

# Commercial Customs Operations Advisory Committee Secure Trade Lanes Subcommittee

December 2022

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 the second 'C' are red. Below the letters are two horizontal lines, the top one blue and the bottom one red.

COMMERCIAL CUSTOMS OPERATIONS  
ADVISORY COMMITTEE

**Commercial Customs Operations Advisory Committee (COAC)  
December 2022**

**Report of the Work of the COAC  
Subcommittee on Secure Trade Lanes**

**Co-Chairs**

Angela Cook – General Motors Tax Staff - Global Customs  
Jose (JD) Gonzalez – JD Gonzalez Customs Broker  
Stephen Simmons - The Kansas City Southern Railway Company

**Secure Trade Lanes Subcommittee Members:**

Dave Corn, Vicente Herrera Gonzalez, Chris Everley, Kerry Novak, Julie Pojar

**Background:**

The Secure Trade Lanes subcommittee has four working groups focused on areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies. These groups are working to enhance trade partnership programs, improve management of imports and exports, deploy authentication technologies to reduce supply chain barriers, and update the in-bond process.

The following working groups make up the Secure Trade Lanes Subcommittee:

- 1) Export Modernization Working Group, co-chaired by Dave Corn and Vicente Herrera Gonzalez
- 2) In-Bond Working Group, co-chaired by Chris Everley and Jose (JD) Gonzalez
- 3) Trade Partnership and Engagement Working Group, co-chaired by Angela Cook, Kerry Novak and Julie Pojar
- 4) Cross-Border Recognition Working Group, co-chaired by Stephen Simmons and Jose (JD) Gonzalez
- 5) Remote and Autonomous Cargo Processing Working Group, temporarily inactive

All subcommittee objectives and scope are consistent with the official charter of COAC.

**Summary of Work**

The Secure Trade Lanes Subcommittee has the responsibility of focusing on areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies. The four working groups within this sub-committee have met three times this quarter to discuss the ongoing efforts in those areas. This quarter the Export Modernization Working Group will have recommendations to put forth.

**Export Modernization Work Group**

After the last COAC Public meeting in September, the group has continued to meet bi-weekly to continue our discussion of the Electronic Export Manifest (EEM) between CBP, Census and members of the trade.

In November, the group held a two-day in-person workshop in Washington, DC, to discuss the challenges and benefits that the EEM presents within in each mode of transportation. The group consisted of members of the COAC, CBP, Census, the TSN (Trade Support Network), CESAC (Customs Electronic Systems Action Committee) and other members of the trade. The group created a punchlist of most relevant topics for us to carry forward for the Export Modernization Working Group in this COAC.

The EMWG Truck Focus Group (TFG) continues the discussion to build data elements that CBP and Census will need as shipments cross the border to Canada and Mexico. We finalized our meetings with different PGAs and now will seek conversation with our partners in Canada and Mexico to determine if there are synergies that can be realized for all North American countries.

The EMWG has two recommendations to submit for the December 2022 meeting pertaining to CTPAT for exports and self-propelled vehicles.

Our group will look forward to future dialogue with the new CBP Director Bradford Slutsky to continue to advance export modernization through the 21st Century.

### **In-Bond Working Group**

Since the September 14th COAC public meeting, the In-Bond Working Group (IBWG) has held four (4) robust meetings with CBP to continue reviewing the proposed regulatory changes related to in-bond modernization in 19 CFR Chapter 18, with the focus on continued improvement in the area of enhanced automation, as well as addressing current and future in-bond processes via the 21st Century Customs Framework.

During the third quarter the IBWG continued building upon the work that was carried over from the 21 recommendations that were submitted in the 1<sup>st</sup> quarter and has prepared ten recommendations to submit for the December 7, 2022, COAC public meeting. These recommendations primarily impact automation and improvements to in-bond processes referred to in 19 CFR Chapter 18. The IBWG will continue to review the remaining in-bond regulations in an effort to identify possible regulatory changes that will provide mutual benefits for both Trade and CBP across all modes.

### **Trade Partnership and Engagement Working Group**

The working group was able to meet four times since the September public meeting,

The focus of the TPE WG meetings this quarter was on partnership benefits and prior recommendation follow up. The calls this quarter centered around a comprehensive data file the CBP WG leads were working to compile in response to the past recommendation feedback provided by the COAC leads in August 2022. The spreadsheet was delivered to the WG leadership on November 3<sup>rd</sup>. The COAC leads are reviewing the information provided and intend on sending to the full working group in the coming weeks for further discussion.

The COAC TPE WG continues to look to be a trusted resource for CTPAT and CBP on future, related projects.

### **Cross-Border Recognition Working Group**

The Cross-Border Recognition Working Group (CBRWG) advises CBP on issues related to strengthening cross border supply chains and improving land border operations. Since the last public meeting on September 14, 2022, the CBRWG has had four (4) virtual meetings. During these meetings, CBP provided updates the group about the ongoing discussions with various Mexican government agencies on Trusted Trader and Unified Cargo Processing programs. CBP has been engaged with Mexico's Trusted Trader program AEO (which is similar to CBP's CTPAT) and working to align minimum security requirements. CBP has provided training to over 40 specialists in Mexico and completed four (4) validations.

CBP also updated the group on discussions concerning Unified Cargo Processing (UCP). This updated included commitment from the Mexican Government to increase staffing of the program as they continue their transformation from SAT to ANAM to SEDANA. CBP will start documenting the current best practices from UCP in Laredo so these practices can be sustained if future leadership changes occur and so they can be implemented at other ports or entry.

The CBRWG will continue discussions focusing on advancements in technology and work to build trust through security programs in order to certify a complete logistics supply chain on both sides of the border. The CBRWG has no recommendations to submit for the December 2022 meeting.

### **Conclusion**

The Secure Trade Lanes Subcommittee will continue to leverage its existing working groups and trade subject-matter experts to provide feedback on the various challenges facing CBP and the Trade and collaborate to help CBP achieve its dual goals of trade facilitation and enforcement.