

# ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS TO CUSTOMS AND BORDER PROTECTION

## One U.S. Government at the Border Subcommittee Executive Summary – Trade Progress Report April 2016

### 1. Background:

The Advisory Committee on Commercial Operations of Customs and Border Protection (COAC) determined to carry on the work from the 12<sup>th</sup> and 13<sup>th</sup> Term COAC One US Government at the Border Subcommittee. The Mission of the Subcommittee is to implement the January 15, 2013 COAC 12<sup>th</sup> Term Recommendation:

*That CBP pursue interagency partnership programs following the principles and standards set forth in the One US Government Master Principles Document and progress toward completion can be measured via CBP reporting quarterly back to COAC on progress being made to implement programs that align with these principles, principally through the Border Interagency Executive Council (BIEC).*

**Trade chairs:** Susie Hoeger, Scott Boyer, Amy Magnus

**Government:** Cynthia Whittenburg, Executive Director, Trade Policy and Programs, Office of International Trade; Debbie Augustin, Acting Executive Director, ACE Business Office, Office of International Trade

### Outline of Work

The Subcommittee continued its work in promoting the One USG Master Principles document through the North American Single Window Working Group. The previous Single Window Working Group was also reactivated and expanded with additional non-COAC members with the purpose of compiling a list of recommended carve-outs for the February 28 mandatory filing date.

### 2. Summary of Work

#### North American Single Window Working Group

The North American Single Window Working Group (NASW WG) consists of importers, filers, software vendors, Canadian and Mexican trade partners, and CBP representatives. In April, the WG drafted a revised vision statement:

*Streamlining Imports and Exports in North America: A Single Window Approach*

*As Canada, Mexico and the United States advance their respective Single Windows, we commit to align our approaches in order to streamline processes and requirements to the greatest extent possible to foster fair and competitive trade in North America.*

The expected goals/benefits of a North American Single Window include:

- *Increasing trade and economic growth by aligning and simplifying Canadian, Mexican and United States import and export reporting processes which reduces the costs of doing business among the regions.*
- *Facilitating compliance with and enforcement of trade requirements among Canada, Mexico and the United States.*
- *Minimizing the requirement for paper forms in the import and export process by allowing commercial traders to electronically submit information to comply with Customs and other government regulations for border-related decisions in the region.*
- *Promoting transparency and process predictability.*

The NASW WG has divided into two groups, one to map the Mexican border process and one to map the Canadian border process. In our mapping discussions, we are finding that there are many similarities between the US and Canada in the way that cargo data is gathered and processed in advance of arrival and how summary and payment is filed post arrival. On the southern border, the full data set and payment are provided along with the arrival of cargo which is significantly different from both Canada and the US.

We also discussed who is authorized to provide trade data in the various countries. Carriers are responsible for Manifest data in both the US and Canada, while there is no manifest requirement in Mexico due to a difference in the Mexican import process.

Entry data into the US must be provided by either an importer directly or a US based Customs broker, and the importer is held responsible for the correctness of the data; a process similar to the Canadian requirements. In Mexico, the requirements are more restrictive than the US or Canada in that the Mexican broker must be physically located in the area of the importation, and the broker is also held responsible for the compliance accuracy of the data.

The NASW WG has considered comparing manifest requirements for Canada import and US export manifest as one example where redundancies exist and process may be streamlined.

## **Other Work**

During the January public meeting, the 1USG co-chairs presented grave concerns regarding the trade's readiness for the February 28 mandatory filing date. At CBP's request, the 1USG subcommittee reactivated and expanded the previous Single Window Working Group with the

goal of compiling a list of recommended carve outs that would provide some relief to the trade. A list of 12 carve outs was submitted to CBP on January 22, including (among other things) quota entries, type 06 FTZ entries, FDA-regulated entries, and NHTSA-regulated entries. The IUSG subcommittee and the trade are very pleased with CBP's judgment and decision to push back certain mandatory filing dates in line with the recommended carve outs, thereby allowing more time for the trade to collect the new mandatory PGA data elements and complete the related programming and system interfaces.

The subcommittee continues to collect trade feedback on ACE readiness, which will be summarized and presented in the committee's public remarks.

## 2. **Next Steps**

The Subcommittee intends to continue its work with the North American Single Window Vision Working Group with the intent of providing formal recommendations at the July 2016 public meeting.

In addition, the subcommittee will continue to monitor CBP, PGA, and trade readiness as the ACE rollout continues, and will provide feedback to CBP and make recommendations as appropriate.

We conclude by reiterating our previous statement:

*It is imperative that the trade community and government agencies establish mutual understanding for the future of data exchange, engagement expectations and cooperate to achieve the appropriate risk based mitigation standards that secure cargo movement and facilitate trade at the speed of business.*