

**Commercial Customs Operations Advisory
Committee
Secure Trade Lanes Subcommittee**

September 2022



Commercial Customs Operations Advisory Committee (COAC)
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Report of the Work of the COAC
Secure Trade Lanes Subcommittee

Subcommittee Trade Co-Chairs

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

Secure Trade Lanes Subcommittee Members:

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

Background

During the quarterly meeting of the 16th Term of COAC held June 29, 2022, the Secure Trade Lanes subcommittee and underlying work groups focused on four areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies. These areas are to enhance trusted trader, manage imports and exports through the 21st Century Framework, deploy authentication technologies to reduce supply chain barriers, and ensure e-commerce shipments are secure.

Under the Secure Trade Lanes (STL) subcommittee, the following active Working Groups (WG) are in place:

Export Modernization Working Group co-chaired by Branch Chief Brian Semeraro, Dave Corn and Vicente Herrera Gonzalez.

In-Bond Working Group, co-chaired by Director Daniel Randall, Chris Everley and Jose (JD) Gonzalez.

Trade Partnership and Engagement (formerly Partnership Programs and Industry Engagement) Working Group co-chaired by Director Manuel Garza, Angela Cook, Kerry Novak and Julie Pojar.

Remote and Autonomous Cargo Processing Working Group co-chaired by Director Daniel Randall and Stephen Simmons.

Cross-Border Recognition Working Group co-chaired by Director Daniel Randall, Director Manuel Garza, Stephen Simmons and Jose (JD) Gonzalez.

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

Summary of Work

Since the June 29th COAC public meeting, the STL Subcommittee has held two (2) webinars to discuss the CBP lead role for the subcommittee and provide updates on the activity of each working group as outlined below.

In-Bond Working Group

Since the June 29th COAC public meeting, the In-Bond Working Group (IBWG) has held three (3) meetings with CBP to discuss updates on the 24 recommendations submitted at the last COAC meeting. The WG decided 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. The IBWG has no recommendations to submit for the September 2022 meeting.

Trade Partnership and Engagement Working Group

During the third quarter, the Working Group name was adjusted to the “Trade Partnership and Engagement Working Group” to simplify and more accurately reflect the focus of the working group.

Due to the timing of and effort involved in the CTPAT conference and the publication of the CTPAT-Trade Compliance handbook, the group had difficulty meeting this quarter. The COAC leadership team met in Chicago for a day to discuss past recommendations and to collaborate on what COAC would like to focus on during the remainder of the 16th term. The WG leadership team also met to discuss next steps for the group. An updated SOW is being drafted as a result of these two leadership meetings.

This quarter the COAC leadership met once, the COAC/CBP leadership met once and the working group was unable to meet. The TPEWG has no recommendations to submit for the September 2022 meeting.

Export Modernization Working Group

After the last COAC Public meeting in June, the Export Modernization Working Group (EMWG) continues its mission to review, discuss and expand the work-scope of the Electronic Export Manifest (EEM) initiative with CBP leadership, Census, Partner Government Agencies (PGAs) and subject matters experts from the different modes of transportation from the Trade.

As a result of this collaborated effort between CBP, Census, PGAs and the Trade, the EMWG has developed a reference guide document titled, “*Electronic Export Manifest Pilot Document: Outlined Benefits for Why You Should Participate*” that clearly defines the EEM and its purpose as well as outlining the requirements for participation in the EEM pilot. The document also expands on the benefits and the reasons why members of the trade should join the EEM pilot before it is published by CBP through a Federal Register Notice.

The 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. As we’ve started to meet with different PGAs this quarter, the group will continue our outreach to other PGAs and we will develop requirements that will be needed for Truck Manifest through future recommendations.

The EMWG has two recommendations to submit for the September 2022 meeting related to the EEM document.

Remote & Autonomous Cargo Processing Working Group

The Remote and Autonomous Cargo Processing Working Group (RACPWG) advises CBP on issues related to the use of advanced technology within a cargo processing environment. It is responsible for establishing a clear vision of autonomous environments and speculating how customs operations should be built to afford efficiencies both to traders and to the U.S. government. The working group will illustrate autonomous conveyance and cargo processing in each environment, provide a cost/benefit/risk analysis from the perspective of both industry and the US government, modernization of customs operations to fully realize the benefit of this technology, and identification of individual approaches that need to evolve as the trade moves to autonomous conveyance and CBP moves toward automated cargo ports of entry.

Since the last public meeting on June 29, 2022, the RACPWG has had one (1) virtual meeting. During this meeting, it was proposed that given the limited Remote and Autonomous Cargo Processing technologies and pilot programs in place, the working group be placed on hiatus until the five (5) outstanding recommendations could be placed in production.

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 June 29, 2022, the CBRWG has had five (5) virtual meetings. The first three (3) meetings were introductory with the last two (2) discussions leading into working with U.S. – Mexico CEO Dialogue proposals that embrace the concerns and challenges of the region, authorities, companies, and communities. The WG will build on the existing programs with modern adaptations to address current market conditions through increased data integration, technology, transparency, and communication.

The CBRWG will build on these discussions by working with high-level economic details incorporated with the U.S. – Mexico CEO Dialogue suggestions, while considering the 21st century framework of promoting sustainable elements for the future. Additionally, supporting CBP and SAT's ongoing work toward designing communication and data sharing procedures as well as further harmonizing Trade Security certification processes on both sides of the border.

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 September 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.