

Expeditors®



U.S.-Saudi Business Council
مجلس الأعمال السعودي الأمريكي

AGENDA FOR TODAY

- WHO WE ARE
- KSA EXPORT TYPES AND REQUIRED DOCUMENTS
- KSA PORTS (AIR & OCEAN)
- KSA EXPORT PROCESS
- INCOTERMS 2020
- USA IMPORT COMPLIANCE, EXPECTATIONS & MOST COMMON MISTAKES
- USA IMPORT PROCESS
- HELPFUL REFERENCES



Expeditors[®]



1979

Founded



Seattle

Global Headquarters



100+

Countries Served



**Over 18,000
Employees**

People



**London, Dubai,
Singapore, and Shanghai**

Regional Headquarters

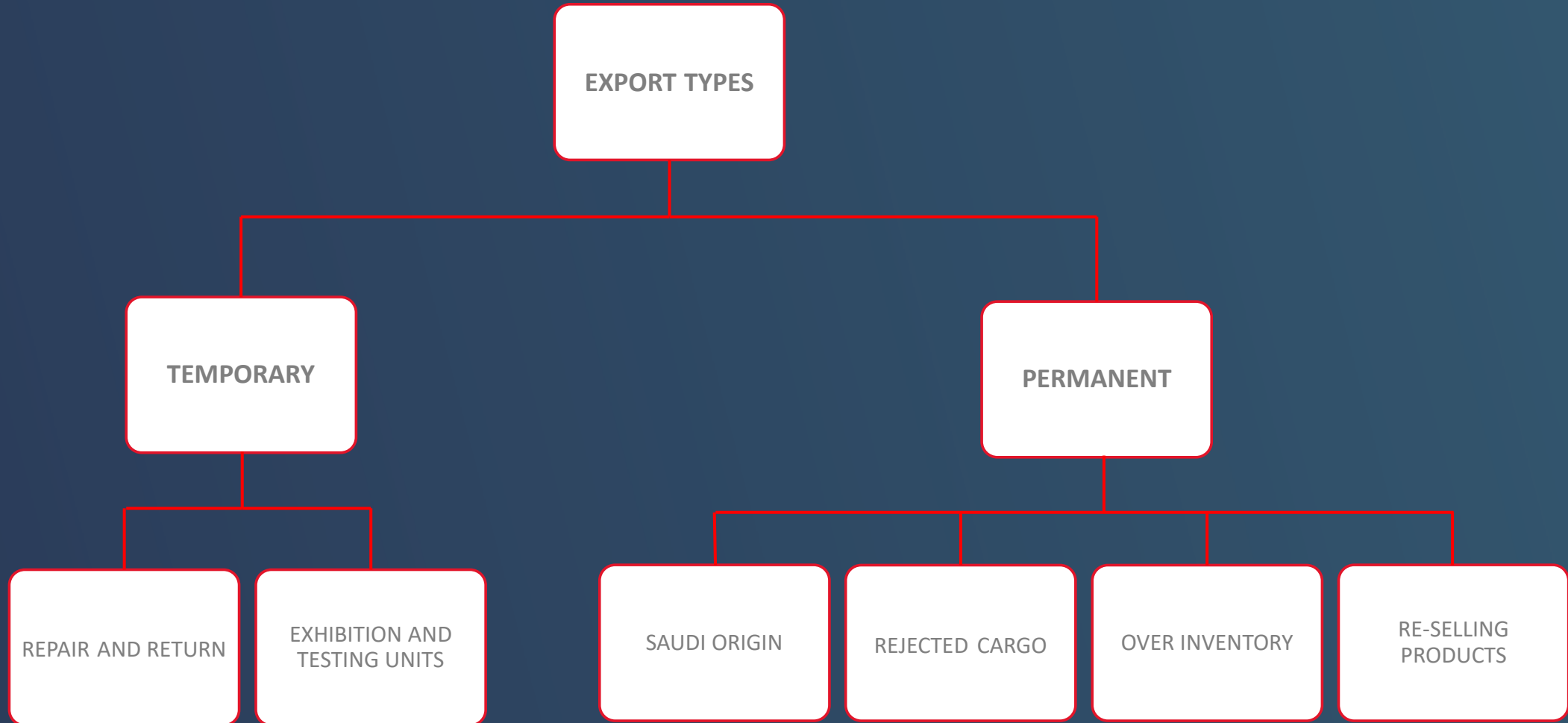


357

Locations



EXPORT TYPES



EXPORT DOCUMENTS

** Please check with your customs broker before any movement incase there are any changes to the below listed requirements **

Air Export Standard Documents

1. Commercial invoice mentioning country of origin and HS code for each item and finally to be signed and stamped
2. Export letter for customs
3. Export letter for airport security
4. Electronic authorization
5. Export Master AWB

