



ROANOKE TRADE

Temporary Importation with the ATA Carnet

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A Guide to the ATA Carnet

- Carnets and Temporary Importation
- Why a Carnet?
- How does a Carnet work?
- What's new?
- ATA Carnet and ISF Filing



Temporary Importation

- Goods being imported into a foreign country for a temporary period of time
 - Trade Shows
 - Demonstrations
 - Goods being used for a job...and much more
- Duty and taxes must be paid on all imports
- What are the options?
 - Payment of duty and taxes
 - Duty drawback
 - Temporary Import Bond (TIB)
 - ATA Carnet



A Bit of History...

- U.S. has been a part of the Carnet system for over 40 years
- U.S. Council for International Business became the U.S. Guaranteeing Association in 1968
- Roanoke Trade has issued Carnets since 1978





What is a Carnet?

- **ATA** is a French/English acronym for “Temporary Admission”
- **Carnet** is the French word for “booklet” or “passport”
- The **ATA Carnet** is a Temporary Admission Passport for Merchandise





What is a Carnet?

- A common international Customs document that eliminates the need to pay duties and taxes
 - Customs regulations differ from country to country
 - All nations agree to the same conventions
- Designed to offer the most flexibility to the user of any temporary importation option
- Used for temporary importation into foreign countries
- Guarantee that no revenue will be lost
- Accepted in over 90 countries and customs territories



What a Carnet Isn't

- A Carnet does not replace:
 - Export license
 - Shippers' Export Declaration (SED)
 - Quota requirements
 - Any other documents required by the U.S. or foreign government



Who Uses Carnets and What Can They Be Used For?

- Exporters with goods being sent to a foreign member country for one year or less
- Three categories of goods cover almost all temporary shipments
 - Commercial Samples
 - Professional Equipment
 - Exhibitions & Fairs
 - Consumables, perishable goods, postal traffic are excluded, as well as goods not being re-exported

The Advantages of Carnets

- **As a Customs Document...**
 - Serves as registration of U.S. goods
 - Accepted as entry document
 - Satisfies the importer's obligation to post security
- **Flexibility...**
 - One document...unlimited entries
 - Valid for one year
 - Can be used for shipments or hand-carried goods
 - Shipments can be split
 - Goods need not be imported and exported from the same port
 - Conversion to permanent status



More Advantages

- From your business' perspective...
 - Paperwork is done prior to initial departure
 - No last minute surprises
 - Cost is predetermined in U.S. dollars
 - Less financial exposure to holder
 - Claims are by line item rather than total
 - Cost



The Bottom Line

- Three trips
- Value of goods = \$500,000

	TIB	Carnet
1 st Entry	\$4,000	Carnet fee \$350
2 nd Entry	\$4,000	Bond Premium* \$2,000
3 rd Entry	\$4,000	S/H for Carnet \$20
Total	\$12,000	Total Savings \$2,370 81%





