



The Bottom Line

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CHANGES TO EEI FILING DATA

Summary

The Census Bureau is proposing to amend its regulations to reflect new export reporting requirements related to the country of origin for Automated Export System (AES) filings.

Background

The Census Bureau is responsible for collecting, compiling, and publishing export trade statistics for the United States under the provisions of Title 13, United States Code (U.S.C.), Chapter 9, Section 301. While the Census Bureau is the official source for U.S. international trade statistics, the Census Bureau works with U.S. Customs and Border Protection (CBP) to collect data regarding exports and imports. Additionally, the Census Bureau is responsible for publishing the Foreign Trade Regulations (FTR) that set the export reporting requirements for Electronic Export Information (EEI). Under Section 301 of Title 13 U.S.C., the Secretary of Commerce is authorized to collect and publish import and export information considered necessary or appropriate "to foster, promote, develop, and further" domestic commerce. Executive Order (E.O.) 14017, published in February, establishes a multi-agency approach, which includes the Department of Commerce, in assessing and identifying critical supply chain components and gaps in domestic production filled by foreign nations that instead supply these goods. These activities and broader supply chain analysis are necessary and appropriate in furthering domestic commerce. Under the authorities in Chapter 9 of Title 13, the Secretary of Commerce proposes to collect data on the entry and origin of foreign goods into the United States to improve the foreign trade statistics produced by the Census Bureau.

Current Status

The EEI contains mandatory, conditional, and optional data elements. The purpose of this rulemaking is to add a conditional data element (country of origin) when foreign origin is selected in the Foreign/Domestic Origin Indicator field in the EEI. The FTR defines foreign goods as goods that were grown, produced, or manufactured in a foreign country, subsequently entered into the United States, admitted to a U.S. Foreign Trade Zone (FTZ), or entered into a CBP bonded warehouse, but not substantially transformed by further processing or manufacturing in the United States. Currently, foreign trade statistics do not provide insight to identify the gaps in domestic product and supply, evaluate supply chains, or address trade imbalances. U.S. Government agencies and private entities need accurate and complete foreign trade statistics to create and monitor trade agreements, formulate trade policy, assess U.S. supply chain issues, and identify and address trade imbalances. Agencies and the private sector also use foreign trade statistics to identify new markets for U.S. goods and services globally.

The current Foreign/Domestic Origin Indicator field in the Automated Export System creates significant data challenges and limitations in using the trade statistics produced by the Census Bureau and other Federal agencies because the indicator does not capture the country of origin. Currently, U.S. agencies rely on foreign trade partners to share their data on foreign and domestic sources of goods. This reliance limits U.S. agencies' ability to identify asymmetry in imports and exports of goods. Any asymmetry must be inferred by evaluating the data acquired from foreign trading partners with the data collected on U.S. imports by CBP.

Impact

The collection of the country-of-origin field in AES for re-exports would eliminate the reliance on information provided by foreign partners, thereby increasing the accuracy and timeliness of the foreign trade statistics used to monitor trade agreements and policy to assist in assessing U.S. supply chain issues. The collection also would assist U.S. Government agencies that use these statistics to reconcile trade imbalances between the United States and our partner countries. For example, the U.S. Statistical Agencies collaborate globally to identify and understand data asymmetries between one country's imports and the other country's exports statistics. The Census Bureau could produce trade statistics equivalent to the data collected globally by augmenting the country-of-origin field for exports in the AES. The increased granularity in data collected through a country-of-origin field would significantly improve the accuracy of asymmetry evaluation and the creation, negotiation, and evaluation of U.S. trade agreements, and the ability to monitor goods within U.S. supply chains. In addition, these data can provide critical insight into U.S. supply chain issues as the economy emerges from the pandemic.

Additionally, many of our trading partners require and collect a detailed country of origin on their imports and exports. In consulting with the Organization for Economic Co-operation and Development and other countries globally, the Census Bureau learned that this information is mandatory for their collection.

Through research conducted with exporting companies, the Census Bureau has determined that these data are available and can be provided by exporters within an estimated 12-18 months to update internal and proprietary computer systems or the technology they utilize to implement the required changes.

RESOURCES

[Foreign Trade Regulations: New Filing Requirement and Clarifications to Current Requirements](#) (Federal Register)

[Executive Order 14017 - America's Supply Chains](#) (Office of the President)