

Commercial Customs Operations Advisory Committee Secure Trade Lanes Subcommittee

March 2024

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)
March 2024**

**Report of the Work of the COAC
Subcommittee on Secure Trade Lanes**

Co-Chairs

Angela Cook – General Motors Tax Staff - Global Customs
Stephen Simmons – Canadian Pacific Kansas City Railroad

Secure Trade Lanes Subcommittee Members:

Brian Barber, Dave Corn, John Drake, Tom Gould, Mary Hodges, Heather Litman, Kerry Novak, Julie Pojar, Cynthia Roller, Craig Seelig, Travis Skinner, Matt Zehner

Background:

The Secure Trade Lanes subcommittee has seven (7) 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 Cynthia Roller
- 2) Trade Partnership and Engagement Working Group, co-chaired by Angela Cook, Kerry Novak and Julie Pojar
- 3) Cross-Border Recognition Working Group, chaired by Stephen Simmons
- 4) Pipeline Working Group chaired by Mary Hodges
- 5) De Minimis Working Group chaired by Craig Seelig
- 6) Centers Working Group co-chaired by Heather Litman and Cynthia Roller
- 7) Foreign Trade Zones/Warehouses co-chaired by Julie Pojar and Tom Gould
- 8) In-Bond Working Group, on hiatus
- 9) Remote and Autonomous Cargo Processing Working Group, on hiatus

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 has not met this quarter to discuss the ongoing efforts in the seven active working groups areas. This quarter there are five (5) recommendations to put forth.

Export Modernization Work Group

The Export Modernization Working Group (EMWG) has met three times since our last public meeting on December 13, 2023. The EMWG has continued to meet bi-weekly with CBP, Census and BIS to continue to push for the development and rollout of the Electronic Export Manifest

(EEM) for all modes of transport. We also reviewed and follow up on the topics related to the EEM that were discussed in the in-person session from November of 2022 to see that they are addressed and developed in the 16th COAC term.

Our immediate attention this quarter is the continued push for the release of regulations for rail, air and vessel and to continue to build support for pilot participants with the release of the EEM document on CBP.gov. We also plan to further discuss the impacts and expectations for progressive filing. The Working Group brought in subject matter experts to discuss updates to the EU's import control system (ICS2) and potential impacts for US exporters' compliance.

The previously announced Drawback Task Force had their kick-off meeting this quarter. In our initial meeting, we discussed our scope of work and priorities for this term. This task force will specifically focus on review of the drawback regulations and modernization of the drawback program. Our first recommendation directly ties into the EEM initiative discussed within the larger EMWG. We plan to meet monthly to continue our discussions and work in this area.

The EMWG has one (1) recommendation for the March 6, 2024 public meeting, specifically from the Drawback Task Force.

Trade Partnership and Engagement Working Group

The Trade Partnership and Engagement Working Group was able to meet four (4) times since the December public meeting. The focus of the meetings this quarter was continued review of multiple CTPAT validation template documents proposed by CBP.

The TPE WG has no recommendations this quarter.

Cross-Border Recognition Working Group

Since the last public COAC meeting in December, the CBRWG has met 2 times. These meetings were focused on commercial truck and rail crossing closures that occurred on the southern border and the impacts they had on the supply-chain.

Over the next quarter, the working group will focus on identifying and documenting opportunities to mitigate these types of impacts on the supply-chain in order to allow all POE's on the southern border to remain open to process legitimate trade.

The Cross-Border Recognition Working Group will not have any recommendations for the March 2024 Public COAC meeting.

De Minimis Working Group

The De Minimis Working Group met two times in this February. In these meetings the working group we discussed CBP's finding from Operation Artemis. We also continued discussions on de minimis shipments including the new rules on timing for Entry Type 86. There will be no formal recommendations this quarter.

Pipeline Working Group

The PWG has not met since the December COAC public meeting. The PWG is pending the ability to conduct the pilot intended to operationalize DID/DLT technology for CBP oversight of pipeline-borne hydrocarbon importations.

Centers Working Group

The newly formed Centers Working Group (CWG) has met three times since our last public meeting on December 13, 2023. As part of the meetings, CBP provided an overview of the Centers of Excellence (CEEs), including introductions and overviews of operations by Center Directors for their respective Centers.

Our sessions have included robust discussions around the interactions of the CEEs and Trade, including bringing forward opportunities for improved communications between the two and understanding of internal organization within the CEEs. We plan to meet bi-weekly in the upcoming quarter to continue to build on these foundational discussions and bring forth further recommendations.

The CWG has four (4) recommendations for the March 6, 2024 public meeting. These recommendations focus on communication, statistics, guidance and outreach by the CEEs.

Foreign Trade Zones/Warehouses

The Foreign Trade Zones/Warehouse Working Group was formed this quarter and is anticipated to hold an initial meeting prior to the public meeting in March. There are no recommendations for this quarter.

In-Bond Working Group

Since our last COAC public meeting in December, the In-Bond Working Group (IBWG) has been placed on hiatus.

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.