Air Export Document For Temporary Export

1. Commercial invoice mentioning country of origin, HS code, Serial number of the exported material for each item and finally to be signed and stamped
2. Export letter for customs
3. Export letter for airport security
4. Electronic authorization
5. Picture of the product labeled serial number
6. Export Master AWB
7. Colored picture of the product labeled serial number

Ocean Export Standard Documents

1. Commercial invoice mentioning country of origin and HS code for each item and finally to be signed and stamped
2. Export letter for customs
3. Export letter for seaport security
4. Electronic authorization

Ocean Export Document For Temporary Export

1. Commercial invoice mentioning country of origin, HS code, Serial number of the exported material for each item and finally to be signed and stamped
2. Export letter for customs
3. Export letter for airport security
4. Electronic authorization
5. Picture of the product labeled serial number
6. Colored picture of the product labeled serial number



KSA AIRPORTS



- **King Khalid Int'l Airport – Riyadh**
- **King Abdulaziz Int'l Airport – Jeddah**
- **King Fahad Int'l Airport - Dammam**
- **Prince Mohammad Bin Abdulaziz Int'l Airport - Medinah**

MAIN AIR FREIGHT STATIONS



AIR EXPORT PROCESS

Origin Airport : JED / RUH / DMM

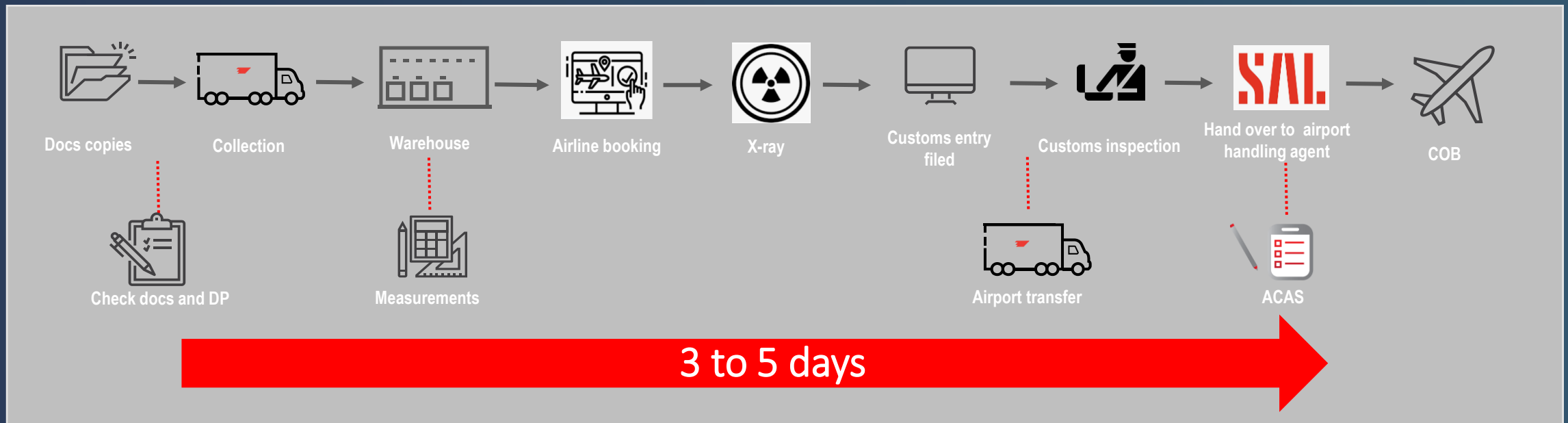
Day 1 : Receive docs from shipper / Denied party screening / Check Commodity: Prohibited & Restricted

Day 2 : Collect shipment / Check measurements / Book with Airline and prepare draft AWB /
Prepare Draft declaration / Prepare GACA entry / X-ray screening

Day 3 : Airport transfer / Customs inspection / Hand over to carrier

Day 4 : Air Cargo Advance Screening (ACAS)

Day 5 : Loading shipment with carrier



KSA SEAPORTS



- **Jeddah Islamic Port - Jeddah**
- **King Abdullah Port - Rabigh**
- **King Abdul Aziz Port - Dammam**
- **Jubail Commercial Port**
- **Riyadh Dry Port**

