United States Importer-Based Certification and Verification Overview

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U.S. Importer-Based Certification and Verification Overview

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The U.S. Importer-Based System

- Importer-based Certification
- Process for Importing Goods into the United States
- Verification of Trade Preference Claims
- Recordkeeping Requirements
- Importer Certification/Declaration
- Supporting Documentation
- Key Advantages
Importer-Based Certification

- Allows an importer to make a claim for trade preference based on:
  - Importer knowledge of the production process
  - Reliance on certification by the producer or exporter with knowledge of the production process

Process for Importing Goods
**Process for Importing Goods**

1. **Notice of Redelivery**
2. **Import Specialist Team Review**
3. **Entry Summary Selectivity Results**
4. **Manifest**
5. **Importation**
6. **Arrival**
7. **Immediate Delivery**

**CBP Form 7501**

The Special Program Indicator is placed before the Harmonized Tariff Schedule number on the CBP Form 7501.
Verification of Trade Preference Claims

1. CBP verifies trade preference claims after goods are released.

2. Verification candidates chosen based on risk management principles.
   - Not every trade preference claim verified.

3. Import specialist review:
   - Records requested from importer
   - Determination made and issued in writing by import specialist.

4. There is also a post-release audit process under which verifications may take place.
   - Same rules apply.
Recordkeeping Requirements

• Importers must have information available to substantiate their trade preference claim upon request by CBP
  – Certification/Declaration
  – Supporting documentation

• U.S. free trade agreements have a 5-year recordkeeping requirement for any party that certified that the good qualifies for a preference
  – Exporter/producer must maintain records if he supplied a certification to the importer that goods originate.

Importer Certification/Declaration

– No set format required

– Does not need to be signed and in importer’s possession at the time of the claim

– May apply to a single shipment of goods, or multiple shipments of identical goods within a specified period (usually one year in U.S. free trade agreements).
Importer Certification/Declaration

- Typical elements on an importer certification/declaration:
  
  • Name and address of importer, exporter and producer
  • Description of the good
  • HS tariff classification number
  • Preference criterion
  • Commercial invoice number for single shipments
  • Blanket period for multiple shipments of identical goods
  • Authorized signature of company representative with their information and date of certification
  • Certification

Supporting Documentation

- Supporting documentation requested by CBP depends on how a good claims to be originating under a free trade agreement. Some examples of documents that may be requested include:

  • Affidavits from growers (wholly obtained)
  • Bill of materials showing classification and country of origin of all materials (tariff shift rules)
  • Bill of materials showing country of origin and value of all materials (value-added rules)
  • Invoices for the purchase of materials used to produce final good
  • Production records
Key Advantages

• Aligns importer obligations with benefits

• Reduces costs

• Provides greater flexibility to both importers and customs