How the Carnet Works

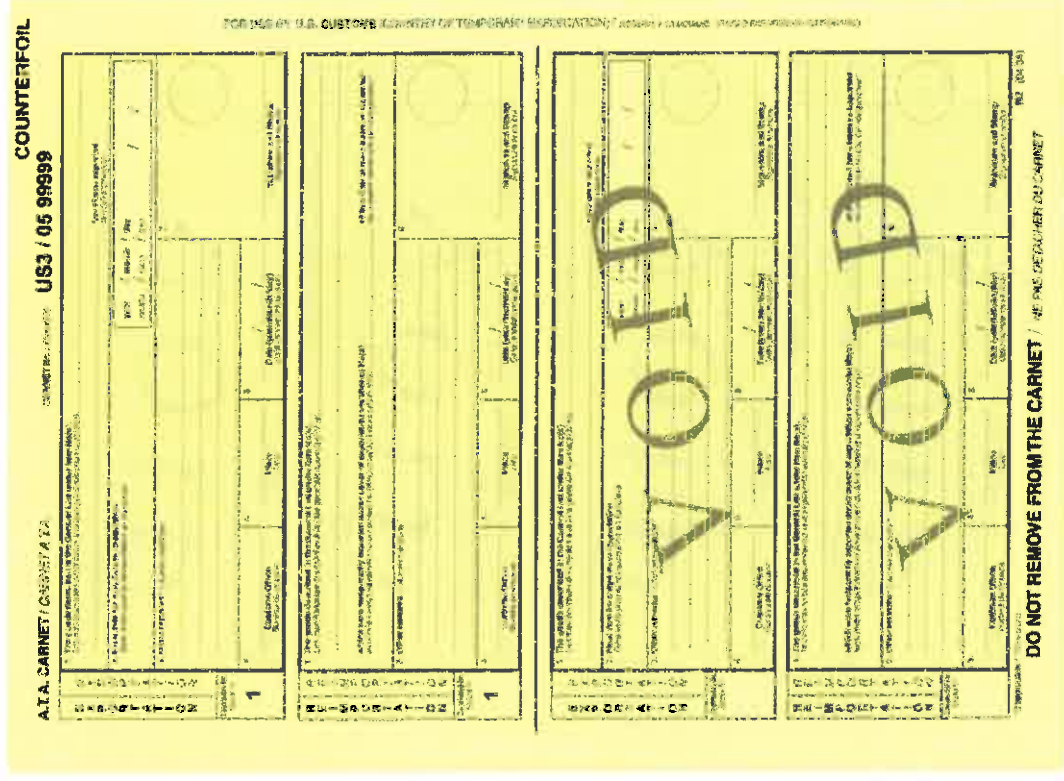
- **Guaranteeing Chain**
 - Customs
 - Guaranteeing Association
 - Holder
 - Security
- **Carnet “logistics”**
 - Green Cover – Registration of U.S. goods
 - General List
 - Yellow, white and blue certificates



A Guide to the ATA Carnet

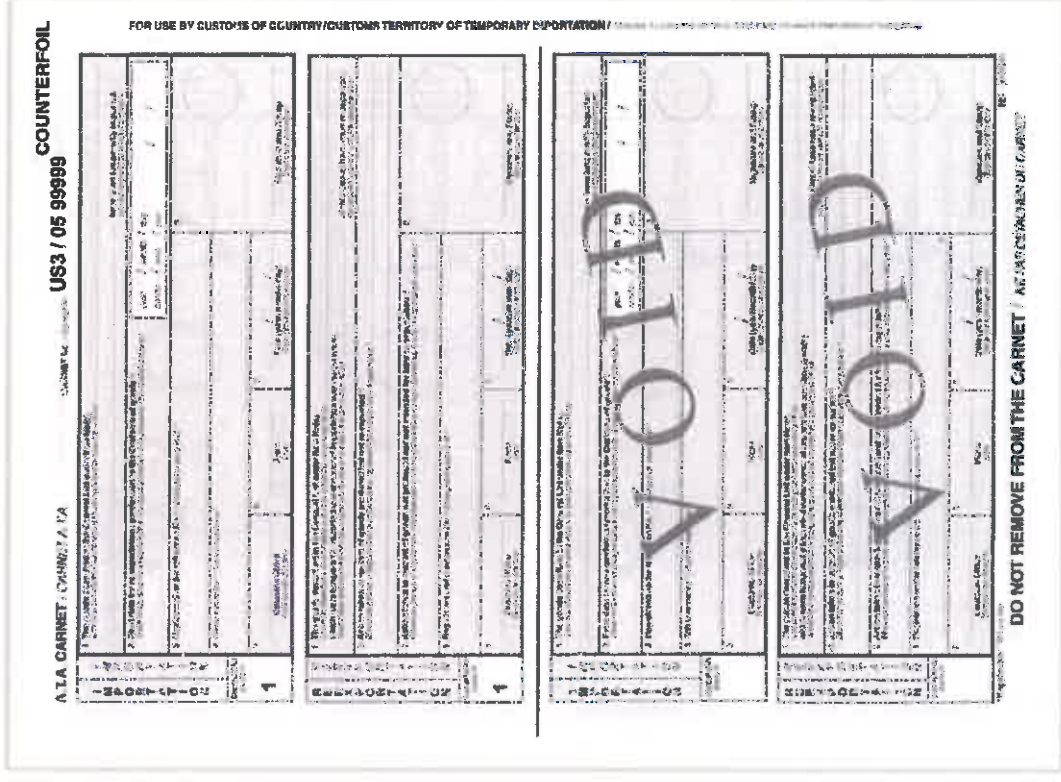


- Yellow Domestic Counterfoils are stamped by US Customs. The counterfoil stays in the packet.