OCEAN EXPORT PROCESS

Origin Seaport: JED / RUH / DMM

Day 1 : Receive the docs / Denied party screening

Day 2 : Book with carrier / Collect CNTR release order

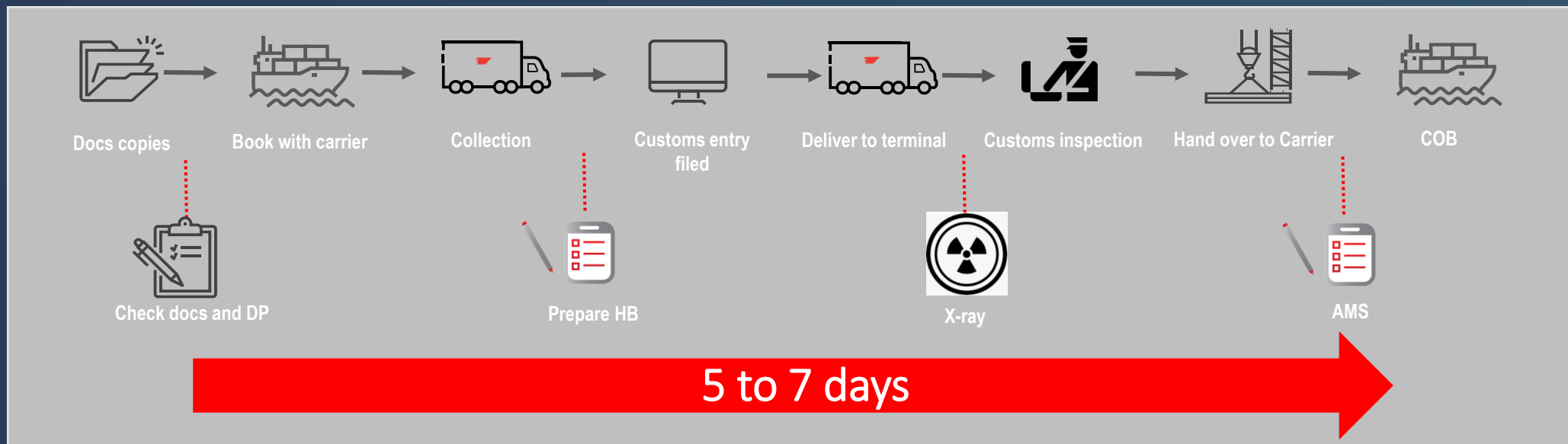
Day 3 : Pick up empty CNTR from liner / Send to customer for loading

Day 4 : Prepare HB

Day 5 : Seaport transfer / Customs inspection / Hand over to carrier

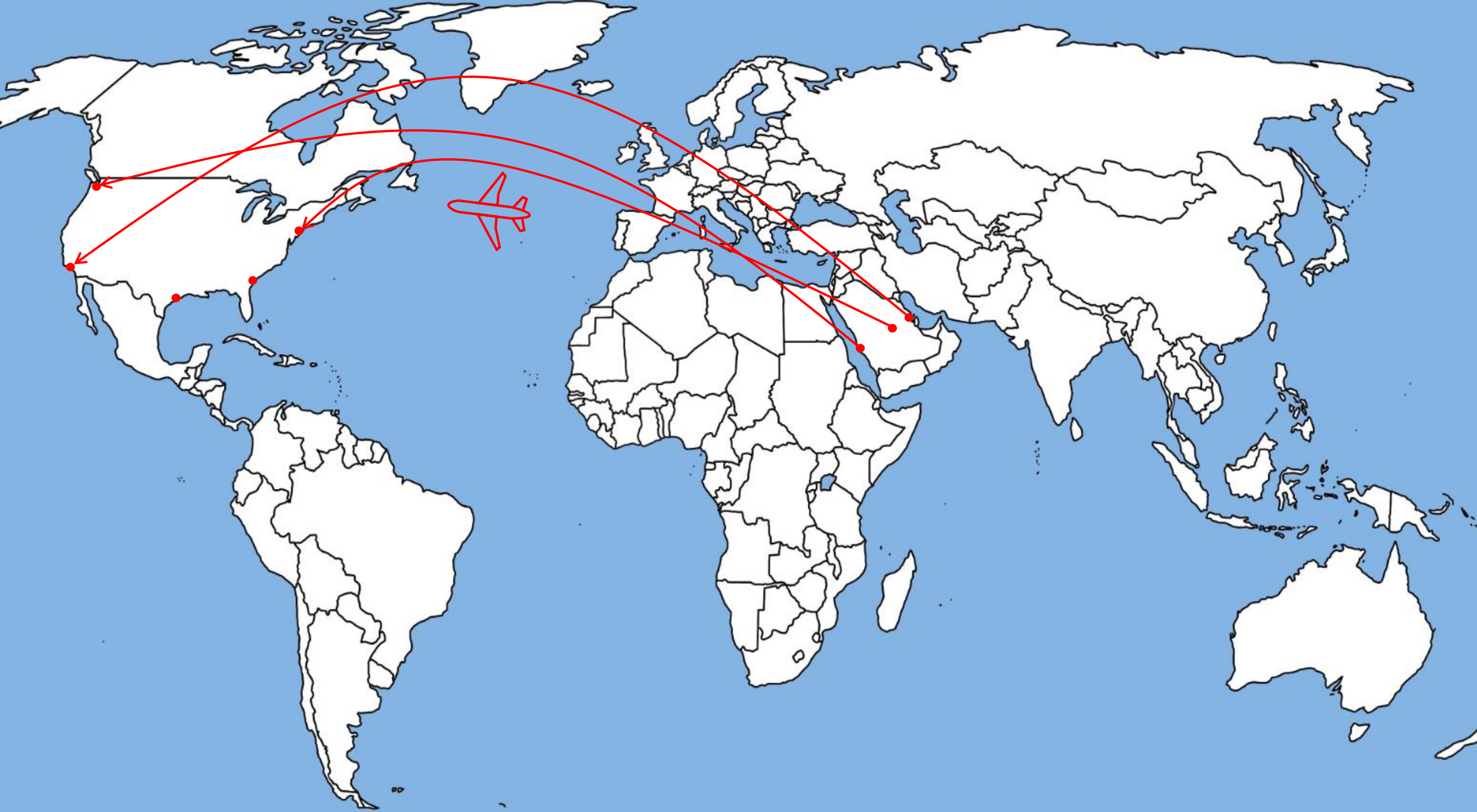
Day 6 : Advance Manifest Screening AMS (before 24h of sailing)

