

**Commercial Customs Operations Advisory Committee  
Government Issue Paper  
Secure Trade Lanes Subcommittee  
FTZ/Warehouse Working Group**

**March 2024**



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

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**Office of Field Operations/Cargo Conveyance and Security**  
**Secure Trade Lanes Subcommittee**  
**FTZ/Warehouse Working Group**  
**March 2024**

**Action Required:** Informational

**Background:**

- Since 2017, U.S. Customs and Border Protection (CBP) has worked closely with the trade community on ways to address the regulatory and process challenges of Foreign Trade Zone (FTZ) and Customs Bonded Warehouses.
- Revisiting the past recommendations and regulatory package, Title 19, Part 146 put forward by FTZ Regulations Working Group in 2018.
- The working group will have the ability to make recommendations to CBP for public consideration and deliberation through the full membership of COAC.

**Issue:**

- To address the challenges the agency continues to face with FTZs and bonded warehouses, CBP has formed the FTZ/Warehouse Working Group under the Commercial Customs Operations Advisory Committee's (COAC) Secure Trade Lanes Subcommittee to provide an opportunity for the agency to seek the advice of the trade on initiatives impacting CBP relative to FTZs and warehouses.
- The purpose of this working group is to identify pain points in current processes.
  - Enhancing current ACE functionality to streamline processes for FTZs while maintaining CBP oversight and enforcement capabilities for forced labor/UFLPA, AD/CVD, sanctions, and trade remedies.
- Focusing on expanding CTPAT to include FTZs.
- Opportunities for modernization of operations and Title 19, Part 19, Bonded Warehouses and Customs Warehouses, Container Stations and Control of Merchandise Therein.
- Development of a User interface for warehouses in the vessel environment.

**Current Status:**

Several signed Non-disclosure Agreements have been received with some requested participants responses pending. Responses thus far have been enthusiastic.

**Next Steps:**

- Commencing initial meetings and establishing the cadence following the official announcement at the March COAC meeting.
- The working group shall advise CBP through the COAC Secure Trade Lines Subcommittee of any advice or recommendations related to foreign trade zones and warehouse procedures, enforcement, and facilitation matters.
- Subjects for discussion may include:

- Focusing on the CTPAT and FTZ universe (expanding CTPAT)
- Identifying opportunities to align with CBP's Green Strategy
  - Creating benefits and incentives to promote environmentally friendly trade practices and supply chains.
  - Enhancing CBP's enforcement posture of environmental laws and regulations.
  - Quantifying greenhouse gas emissions and other possible green practices for active FTZ petroleum refineries.
  - Uncovering innovative methods of reuse for good rather than destruction of goods when legally feasible.
- Enhancing current ACE functionality to streamline processes for FTZs while maintaining CBP oversight and enforcement capabilities for forced labor/UFLPA, AD/CVD, sanctions, and trade remedies.
- Opportunities for warehouse modernization to include a trade-facing user interface for warehouses.

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