

# Commercial Customs Operations Advisory Committee Next Generation Facilitation Subcommittee

September 2023

The logo for the Commercial Customs Operations Advisory Committee (COAC) features the acronym 'COAC' in a large, bold, serif font. The letters 'C', 'A', and 'C' are blue, while the 'O's are red. Below the acronym are two horizontal lines, the top one blue and the bottom one red.

COMMERCIAL CUSTOMS OPERATIONS  
ADVISORY COMMITTEE

**Commercial Customs Operations Advisory Committee (COAC)  
September 2023**

**Report of the Work of the COAC  
Subcommittee on Next Generation Facilitation Subcommittee**

**Co-Chairs**

Tom Gould – Flexport  
Barry Baxter – Walmart  
Jody Swentik – Spectrum Brands, Inc

**Next Generation Facilitation Subcommittee Members:**

Brian Barber, Angela Cook, Dave Corn, John Drake, Chris Everley, JD Gonzales, Mary Hodges, Kerry Novak, Julie Pojar, Cynthia Roller, Craig Seelig, Stephen Simmons, Travis Skinner, John Van Wallaghen, Brian White, Kathy Wilkins, Matt Zehner, Vicente Herrera Gonzalez

**Background**

The following working groups make up the Next Generation Facilitation Subcommittee:

- 1) ACE 2.0 co-chaired by Tom Gould, Jody Swentik
- 2) Customs Interagency Industry (CII) formerly One US Government co-chaired by JD Gonzalez, Craig Seelig
- 3) Passenger Air Operation co-chaired by JD Gonzalez, Vicente Herrera
- 4) Emerging Technologies – temporarily inactive

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

**Summary of Work**

The Next Generation Facilitation Subcommittee has the responsibility of looking at opportunities to enhance the trade and government processes, policies, and programs, enabling the trade and CBP to be better positioned for the future. The subcommittee currently consists of three active and one inactive working groups. The subcommittee will leverage its three active working groups and trade stakeholders to provide feedback on the various challenges facing CBP and the trade and collaborate to help CBP achieve its dual goal of trade facilitation and enforcement.

Recommendations will be presented at the public meeting on September 20<sup>th</sup>, 2023 the ACE 2.0 and the Passenger Air Operations working groups.

**ACE 2.0:**

ACE 2.0 Working Group advises CBP with insight on how ACE 2.0 can better facilitate the entry process by identifying gaps covering entry, manifest, security, Import Security Filing (ISF), Air Cargo Advance Screening (ACAS), post entry, audit and export by ensuring collection of the best and most reliable data; enabling risk management and cargo decisions further in advance of cargo arrival; harmonizing procedures to enhance predictability and reduce friction for trade and government stakeholders; and utilizing the full potential of automation to scale critical operations. The objectives of the working group are to recommend an operational framework for

an improved ACE 2.0 Customs process; Move data collections further in advance of cargo arrival and/or departure; and identify areas in the Customs process that will benefit from automations and modernization.

The ACE 2.0 Working Group met in Washington DC on July 25-26, 2023. Customs presented their progress in the ACE 2.0 Acquisition Milestones and provided an understanding of the acquisition process. The goal of the 2-day in-person session was to receive trade feedback on sample business cases presented by Customs. Three scenarios were reviewed in detail including Manifest Import/Cargo Release, Entry Summary/Post Release and e-commerce/Section 321 procedures. The trade provided input on accuracy, identified gaps and developed an understanding of potential implications to the supply chain and overall operations. Additional business case scenarios will be discussed in upcoming virtual sessions.

As a result of the on-site sessions, COAC has the following recommendation.

*COAC recommends Customs continue to analyze additional business case scenarios with the trade, to support the securing of the Automated Commercial Environment (ACE) 2.0 Acquisition and Concept of Operations. Specific scenarios to review include Collections, Export Manifest/Drawback and Foreign Trade Zones by the end of the calendar year, 2023.*

### **Customs Interagency Industry (CII) (formerly 1USG) Working Group**

The CII working group (formerly the One U.S. Government Working Group) had our initial kick off meeting on July 27th. The meeting was well attended by members of CBP, members of the trade and the PGA's. In this meeting Craig Seelig and JD Gonzalez welcomed everyone to the new working group, especially noting the importance of the PGA's participation in the working group moving forward. CBP leadership reviewed the working group parameters around the NDA's and then the Statement of Work. The guest speaker at this meeting was Jim Byram Executive Director, Trade Transformation Office, Office of Trade who briefed the working group on ACE 2.0. The working group met again on August 9<sup>th</sup> and held discussions with Partner Government Agencies.

### **Passenger Air Operations:**

The Passenger Air Operations (PAO) Working Group currently meets monthly and aims to identify ways to modernize passenger processing rules and regulations, streamline the passenger experience at U.S. ports of entry, and identify challenges that affect operations. Three areas the working group has been focusing on are 1) CBP Security Seal Processing and Access to International Aircraft and Passengers 2) Land Rights 3) Elimination of Outdated or Obsolete Forms.

COAC has the following recommendation:

*COAC recommends Customs review of the current Title 19 CFR Part 122, to determine whether the responsibilities listed in the current regulations remain with the "aircraft commander" or "pilot" or if should they be rewritten to be an assigned responsibility of the "agent" or "aircraft operator".*

### **Emerging Technology:**

Working group inactive.

### **Conclusion**

The Next Generation Facilitation Subcommittee will continue to leverage the existing working groups and its many trade stakeholders 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.