

**Commercial Customs Operations Advisory
Committee (COAC)
Rapid Response Subcommittee
Northern Triangle Working Group**

August 21, 2019

COAC

COMMERCIAL CUSTOMS OPERATIONS
ADVISORY COMMITTEE

**Commercial Customs Operations Advisory Committee (COAC)
August 2019**

**Recommendations of the COAC
Subcommittee on Rapid Response - Northern Triangle Working Group**

Co-Leads

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General

COAC recommends that CBP create a Northern Triangle Task Force that embodies a coordinated whole of government or “1 USG” approach comprised of CBP, DHS, PGA (including but not limited to USAID, UNICEF, UNHCR, DOC, DOS, USTR, OPIC, IFC, EXIM Bank and the IADB), NGO and private sector members, including COAC, that meets regularly to address challenges, opportunities and progress in the Northern Triangle Region (Region). The Task Force would ensure that sustainable policies and processes are executed, which in the short and long term reduce nontariff trade barriers, improve customs processes, enhance facilitation and promote safety, security and economic well-being in the Region.

Trade Finance and Economic Growth

COAC recommends that CBP work with its PGA, NGO and private sector partners to encourage promulgation of a rule of law that promotes formality and transparency in the financial arena and leverages U.S., Regional and third country financial institutions and banks including OPIC, USAID, IFC, EXIM Bank and the IADB to increase direct and indirect funding that supports small and medium sized business (microfinancing) as well as larger enterprises demonstrating a strong track-record of local investment and job creation.

Trade Facilitation

COAC recommends that, as a top priority, CBP and the PGAs encourage uniform national policies and procedures that harmonize and streamline licensing and permitting procedures, in-bond and foreign trade zone (FTZ) movements as well as cargo inspection and swift, uniform release procedures through risk management consistent with CBP’s and other customs administrations’ best practices such as “fast lane” processing. Such policies and procedures should be designed to facilitate not only large containerized, but also small parcel e-commerce, shipments.

COAC recommends that CBP continue to work with the public sector (USTR, DOS, DOC ITA & CLDP) and private sector to conduct coordinated outreach that builds upon the progress in the

Region to implement the core tenants of the WTO Trade Facilitation Agreement such as publication, notification and transparency of laws and regulations.

COAC recommends that CBP consider the viability of supporting a “Northern Triangle Trade and Job Promotion Act” that the U.S. Congress would enact for a limited duration, enhancing program benefits to apparel, agricultural and other Regional economic staples exported to the U.S. While considering this approach, CBP and the appropriate PGAs should explore the reasons for the underutilization of tariff preference levels (TPLs) in the Region and how to enhance such opportunities.

Infrastructure

COAC recommends that CBP and its public and private sector partners should initially target one and then eventually several land and sea ports throughout the Region to promote infrastructure yielding both physical (cargo inspection/processing facilities, dedicated cargo versus passenger lanes, improved roads, employee housing, etc.) and operational (consistent work hours, technology, unified cargo processing, etc.) improvements and efficiencies. The projects could serve as a proof of concept that could be replicated in other locations. Suggested projects for prioritization are included in the Northern Triangle Findings Report.

Security and Corruption

COAC recommends, as a top priority, that CBP and its public and private sector partners continue to promote and encourage professionalism among customs and border processing officials consistent with the WCO Revised Arusha Declaration of the Customs Co-Cooperation Council Concerning Good Governance and Integrity in Customs, the U.S.-Africa Security Governance Initiative (SGI) and other best practices implemented in the U.S. and other customs administrations.

COAC recommends that CBP and its public and private sector partners immediately take the necessary steps to develop a U.S.-Northern Triangle Security Governance Initiative (Initiative) to engage leadership in the Northern Triangle, with interagency support from the U.S. Government, to identify and develop areas to address the greatest security needs through a Border Management Secretariat and public-private partnership to ensure the Initiative complements the work that Regional bodies already have conducted in this regard.

COAC recommends that CBP immediately encourage the Region to build business partnerships that support and grow secure and ethical trade by increasing participation in, and benefits from: i.) local public-private sector policing initiatives and ii.) Authorized Economic Operator (AEO) programs reinforced with U.S. and other AEO mutual recognition agreements.

Capacity Building

COAC recommends that, as a top priority, CBP work with the PGAs and particularly organizations such as UNICEF and UNHCR as well as the U.S. private sector stakeholders, to employ a multi-layered approach to synergize local, regional and national elected officials with business, non-profit and faith-based institutional leaders to jointly tackle trade and commercial related challenges. CBP and its public and private sector partners should initially identify one and then additional communities where it can assist in building such a coalition to educate youth in academic and vocational settings that create job opportunities with local employers. Suggested cities for prioritization are included in the Northern Triangle Findings Report.

COAC recommends that CBP conduct education and outreach programs with its public and private sector partners that promote trade facilitation by empowering local customs and border officials to convey such knowledge to others through “train the trainer” courses.