

Commercial Customs Operations Advisory Committee (COAC) Trusted Trader Subcommittee – Executive Summary

March 1, 2017



**Commercial Customs Operations Advisory Committee
(COAC)**

**February 2017
Report of the Work of the COAC
Subcommittee on Trusted Trader Program**

Co-Chairs

**Alexandra Latham - Costco Wholesale Corporation
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1. Background:

At the April 24, 2015, COAC meeting, the first quarterly meeting of the 14th Term Commercial Operations Advisory Committee (COAC), it was decided that topics from the 13th Term Trusted Trader subcommittee would continue to be worked on in the 14th Term. The Trusted Trader subcommittee objectives and scope are consistent with the official charter of COAC.

2. Objectives and Statement of Work:

It is expected that, during the lifespan of this subcommittee, the focus will be on providing advice and recommendations in one or more of the following areas, and reviewing the scope and capability of meeting both national and international criteria through:

- Trusted Trader Program
- C-TPAT/AEO Programs

After engaging in full deliberation and discussion, the subcommittee shall advise the COAC of any advice or recommendations related to any CBP trusted trader program. Specifically the subcommittee is expected to help CBP develop an enhanced CBP trusted trader program and to continue to advise CBP on C-TPAT issues. By developing a program that includes trade compliance and enforcement, CBP is moving C-TPAT towards a true AEO program, thus creating an opportunity to both amend its current mutual recognition agreements (MRAs) and enhance its future MRAs by including trade compliance criteria and offering corresponding incentives for participants.

3. Summary of Work:

The Trusted Trader Subcommittee was on hiatus, from July 2016 until the beginning of February 2017. Since the last quarterly COAC meeting on November 17, 2016, the Trusted Trader Subcommittee has held one meeting, on February 14, 2017, as a full committee. The Trusted Trader Subcommittee has and will continue focus on the following:

- Development of a Trade Compliance program to replace the current Importer Self-Assessment program based on the outcome of the Trusted Trader Pilot evaluation;
- An assessment of current and future benefits under the Trusted Trader program; and

- Completed a Trusted Trader Strategy framework for an enhanced Trusted Trader program that allows for flexibility, scalability, and attainability for multiple business models, that is globally aligned with AEO programs and MRAs, including PGAs. On-going finalization to determine tangible benefits while maintaining CBPs risk assessment capability.

4. Next Steps:

The Subcommittee will continue to be engaged in a number of COAC efforts where the Trusted Trader concept is integral, including the Global Supply Chain Subcommittee's Working Group on the C-TPAT Minimum Security Criteria, the Export Subcommittee's Post-departure Filing Working Group, the IUSG's North American Single Window Alignment Working Group, and the Trade Enforcement and Revenue Collection's Working Group on Forced Labor.

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