

ACE Plan Forward

TSN Plenary Session
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U.S. Customs and
Border Protection

UP TO 33% FASTER TRUCK PROCESSING IMPLEMENTATION OF **SINGLE WINDOW** MORE THAN 21,000 ACE ACCOUNTS AND GROWING

NEW CAPABILITIES **NOW** **AUTOMATED** OVER \$1.5 BILLION COLLECTED MONTHLY BY ACE

PROCESSING ALL RAIL, SEA, AND TRUCK MANIFESTS **ECONOMIC SECURITY** **HEALTH** **AUTOMATES** **COMMERICAL** UP TO 33% FASTER TRUCK CARGO PROCESSING

REAL TIME ACCESS **IMPORT** **manual processes** **EXPORT** AUTOMATING DATA EXCHANGE BETWEEN CBP AND PARTNERS

ENHANCES IDENTIFICATION OF RISKY CARGO, IMPROVING SECURITY

LOWERS COSTS **ENVIRONMENT** **ELIMINATES PAPER FORMS**

for government and industry

FASTER **SAFETY** **COMPLIANCE** CASH FLOW BENEFITS

RELEASE OF CARGO **TRADE TRANSFORMATION** **NEW CAPABILITIES** OCEAN CARRIERS SAVE \$900K / YEAR WITH ELECTRONIC EXPORT MANIFESTS

