

**Commercial Customs Operations Advisory Committee (COAC)
Subcommittee on Exports
Status Report
April 2016**

Background:

The Export Subcommittee was established on March 6, 2013, during the 13th term of the Advisory Committee on Commercial Operations to Customs and Border Protection (COAC), with its objectives and scope consistent with the official charter of COAC. The 14th term COAC, at its first quarterly meeting on April 24, 2015, determined that the Export Subcommittee would continue its work during the 14th term.

COAC: Heidi Bray, Member and Elizabeth Merritt, Member
CBP: Rich DiNucci, Executive Director, Cargo and Conveyance Security, Office of Field Operations
Deborah Augustin, Executive Director, ACE Business Office, Office of International Trade

Export Subcommittee Update – April 2016:

The Export Subcommittee’s work and working groups generally divide along a “commodity/manifest” line. The significant overlap between the topics addressed in these two “divisions” is kept in mind at all times, and the maximum possible exchange of information is accomplished by ensuring sufficient crossover in working group membership. At present, there are two active work streams: the Post-Departure Filing (formerly known as “Option 4 Filing”) Work Group and the Manifest (Export Process) Work Group.

Post-Departure Filing Work Group

Post-Departure Filing affords companies much-needed supply chain flexibility, making them competitive in the global market place. It allows exporters to begin the export process before logistics plans are finalized, creating supply chain efficiencies, preserving profitability and improving customer satisfaction.

The Post –Departure Filing Work Group has been developing a desktop exercise with stake holders from various industries using both the ocean and air environment. It seeks to accomplish several goals:

- Provide advance information to address CBP-identified export risks;
- Leverage the advance manifest initiative to preserve post-departure AES transactional filings; and
- Create a solution that is minimally disruptive to current business practices, thereby mitigating the costs imposed to industry stakeholders.

The solution contains a proposal made up of several elements, the key ones being:

Exporter Registration – Provides corporate information to the U.S. government (USG) including export data from the past 12-month period;

USG Review and Approval to Participate – Reviews export management and compliance program and issues an authorization number; and

Periodic USG shipment inspections and compliance verification – may include physical inspections prior to departure.

A question that needs to be answered is: What role should the Centers of Excellence and Expertise play?

The new post-departure authorization number would be added to the advance manifest data set and would allow U.S. Customs and Border Protection (CBP) to make security decisions in advance of the shipment departing the U.S.

Manifest Export Process Work Group

- The Manifest Work Group, consisting of representatives from the Air, Ocean, Rail and Truck modes of transport, continues to meet monthly for conference calls, but due to the competing projects of CBP Client Reps and pilot participants, the air, ocean and rail pilots have been moving more slowly than expected. It is anticipated that one carrier each in both rail and ocean will move from test into production in the near future. A small amount of programming and documentation remains to be completed by CBP before air pilot participants can begin testing. An initial report on the air, ocean and rail pilots will be delivered at the July 2016 COAC meeting.
- The COAC Manifest Work Group will maintain ongoing communication with air, ocean and rail pilot participants, including the “pilot participant groups” established for both air and ocean.
- The Truck mode has coordinated its work with the North American Single Window Working Group under the One U.S. Government Subcommittee, and is working on its first task - a comparison of data elements, looking at initial evaluations completed by CBP in 2014 as a starting point, between the U.S. and Canada at the Northern border.
- A key goal of the manifest working group remains the examination of the multi-modal aspects of U.S. exports to ensure these are accounted for in the IT and regulatory solutions that are developed, as there is now a rare opportunity for industry and government to resolve multi-modal disconnects, as the automated export manifest system and regime is developed “from scratch.”

Subcommittee 13th Term Accomplishments:

- Given the statement of work, past subcommittee findings, and pending export regulatory changes, the Export Subcommittee began with the basics of export process mapping for each unique export type, producing an Education Package that identified pain points, areas of opportunity and potential solutions.
- Engaging a variety of members across the government and trade, a Master Principles Document was produced for One U.S. Government at the Border Cooperation for Exports. With the key concerns of the trade in mind, the document was designed to ensure the efficient management of cross border issues in a manner that reduces the cost of doing business. The principles establish a government/trade foundation upon which to build the future of data exchange, the determination of engagement expectations, and the development of a cooperative approach to achieve the appropriate risk-based strategies and standards that secure cargo movement and facilitate trade at the speed of business.
- The Export Process Work Group was established and charged with further analyzing the process flows and areas of opportunity identified in the export mapping exercise, and with providing specific recommendations for consideration by the subcommittee. The EPWG was designed to address the 3 commodity types (licensed, non-licensed, and “Option 4”), and the 4 modes of transport (air, ocean, rail and truck) mapped in the 2013-14 exercise.
 - The licensed commodity sub-group completed its work and delivered 18 specific recommendations (all approved) during the 13th Term final COAC Quarterly Meeting on February 11th, 2015.
 - The air manifest sub-group began its work during the 13th Term, delivering one recommendation (approved) regarding freight forwarder participation in the electronic export manifest pilot during the 13th term COAC quarterly meeting on October 7, 2014.