



INTERNATIONAL SHIPPING: Dealing with New Regulations

- **Recent regulation changes**
- **Required documentation**
- **Steps to a successful shipment**
- **Resources**



RECENT REGULATION CHANGES



Ocean Container Certifications

- **To inspect for structural damage and defects that may result in unsafe conditions**
- **Must be performed within 5 years of "in-service" date, then every 30 months thereafter**
- **Mark the date of the next inspection on or near the Convention for Safe Container (CSC) plate**
- **Keep the inspection report available for the Coast Guard until the next inspection**



Wood Packing Material Regulations

- **All wood packing materials such as pallets, crates, boxes, supports, braces, etc. must be free of timber pests before entering or transiting through the U.S. and many other countries**
- **Wood must be heat treated or fumigated with methyl bromide, and marked as such**
- **Enforced in the U.S. by the Dept of Agriculture and the Dept of Homeland Security as of July 2006**
- **Processed woods such as plywood and**



Transportation Security Administration (TSA)

- **All freight forwarders must be party to the TSA security program**
- **Forwarders must have an approved security program of their own**
 - *Security measures*
 - *Personnel records*
 - *Shipment records*
 - *Security training*
- **Known vs. Unknown shipper**



Hazardous Material Security

- **Dept of Transportation's Research and Special Programs Administration**
- **Two (2) strategies critical to managing transportation security risks:**
 - ***Develop and implement security plans***
 - ***Assure that employees who handle and/or transport hazardous materials are trained to recognize and react to potential security problems***



Lithium Battery Shipments

- **Many air carriers have placed embargoes**
- **More stringent packing requirements:**
 - ✦ *Inner packaging must prevent short circuit and movement*
 - ✦ *Must incorporate a safety venting device to prevent rupture*
 - ✦ *Must be equipped with a means to prevent dangerous reverse current*
 - ✦ *Different weight restrictions for air vs. ground and passenger vs. cargo aircraft*



Tools Of Trade

- **Usual and reasonable commodities and software used by the exporter or his employees in a lawful enterprise or undertaking**
- **Shipped under the "TMP" exemption -- does not require a license**
- **TMP signifies that it is a temporary export**



TMP Exemption

- **The items will be returning to origin within 1 year unless consumed or destroyed in the normal course of authorized use**
- **The item will be used on internal projects**
- **The item will not leave the effective control of the owner**



Deemed Exports

- **Technology released to a foreign national, usually within the United States**
- **“Technology” refers to specific information necessary for the development, production or use of controlled materials**
- **Information given verbally, via blueprints or through practice**
- **An export license may be needed**



Fundamental Research Exemption

- **Basic and applied research in science and engineering where the resulting information is ordinarily published and shared broadly within the scientific community**
- **Applies only to data and information -- equipment or materials are not covered**
- **Information must be publicly available**



REQUIRED DOCUMENTATION



Export License

- **Needed for those items that the government considers “license controlled”**
- **Check the “Commerce Control List” found on the Dept. of Commerce website**
- **Application must be made to the Bureau of Industry and Security (BIS)**
- **May take 6 months to secure the license, and it is usually valid for 2 years**



An export license will be required if:

- **The nature of the export has potential military applications or economic protection issues**
- **There are government concerns about the destination country, organization or individual**
- **There are government concerns about the declared or suspected use or end user**



Hand-Carries

- **Items do not require a license if:**
 - *Item will be returned to origin within 1 year*
 - *Item will be used on internal projects*
 - *Item will not leave the effective control of owner*
- **Items move through customs under "BAG" (baggage) exemption**
- **Must be accompanied by an authorization letter which addresses specific information**
- **Should always register with customs at airport of departure**



Required information for hand-carry:

- **Name of person carrying the goods**
- **Destination**
- **Name of research project**
- **Purpose**
- **Value of the item**
- **When the item will return to the country of origin**
- **Any other government or research institutions involved**
- **Full knowledge of the item you are hand**



Information Needed for Customs Clearance

- **Who will be doing the clearance at the port/airport?**
- **What is the purpose of your shipment (e.g. research)**
- **Will the shipment be returning to the country of origin?**
- **Itemized list for customs**
- **Schedule "B" numbers as applicable**



