

**Commercial Customs Operations Advisory Committee  
Government Issue Paper  
Secure Trade Lanes Subcommittee  
Pipeline Working Group**

**March 2024**



**U.S. Customs and  
Border Protection**

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**Office of Field Operations, Cargo and Conveyance Security**  
**Secure Trade Lanes Subcommittee**  
**Pipeline Working Group**  
**March 2024**

**Action Required:** Informational

**Background:**

- July 2015: The Pipeline Working Group (PWG) established under the COAC to address unique regulatory and administrative challenges of the industry.
- June 2017: Industry and CBP representatives met in Washington under the auspices of the PWG to discuss modernization of pre-arrival data collection, in-bond tracking, and NAFTA oversight for pipeline-borne importations of crude oil and natural gas.
- April 2018: CBP's Petroleum Center and Trade Modernization and Innovation Office began exploring the feasibility of using a Global Interoperability Standards (GIS)-based automated ledger to qualify pipeline-borne importations for NAFTA/USMCA, receiving funding from DHS's Silicone Valley Innovation Program (SVIP) in November 2019 and subsuming the entire modernization effort in February 2020.
- February 2019: Pipeline working group placed in hiatus in anticipation of dramatic efficiency gains offered by emerging technologies.
- March 2021: 21st Century Customs Framework offered the CBP/SVIP oil and gas pipeline project the opportunity to align with broader agency modernization goals.
- December 2022: PWG hiatus ends with focus on meeting all operational goals of the previous iteration of the PWG and creating a legal framework for implementation.
- August 2023: CBP completes a successful technical demonstration of the software.
- September 2023: COAC endorses an NCAP pilot at its quarterly public meeting.

**Issue:**

The PWG has established that a combination of a GIS-based automated ledger, Decentralized Identifiers (DIDs) and verifiable credentials (VCs), as jointly developed by CBP and industry during the group's 2019 – 2022 hiatus, has the potential to resolve substantially all outstanding pre-arrival, in-bond, and USMCA traceability issues, which led to the convocation of the PWG in 2015.

**Current Status:**

CBP is finalizing its plan for a pipeline-modernization NCAP pilot for submission to the Office of Management and Budget for a Paperwork Reduction Act compliance review and creation of associated Federal Register Notices. CBP Cargo and Conveyance Security personnel are developing Standard Operation Procedures for field implementation of the software.

**Next Steps:**

A final technical demonstration is planned for August 2024 with limited production / operational implementation anticipated for the first quarter of FY 2025.

Submitted by: Jeffrey Saum, Cargo Security and Control/CSC  
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