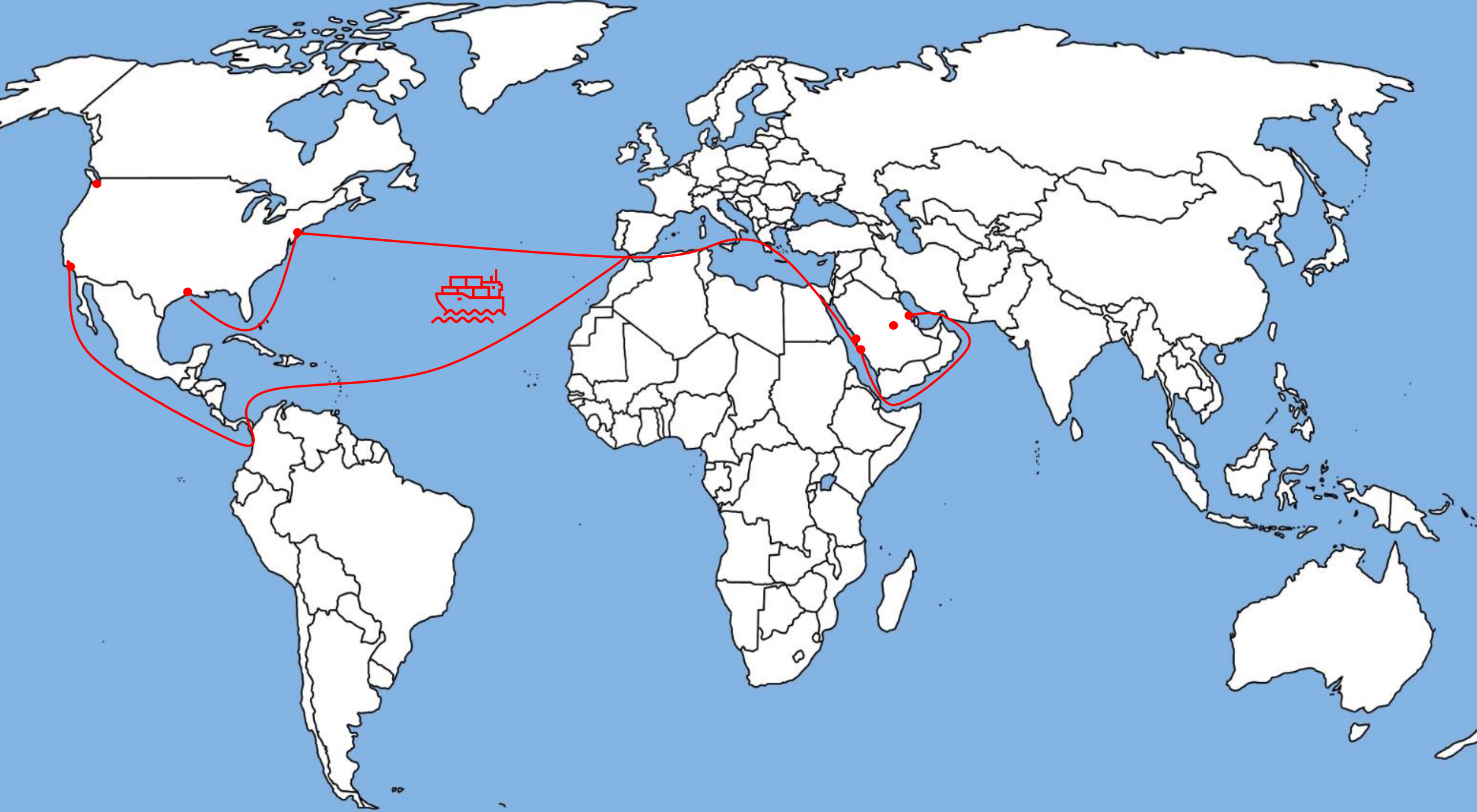
Day 7 : Loading shipment with carrier (COB)