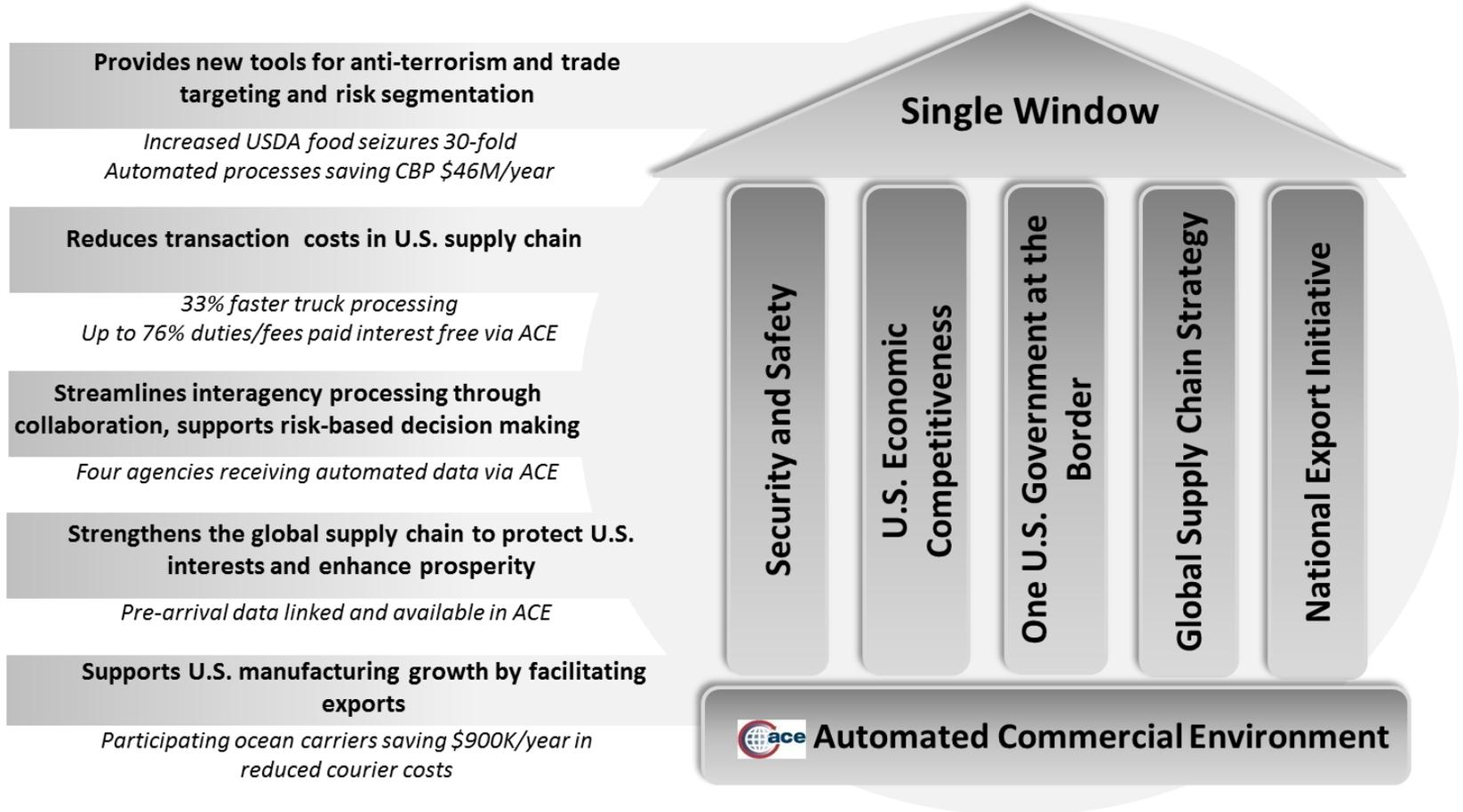
RELEASE OF CARGO TRADE TRANSFORMATION NEW CAPABILITIES COMPLIANCE



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IT Foundation for the Single Window

ACE will automate trade processing and data collection for 47 federal agencies



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ACE Progress

Expands data available to assess safety, security, compliance

PRE-ARRIVAL



33% faster truck processing with ACE

Enables speedier release of legitimate imported cargo

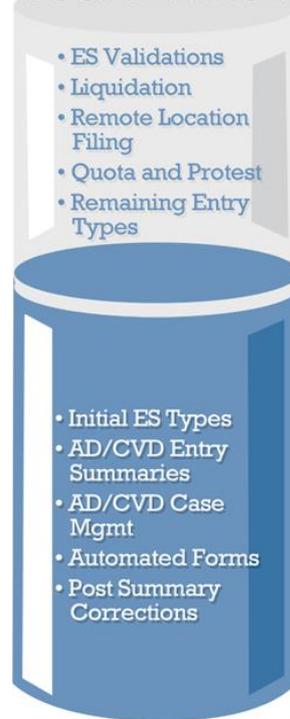
ARRIVAL



More than 162,000 ACE Cargo Release entries filed

Modernizes data requirements to validate trade law compliance

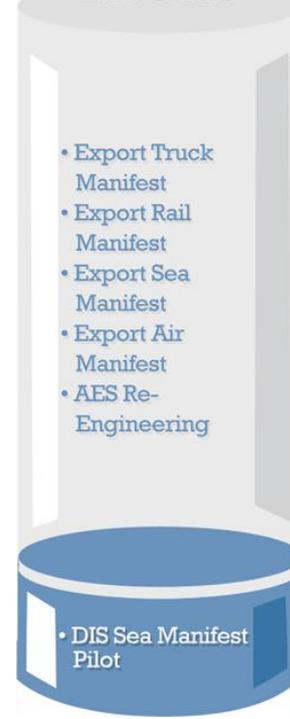
POST RELEASE



More than 25% of entry summaries filed in ACE

Modernizes processes and enhances assessment of cargo for safety, security, compliance

