

Issued in Des Moines, Washington, on October 25, 2024.

B.G. Chew,

Group Manager, Operations Support Group, Western Service Center.

[FR Doc. 2024–25339 Filed 10–30–24; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF COMMERCE

Census Bureau

15 CFR Part 30

[Docket Number: 241010–0268]

RIN: 0607–AA62

Foreign Trade Regulations (FTR): Clarification of Filing Requirements Regarding In-Transit Shipments and Other FTR Provisions

AGENCY: Census Bureau, Department of Commerce.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Bureau of the Census (Census Bureau) proposes to amend its regulations to clarify the requirements governing in-transit shipments from foreign countries through the United States that are subsequently exported to a foreign destination. This rulemaking proposes to clarify who is the U.S. Principal Party in Interest (USPPI) and revise the entry number description when goods are entered into the United States for consumption or warehousing, and then stored in a warehouse or storage facility or admitted into a Foreign Trade Zone (FTZ) before being exported. This rule also proposes to clarify that when a customs broker is the USPPI and they are requested to provide information from the customs entry for the filing of the Electronic Export Information (EEI), that they obtain consent from their client, as required in the customs regulations. Additionally, this proposed rule revises several sections, including definitions, mandatory filing requirements, responsibilities of parties to the export transaction, confidentiality, penalties, and voluntary self-disclosures to ensure clarity, accuracy, and consistency throughout the FTR.

DATES: Written comments must be received on or before December 30, 2024.

ADDRESSES: You may submit comments by any of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. The identification number for this rulemaking is identified by RIN number 0607–AA62; or
- By email directly to gtmd.ftrnotices@census.gov. Include

RIN number 0607–AA62 in the subject line.

All comments received are part of the public record. No comments will be posted to <http://www.regulations.gov> for public viewing until after the comment period has closed. Comments will generally be posted without change. All Personally Identifiable Information (for example, name and address) voluntarily submitted by the commenter may be publicly accessible. Do not submit confidential business information or otherwise sensitive or protected information.

FOR FURTHER INFORMATION CONTACT: Epa Uwimana, Chief, Economic Management Division, Census Bureau, 4600 Silver Hill Road, Washington, DC 20233–6010, by phone (301) 763–6064, by fax (301) 763–8835, or by email epaphrodite.uwimana@census.gov.

SUPPLEMENTARY INFORMATION:

Background

The Census Bureau, as delegated to it by the Secretary of Commerce, is responsible for collecting, compiling, and publishing import and export trade statistics for the United States under the provisions of Title 13, United States Code (U.S.C.), Chapter 9, Section 301(a). Under Title 13 U.S.C. 302, the Secretary of Commerce is authorized to promulgate regulations deemed by the Secretary to be necessary or appropriate and in such form or manner as the Secretary determines are necessary or proper to carry out the purposes of and prevent the circumvention of the requirements of Chapter 9 of Title 13. The Secretary also may promulgate regulations covering the confidentiality, publication, and disclosure of information collected under Chapter 9. The Secretary developed the Automated Export System (AES), consistent with Public Law 106–113 and considering the confidentiality requirements of Chapter 9 of Title 13, to collect EEI in concert with the export control and enforcement functions of U.S. Customs and Border Protection and Immigration and Customs Enforcement of the Department of Homeland Security, the Bureau of Industry and Security (BIS) of the Department of Commerce, and the Directorate of Defense Trade Controls of the Department of State. Public Law 107–228 directed the Secretary to publish regulations requiring exporters to file Shippers' Export Declarations, now referenced as EEI, in the AES. As a result, the Census Bureau is responsible for publishing the FTR that set the export reporting requirements for preparing and filing the EEI in the Automated Export System (AES). The

EEI is made up of mandatory, conditional, and optional data elements. The purpose of this rulemaking is to revise the FTR to define the USPPI and revise the description of the entry number when goods enter the United States for consumption or warehousing, and then stored in a warehouse or storage facility or admitted into a FTZ before being exported. The Census Bureau has experienced an increase in the number of inquiries regarding export transactions where a customs broker enters goods into the United States for consumption or warehousing, and then stored in a warehouse or storage facility or admitted into a FTZ before being exported.

In this proposed rule we are expanding the scenarios of the USPPI for goods that enter into the United States for consumption or warehousing, and then stored in a warehouse or storage facility or admitted into a FTZ before being exported. The current FTR 30.3(b)(2)(iv) and (v) allow the customs broker to be the USPPI when the customs broker or a foreign person is listed as the importer of record, respectively. However, this may no longer be practical when goods have been stored in warehouses, storage facilities, or FTZ for an extended period of time after entry. In many cases, additional parties other than the customs broker have knowledge and control of the goods for weeks, months or years and possess the goods in warehouses, storage facilities, or FTZs. Therefore, the Census Bureau is proposing the warehouse, storage facility or FTZ be considered the USPPI in these scenarios based on knowledge and control of the goods destined to be exported. Additionally, when the customs broker is the USPPI, it must obtain consent from its client to share information from the import entry that supports the preparation and filing of the EEI in the AES. The Census Bureau proposes to revise the conditional data element entry number description to require the entry number when foreign origin goods are entered into the United States for consumption or warehousing, and then stored in a warehouse or storage facility or admitted into a FTZ before being exported. The Census Bureau has evaluated the entry number on the EEI, as suggested in a comment from the trade community to the NPRM for the Country of Origin (COO) titled *Foreign Trade Regulations (FTR): New Filing Requirement and Clarifications to Current Requirements* (RIN: 0607–AA59), published December 15, 2021 and has determined that the entry number will provide the Census Bureau

with a linkage to the CBP entry data where the COO data can be obtained to achieve its statistical purposes. The Census Bureau also proposes to add one definition, remove one definition, and revise twelve other definitions in order to ensure that any revisions made to the FTR will allow for the continued collection of accurate trade statistics; revise the mandatory EEI filing requirements for exports subject to the Drug Enforcement Agency regulations; revise the list of information that a USPPI and an authorized agent provide in a routed export transaction; and clarify language regarding AES downtime, confidentiality, penalties, and Voluntary Self-Disclosures; and proposes to make grammatical and style changes in the FTR.

