

(5) *Explosives.* Explosives may not be transported in-bond unless the importer has first obtained a license or permit from the proper governmental agency. In such case the explosives may be entered for immediate transportation, for transportation and exportation, or for immediate exportation as specified by the approving government agency. Governmental agencies with regulatory authority over explosives include the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the Department of Transportation (DOT), and the U.S. Coast Guard (USCG).

(6) *Livestock.* Carload shipments of livestock will not be entered for in-bond transportation unless they will arrive at the port of destination named in the in-bond application before it becomes necessary to remove the seals for the purpose of watering and feeding the animals, or unless the route is such that the removal of the seals and the watering, feeding, and reloading of the stock may be done under CBP supervision.

(m) *Divided shipments.* After reaching the destination port, the port to which the merchandise has been diverted under §18.5(a), in-bond merchandise may be divided into multiple shipments with a portion of the initial in-bond shipment being entered for consumption or warehouse, and the remainder shipped under a new in-bond application. The carrier or any of the parties named in paragraph (c) of this section must, in accordance with the filing requirements of this section, submit a new in-bond application for each portion of the original shipment to be transported in-bond. Divided shipments for merchandise being transported under cover of a carnet are prohibited.

§ 18.2 Carriers, cartmen, and lightermen.

(a) *Transportation of merchandise in-bond by bonded carriers—(1) Generally.* Except as provided for in paragraph (b) of this section, merchandise to be transported from one port to another in the United States in-bond must be delivered to a common carrier, contract carrier, freight forwarder, or private carrier, each of which must be bonded for that purpose. Such mer-

chandise delivered to a bonded common carrier, contract carrier, or freight forwarder may be transported with the use of facilities of other bonded or non-bonded carriers; however, the responsibility for the merchandise will remain with the common carrier, contract carrier, or freight forwarder that obligated its bond for that purpose. Only vessels entitled to engage in the coastwise trade (see §4.80 of this chapter) will be entitled to transport merchandise under this section.

(2) *Merchandise transported under a TIR carnet.* Merchandise to be transported from one port to another in the United States under cover of a TIR carnet (see part 114 of this chapter), except merchandise not otherwise subject to CBP control, as provided in §§18.41 through 18.45, must be delivered to a common carrier or contract carrier bonded for that purpose, but the merchandise thereafter may be transported with the use of other bonded or non-bonded common or contract carriers. The TIR carnet will be responsible for liability incurred in the carriage of merchandise under the carnet, and the carrier's bond will be responsible as provided in §114.22(c) of this chapter.

(3) *Merchandise transported under an A.T.A. or a TECRO/AIT carnet.* Merchandise to be transported from one port to another in the United States under cover of an A.T.A. or TECRO/AIT carnet (see part 114 of this chapter) must be delivered to a common carrier or contract carrier bonded for that purpose, but the merchandise thereafter may be transported with the use of other bonded or non-bonded common or contract carriers. The A.T.A. or TECRO/AIT carnet will be responsible for liability incurred in the carriage of merchandise under the carnet, and the carrier's bond will be responsible as provided in §114.22(d) of this chapter.

(b) *Transportation of merchandise in-bond between certain ports by bonded cartmen or lighterman.* Pursuant to Public Resolution 108, of June 19, 1936, (19 U.S.C. 1551, 1551a) and subject to compliance with all other applicable provisions of this part, CBP, upon the request of a party named in §18.1(c), may permit merchandise that has been entered and subject to CBP examination to be transported in-bond between the

ports of New York, Newark, and Perth Amboy, by bonded cartmen or lightermen duly qualified in accordance with the provisions of part 112 of this chapter, if CBP is satisfied that the transportation of such merchandise in this manner will not endanger the revenue and does not pose a risk to health, safety or security.

§ 18.3 Transfers.

(a) *Transfer to another conveyance.* Merchandise being transported in-bond may be transferred to another conveyance at any time. CBP notification is not required. The transfer to one or more conveyances will not extend the maximum in-transit time set forth in § 18.1(i).

(b) *Transfer to another bonded carrier.* Except as provided in § 18.31(d)(3), when merchandise is transferred to a bonded carrier that assumes the liability for the in-bond shipment, a report of arrival for the merchandise must be filed by the original bonded carrier and a new in-bond application must be filed by the subsequent bonded carrier pursuant to § 18.1.

(c) *Transfer of merchandise covered by a TIR Carnet generally prohibited.* Merchandise covered by a TIR carnet may not be transferred except in cases in which the unloading of the merchandise from a container or road vehicle is necessitated by casualty en route. In the event of transfer, a TIR approved container or road vehicle must be used if available. If the transfer takes place under CBP supervision, the CBP officer must execute a certificate of transfer on the appropriate TIR carnet voucher.

(d) *Transfer by bonded cartmen.* All transfers to or from the conveyance or warehouse of merchandise being transported in-bond must be made under the provisions of part 125 of this chapter and at the expense of the parties in interest, unless the bond of the carrier on CBP Form 301, containing the bond conditions set forth in § 113.63 of this chapter or a TIR carnet, is liable for the safekeeping and delivery of the merchandise while it is being transferred.

§ 18.4 Sealing conveyances, compartments, and containers.

(a) *Requirements, waiver, and TIR carnets—(1) Seals required.* Conveyance, compartments, or containers transporting in-bond merchandise must be sealed and the seals must remain intact until the merchandise arrives at the port of destination or the port of exportation. The seals to be used and the method for sealing conveyances, compartments, or containers must meet the requirements of §§ 24.13 and 24.13a of this chapter.

(2) *Waiver.* (i) CBP may waive the sealing of a conveyance, compartment, or container in which bonded merchandise is transported if CBP determines that the sealing of the conveyance, compartment, or container is unnecessary to protect the revenue or to prevent violations of the customs laws and regulations.

(ii) Examples of situations where CBP may waive the waiver of the sealing requirement are when the conveyance, compartment, or container cannot be effectively sealed, as in the case of merchandise shipped in open cars or barges or on the decks of vessels, when it is known that any seals would necessarily be removed outside the jurisdiction of the United States for the purpose of discharging or taking on cargo, or when it is known that the breaking of the seals will be necessary to ventilate the hatches.

(3) *TIR carnets.* The port director will cause a CBP seal to be affixed to a container or road vehicle that is being used to transport merchandise under cover of a TIR carnet unless the container or road vehicle bears a customs seal (domestic or foreign). The port director will likewise cause a CBP seal or label to be affixed to heavy or bulky goods being so transported. If, however, the port director has reason to believe that there is a discrepancy between the merchandise listed on the Goods Manifest of the carnet and the merchandise that is to be transported, the port director may cause a CBP seal or label to be affixed only when the listing of the merchandise in the carnet and a physical inventory agree.

(b) *Commingled merchandise—(1) Transported in a sealed conveyance, compartment, or container.* Merchandise