EXPORTS



Reduced courier/printing costs saving each participant ~\$900K/year

Streamlines payment mechanisms

FINANCE

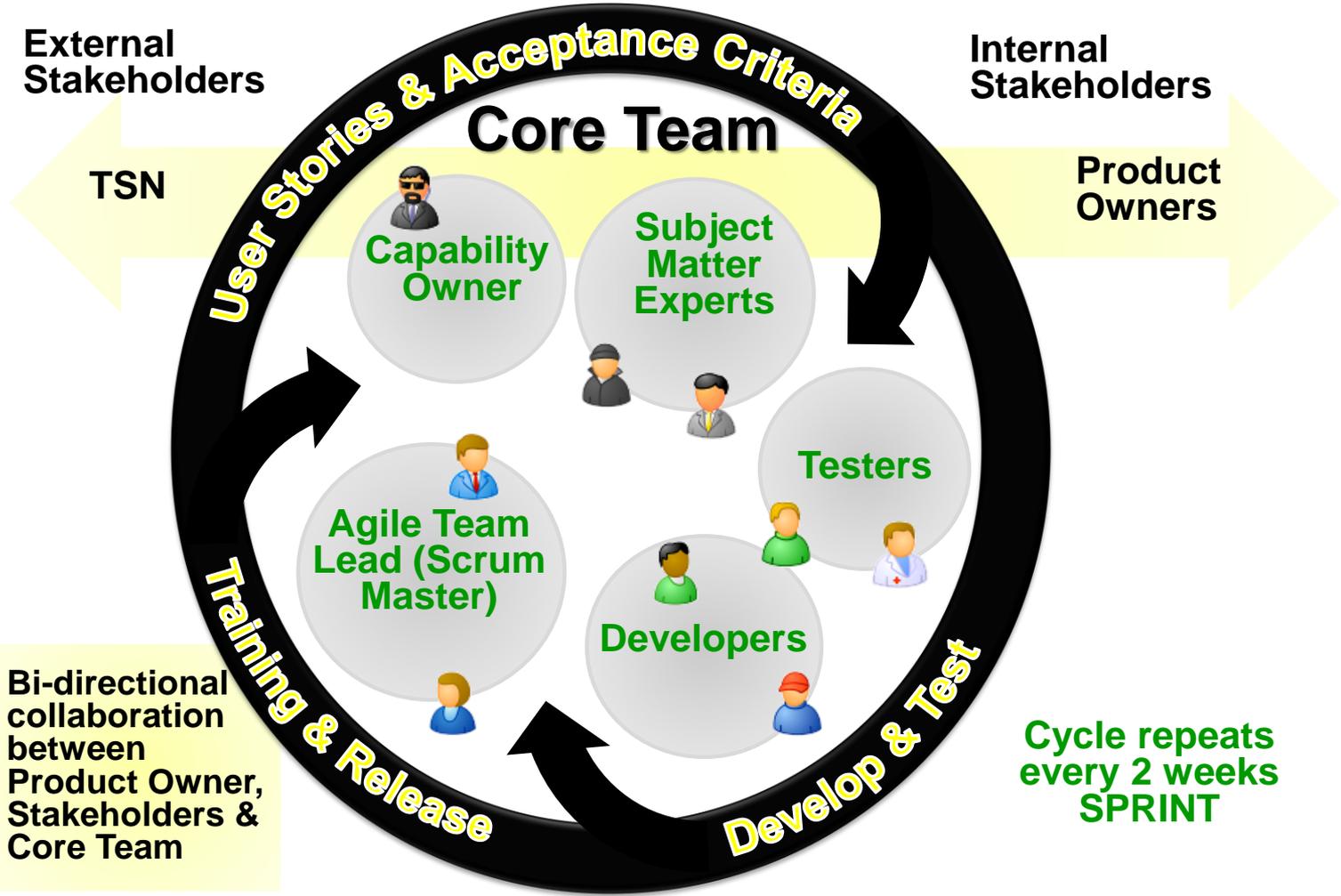


76% duties & fees collected via ACE



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Agile Development: Iterative Process



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CBP's Shift to Agile Development

- Ability to build smaller components more frequently
- Establishment of “service-oriented architecture (SOA)” based collection of cloud ready services/apps
- Elimination of use of proprietary software and customized off-the-shelf products; forward development using open standards.
- Consolidation and simplification of infrastructure supporting development and operations of applications/services supporting cargo processing