The Census Bureau is seeking public comments from data users, businesses, and others to assess these proposed changes. Below are considerations when providing feedback to this proposed rule; however, any pertinent feedback not captured by these considerations is welcome.

1. Describe the potential value of clarifying who is the USPPI when goods enter the United States for consumption or warehousing, and then stored in a warehouse or storage facility or admitted into a FTZ before being exported.

2. Describe the potential value to all other changes to the FTR.

3. How long would a company that utilizes or manages proprietary software need to make programming changes to potentially adapt to the changes in this proposed rule and interface to the AES?

4. Are there business practices that a company would need to implement to come into compliance with the changes in this proposed rule? If so, how long would a company need to implement new business practices?

Finally, the U.S. Department of Homeland Security and the U.S. Department of State concur with the revisions to the FTR as required by 13 U.S.C. 303, and Public Law 107–228, division B, title XIV, section 1404.

Program Requirements

To comply with the requirements of the Foreign Relations Act, Public Law 107–228, the Census Bureau is amending relevant sections of the FTR to revise or clarify export reporting requirements. Therefore, the Census Bureau is correcting 15 CFR part 30 by making the following correcting amendments:

- Revise § 30.1(c) by amending the definitions for “Buyer”, “End user”, “Filer”, “Foreign port of unloading”, “Foreign Principal Party in Interest

(FPPI)”, “Forwarding agent”, “Intermediate consignee”, “Order party”, “Seller”, “Shipment”, “Ultimate consignee”, and “U.S. Principal Party in Interest (USPPI)”. Additionally, add the definition for “Conveyance” and remove the definition for “Consignee”.

- Revise § 30.2(a)(1)(iv)(D) by amending the Drug Enforcement Agency’s authorization to require EEI filing in the AES for all licenses and permits under 12 CFR 1309.

- Revise § 30.2(d)(1) by amending the language to clarify that EEI filing is excluded when goods are moving in-transit through the United States, Puerto Rico, or the U.S. Virgin Islands from one country or area to another where such goods do not enter the United States for consumption or warehousing.

- Revise § 30.2(d)(4) by removing the reference to the exemption § 30.39 as the exclusion overrides the exemption.

- Revise § 30.3 by adding an introductory paragraph that states international commercial terms, terms of sale, and industry or other agreements do not determine the type of or parties to the export transaction.

- Revise § 30.3(a) by replacing General requirements with General filer requirements to include specific paragraphs designated as (a)(1) that the filer is a USPPI or authorized agent, (a)(2) that the filer must be located physically in the U.S. when filing the EEI, and (a)(3) that the EEI must be filed completely, accurately, and timely.

- Revise § 30.3(b)(2) by removing the foreign entity as the USPPI because it has been added as a scenario in this section.

- Revise § 30.3(b)(2)(iv) by amending to combine the existing language in § 30.3(b)(2)(iv) and (v), add a time frame from when the customs broker clears goods into the United States for consumption or warehousing and clarify who is the USPPI in the scenario; and by adding a Note that requires the customs broker to obtain consent from its client when the information from the customs entry is used to prepare and file the EEI.

- Revise § 30.3(b)(2)(v) to identify the USPPI as a person who admits goods into a Foreign Trade Zone (FTZ) or the FTZ operator as the USPPI.

- Revise § 30.3(b)(2)(vi) to add a USPPI scenario when the foreign entity is in the United States when the goods are purchased or obtained for export.

- Revise § 30.3(d)(4) by adding postdeparture, downtime and exclusion to the list of citations.

- Revise § 30.3(e)(1) and § 30.3(e)(2) by removing the list and references to those list of data elements the USPPI provides to the authorized agent to

assist in the preparation and filing of the EEI, and the list of data elements the authorized agent must provide to the USPPI upon request, and replace with Appendix C.

- Revise § 30.4(b)(1) to remove references to the downtime procedures;

- Revise § 30.4(b)(4) by amending to replace with the existing language in § 30.4(b)(5) regarding EEI filing time frames for the export of used self-propelled vehicles;

- Remove § 30.4(b)(5);

- Revise § 30.4(c)(2) to replace the term “Consignee” with “Ultimate consignee”.

- Revise § 30.4(f) by adding the downtime procedures.

- Revise § 30.6(a)(1) to remove examples of the USPPI from the USPPI data element description, rename the “Address of the USPPI” to “Address of origin”, and revise the USPPI Address of origin example.

- Revise § 30.6(a)(3) to provide examples of the ultimate consignee based on knowledge at the time of export.

- Revise § 30.6(a)(4) by amending the U.S. state of origin example.

- Revise 30.6(a)(11) to refer to 30.1 for detailed definitions of foreign and domestic goods.

- Revise § 30.6(b)(2) to clarify that the intermediate consignee must physically take possession of the goods.

- Revise § 30.6(b)(4) to clarify that the Foreign Port of Unloading is the location where the goods are removed from the exporting conveyance.

- Revise § 30.6(b)(6) to provide a reference to section 758.1(g) of the Export Administration Regulations to clarify the Export Control Classification Number reporting requirements.

- Revise § 30.6(b)(13) to clarify that the entry number is required when the export meets the scenarios of 30.3(b)(2)(iv) and (v) or the Domestic or foreign indicator is foreign, and the customs broker has received consent from its client to report or provide the entry number when goods were previously entered into the United States for consumption or warehousing before being exported.

- Revise § 30.18(c) to remove the reference to the Department of State website.

- Revise § 30.29(a)(1) and § 30.29(a)(2) to add a reference to § 30.53 to clarify the import reporting requirements for repairs.

- Revise § 30.60 (c)(1) to amend by combining the existing language in (c)(1) and (c)(2) to clarify that the EEI may not be used for tax purposes unless otherwise noted.

- Revise § 30.60(c)(2) to add language to prohibit the use of EEI for export

marketing and promotion unless otherwise noted.

