

Commercial Customs Operations Advisory Committee Secure Trade Lanes Subcommittee

September 2023

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

COMMERCIAL CUSTOMS OPERATIONS
ADVISORY COMMITTEE

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

**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, Chris Everley, Mary Hodges, Kerry Novak, Julie Pojar

Background:

The Secure Trade Lanes subcommittee has six active 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) Pipeline Working Group chaired by Mary Hodges
- 6) De Minimis Working Group co-chaired by Craig Seelig
- 7) 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 Secure Trade Lanes sub-committee have met twice this quarter to discuss the ongoing efforts in the six active working groups areas. This quarter the De Minimis and Pipeline will have recommendations to put forth.

Export Modernization Work Group

The Export Modernization Working Group (EMWG) has met 5 times since our last public meeting in June, continuing the work to develop the rollout of the Electronic Export Manifest (EEM)i The

EMWG continues to focus on items that were discussed in the in-person session from November of 2022 to see that they are addressed and developed in this COAC term.

This quarter our group has the following updates on our work:

- The Request For Development for the Manifest Confirmation Number was transitioned to the Trade Support Network and was approved for development. This RFD establishes a Manifest Confirmation Number utilizing existing data elements that will be used to support drawback, carnets, Temporary Import Bonds (TIBs), transportation in-bond (and other in-bond movements) and PGA proof of export (ATF, for example).
- We continue to work with CBP for publication of the one-pager to recruit additional participants across all modes in the EEM pilot.
- Introduced topic of progressive filing and the impact to EEM as well as the current EEI (Electronic Export Information) process while working on a potential recommendations for December.

The Truck Focus Group met once this quarter to review operational functionality to determine efficiencies with border crossings to Canada and Mexico. We are hopeful to have conversations with our USMCA partners so that we can finalize all work for the Truck FG in this COAC term, with potential recommendations for the December public meeting.

The EMWG does not have any recommendations for the September 20, 2023 public meeting.

In-Bond Working Group

Since our last COAC public meeting in June, the In-Bond Working Group (IBWG) has held several meetings with CBP to discuss the status of prior recommendations and next steps for moving them forward. The discussions have been very productive with significant progress being made by CBP between each session. CBP is working to assign an attorney to review the past IBWG recommendations that seek regulatory changes. In addition, CBP's Director of Cargo and Conveyance Security, Officer Brad Slutsky, has provided executive sponsorship regarding the Requests for Development (RFD's) that were submitted by the Trade. The RFD's have been refreshed, packaged, and presented to CBP's Product Management Committee (PMC) to identify funding.

The IBWG does not have any recommendations for the September 20, 2023 public meeting.

Trade Partnership and Engagement Working Group

The working group was able to meet four (4) times since the June public meeting. The focus of the Trade Partnership and Engagement Working Group (TPE WG) meetings this quarter continued to be on the expansion of the Statement of Work (SOW) to include CTPAT Security topics and continued discussion on partnership benefits. The meetings this quarter centered around review of the new SOW and introduction of new CBP members, as others have moved on to new assignments. Additionally, the WG has submitted new potential members to CBP for consideration, in an effort to include subject matter experts in the area of CTPAT Security.

The TPE WG has no recommendations this quarter but expects to have some, centered around the new SOW, at the December meeting.

Cross-Border Recognition Working Group

Since the last public COAC meeting on June 2023, the CBRWG has not met and restructuring. The CBRWG will continue to focus on discussing the interactions of the US-Mexico CEO dialog and how to help facilitate the pillars established from the US-Mexico High-Level Economic Dialogue. Over the next quarter, the working group will focus on identifying and documenting best practices of UCP in order to allow all POE's on the southern border to benefit from those best practices.

The Cross-Border Recognition Working Group will not have any recommendations for the September 2023 Public COAC meeting.

De Minimis Working Group

The De Minimis Working Group was formed during the quarter and is currently addressing the illegal smuggling of fentanyl, its precursors, and other opioid-related contraband. The working group is meeting twice weekly and two-days in person to develop recommendations in time for the September meeting.

Pipeline Working Group

The Pipeline Working Group (PWG) Phase III has continued to meet and build on the knowledge gained from the previous COAC Work Groups and develop and codify uniformity while creating efficient processes for pipeline carriers and entry procedures. The PWG will have five recommendations for the September 2023 Public COAC 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.