or citations in all cases where an SED is not required.	15 CFR §30.20, §30.21, & §30.22 19 CFR Part 4.75 (a) & 122.75-76
If a bond is filed with Customs the carrier must file a complete manifest and all required SEDs within four business days after clearance or departure--Carriers are subject to fines up to \$1,000 per violation if the SEDs are filed late.	15 CFR §30.24 19 CFR Part 4.75 (b) & 122.74