- Revise 30.60(c)(4) to amend foreign entity to foreign person.
- Revise § 30.71(a)(2) by amending the language to add that deactivation of a filer's account may be a penalty if the filer furthers illegal activity.
- Revise § 30.74(b)(4) and (d) to clarify that foreign persons may not submit a Voluntary Self-Disclosure and to amend the Census Bureau's actions when responding to a Voluntary Self-Disclosure.
- Revise FTR Appendix B to Part 30—AES Filing Citation, Exemption and Exclusion Legends to replace X. with Miscellaneous Exclusion Statements and move Split Shipments to XI.
- Add FTR Appendix C to Part 30—Required Data Elements—Routed Export Transactions to include the data elements that the USPPPI and authorized agent are responsible for in a routed export transaction.

Rulemaking Requirements

Regulatory Flexibility Act

The Chief Council for Regulation of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration (SBA) that this proposed rule will not have a significant economic impact on a substantial number of small entities.

This action requires that USPPPIs or authorized agents in the United States file EEI in the AES for all shipments where an EEI record is required under the FTR. The SBA's table of size standards indicates that businesses that are the USPPPI or authorized agent and file EEI are considered small businesses if they employ less than 500 people. Based on Exhibit 7a of A Profile of U.S. Importing and Exporting Companies, 2021–2022 the Census Bureau estimates that there are 271,391 USPPPIs that are considered small and medium sized exporters under the Small Business Act definition, and more than 73 percent of these USPPPIs use an authorized agent to file EEI. An estimate of the number of authorized agents is not known.

The majority of USPPPIs and authorized agents require the use of a computer to perform routine tasks, such as filing the EEI. These USPPPIs and authorized agents are unlikely to be significantly affected by these new requirements, as they already possess the necessary technology and equipment to submit the EEI. In addition, it is not necessary for small businesses to purchase software for this task because a free internet-based system is provided, *AESDirect*,

especially for small businesses to submit their export information electronically. The proposed new requirements will have minimal impact on response burden. For these reasons, the Census Bureau believes this rule will not have a significant economic impact on all companies including a substantial number of small entities.

Executive Orders

This proposed rule has been determined to not be significant for purposes of Executive Order 12866. This proposed rule does not contain policies with federalism implications sufficient to warrant preparation of a federalism assessment under Executive Order 13132.

Paperwork Reduction Act

Notwithstanding any other provisions of law, no person is required to respond to, nor shall a person be subject to, a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act (PRA) unless that collection of information displays a valid Office of Management and Budget (OMB) control number.

This proposed rule covers collections of information subject to the provisions of the PRA, which are cleared by OMB under OMB Control Number 0607–0152—AES Program.

This proposed rule will not impact the current reporting-hour burden requirements as approved under OMB Control Number 0607–0152 under provisions of the PRA. The proposed rule will not require any revisions to the information sought under OMB Control Number 0607–0152.

Robert L. Santos, Director, Census Bureau, approved the publication of this notification in the **Federal Register**.

List of Subjects in 15 CFR Part 30

Economic statistics, Exports, Foreign trade, Reporting and recordkeeping requirements.

For the reasons set out in the preamble, the Census Bureau is proposing to amend Title 15, CFR part 30, as follows:

PART 30—FOREIGN TRADE REGULATIONS

- 1. The authority citation for 15 CFR part 30 continues to read as follows:

Authority: 5 U.S.C. 301; 13 U.S.C. 301–307; Reorganization plan No. 5 of 1990 (3 CFR 1949–1953 Comp., p. 1004); Department of Commerce Organization Order No. 35–2A, July 22, 1987, as amended, and No. 35–2B, December 20, 1996, as amended; Pub. L. 107–228, 116 Stat. 1350.

- 2. Amend § 30.1(c) by:

- a. Revising the definitions for “Buyer”, “Commerce Control List (CCL)”, “Country of ultimate destination”, “End user”, “Filer”, “Foreign port of unloading”, “Foreign Principal Party in Interest (FPPI)”, “Forwarding agent”, “Intermediate consignee”, “Order party”, “Person”, “Seller”, “Shipment”, “Shipping documents”, “Ultimate consignee”, “U.S. Principal Party in Interest (USPPPI)”, “Voluntary Self-Disclosure (VSD)”; and
- b. Removing the definition for “Consignee”; and
- c. Adding, in alphabetical order, the definition for “Conveyance”.

The revisions and additions read as follows:

§ 30.1 Purpose and definitions.

* * * * *

(c) * * *

Buyer (purchaser). The person located abroad in the export transaction that purchases the goods for delivery to the ultimate consignee. The buyer (purchaser) and ultimate consignee may be the same.

* * * * *

Commerce Control List (CCL). A list of items found in Supplement No. 1 to Part 774 of the Export Administration Regulations (EAR). Supplement No. 2 to Part 774 of the EAR contains the General Technology and Software Notes relevant to entries contained in the CCL.

* * * * *

Conveyance. The actual aircraft, vessel, railcar, truck, and other means of transport used to transport goods from one place to another. See § 30.6(a)(7).

* * * * *

Country of ultimate destination. The country where the goods are to be consumed, further processed, stored, or manufactured, as known to the USPPPI at the time of export. (See § 30.6(a)(5)).

* * * * *

End user. The person located abroad who receives and ultimately uses the exported, reexported or transferred (in-country) items. The end user is not an authorized agent or intermediary but may be the FPPI or ultimate consignee.

* * * * *

Filer. The USPPPI or an authorized agent who is responsible for submitting the Electronic Export Information (EEI) in the Automated Export System (AES).

* * * * *

Foreign port of unloading. The port in a foreign country where the goods are removed from the exporting conveyance. The foreign port does not have to be located in the country of destination. The foreign port of

unlading shall be reported in terms of the Schedule K, "Classification of CBP Foreign Ports by Geographic Trade Area and Country."

Foreign Principal Party in Interest (FPPI). The person located abroad who purchases the goods for export or to whom final delivery of the goods will be made. This party may be the ultimate consignee, buyer (purchaser), or end user.

* * * * *

Forwarding agent. The person in the United States who is authorized by the principal party in interest to facilitate the movement of the cargo from the United States to the foreign destination.

* * * * *

Intermediate consignee. The person located abroad who acts as an agent for the principal party in interest and takes possession of the goods for the purpose of effecting delivery of goods to the ultimate consignee. The intermediate consignee may be a forwarding agent or other person who acts as an agent for a principal party in interest.

