

3.0 DOCUMENTATION

Accuracy and time are important considerations when preparing documents for export shipments. It is essential that all the buyer's requirements and the customs regulations of the importing country are met so that shipments are not delayed.

This section discusses documents required by U.S. Customs for defence export shipments. Generally U.S. Customs requires only a bill of lading or air waybill and a commercial invoice when shipping to the United States.

Your customer may require other documents and certificates. Usually these do not concern customs authorities.

3.1 Documents Required by U.S. Customs

U.S. Customs requires a commercial invoice, a bill of lading or air waybill. (See Appendix G for a sample of the U.S. Bill of Lading.)

3.2 Shipments to Military Installations and Domestic Contractors Plants

A commercial invoice is a document of contents; a bill of lading or air waybill is a contract for transporting the goods described. The various classifications of these documents will not be explained since each has certain legal implications and requirements.

For customs clearance both documents *must* be accurate and complete to ensure they reflect the transaction. These documents must include a complete description of goods and unit values; the marks, numbers and contents of the packages; and quantity. Typewritten documents are preferred. Complete all documents legibly and do not use red ink.

According to DFARS 252.225-7008, all shipping documents submitted to Customs for duty-free Canadian end products or supplies must include the following information:

- a) address of consignee - applicable military installation;
- b) identification of carrier taking goods across the border;
- c) gross weight in pounds (if freight is based on space tonnage, state cubic feet as well as gross shipping weight);
- d) estimated value in U.S. dollars;
- e) U.S. government prime contract number, e.g., N00024-89-C-0318; and
- f) the following statement, typed or stamped on the documents:

"UNITED STATES GOVERNMENT, DEPARTMENT OF DEFENSE, Duty-Free Entry to be claimed pursuant to tariff item no. 9808.00.30, Tariff Schedules of the United States. Upon arrival of shipment at the appropriate port of entry, District Director of Customs, please release shipment under 19 CFR 142 and notify Commander, Defense Contract Administration Services Region (DCASR) New York, Attn: Customs

Function, 201 Varick Street, New York, New York 10014, for execution of Customs Forms 7501, 7501A, or 7506 and any required duty-free entry certificates." (Note: The above notation shall be used only for direct shipments to a U.S. military installation. In cases where the shipment will be consigned to other than a military installation, e.g., a domestic contractor's plant, the shipping document notation shall be altered to insert the name and address of the contractor, agent or broker who will notify Commander, Defense Contract Administration Services Region (DCASR) New York, for execution of the duty-free entry certificates.)

3.3 Temporary Entry of Articles into the United States

Occasionally Canadian firms temporarily export defence articles to the United States for tests, experiments, or review without a U.S. DoD prime contract number to refer to, since these articles are not end items or are not incorporated in end items as required under DFARS 252.225-7008.

In such cases, U.S. Customs regulations allow goods temporarily into the United States duty-free and under bond for export within one year. The bond is double the estimated duties. The one-year period for export may be extended by applying to the district or port director of customs. The goods should be returned to Canada through their port of entry.

3.4 Packing List

The packing list is an itemized list of package contents, including the weights and measurements of each package. The purchaser may not ask for this document, but the shipper should prepare it when a shipment includes mixed or miscellaneous articles. The packing list helps Customs examine shipments.

3.5 Marking Packages

For faster customs clearance, mark and number each package legibly and clearly so it can be identified with the corresponding marks and numbers on your invoice.