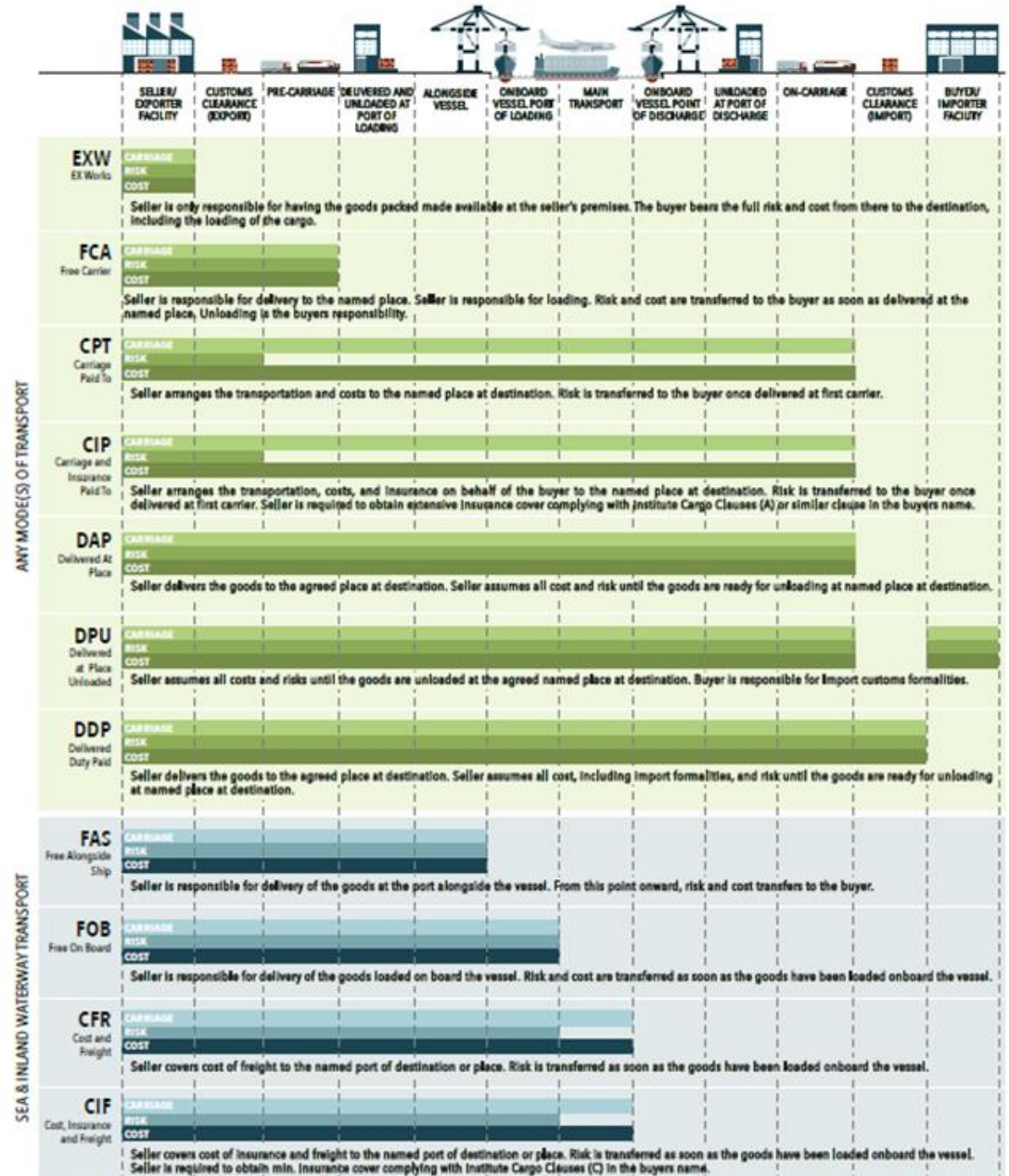
AIR & OCEAN ROUTING – KSA TO USA







INCOTERMS 2020



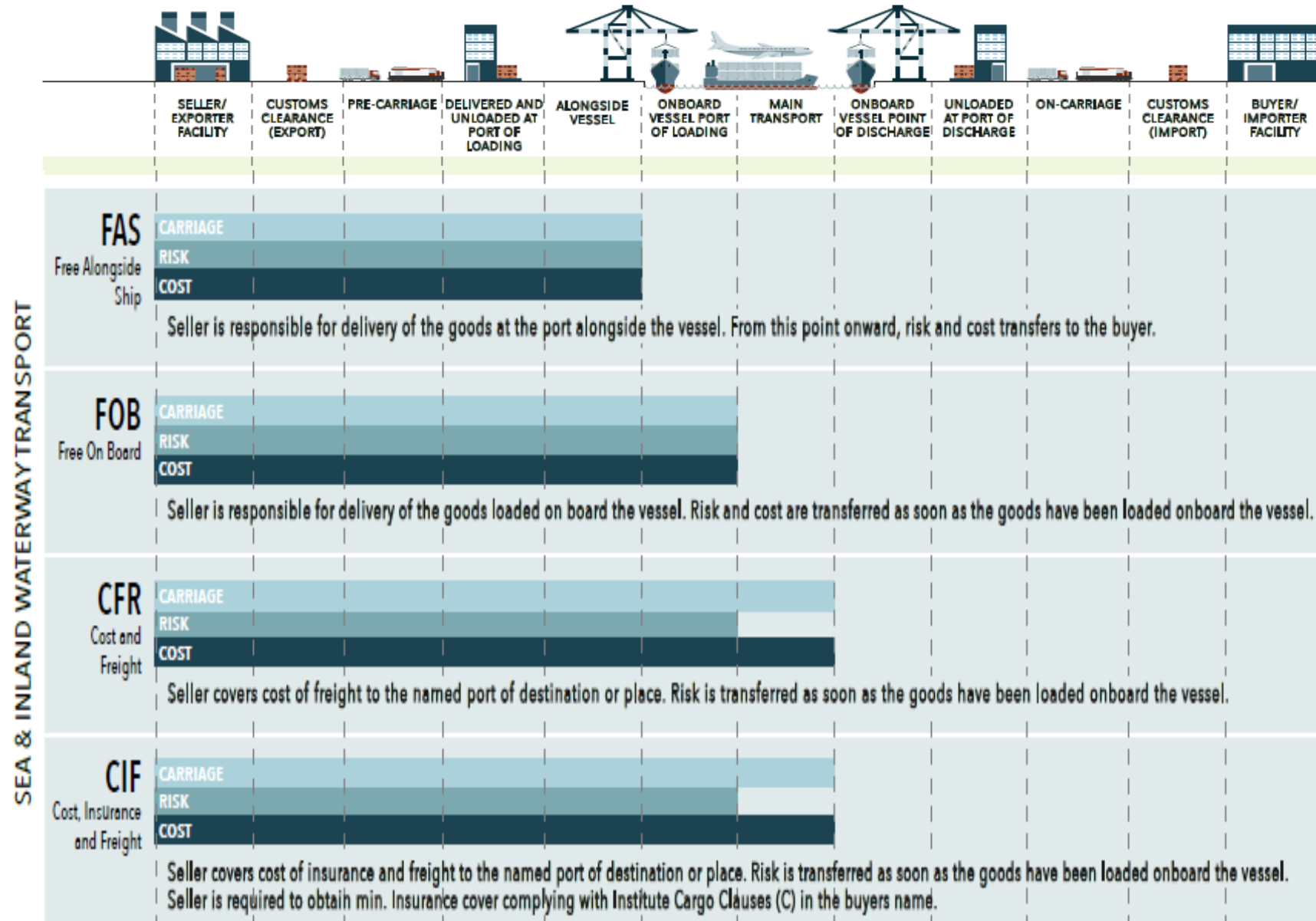
- International commercial terms introduced by the International Chamber of Commerce in 1936.
- To Establish Common accepted **definition and rules** to the delivery of the goods between Trading Partners Worldwide.
- **Define the responsibility** of the Buyer and the seller and are **recognized as the international standards** by the customs authorities, governments and courts.
- Incoterms **reduce the risk of misunderstanding and legal dispute.**