* * * * *

Order party. The person in the United States who conducts the direct negotiations or correspondence with the buyer (purchaser) or ultimate consignee and who, as a result of these negotiations, receives the order from the FPPI. The order party may be the USPPI. See § 30.3(b)(2)(iii) of the FTR.

* * * * *

Person. Any natural person, corporation, partnership, or other legal entity of any kind, domestic or foreign.

* * * * *

Seller. A person in the transaction, usually the manufacturer, producer, wholesaler, or distributor of the goods, that receives the monetary benefit or other consideration for the exported goods.

* * * * *

Shipment. All goods being sent from one USPPI to one ultimate consignee located in a single country of destination on a single conveyance and departing from the United States on the same day. Except as noted in § 30.2(a)(1)(iv), the EEI shall be filed when the value of the goods is over \$2,500 per Schedule B or HTSUSA commodity classification code.

* * * * *

Shipping documents. Documents that include but are not limited to commercial invoices, export shipping instructions, packing lists, bills of lading and air waybills.

* * * * *

Ultimate consignee. The person located abroad who receives the export

shipment. The ultimate consignee is not a forwarding agent or other intermediary, but may be the FPPI, buyer (purchaser), or end user.

* * * * *

U.S. principal party in interest (USPPI). The person in the United States that receives the primary benefit, monetary or otherwise, from the export transaction.

* * * * *

Voluntary Self-Disclosure (VSD). A narrative account with supporting documentation that sufficiently describes suspected violations of the FTR. A VSD reflects due diligence in detecting and correcting potential violations when required information was not reported or when incorrect information was provided that violates the FTR.

* * * * *

■ 3. Amend § 30.2 by revising (a)(1)(iv)(D), (a)(2), (d)(1), and (d)(4). The revisions read as follows:

(a) * * *

(1) * * *

(iv) * * *

(D) Requiring a Department of Justice, Drug Enforcement Administration (DEA) export permit or declaration (21 CFR 1300 through 1399).

* * * * *

(2) *Filing methods.* The USPPI has four means for filing EEI: use *AESDirect*; develop AES software using the *AESTIR* (see *AESTIR* Introduction and Guidelines | U.S. Customs and Border Protection (cbp.gov)); purchase software developed by certified vendors using the *AESTIR*; or use an authorized agent. An FPPI can only use an authorized agent in a routed transaction.

* * * * *

(d) * * *

(1) Goods moving in-transit through the United States, Puerto Rico, or the U.S. Virgin Islands from one foreign country or area to another where such goods do not enter the into the United States for consumption or warehousing.

* * * * *

(4) Goods shipped to Guantanamo Bay Naval Base in Cuba from the United States, Puerto Rico, or the U.S. Virgin Islands and from Guantanamo Bay Naval Base to the United States, Puerto Rico, or the U.S. Virgin Islands.

* * * * *

■ 4. Amend § 30.3 by:

■ a. Adding an introductory paragraph to § 30.3, and adding paragraphs (a)(1) through (3), (b)(2)(vi) and a Note to (b)(2);

■ b. Revising the section heading for paragraph (a);

■ c. revising paragraphs (b)(1) and (2), (b)(2)(i), (ii), (iv) and (v), (d)(4), (e)(1) and (2); and,

■ d. Removing (e)(1)(i) through (xii), removing the Note to paragraph (e)(1), removing paragraphs (e)(2)(i) through (xv), and removing the Note to paragraph (e)(2).

The revisions and additions read as follows:

§ 30.3 Electronic Export Information filer requirements, parties to export transactions, and responsibilities of parties to export transactions

All parties that participate in an export transaction subject to the FTR must comply with the FTR. There are two types of export transactions: standard and routed. International commercial terms, terms of sale, and industry or other agreements do not determine the type of or parties to the export transaction, as they have no regulatory basis. A standard export transaction is a transaction in which the USPPI facilitates the export of goods by arranging the physical movement of the goods from the United States. A routed export transaction is a transaction where the FPPI selects a U.S. forwarding or other agent to facilitate the export of goods from the United States, regardless of the terms of sale.

(a) *General filer requirements.* (1) The filer of EEI for export transactions is either the USPPI or the authorized agent. If a foreign entity is the USPPI, they are prohibited from filing the EEI and must authorize an agent to file on their behalf.

(2) The filer shall maintain a physical office or residence in the United States; be physically located in the United States at the time of preparing and filing the EEI; and have an EIN or DUNS and be certified to report in the AES. If the filer does not have an EIN or DUNS, the filer must obtain an EIN from the Internal Revenue Service.

(3) All EEI submitted to the AES shall be complete, accurate and timely. The filer is responsible for ensuring that the EEI is complete, accurate, and timely, except insofar as that party can demonstrate that it reasonably relied on information based on personal knowledge of the facts and information furnished by other responsible persons participating in the transaction. All parties involved in export transactions, including authorized agents, should be aware that invoices and other commercial documents may not necessarily contain all the information needed to prepare and file the EEI.

(b) * * *

(1) Principal parties in interest. Those persons in a transaction that receive the

primary benefit, monetary or otherwise, are considered principal parties to the transaction. Generally, the principal parties in interest in a transaction are the seller and buyer. In most cases, the U.S. forwarding or other agent is not a principal party in interest.

(2) USPPI. For purposes of filing EEI, the USPPI is the person in the United States that receives the primary benefit, monetary or otherwise, from the transaction. Below are scenarios where the USPPI is identified:

(i) If a U.S. manufacturer sells the goods for export directly to a FPPI, the U.S. manufacturer shall be listed as the USPPI in the EEI.

(ii) If a U.S. manufacturer sells goods, as a domestic sale, to a U.S. buyer (wholesaler/distributor) and that U.S. buyer sells the goods for export to a FPPI, the U.S. buyer shall be listed as the USPPI in the EEI.

* * * * *

(iv) If a customs broker or foreign person is listed as the importer of record when entering goods into the United States, the customs broker shall be listed as the USPPI in the EEI if the goods are being exported without change or enhancement in thirty (30) calendar days or less of import. After thirty (30) calendar days, the warehouse or storage facility in possession and with knowledge and control of the goods when the goods begin their journey to the port of export shall be the USPPI.

