

**Supporting Statement
Foreign Assembler's Declaration
1651-0031**

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

In accordance with 19 CFR 10.24, a Foreign Assembler's Declaration must be made in connection with the entry of assembled articles under subheading 9802.00.80, Harmonized Tariff Schedule of the United States (HTSUS). This declaration includes information such as the quantity, value and description of the imported merchandise. The declaration is made by the person who performed the assembly operations abroad and it includes an endorsement by the importer. The Foreign Assembler's Declaration is used by CBP to determine whether the operations performed are within the purview of subheading 9802.00.80, HTSUS and therefore eligible for preferential tariff treatment.

19 CFR 10.24(c) and (d) require that the importer/assembler maintain records for 5 years from the date of the related entry and that they make these records readily available to CBP for audit, inspection, copying, and reproduction.

Instructions for complying with this regulation are posted on the CBP.gov website at:
http://www.cbp.gov/linkhandler/cgov/trade/trade_programs/audits/focused_assessment/fap_documents/exh5h.ctt/exh5h.pdf

This collection of information applies to the importing and trade community who are familiar with import procedures and with the CBP regulations.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The Foreign Assembler's Declaration is used by CBP to determine whether the operations performed are within the purview of subheading 9802.00.80, HTSUS and therefore eligible for preferential tariff treatment.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other**

technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Section 10.24 of the CBP Regulations (19 CFR 10.24) specifically requires that the Foreign Assembler's Declaration be endorsed by the importer, so it is more appropriate to make a paper submission.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

This information for each submission is unique and is therefore, not duplicated.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

This information collection does not have an impact on small businesses or other small entities.

- 6. Describe consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

CBP's ability to collect the proper amount of duty could be significantly jeopardized if these declarations with endorsement are not submitted as CBP prescribes.

- 7. Explain any special circumstances.**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Public comments were solicited through two Federal Register notices published on September 26, 2012 (Volume 77, Page 59206) on which no comments were received and on December 7, 2012 (Volume 77, Page 73038) on which no comments have been received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There is no offer of a monetary or material value for this information collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

There are no assurances of confidentiality provided to the respondents of this information collection. There is no PII associated with this collection of information.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Foreign Assembler's Declaration (Reporting)	291,083	2,730	128	349,440	50 minutes (.833 hours)
Foreign Assembler's Declaration (Record Keeping)	29,004	2,730	128	349,440	5 minutes (.083 hours)
TOTAL	320,087				

Public Cost

The estimated cost to the respondents for the reporting requirements of this information collection is \$6,401,740. This is based on the estimated burden

hours (320,087) multiplied (x) hourly rate (\$20.00).

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no capital, start-up or maintenance costs associated with this information collection. Record keeping costs are included under Public Cost in Item #12.

14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The estimated annual cost to the Federal Government associated with information collection is **\$3,669,120**. This is based on the number of responses/recordkeeping (349,440) that must be verified, multiplied (x) the number of hours 15 minutes (.25 hours) to verify each response for a total of 87,360 hours, multiplied (x) the average salary cost (\$42.00 per hour) = **\$3,669,120**.

15. Explain the reasons for any program changes or adjustments reported in Items 12 or 13 of the Supporting Statement.

The burden hours were raised from 237,642 to 320,087 based on data from 2011 regarding the number of foreign assembly declarations completed. There are no changes to the information collected.

16. For collection of information whose results will be published, outline plans for tabulation, and publication.

This information collection will not be published for statistical purposes.

17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.

There is no form associated with this collection so it would not be appropriate to display the expiration date.

18. "Certification for Paperwork Reduction Act Submissions."

CBP does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods

No statistical methods were employed.