INCOTERMS® 2020 Rules

	SELLER/EXPORTER FACILITY	CUSTOMS CLEARANCE (EXPORT)	PRE-CARRIAGE	DELIVERED AND UNLOADED AT PORT OF LOADING	ALONGSIDE VESSEL	ONBOARD VESSEL PORT OF LOADING	MAIN TRANSPORT	ONBOARD VESSEL POINT OF DISCHARGE	UNLOADED AT PORT OF DISCHARGE	ON-CARRIAGE	CUSTOMS CLEARANCE (IMPORT)	BUYER/IMPORTER FACILITY	
ANY MODE(S) OF TRANSPORT	EXW EX Works CARRIAGE RISK COST												
	Seller is only responsible for having the goods packed made available at the seller's premises. The buyer bears the full risk and cost from there to the destination, including the loading of the cargo.												
	FCA Free Carrier CARRIAGE RISK COST												
	Seller is responsible for delivery to the named place. Seller is responsible for loading. Risk and cost are transferred to the buyer as soon as delivered at the named place. Unloading is the buyers responsibility.												
	CPT Carriage Paid To CARRIAGE RISK COST												
	Seller arranges the transportation and costs to the named place at destination. Risk is transferred to the buyer once delivered at first carrier.												
	CIP Carriage and Insurance Paid To CARRIAGE RISK COST												
	Seller arranges the transportation, costs, and insurance on behalf of the buyer to the named place at destination. Risk is transferred to the buyer once delivered at first carrier. Seller is required to obtain extensive Insurance cover complying with Institute Cargo Clauses (A) or similar clause in the buyers name.												
DAP Delivered At Place CARRIAGE RISK COST													
Seller delivers the goods to the agreed place at destination. Seller assumes all cost and risk until the goods are ready for unloading at named place at destination.													
DPU Delivered at Place Unloaded CARRIAGE RISK COST													
Seller assumes all costs and risks until the goods are unloaded at the agreed named place at destination. Buyer is responsible for Import customs formalities.													
DDP Delivered Duty Paid CARRIAGE RISK COST													
Seller delivers the goods to the agreed place at destination. Seller assumes all cost, including import formalities, and risk until the goods are ready for unloading at named place at destination.													





WHAT HAS CHANGED

The main changes for Incoterms® are outlined below. While there have been many changes to help clarify language in the terms, what you see here represents the most extensive of the revisions. Please consult your copy of Incoterms® 2020 published by the ICC for a more detailed explanation of each term.

Incoterms® Rules 2010	Incoterms® Rules 2020	Highlight of Change
(CIP) Carriage and Insurance Paid to Minimum cargo insurance clause "C" provided to buyer from seller.	(CIP) Carriage and Insurance Paid to Minimum cargo insurance clause "A" provided to buyer from seller. However, if both parties agree on a lower level of cover, this is still permitted.	Under Incoterms® 2010, the seller was required to take out minimum cargo insurance to cargo clause "C" in the buyer's name. Under Incoterms® 2020, the coverage needs to be up to cargo clause "A" which is more extensive.
(DAT) Delivered At Terminal Seller delivers the goods unloaded at agreed destination. Risk is transferred as soon as goods have been unloaded at agreed destination.	(DPU) Delivered at Place Unloaded can be any named place at destination and seller is responsible for unloading.	DPU has replaced DAT. DPU is very similar to DAT, the main difference being (that unlike DAT), the delivery point can be anywhere at destination and the seller is responsible for unloading. Import customs clearance is still the responsibility of the buyer.
Additional Comments <ul style="list-style-type: none"> • FCA Bill of Lading On Board Notation - a language change to FCA now makes allowance for situations where a bill of lading with an on board notation may be required by letter of credit instruction. • There appear to be no major changes to the terms for sea and inland waterway transport. 		