Note to paragraph § 30.3(b)(2)(iv) of this section: The U.S. Customs and Border Protection regulations (19 CFR 111.24) state that the import entry records pertaining to the business of the clients serviced by the customs broker are to be considered confidential. When the customs broker supports the preparation or filing of the EEI with information from the import entry, the customs broker must already have written authorization from the client to disclose confidential information to third parties or obtain such authorization in writing from the client.

(v) If a U.S. person admits goods into a Foreign Trade Zone (FTZ), then the U.S. person shall be the USPPI if the goods are subsequently exported without change or enhancement. If a foreign person admits goods into an FTZ, then the FTZ operator shall be the USPPI if the goods are subsequently exported without change or enhancement.

(vi) If the foreign entity is in the United States at the time the goods are purchased or obtained for export, the foreign entity shall be listed as the USPPI. The foreign entity is prohibited from filing the EEI; therefore, they must

authorize an agent to comply with the provisions of the FTR.

* * * * *

(d) * * *

* * * * *

(4) Providing the exporting carrier with the proof of filing, postdeparture, downtime, exclusion, or exemption citations in accordance with provisions and requirements contained in this part.

* * * * *

(e) * * *

(1) USPPI responsibilities. In a routed export transaction, the FPPI may authorize or agree to allow the USPPI to prepare and file the EEI. If the FPPI agrees to allow the USPPI to file the EEI, the FPPI must provide a written authorization to the USPPI assuming the responsibility for filing. The USPPI may authorize an agent to file the EEI on its behalf. If the USPPI or its agent prepares and files the EEI, it shall retain documentation to support the EEI filed. If the FPPI agrees to allow the USPPI to file EEI, the filing of the export transaction shall be treated as a routed export transaction. If the FPPI authorizes an agent to prepare and file the EEI, the USPPI shall retain documentation to support the information provided to the agent for preparing the EEI as specified in § 30.10 and provide the agent with complete, accurate and timely export information necessary to prepare and file the EEI as set forth in Appendix C.

(2) Authorized agent responsibilities. In a routed export transaction, if an authorized agent is preparing and filing the EEI on behalf of the FPPI, the authorized agent must obtain a power of attorney or written authorization from the FPPI and shall be responsible for preparing and filing complete, accurate and timely EEI based on information obtained from the USPPI or other parties involved in the transaction. The authorized agent must file the EEI based on export information exactly as provided by the USPPI as set forth in Appendix C. The authorized agent shall retain documentation to support the export information reported to the AES, as specified in § 30.10 and upon request, provide the USPPI with a copy of the power of attorney or written authorization from the FPPI and the data elements filed that the USPPI provided as listed in Appendix C, along with the authorized agent name, authorized agent contact information, date of export and ITN.

* * * * *

■ 5. Amend § 30.4 by revising paragraphs (b)(1) and (4) and (c)(2); removing paragraph (b)(5); and adding paragraph (f).

The revisions and additions read as follows:

§ 30.4 Electronic Export Information filing procedures, deadlines, and certification statements.

* * * * *

(b) * * *

(1) For USML shipments, refer to the ITAR (22 CFR 123.22(b)(1)) for specific requirements concerning predeparture filing time frames.

* * * * *

(4) For used self-propelled vehicles as defined in 19 CFR 192.1 of U.S. Customs and Border Protection regulations, the USPPI or the authorized agent shall file the EEI as required by § 30.6 and provide the filing citation to the CBP at least 72 hours prior to export. The filer must also provide the carrier with the filing citation as required by paragraph (b) of this section.

(c) * * *

(2) Pipeline Filing Procedures. USPPIs or authorized agents may file data elements required by § 30.6 no later than four (4) calendar days following the end of the month. The operator of a pipeline may transport goods to a foreign country without the prior filing of the proof of filing citation, exemption, or exclusion legend, on the condition that within four (4) calendar days following the end of each calendar month the operator will deliver to the CBP Port Director the proof of filing citation, exemption, or exclusion legend covering all exports through the pipeline to each ultimate consignee during the month.

* * * * *

(f) Downtime Procedures. The Downtime policy becomes effective when the Census Bureau has officially notified filers electronically that the AES and/or AESDirect are not operating and cannot generate ITNs.

(1) If the filer's transmission method to the AES (e.g., certified software) is unavailable, the filer must delay the export of the goods or find an available alternative filing method (e.g., AESDirect, authorized agent).

(2) Except as noted in § 30.4(f)(3), if AES and/or AESDirect is unavailable, the goods may be exported and the filer must: (A) Provide the appropriate downtime citation as described in § 30.7(b) and appendix B; and (B) Report the EEI at the first opportunity AES or AESDirect is available.

(3) For export shipments noted in § 30.2(a)(1)(iv), if a filer is unable to acquire an ITN because the AES and/or AESDirect is not operating, the filer shall not export until the AES is operating and an ITN is acquired, and

the downtime filing citation shall not be used.

* * * * *

■ 6. Amend § 30.5 by revising paragraphs (c)(3)(i)(E) and (F), and (d)(1) and (2). The revisions read as follows:

§ 30.5 Electronic Export Information filing processes and standards.

* * * * *

(c) * * *

(3) * * *

(i) * * *

(E) The USPPI has failed to comply with existing export regulations or has failed to pay any outstanding penalties assessed in connection with such noncompliance;

(F) The USPPI would pose a significant threat to national security interests such that its continued participation in postdeparture filing should be terminated; or

* * * * *

(d) * * *

(1) AESDirect usernames and passwords are to be kept secure by the account administrator and not disclosed to any unauthorized user or any persons outside the registered company.

(2) Registered companies are responsible for those persons having a username and password. If an employee with a username and password leaves the company or otherwise is no longer an authorized user, the company shall immediately deactivate that username in the system to ensure the integrity and confidentiality of Title 13 data.

* * * * *

■ 7. Amend § 30.6 by revising (a)(1), (a)(1)(ii) and (iii), (a)(3) and (4), (a)(11) and (13), and (b)(2), (4), (6), and (13) to read as follows:

§ 30.6 Electronic Export Information data elements.