A Guide to the ATA Carnet

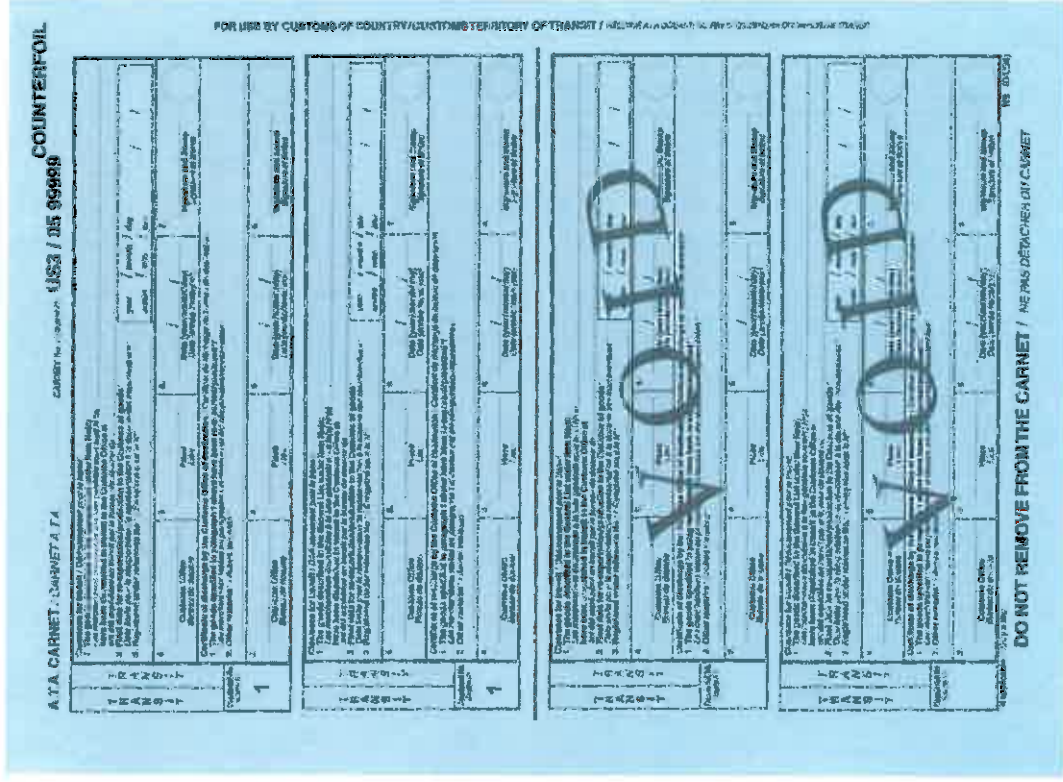
- White Foreign Counterfoils & Vouchers are for foreign customs use and the counterfoil stays in and the Voucher is removed by foreign customs.



A Guide to the ATA Carnet



- Blue Transit Counterfoils & Vouchers are used when traveling through one country to get to another. Counterfoils stay in packet and vouchers are removed by foreign customs.



Carnet Bonds

- A financial guarantee
 - Protects the Guaranteeing Association (USCIB) from financial loss in the event that a Holder defaults on paying a foreign customs claim
- Fulfills requirement for placing security overseas when a Carnet is obtained
- Eliminates the need to tie up larger sums of cash as a deposit



What Happens if the Carnet is Not Used Correctly?

- Carnet Claims
 - Customs does not validate the Green Cover/certificates
 - The General List is inadequate
 - Poor description
 - Undervaluation
 - Changes made to original
 - Goods remain in the foreign country
 - Sale
 - Discarded
 - Loss or theft
 - The Holder is ultimately responsible for a claim



Applying for a Carnet Online

- Simplify the application process
- Manage multiple Holders
- Track document details
- Import lists created in spreadsheet programs



ATA Carnet and the ISF Filing

- This requirement **only** applies to those goods entering **via ship**. Moreover, the ISF must be submitted to U.S. Customs and Border Protection (CBP) 24 hours prior to the cargo being loaded onto a U.S. bound vessel.
- ATA Carnets are **not** exempt from Importer Security Filing (ISF, otherwise known as 10+2). **Must file one.**



Who Uses a Carnet?

