

Commercial Customs Operations Advisory Committee (COAC)

Secure Trade Lanes Subcommittee: Trusted Trader Working Group Government Issue Paper

December 16, 2020



U.S. Customs and
Border Protection

Action Required:

The latest Statement of Work (SOW) for the Trusted Trader Working Group focuses on providing input for the transition of the Importer Self-Assessment (ISA) program into Customs Trade Partnership Against Terrorism (CTPAT) Trade Compliance. The SOW also includes implementing forced labor requirements into the program, and proposing the methodology to receive and process industry recommended benefits and metrics to evaluate and quantify benefit effectiveness for industry and government. The Trusted Trader Working Group has provided CBP with two sets of forced labor recommendations.

U.S. Customs and Border Protection (CBP) and the Trusted Trader Working Group held three calls during the first Quarter of 2021. Priorities for this quarter included sharing the Forced Labor White Paper, Partner Government Agency (PGA) Engagement, and working towards additional mutual benefits.

On November 10, 2020, the CTPAT Trade Compliance Branch shared the Forced Labor White paper with the Working Group which included new forced labor recommendations and potential benefits. CBP continues to work with the Office of Trade's Forced Labor Division and other components of CBP to determine which benefits may be implemented and how they could impact CBP. During the other calls: November 17 and November 24, we continued the conversation to develop the forced labor requirements.

Although there is also a COAC Forced Labor Working Group under the Intelligent Enforcement Subcommittee, the COAC Secure Trade Lanes Subcommittee's Trusted Trade Working Group is working only on the aspects of forced labor that impact the CTPAT Trade Compliance Program. CBP anticipates implementing new forced labor requirements in FY 2021.

BACKGROUND

The 15th Term of the COAC instituted a restructuring of the previous subcommittees to align more with CBP's vision and priorities. Under the newly formed Secure Trade Lanes Subcommittee, a Trusted Trader Working Group was formulated. This working group has continued the great work that was completed under the auspices of the former Trusted Trader Subcommittee.

The former COAC subcommittee was asked to provide CBP with recommendations and advice on a Trusted Trader Program. Trusted Trader Strategy is an integration of the CTPAT and ISA programs into a consolidated program that includes supply chain security and trade compliance. The program is being implemented via the Trusted Trader Pilot Program, announced in the Federal Register (79 FRN 13992) on June 16, 2014.

COAC's Trusted Trader Subcommittee recommended CBP focus on Trusted Trader strategic and tactical objectives on developing compelling benefits for voluntary participation in Trusted Trader Programs, and these benefits should outweigh the cost of participation. These benefits are essential for the advancement of Trusted Trader Programs and must be articulated in specific

facilitation metrics. Benefits must be aligned with Section 101 of HR 644 on Improving Partnership Programs.

CTPAT worked with the Trusted Trader Pilot Program participants and members of the Trusted Trader Working Group to conduct a phased implementation of the legacy Importer Self-Assessment (ISA). The implementation was based on Members' Annual Notification Letter (ANL) and recommendations from the National Account Managers.

On August 15, 2019, CTPAT rolled out phase one by soliciting fifty-two companies to upload their information into the Trade Compliance portal and create a business profile. In November 2019, we agreed to allow members of the Trusted Trader Working Group early access to the portal and three companies volunteered to input their information into the portal.

In March 2020 the remainder of the former ISA companies were instructed to provide their information and create a business profile in the Trade Compliance Portal. CBP asked that this information be submitted no later than September 30 2020. CBP anticipates allowing new applications for the Trade Compliance Program sometime in FY 2021.

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