* * * * *

(a) * * *

(1) USPPI. The person in the United States that receives the primary benefit, monetary or otherwise, from the export transaction. See § 30.3(b)(2) for scenarios identifying the USPPI. The name, address of origin, identification number, and contact information of the USPPI shall be reported to the AES as follows:

* * * * *

(ii) Address of origin. In all EEI filings, the USPPI shall report the address of origin (no post office box number) from which the goods actually begin the journey to the port of export even if the USPPI does not own/lease the facility. For example, the EEI covering goods stored in inventory at a warehouse in Georgia for transport to

Florida for loading onto a vessel for export to a foreign country shall show the address of origin of the warehouse in Georgia. For shipments of multi-addresses of origin, reported as a single shipment, report the address of origin of the commodity with the greatest value. If such information is not known, report the address of origin where the commodities are consolidated for export.

(iii) USPPI identification number. Report the Employer Identification Number (EIN) of the USPPI. If the USPPI has only one EIN, report that EIN. If the USPPI has more than one EIN, report the EIN that the USPPI uses to report employee wages and withholdings, and not the EIN used to report only company earnings or receipts. Use of another company's EIN is prohibited. If a USPPI reports a DUNS, the EIN is also required to be reported. If a foreign entity is in the United States at the time goods are purchased or obtained for export, the foreign entity is the USPPI. In such situations, when the foreign entity does not have an EIN, the authorized agent shall report a border crossing number, passport number, or any number assigned by U.S. Customs and Border Protection (CBP) on behalf of the foreign entity. The appropriate Party ID Type code shall be reported to the AES.

* * * * *

(3) Ultimate consignee. The ultimate consignee is the person located abroad as known at the time of export who receives the export shipment. The name and address of the ultimate consignee, whether by sale in the United States or abroad or by consignment, shall be reported in the EEI. For example, when there is knowledge of an end user's name, address and when the end user will receive the goods, the end user is the ultimate consignee. When the foreign buyer is a reseller/distributor and the end user's name and address is unknown or there is no knowledge when the end user will receive the goods from the foreign buyer, e.g., the goods are stored in inventory, the foreign buyer is the ultimate consignee. For goods sold en route, report the appropriate "To be Sold En Route" indicator in the EEI, and report corrected information as soon as it is known (see § 30.9 for procedures on correcting AES information).

(4) U.S. state of origin. The U.S. state of origin is the 2-character postal code for the state in which the goods begin their journey to the port of export. For example, the EEI covering goods stored in inventory at a warehouse in Georgia for transport to Florida for loading onto

a vessel for export to a foreign country shall show Georgia as the state of origin. For shipments of multi-state origin, reported as a single shipment, report the U.S. state of the commodity with the greatest value. If such information is not known, report the state in which the commodities are consolidated for export.

* * * * *

(11) Domestic or foreign indicator. Indicates if the goods exported are of domestic or foreign origin. Report foreign goods as a separate line item from domestic goods even if the commodity classification number is the same. See 30.1(c) for definitions of domestic and foreign goods.

* * * * *

(13) Commodity description. Report the description of the goods shipped in English in sufficient detail to permit verification of the Schedule B or HTSUSA number. Clearly and fully state the name of the commodity in terms that can be identified or associated with the language used in Schedule B or HTSUSA (usually the commercial name of the commodity), and any characteristics of the commodity that distinguish it from commodities of the same name covered by other Schedule B or HTSUSA classifications. If the shipment requires a license, the description reported in the EEI shall conform with that shown on the license. If the shipment is eligible for a license exception or exemption, the description shall be sufficient to ensure compliance with that license exception or exemption. However, where the description on the license does not state all of the characteristics of the commodity that are needed to completely verify the commodity classification number, as described in this paragraph, report the missing characteristics, as well as the description shown on the license, in the commodity description field of the EEI.

* * * * *

(b) * * *

(2) Intermediate consignee. The name and address of the intermediate consignee (if any) shall be reported. The intermediate consignee is located abroad and acts as an agent for the principal party in interest or the ultimate consignee and takes possession of the goods for the purpose of effecting delivery of goods to the ultimate consignee. The intermediate consignee may be a forwarding agent or other person abroad who acts as an agent for a principal party in interest.

* * * * *

(4) Foreign port of unloading. The foreign port of unloading is the foreign

port in the country where the goods are removed from the exporting conveyance. The foreign port does not have to be located in the country of destination. For exports by sea to foreign countries, not including Puerto Rico, the foreign port of unloading is the code in terms of Schedule K, Classification of Foreign Ports by Geographic Trade Area and Country. For exports by sea or air between the United States and Puerto Rico, the foreign port of unloading is the code in terms of Schedule D, Classification of CBP Districts and Ports. The foreign port of unloading is not required for exports by other modes of transportation, including rail, truck, mail, fixed (pipeline), or air (unless between the U.S. and Puerto Rico).

* * * * *

(6) *Export Control Classification Number (ECCN)*. The number used to identify items on the CCL, Supplement No. 1 to Part 774 of the EAR. The ECCN consists of a set of digits and a letter. Items that are not classified under an ECCN are designated "EAR99". See § 758.1(g) of the EAR for ECCN reporting requirements.

* * * * *

(13) *Entry number*. The entry number must be reported when the export meets the scenarios of 30.3(b)(2)(iv) and (v) or the Domestic or foreign indicator is foreign when goods of foreign origin enter the United States for consumption or warehousing, and then stored in a warehouse or storage facility or admitted into a FTZ before being exported. For goods that are exported from a FTZ where inbond types 67 (FTZ withdrawal for immediate exportation) and 68 (FTZ withdrawal for transportation and exportation) are selected, the entry number to be reported is the two-position year and control number derived from the Zone Admission Number documented on the 214/e214 associated with the withdrawal. For example, if the Zone Admission Number associated with the withdrawal is 0987654AB 22 12345678, then the entry number to be reported is 2212345678. If more than one Zone Admission Number is associated with the export, then report the entry number based off the Zone Admission Number with the greatest value. For all other scenarios where goods are exported after entering the United States for consumption, or warehousing (entry types 36 [warehouse withdrawal for immediate exportation] and 37 [warehouse withdrawal for transportation and exportation]), the 11-position entry number as identified on the CBP-7501 shall be reported. When

the importer of record on the import entry is the customs broker or foreign person, the customs broker shall provide the entry number to assist in the preparation of the EEI (See 15 CFR 30.3(b)(2) and the Note to paragraph § 30.3(b)(2)(iv)).

