



Regulatory News Alerts & Updates

Regulatory Alert: China Postal Code Requirements Effective March 18, 2023

March 23, 2023

BACKGROUND

The Uyghur Forced Labor Prevention Act (UFLPA) was signed into law by President Biden on December 23, 2021, and was implemented on June 21, 2022.

The UFLPA enhances U.S. Customs and Border Protection's (CBP) forced labor enforcement authority and establishes a rebuttable presumption that all goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in the Xinjiang region of the People's Republic of China, or by entities identified by the United States government on a UFLPA entities list, are prohibited from entry in the United States in accordance with 19 U.S.C. §1307.

CBP issued CSMS 54872860 to announce it will deploy its UFLPA Region Alert enhancement to the Automated Commercial Environment (ACE) effective March 18, 2023.

This enhancement will provide an early notification to importers and their representative of goods that may have been produced in the Xinjiang Uyghur Autonomous Region (Xinjiang or XUAR) and may be excluded from importation into the United States.

WHAT HAS CHANGED?

The UFLPA Region Alert will add three new validations to the Automated Commercial Environment (ACE) in specific applications. ACE will now perform a region alert validation when China is selected as the manufacturer's country of origin for a U.S. import entry where the manufacturer's name and address details are required.

In preparation for the implementation of the UFLPA Region Alert and in order to avoid delays in clearance, customers should ensure that the shipment documents include valid manufacturer name and address information, including the postal code, for shipments of goods manufactured in China.

Q & A

Q 1 - Does this UFLPA postal code issue only impact shipments from China exported to the U.S.?

A 1 - No, this applies to all shipments of goods whenever the manufacturer name is required and the manufacturer's address is in China. Therefore, this not only applies to shipments of goods exported from China, but from any location.

It is highly important that customers understand that there is no allowance or exception in the UFLPA Guidance based upon country of export. It simply says the Region Alert applies when the manufacturer address is in China and a manufacturer is required on the entry.

Put simply - the key point to remember is the postal code is required whenever the manufacturer details are required, and the manufacturer has an address in China.

Q 2 - So this validation is only done for shipments imported to the U.S. that have China listed as the country of manufacture?

A 2 - Yes. Customers also need to understand that these validations will also occur when a Manufacturer's Identification Number (MID) is created or updated in ACE.

Q 3 - What happens if a shipment imported into the U.S. via FedEx Express Service receives a warning message for a XUAR postal code?

A 3 - If a warning message is issued by CBP due to a postal code associated with the XUAR region being used, the shipment is likely to be detained by CBP and further documents could be required by CBP. This may lead to the shipment's exclusion from entry or seizure.

Q 4 - Are there certain types of shipments that will require the manufacturer details no matter the value of the shipment?

A 4 - The manufacturer details are ALWAYS required for goods that are subject to Anti-Dumping or Countervailing Duty (AD/CVD) regardless of value and for the vast majority of textile articles when the country of manufacture of the goods is China.

Q 5 - Are there specific actions that Special Brokerage Processing (SBP) accounts should take related to this change?

A 5 - SBP customers should contact their administrator to ensure that any parts databases which include the manufacturer details also include the postal code, where necessary, and that any updates needed are made in a timely fashion.

All customers should continue to include on their shipment documentation the manufacturer's name and address, including the postal code, when appropriate to help prevent clearance delays.

Q 6 - Is there a CBP resource that will address any questions from shippers or importers on this issue?

A 6 - CBP does provide a contact address that may be able to provide more specifics on this China Postal Code requirement: "For questions about UFLPA Region Alert, contact UFLPAINQUIRY@cbp.dhs.gov."

REFERENCES

CBP UFLPA Website

<https://www.cbp.gov/trade/forced-labor/UFLPA>

UFLPA Operational Guidance for Importers

<https://www.cbp.gov/document/guidance/uflpa-operational-guidance-importers>

CSMS 54872860

https://content.govdelivery.com/bulletins/gd/USDHSCBP-3454b1c?wgt_ref=USDHSCBP_WIDGET_2

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