

# Commercial Customs Operations Advisory Committee (COAC) Exports Subcommittee – Trade Executive Summary

November 17, 2016

# COAC

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COMMERCIAL CUSTOMS OPERATIONS  
ADVISORY COMMITTEE

**Commercial Customs Operations Advisory Committee (COAC)**  
**Subcommittee on Exports**  
**Status Report**  
**November 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 14<sup>th</sup> term COAC, at its first quarterly meeting on April 24, 2015, determined that the Export Subcommittee would continue its work during the 14<sup>th</sup> 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 – November 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 (PDF) affords companies much-needed supply chain flexibility, making them competitive in the global marketplace. It allows exporters to begin the export process before logistics plans are finalized, creating supply chain efficiencies, preserving profitability and improving customer satisfaction.

The goal for the PDF Working Group is to update the current PDF structure, as Option 4. In order to provide CBP with greater flexibility when assessing risk in the post-departure environment, the WG has developed a proposal that will continue to allow exporters the benefit of filing post-departure export information while at the same time providing CBP with the ability to meet its security goals.

The PDF Working Group (WG) has completed a desktop exercise with stakeholders from various industries in both the ocean and air environments. Importantly, the WG's desktop exercise integrates the post departure filing proposal with CBP's Advanced Export Manifest Pilot, reflecting the fact that the two are inextricably linked. The desktop establishes a flexible manifest and PDF process that conforms to exporters' existing PDF processes yet achieves CBP's security-related goals.

The next step is the development of a detailed plan for implementing a PDF pilot in conjunction with the electronic export manifest pilots.

## 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. Progress continues, albeit slowly, in ramping up the air, ocean and rail electronic export manifest pilots.
  - Air: in August, CBP successfully completed necessary profile programming to allow participants to begin connection to and testing in the certification environment, and one carrier has succeeded in transmitting a flight in production.
  - Ocean: 1 ocean carrier is transmitting data in production, and a further 2 are in test. One NVOCC continues testing in certification.
  - Rail: 1 rail carrier is in production, 1 is in test.
- The COAC Manifest Work Group is maintaining close, ongoing communication with the air, ocean and rail pilot participants in order to catalog issues and track progress.
- The Truck subgroup has coordinated its work with the North American Single Window Working Group under the One U.S. Government Subcommittee. Bi-weekly calls are taking place, and the first draft of the work product – an evaluation of Canada e-manifest data elements for truck – has been completed.
- The manifest working group has also begun cataloguing “multimodal pain points” in order to identify the areas where the future modal manifest systems should interact in order to provide for seamless intermodal movement. Specifically, the group is working to identify i) areas where intermodal system linkages are required, ii) the necessary elements to accomplish the linking, and iii) the proper party/parties to provide the linking data.
- The manifest working group expects to deliver its first set of intermodal and truck recommendations at the next COAC meeting.

## Subcommittee 13<sup>th</sup> 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.