

Commercial Customs Operations Advisory Committee (COAC) Export Subcommittee – Draft Recommendations

March 1, 2017

The logo for the Commercial Customs Operations Advisory Committee (COAC) features the letters 'COAC' in a large, bold, serif font. The 'C' and 'A' are blue, while the 'O' and 'C' are red. Below the letters are two horizontal lines, one red and one blue.

COMMERCIAL CUSTOMS OPERATIONS
ADVISORY COMMITTEE

Export Subcommittee – Manifest Subgroup

Truck Manifest and Multi-modal Recommendations for Full COAC Approval

Recommendation 1

With regard to the data element “Name of Exporter”: The exporter is not a party that is captured by transportation documents or carrier manifests.

- Therefore, it is recommended that CBP change the name of this data element name to "shipper name".

Additionally, the US definition of shipper is not in line with the WCO definition for the equivalent data element "consignor", nor with the Canadian definition of “shipper”, both of which designate the proper party to be that which is shown on the bill of lading / shipping document / transport contract.

- We recommend that CBP change its definition of shipper name to “the name of the party shipping the goods as shown on the Bill of Lading (BOL)/shipping document.” This recommendation applies to the manifest systems, import and export, for all modes of transport.
- Furthermore, because truck BOLs are not standardized, we recommend that CBP provide guidance regarding which of the potential fields on a truck BOL contains the proper party to be submitted as the shipper element.

Recommendation 2

- As the next step of the process, we recommend that CBP clearly delineate and define all truck export manifest data elements such that they are suitable for determining IT requirements, and develop a comprehensive explanatory spreadsheet of the US export manifest data elements that also references them to the import manifest data elements of Canada and Mexico.

Recommendation 3

It is understood that CBP may wish to allow or encourage – and potentially in the future even require – the submission of additional data elements. However, it is problematic when CBP makes provision for such new elements by expanding the definition of an existing data element, instead of creating a new data element with its own clear definition.

One example is the shipper data element, the definition of which has been proposed to include “an identification number that will be a unique number to be assigned by CBP upon the implementation of the Automated Commercial Environment”. However, a carrier is unlikely to find this future CBP identification number in the shipper name field of the transport document. Similarly, with the data element “Cargo Description”, along with “detailed description of the cargo”, CBP has also included in the definition the 6-digit level of the Harmonized Tariff

Schedule. But a plain language description of the goods and an HTS classification are two different things.

We believe that this “definition expansion practice” leads to a lack of clarity in data element definitions, is a hindrance to international harmonization, and is impractical with regard to IT programming and cargo documentation practices.

- We therefore recommend that, as a standard future practice, if CBP wishes to provide filers the option of transmitting additional information, that this information be delineated as new, clearly-defined data elements. This recommendation applies to the manifest systems, import and export, for all modes of transport.
- With regard to specific truck manifest data elements, we recommend that CBP remove 1) the identification number item from the definition of shipper and 2) the HTS reference from the definition of cargo description, and instead include them as a separate, new, optional data element to be provided in new, separate fields of a message.

Recommendation 4

With regard to the data element of “consignee”, the carrier has information on only one party: that who is listed on a transportation bill as the consignee.

- We therefore recommend that CBP delete the truck export data elements “ultimate consignee” and “intermediate consignee”, and replace these with a single data element: “consignee”.
- We further recommend that this “consignee” data element should be defined in alignment with the WCO SAFE Framework and Canada e-manifest definitions of “consignee” as the name of the party to whom the cargo/goods are being "shipped to" or “consigned” as shown on the Bill of Lading or shipping document. This recommendation applies to the manifest systems, import and export, for all modes of transport.
- Similar to “shipper” above, because truck BOLs are not standardized, we recommend that CBP provide guidance regarding which of the potential fields on a truck BOL contains the proper party to be submitted as the consignee element.

Recommendation 5

With regard to the data element “Name and Address of the Notify Party”, CBP has defined this as “the name and address of the party to be notified as specified in the carrier's/freight forwarder's contract of carriage or commercial sales.” The carrier, however, does not have access to commercial information.

- We therefore recommended that CBP remove any reference to commercial sales documentation from the definition. Furthermore, customers do not always provide a notify party, therefore this data element should be designated as "conditional", with further delineation needed regarding when it is mandatory.

Recommendation 6

- With regard to the data elements “Port or Place of Unloading” and “Place where the cargo was accepted”, we recommend that CBP define these in alignment with similar Canada CBSA e-manifest data elements, and make them conditional, to be required only when these places differ from the information provided in the consignee field for place of unloading, or the shipper field for place where the cargo was accepted.

Recommendation 7

- With regard to the data element carrier code, we recommend that CBP coordinate closely with CBSA to ensure that a system of "look-up" tables are in place for both manifest systems in order to translate between US and Canadian carrier codes.

Recommendation 8

- With regard to the data element “Trip number or Unique Consignment Number”, we recommend that these be listed as two separate data elements, with the definitions aligned to those found in the Canada e-manifest system.

