

**Supporting Statement**  
**North American Free Trade Agreement Duty Deferral**  
**1651-0071**

**A. Justification**

1. On December 17, 1992 the U.S., Mexico and Canada entered into an Agreement, The North American Free Trade Agreement (NAFTA). The provisions of NAFTA were adopted by the U.S. with the enactment of the North American Free Trade Agreement Implementation Act of 1993, the (Act), P.L. 103-182, dated December 8,1993. The objective of the NAFTA is to eliminate barriers to trade in goods and services between the three countries, facilitate conditions of fair competition within the free trade area, liberalize conditions for investments with the free trade area, establish effective procedures for the joint administration of the NAFTA and the resolution of disputes.
2. In 19 CFR part 181.53 Bureau of Customs and Border Protection (CBP) has outlined procedural and other requirements that apply to the collection, waiver, and reduction of duties and fees under the duty-deferral program provisions of the North American Free Trade Agreement. These sections prescribe the documentary and other requirements that must be followed when merchandise is withdrawn from a U.S. duty-deferral program for exportation to another NAFTA country. The program for shipments to Canada is effective January 1, 1996 and to Mexico on January 1, 2001. These claims are filed on the substantiating documentation. Claimants must provide this information to CBP in order to obtain a waiver or reduction in duty payments.
3. CBP is working on automation the collection of this information through the Automated Commercial Environment (ACE). It is expected that NAFTA duty deferral requirements will be automated by 2012.
4. The information required does not duplicate any other collections of information.
5. The collection of this information does not impact small businesses.
6. If this information is not provided to CBP by the claimant, CBP cannot waive or reduce the duty payment for the claimant because the duty deferral determination cannot be finalized.
7. This information collection is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(c)(2).
8. Public comments were solicited through two Federal Register notices published on January 23, 2008 (Volume 73, Page 3983) and on March 25, 2008 (Volume 73, Page 15769). As of this submission no comments have been received.

9. There is no offer of a monetary or material value for this information collection.
  10. No specific assurance of confidentiality is provided with this information collection.
  11. There are no questions of a personal or sensitive nature on this declaration.
  12. Estimated Annualized Burden on the Public. The estimated burden for this information collection is 280 hours, based on an estimated 50 respondents who average 28 responses each year for a total of 1,400 responses. Each response is estimated to require .20 hours (12 minutes) for a total of 280 burden hours.  
  
Estimated Annualized Cost to the Public. The estimated costs associated with this collection is \$6,160.00. This is based on 280 burden hours at an average cost of \$22.00 per hour.
  13. Estimated Record keeping Burden on the Public. There is no recordkeeping burden associated with this collection.  
  
Estimated Capitalization Cost Burden on the Public. There are no capitalization costs associated with this collection.
  14. Estimated Cost to the Federal Government The estimated cost to the Federal Government associated with this information collection is \$10,850. This is based upon 310 hours expended at an hourly rate of \$35.00.
  15. There are no changes to this information collection.
  16. This information collection will not be published for statistical purposes.
  17. This collection does not involve a form so there is no printed expiration date.
  18. There are no exceptions to the certification statements identified in Item 19 on the 83-i.
- B.** No statistical methods were employed.