



**COMMERCIAL CUSTOMS OPERATIONS
ADVISORY COMMITTEE**

**Recommendations during September 14, 2022
16th Term COAC Public Meeting
Hilton Chicago O'Hare Airport, Chicago, IL**

**Next Generation Facilitation Subcommittee
21st Century Customs Framework Recommendations**

010582

1. COAC recommends CBP increase transparency for the Trade for Customs Mutual Assistance Agreements (CMAAs) and CBP must ensure the text of each is linked to the CBP website.

010583

2. COAC recommends that CBP proceed to internally finalize the draft statutory language based on areas addressed in the course of 21CCF discussions for the following statutes:

21CCF Statutory Changes to be Finalized:

CBP Challenge Area 1: Limited Data Collection

- 19 USC § 1484

CBP Challenge Area 2: Restricted Data Usage

- 19 USC § 1415

CBP Challenge Area 4.1: Preventing Loss of U.S. Revenue

- 19 USC § 4320
- 19 USC § 1498

CBP Challenge Area 4.2: Streamlining Enforcement Avenues that Protect U.S. Intellectual Assets and American Consumers

- 19 USC § 1526(e)
- 19 USC § 1595a(f)
- 19 USC § 1607

3. COAC recommends that CBP, the 21CCF Focus Group, and any additional PGAs as appropriate, continue to discuss and attempt to finalize the below statutory changes proposed by CBP and separately, by industry.

CBP-Proposed Statutory Changes for Further Discussion:

CBP Challenge Area 1: Limited Data Collection

- 19 USC § 1431

CBP Challenge Area 4.1: Preventing Loss of U.S. Revenue

- 19 USC § 1623
- 19 USC § 1517

CBP Challenge Area 4.3: Driving Trade Compliance through Expanded and Streamlined Penalties

- 19 USC § 1595a(b)
- 19 USC § 1595a(d) and (e)
- 19 USC § 1592

Industry-Proposed Statutory Changes for Further Discussion:

- 19 USC § 1411 and 19 USC § 4316 – Codify PGA engagement with the Trade, including COAC reporting to the existing Border Interagency Executive Council, establishing a framework that requires the PGAs engagement with and reporting to the Trade, provides visibility and input to harmonize cargo processing and release protocols, requires true 1USG cargo release through interoperable platforms, and also ensures appropriations for funding of such measures.
- 19 USC § 4311 – Require each PGA with authority to detain and release merchandise entering the U.S. to set forth CTPAT-PGA minimum security and compliance criteria and to implement a program for importers, exporters, and other appropriate parties, providing benefits, facilitating the release of cargo, minimizing inspections and exams, limiting the recall of merchandise into custody as well as other tangible, meaningful benefits that CBP and PGAs develop in collaboration with the COAC. The CTPAT PGA programs shall not limit or restrict any PGA’s ability to develop and implement its own trusted trader programs in addition to the CTPAT PGA program, in order to provide more fulsome or recurring benefits.
- 19 USC § 1431(c) - Automatically treat manifest and Customs declaration data of all transportation modes as private and confidential business information.

- 19 USC § 58c in an effort to codify the ability to reduce the Merchandise Processing Fee (MPF) for CTPAT members and ensure the MPF is allocated to CBP for operations and automation.
- Statute TBD – seek legislation that authorizes Congress to appropriate the necessary amounts to carry out improvements in a uniform IUSG single window for cargo admissibility, release, and summary, specifically related to improvements in the Automated Commercial Environment and the International Trade Data System and to carry out a government-wide CTPAT-PGA program via the CBP CTPAT portal for each of fiscal years 2023 through 2027.

Next Generation Facilitation Subcommittee ACE 2.0 Recommendations

010585

1. COAC recommends CBP continue to pursue further assessment and analysis of modern technologies and innovative tools. Such tools must improve management and reporting of global supply chain data and efficient cargo release.

010586

2. COAC recommends CBP promote and encourage Partner Government Agencies (PGA) to sync and modernize processes and infrastructure to allow expanded adoption of the single window.

Next Generation Facilitation Subcommittee E-Commerce Recommendation

010587

1. COAC recommends that CBP share with the E-commerce Task Force the initial HTSUS waiver proposal draft, compliance process, and/or additional data waiver prior to its finalization, and prior to any notice or release to the public.

Secure Trade Lanes Subcommittee Export Modernization – Recommendations

010588

1. COAC recommends that CBP publish the “Electronic Export Manifest Pilot Document: Outlined Benefits for Why You Should Participate” paper in its entirety. The document should be posted to CBP.gov and a corresponding Cargo Systems Messaging Service email sent to the trade to maximize the reach for pilot participation and expansion.

010589

2. COAC recommends that CBP perform an internal review to determine the necessary resources to support additional pilot participation in advance of the Notice of Proposed Rulemaking for the Electronic Export Manifest for Rail, Ocean and Air modes of transportation.