* * * * *

■ 8. Amend § 30.8 by revising the introductory text.

The revision reads as follows:

§ 30.8 Time and place for presenting proof of filing citations and exemption legends.

The following conditions govern the time and place to present the proof of filing, postdeparture, downtime, exclusion, or exemption citations. The USPPPI or the authorized agent is required to deliver the proof of filing, postdeparture, downtime, exclusion, or exemption citations required in § 30.7 to the exporting carrier. See *Appendix B* of this part for the properly formatted proof of filing, postdeparture, downtime, exclusion, or exemption citations. Failure of the USPPPI or authorized agent to comply with these requirements constitutes a violation of the regulations in this part and renders such principal party or the authorized agent subject to the penalties provided for in *Subpart H* of this part.

* * * * *

■ 9. Amend § 30.10 by revising paragraph (a) and adding a Note to paragraph (a).

The revision and addition read as follows:

§ 30.10 Retention of export information and the authority to require production of documents.

(a) Retention of export information. All parties to the export transaction (USPPPIs, FPPIs, authorized agents, and/or owners and operators of export carriers) shall retain documents pertaining to the export shipment for five years from the date of export. If the Department of State or other regulatory agency has recordkeeping requirements for exports that exceed the retention period specified in this part, then those requirements prevail. The USPPPI or the authorized agent may request a copy of the electronic record or submission from the Census Bureau as provided for in Subpart G of this part. The Census Bureau's retention and maintenance of AES records does not relieve filers from requirements in § 30.10.

Note to paragraph (a) of this section: As set forth in 30.60(c)(4), the USPPPI, the authorized agent, or a representative of the USPPPI shall not disclose the EEI for nonofficial purposes to a foreign person or foreign government, including the foreign entity as the USPPPI or the FPPI. For items in

this section a foreign entity as the USPPPI and the FPPI shall retain documents pertaining to the export shipment as a party to the export transaction; however, the EEI shall not be disclosed for "nonofficial purposes," either in whole or in part.

* * * * *

■ 10. Amend § 30.17 by revising the introductory text.

The revision reads as follows:

§ 30.17 Customs and Border Protection regulations.

Refer to the DHS's CBP regulations, 19 CFR part 192, for information referencing the advanced electronic submission of cargo information on exports for screening and targeting purposes pursuant to the Trade Act of 2002. The regulations also prohibit postdeparture filing of export information for certain shipments and contain other regulatory provisions affecting the reporting of EEI.

§ 30.18(c) [Removed]

■ 11. Remove § 30.18(c).

■ 12. Amend § 30.26 by revising paragraph (b).

The revision reads as follows:

§ 30.26 Reporting of vessels, aircraft, cargo vans, and other carriers and containers.

* * * * *

(b) The country of destination to be shown in the EEI for vessels exported for sale is the country of new ownership. The country for which the vessel clears, or the country of registry of the vessel, should not be reported as the country of destination in the EEI unless such country is the country of new ownership.

* * * * *

■ 13. Amend § 30.29 by revising paragraphs (a)(1) and (2).

The revisions read as follows:

* * * * *

(a) * * *

(1) The return of goods not licensed by a U.S. Government agency and not subject to the ITAR, temporarily imported for repair and alteration, and declared as such on importation as described in § 30.53 shall have Schedule B number 9801.10.0000. The value shall only include parts and labor. The value of the original product shall not be included. If the value of the parts and labor is over \$2,500, then EEI must be filed.

(2) The return of goods licensed by a U.S. Government agency or subject to the ITAR, temporarily imported for repair or alteration, and declared as such on importation as described in § 30.53 shall have Schedule B number 9801.10.0000. In the value field, report

the value of the parts and labor. In the license value field, report the value designated on the export license that corresponds to the commodity being exported if required by the licensing agency. EEI must be filed regardless of value.

* * * * *

■ 14. Amend § 30.37 by revising paragraph (a).

The revision reads as follows:

* * * * *

(a) Exports of commodities where the value of the commodities shipped from one USPPI to one ultimate consignee on a single exporting conveyance, classified under an individual Schedule B number or HTSUSA commodity classification code is \$2,500 or less. This exemption applies to individual Schedule B numbers or HTSUSA commodity classification codes regardless of the total shipment value. In instances where a shipment contains a mixture of individual Schedule B numbers or HTSUSA commodity classification codes valued at \$2,500 or less and individual Schedule B numbers or HTSUSA commodity classification codes valued over \$2,500, only those Schedule B numbers or HTSUSA commodity classification codes valued over \$2,500 are required to be reported. If the filer reports multiple items of the same Schedule B number or HTSUSA commodity classification code, this exemption only applies if the total value of exports for the Schedule B number or HTSUSA commodity classification code is \$2,500 or less. Items of domestic and foreign origin under the same commodity classification number must be reported separately and EEI filing is required when either is over \$2,500. For the reporting of household goods see § 30.38.

* * * * *

■ 15. Amend § 30.39 by revising the introductory text.

The revision reads as follows:

§ 30.39 Special exemptions for shipments to the U.S. Armed Services.

Except as noted in § 30.2(a)(1)(iv), filing of EEI is not required for any commodities, whether shipped commercially or through government channels, consigned to the U.S. Armed Services for their exclusive use, including shipments to armed services exchange systems. This exemption does not apply to articles that are on the USML and thus controlled by the ITAR and/or shipments that are not consigned to the U.S. Armed Services, regardless of whether they may be for their ultimate and exclusive use.

* * * * *

■ 16. Amend § 30.51 by revising the introductory text.

The revision reads as follows:

§ 30.51 Statistical information required for import entries.

The information required for statistical purposes is, in most cases, also required by CBP regulations for other purposes. Refer to the CBP website at *cbp.gov* to download “Instructions for Preparation of CBP–7501,” for completing the paper entry summary documentation (CBP–7501). Refer to the Customs and Trade Automated Interface Requirements for instructions on submitting an Automated Commercial Environment (ACE) Automated Broker Interface (ABI) electronic record, or instructions for completing CBP–226 for declaring any equipment, repair parts, materials purchased, or expense for repairs incurred outside of the United States.