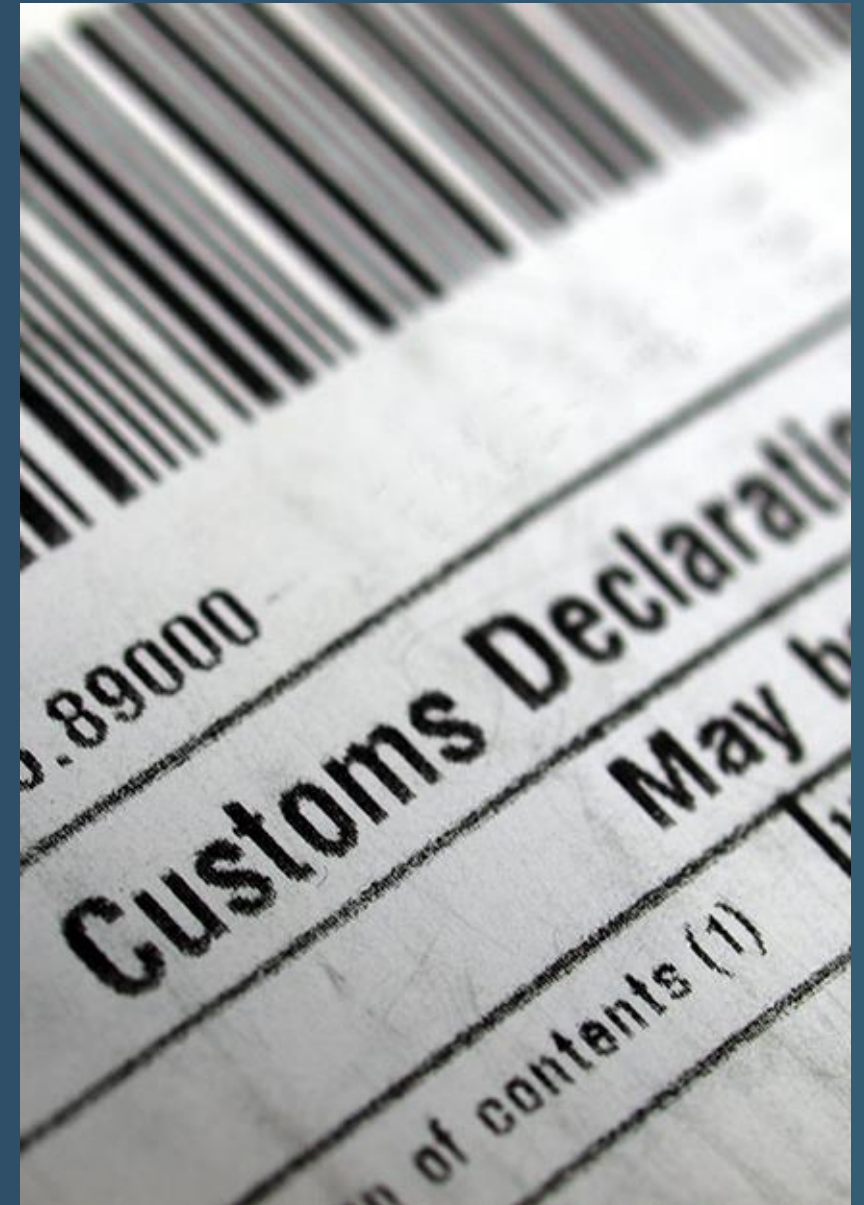
Please contact your local Expeditors office to learn about upcoming Incoterms seminars or if you have additional questions.



IMPORT CUSTOMS COMPLIANCE

Involved Parties

- ✓ US Customs
- ✓ PGA's (example Partner Government Agencies – not limited to)
 - ✓ FDA
 - ✓ USDA
 - ✓ Fish & Wildlife
 - ✓ Department of Transportation
- ✓ Customs Broker
- ✓ Importer of Record



MOST COMMON CUSTOMS VIOLATIONS

- ✓ Classification
- ✓ Valuation
- ✓ Country of Origin
- ✓ Marking



REASONABLE CARE CHECKLIST

- ✓ Goods are clearly and accurately described
- ✓ Proper valuation
- ✓ Goods properly marked with Country of Origin
- ✓ Special Duty Programs, ADD and CVD
- ✓ Participating Governmental Agency compliance
- ✓ Filing procedures, record keeping
- ✓ Intellectual Property, Trademarks protected
- ✓ Properly classified in the HTSUS



IMPORT DOCUMENTATION

- ✓ Commercial Invoice (requirements below)
 - ✓ Indicates Buyer (importer) and Seller (shipper)
 - ✓ Complete and accurate descriptions of goods (in English)
 - ✓ Unit price, currency and quantity of each item
 - ✓ Terms of Sale
 - ✓ Country of origin
- ✓ Packing List Requirements
 - ✓ Quantity/Weight/Measure
- ✓ Bill of Lading
- ✓ PGA Data and Information
- ✓ Certain other documents as required based upon origin, commodity, special program, or other criteria Importer Security Filing (ISF)



DUTY

What Determines Duty Rate?

Classification – Harmonized Tariff Code – 10 digit code broken down by product (chapter)

- What is the product? What is it used for?

Country of Origin

- Countries defined as List A, Special (mitigated) or B
- Special Programs

Duty Mitigation Programs

- FTA (NAFTA, US Australia and the like)
- GSP – Generalized System of Preferences
- Commodity Specific (Aviation, Automotive)



HELPFUL WEBSITES

Harmonized Tariff Schedule

<https://hts.usitc.gov/current>

CROSS – Customs Ruling Online Search

<http://rulings.cbp.gov/>

US Customs and Border Protection

<https://www.cbp.gov/>

US CBP Informed Compliance Publications

<https://www.cbp.gov/trade/rulings/informed-compliance-publications>

IPRS – Intellectual Property Rights Search

<http://iprs.cbp.gov/>

ADD/CVD Search

<http://adcvd.cbp.dhs.gov/adcvdweb/>

ITA Scope Information by Country

<http://web.ita.doc.gov/ia/CaseM.nsf/136bb350f9b3efba852570d9004ce782?OpenView>

To know more about Expeditors, please visit: <https://www.expeditors.com/>

Or reach out any time to:

Requests.jeddah@expeditors.com



The logo features a red, stylized graphic element resembling a wing or a flag, positioned above the letter 'd' in the word 'Expeditors'.

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