Carnet

- **An international customs document that acts as a “merchandise passport”**
- **Merchandise and equipment can pass duty free and tax free into a carnet country**
- **There are over 70 carnet countries**
- **ALL items listed on the carnet must be returned to the country of origin within 1 year on that same carnet**



AES Direct

- **Automated Export System**
- **New requirement which replaces the Shippers Export Declaration (SED)**
- **Registration is mandatory for all shippers**
- **Census Bureau uses AES to collect trade data**
- **Customs uses AES to monitor export compliance**



Hazardous Materials

- **Proper completion of bill of lading and dangerous goods form**
- **Must include the following items:**
 - ✦ *Complete information for shipper and consignee*
 - ✦ *Proper description of the hazardous material*
 - ✦ *24-hr emergency contact*
 - ✦ *Signed shipper's certification*



Common cruise supplies that are *hazardous*:

- **Contact Cement – Flammable**
- **Isopropyl Alcohol – Flammable**
- **Electromotive Cleaner – Aerosol**
- **CRC-656 – Aerosol**
- **Scotchkote – Acetone**
- **Silikroil – Aerosol**
- **Fast Hardener – Corrosive**



STEPS TO A SUCCESSFUL SHIPMENT



Preparation

- **Allow ample time for shipment**
 - ✦ *As much advance notice as possible*
- **Ensure accuracy of information**
 - ✦ *Especially consignee information*
- **Prepare proper documentation**
 - ✦ *Description of goods*
- **Use proper packaging**
 - ✦ *To protect your items*



Choosing A Freight Forwarder

- **Big does not necessarily mean better**
 - *Small Fish/Big Pond vs. Big Fish/Small Pond*
- **Service**
 - *Response to problems*
- **Knowledge**
 - *Someone you can count on for advice*
- **Experience**
 - *Contacts*
- **Worldwide network**
 - *Especially in remote areas*



Choosing A Destination Agent

- **Someone who knows your needs**
- **Reliable**
- **Respects your budgetary constraints**



Insurance

- **Be sure your shipment is covered for loss before it moves**
- **Are your goods covered for the return trip as well?**
- **Will they be covered if stored in a warehouse in a foreign country while awaiting delivery?**



Do's

and

Don'ts

- **Obtain the services of a quality int'l forwarder**
- **Keep copies of all documents**
- **Pre-alert your consignee of arrival**
- **Maintain a positive working relationship with local customs personnel**
- **Allow time for customs delays**
- **Try to hide anything from US Customs**
- **Try to sneak in hazmat without proper doc**
- **Take for granted that you have plenty of time to arrive on schedule**
- **Forget to track the transit of your shipment through to destination**



Do's

and

Don'ts

- **Communicate**
- **Make sure ocean container inspections are current**
- **Keep a supply of plastic pallets on hand to use for int'l shipments (WPM)**
- ***Have backup plan!***
- **Hesitate to contact a government agency for help (proactively)**
- **Assume you have insurance coverage**
- **For that matter, *don't assume anything!***



RESOURCES



Resources

- **#1 – A quality freight forwarder (or broker)**

- www.census.gov **Schedule B export codes**

- www.bis.doc.gov **Dept of Commerce**

- www.atacarnet.com **Info on carnets**

- www.aphis.usda.gov **Requirements for
WPM**

- www.eagle.org **ABS certification of
cargo containers**

- www.aesdirect.gov **Automated Export
System**

- www.fedex.com
packaging

- **Lithium battery
requirements**



Resources (cont.)

- **Chemtrec hazmat contact** **800-424-9300 24-hr emergency**
- **HazMat Hotline** **800-634-1598 or**
www.dgac.org
- **www.thecompliancecenter.com** **Hazmat forms**
- **www.myregs.com/dotRSPA** **DOT 49CFR, Parts 100-185**
- **hazmat.dot.gov** **DOT Office of Hazardous Materials Safety**
- **www.iata.org/whatwedo/dangerous_goods** **IATA Dangerous Goods**
Regs
- **www.imo.org/Safety/mainframe.asp?topic_id=158**
IMDG Code