Recommendation 9

With regard to the data element cargo quantity, it is understood that CBP wants the lowest level piece count, and that carriers should employ due diligence to transmit accurate data in this regard. However, it is sometimes impossible for a carrier to determine whether or not the piece count provided to it by a shipper is accurate.

- Therefore we recommend that, as per the Trade Act, CBP ensures that the policy interpretation of this element provides that carriers should be able to reasonably depend upon the information provided to it by shippers, and that CBP direct any enforcement actions toward shippers who are providing inaccurate information to carriers.

Recommendation 10

- With regard to Hazmat, we recommend 1) that CBP align with the Canadian designation of the UN number as the required Dangerous Goods Code element, unless no UN # exists for the commodity involved, and 2) that the data element Chemical Abstract Service ID Number be eliminated or made optional.

Recommendation 11

- With regard to the data element AES ITN or AES Filing Exemption Code, we recommend that all of the possible citations utilizing the expected codes should be provided for review.

Recommendation 12

With regard to the data elements “license code”, “export control classification number”, and “License or Permit Number”, we note that all of these are commodity elements, not related to the

transport contract that is the basis of the manifest. We also note that the Automated Export System should already capture all of these data fields attached to an ITN, therefore to also require them on the manifest would be duplicative.

- We therefore recommend that CBP remove these elements from the truck manifest data element list, and that the issuance of an ITN be used as a “one-stop shop” for validation of these and any similar commodity-related data elements. This recommendation applies to the export manifest systems for all modes of transport.

Recommendation 13

- With regard to data elements related to split shipments, we recommend that CBP undertake an evaluation to determine whether the government has a compelling interest in carriers providing detailed split information, such as number of pieces on a given conveyance, on the export manifest. This recommendation applies also applies to the rail and air export manifest systems.

Recommendation 14

With regard to promoting seamless intermodal transport, the Canadian highway e-manifest system includes a field in which the filer can provide an ocean bill of lading number. The US truck data element list does not include this field. We also note that ocean-to-truck is not the only possible intermodal transfer; particularly across the northern border, air-to-truck (and vice-versa) transfers are standard practice.

- We therefore recommend that CBP include a data field for the provision of a bill of lading identifier from another mode of transport in all of its export manifest systems, including air, ocean, rail and truck, to provide a mechanism to link together information for the same shipment that has been filed in different systems under different bill numbers.

Recommendation 15

The current process by which conventional carrier air shipments exported from the US by truck are reported to customs today is inefficient and burdensome. Known as “flying trucks”, these are trucks that operate under air carrier flight numbers and carry shipments travelling under an air waybill, including shipments that have entered the United States by air and are being exported to Canada by truck, and those that originate in the United States and are exported by truck, and are then transferred onto an aircraft in Canada for export to a third country.

- As the automated truck manifest is developed, we recommend that CBP develop an airline/truck dual-filing, dual-manifest approach, in which 1) air carriers – via the Air Export Manifest System – provide CBP with data on the house and master bills departing on an airline flight-number-identified truck, and 2) truckers – via the Truck Export Manifest System – provide CBP with the required truck specific data elements, so that 3) CBP can link the two data submissions together behind the scenes.

Recommendation 16

Express air shipments moving multimodal (ground-to-air and air-to-ground) on trucks across the Northern and Southern Borders, commonly referred to as "Flying Trucks", are still required to stop at the border to present paper in-bond documents. This includes shipments exporting from an FTZ. The current manual processes result in inefficiencies and service delays.

There are a number of disparities/gaps in functionality today, such as

- Air Manifest-originated in-bonds can be closed in QP/WP, but QP-originated in-bonds cannot be closed in Air Manifest, and most carriers and many forwarders use only Air Manifest.
- For shipments moving entirely by air, Air Manifest can be used to electronically arrive and close all in-bonds, but this electronic capability disappears once a shipment moves to a different mode. The same "full-electronic" capability should exist in all modes of transportation, including inter-modal moves.

To automate in-bond processes, full and robust ACE functionality must be adopted to open, arrive (e.g., transmit an ASN 3 message) and close/export (e.g. ASN 7 message) all transportation in-bonds, including those for shipments moving inter-modally.

- We therefore recommend that functionality be incorporated into in Air (import) Manifest, QP/WP and the new export manifest systems (air and truck) so that all in-bonds, regardless of the modal or functional (e.g., ABI versus manifest) ACE system in which they were originated, can be electronically arrived and exported. The new functionality must include the ability to create - in the manifest system - electronic in-bonds for export shipments originating from an FTZ, and the ability to use both CBP 4-digit port codes or three-letter airport codes in all ACE applications to enable creation and arrival/export of in-bonds.

Recommendation 17

- Keeping in mind CBP's need to conduct adequate pre-departure manifest targeting for export shipments, we recommend that CBP do all possible to preserve existing benefits for trusted traders as the truck export manifest system is developed. In particular, we recommend that account-based programs be leveraged to preserve the exemption for pre-departure manifesting for trusted trader participants in the Canadian Customs Self-Assessment program, and that similar benefits be provided for participants in the Operadora Economica Autorizada (OEA) program for Mexico's trusted traders across the southern border.