■ 17. Amend § 30.52 by revising the introductory text.

The revision reads as follows:

§ 30.52 Foreign Trade Zones (FTZ).

When goods are withdrawn from a FTZ for export to a foreign country, the export shall be reported in accordance with § 30.2. Foreign goods admitted into FTZs shall be reported as a general import. Statistical requirements for zone admissions are provided to the Census Bureau via CBP’s ABI electronic 214 (e214) program or the CBP Form 214A Application for Foreign Trade Zone Admission and/or Status Designation. Refer to the CBP website at *cbp.gov* to download the “Foreign Trade Zone Manual” that includes the CBP Form 214—Application for FTZ Admission (Appendix A) and Instructions for filling out the 214 (Appendix B). When goods are withdrawn for domestic consumption or entry into a bonded warehouse, the withdrawal shall be reported on CBP 7501 or through the ABI in accordance with CBP regulations. The instructions and definitions for completing the e214 are provided in 19 CFR 146. The following data items are required to be filed on the 214A, for statistical purposes:

* * * * *

■ 18. Amend § 30.60 by revising paragraphs (b)(1)(vii), and (c)(1), (2), and (4).

The revisions read as follows:

* * * * *

(b) * * *

(1) * * *

(vii) Analyzing the impact of proposed and implemented trade agreements and fulfilling U.S. obligations under such agreements; and

* * * * *

(c) * * *

(1) Any purpose related to the collection of domestic or foreign taxes, or other fees, except as related to paragraph (b)(1)(vi) of this section.

(2) For export promotion or similar types of marketing operations. This limitation does not preclude the use of the information to monitor compliance with agricultural marketing orders and export quality compliance programs.

* * * * *

(4) To foreign persons or foreign governments for any purpose, including the foreign entity as the USPPI or the FPPI.

* * * * *

■ 19. Amend § 30.61 by revising the introductory text, and paragraphs (a) and (b).

The revisions read as follows:

§ 30.61 Statistical classification schedules.

The following statistical classification schedules are referenced in this part. These schedules may be accessed through the Census Bureau’s website at <http://www.census.gov/trade>.

(a) *Schedule B—Statistical Classification for Domestic and Foreign Commodities Exported from the United States* shows the detailed commodity classification requirements and 10-digit statistical reporting numbers to be used in preparing EEI, as required by these regulations.

(b) *Harmonized Tariff Schedule of the United States* shows the 10-digit statistical reporting number to be used in preparing import entries and withdrawal forms.

* * * * *

■ 20. Amend § 30.71 by revising paragraph (a)(2). The revision reads as follows:

§ 30.71 False or fraudulent reporting on or misuse of the Automated Export System.

(a) * * *

(2) Furtherance of illegal activities. Any person, including USPPIs, authorized agents or carriers, who knowingly reports, directly or indirectly, to the U.S. Government any information through or otherwise uses the AES to further any illegal activity shall be subject to account deactivation, a fine not to exceed \$10,000, imprisonment for not more than five years, or any or all of these penalties, for each violation.

* * * * *

■ 21. Amend § 30.74 by revising paragraphs (b)(4) and (d). The revisions read as follows:

(b) * * *

(4) Any person, including USPPIs, authorized agents, or carriers, will not

be deemed to have made a voluntary self-disclosure under this section unless the individual making the disclosure did so with the full knowledge and authorization of senior management. The Census Bureau will not accept a voluntary self-disclosure from a FPPI or legal counsel or other party representing a FPPI.

(d) Action by the Census Bureau. After the Census Bureau has been provided with the required narrative, it

may promptly notify CBP, ICE, and BIS's Office of Export Enforcement (OEE) of the voluntary disclosure, acknowledge the disclosure by letter, provide the person making the disclosure with a point of contact, and take whatever additional action, including further investigation, it deems appropriate. As quickly as the facts and circumstances of a given case permit, the Census Bureau may take any of the following actions: (1) Inform the person or company making the voluntary self-disclosure of the action to be taken. (2)

Issue a letter in response to the voluntary self-disclosure. (3) Refer the matter, if necessary, to the OEE for the appropriate action.

■ 22. Amend appendix B to part 30 by revising the entries for "X. Miscellaneous Exclusion Statements" and "XI. Split Shipments". The revisions read as follows:

Appendix B to Part 30—AES Filing Citation, Exemption and Exclusion Legends

* * * * *

X. Miscellaneous Exclusion Statements are found in 15 CFR part 30 subpart A §30.2(d)

XI. Split Shipments Split Shipments should be referenced as such on the manifest in accordance with provisions contained in §30.28, Split Shipments. The notation should be easily identifiable on the manifest. It is preferable to include a reference to a split shipment in the exemption statements cited in the example, the notation SS should be included at the end of the appropriate exemption statement.

NOEEI §30.2(d) (site corresponding number). AES ITN SS. Example: AES X20170101987654 SS.

■ 23. Add Appendix C to part 30 to include the data elements that the USPPI and authorized agent are

responsible for in a routed export transaction.

Appendix C to Part 30—Required Data Elements—Routed Export Transactions

Table with 2 columns: Data elements provided by the USPPI 30.3(e)(1) and Data elements provided by the authorized agent 30.3(e)(2). Rows list various data elements (A) through (Y) for both parties.

Note to Appendix C: For the License code/license exemption code, Export license number/CFR citation/KPC number, Export Control Classification Number (ECCN), and License value where the FPPI has assumed responsibility for determining and obtaining license authority see requirements set forth in 15 CFR 758.3 of the EAR. When accessing routed export transactions reported on the

EEI in AES, the USPPI will be limited to only viewing in an AES report in ACE the data elements in Appendix C, Date of export, Filer ID, the ITN, and any approved system generated data elements.

* * * * *

Dated: October 17, 2024.

Shannon Wink, Program Analyst, Policy Coordination Office, U.S. Census Bureau.

[FR Doc. 2024-24482 Filed 10-30-24; 8:45 am]

BILLING CODE 3510-07-P