ACE Deployment Schedule

	Deployment A October 5, 2013 Includes Increments 1 and 2	Deployment B January 4, 2014 Includes Increment 3	Deployment C April 5, 2014 Includes Increment 4	Deployment D January 3, 2015 Includes Increments 5, 6, and 7	Deployment E July 4, 2015 Includes Increments 8 and 9	Deployment F January 2, 2016 Includes Increments 10 and 11	Deployment G July 2, 2016 Includes Increments 12 and 13
Cargo Release/Simplified Entry (SE)	<ul style="list-style-type: none"> - Auto Corrections/Cancellations - SE Integration with In-bond - Partial Quantities for SE: without In-bond - Splits for SE: Hold All and immediate delivery - Upgrade SE GUI for CBP 	<ul style="list-style-type: none"> - Partial Quantities for SE: with In-bond - Cargo Release Data Build-out - Ocean/Rail Manifest Integration with SE - Finish cancellation process from ACE Entry Summary to SE - Single Accept/Reject message for SE response - Mail Entry Writing System (MEWS) 	<ul style="list-style-type: none"> - Certified from Summary - Query Capability: Trade ability to query ABI - Truck Manifest Integration with SE - Transitional data synchronization: entry - Single Accept/Reject message for SE response - Mail Entry Writing System (MEWS) 	<ul style="list-style-type: none"> - Single Transaction Bond (STB) - Remote Location Filing - Diversion Process: National/Local Level - Reporting for Entry: CBP & Trade - Entry Business Validations: using summary validation engine - Border cargo selectivity - Redelivery Process for CBP/PGA Interactions - Request Demand for Redelivery - Transition Manage Bond Info to new ACE architecture - E-Bond - Informal entry/sectionals/headnotes - CBP-Initiated Corrections - Non-ABI Entries - FTZ Admission - CBP Intensive Exam Workflow 	<ul style="list-style-type: none"> - Remaining Entry Types - Lab Samples 		
Entry Summary	<ul style="list-style-type: none"> - Entry Summary Validation: Harbor Maintenance Fee - Entry Summary Validation: Classification - Single Accept/Reject message for Entry Summary response 	<ul style="list-style-type: none"> - Entry Summary Validation: Duty Calculations - Data Management 	<ul style="list-style-type: none"> - Entry summary Validation: Informal Entry Restrictions - Entry Summary Validation: Merchandise Processing Fee 	<ul style="list-style-type: none"> - Transition ACE Entry Summary to new ACE architecture - Transition Existing ACE Entry Summary Validations to new ACE architecture - Transitional Data Synchronization: Summary - Transition Mass Validation to new ACE architecture - Transition Trade/EDI Submission of Entry Summary Data to new ACE architecture - Transition CBP Review Module to new ACE architecture 	<ul style="list-style-type: none"> - Remaining Entry Summary Types Statements - Transition AD/CVD Case Management System to new ACE architecture - Quota Master Data - Quota Entry Summary Type - Quota Restrictions 	<ul style="list-style-type: none"> - Liquidation - Entry Summary Validation: Tariff Usage Restrictions - Entry Summary Validation: Licenses, permits, certificates - Entry Summary Validation: Charges Restrictions - Protest - Drawback 	<ul style="list-style-type: none"> - Entry Summary Validation: Other Fees - Entry Summary Validation: Taxes - Monthly Entry Summary (Not core feature)
Manifest		<ul style="list-style-type: none"> - Vessel Management System (VMS) 	<ul style="list-style-type: none"> - Air Manifest (Import) Foundation: accept data and reply - Transitional Data Synchronization: Air 	<ul style="list-style-type: none"> - Air Manifest User Interface Features - Truck Manifest (Import) Foundation - Air cargo movement: In-bond, PTT, etc. - Air Holds - Air Manifest: Integration with ACAS - Transition Business Rules and Practices: Truck-specific to new ACE architecture - Transition Truck Manifest Secondary to new ACE architecture - Transition Ocean/Rail Manifest Foundation (accept data and reply) to new ACE architecture - Transition Truck Manifest Primary to new ACE architecture - Ocean/Rail Manifest User Interface Features 	<ul style="list-style-type: none"> - Truck Cargo Movement: In-bond, PTT, etc. - Transitional Data Synchronization: Ocean/Rail - Transitional Data Synchronization: Truck - Manifest Interface with CBP Findings - Multi-Modal: relationship among bills - Transition Business Rules and Practices: Ocean/Rail-specific to new ACE architecture - Transportation Bonds 	<ul style="list-style-type: none"> - Rail Consist - Transition Ocean/Rail Holds to new ACE architecture - Ocean/Rail Cargo Movement: In-Bond, PTT, etc. 	<ul style="list-style-type: none"> - Conveyance Management for Vessel - Stow Plan Viewer
Exports			<ul style="list-style-type: none"> - AES commodity re-engineering including Census and BIS reg changes - AES Transportation Module (Ocean) - Manifest 	<ul style="list-style-type: none"> - Air Manifest - Ocean/Rail Manifest - Truck Manifest 			
Accounts Mgmt				<ul style="list-style-type: none"> - Transition Maintain Accounts to new ACE architecture 		<ul style="list-style-type: none"> - Transition Account Review/Audit Support to new ACE architecture 	
PGA Integration (tentative schedule - subject to change)	<ul style="list-style-type: none"> - Document Image System (DIS): NMFS, FSIS, APHIS, CDC, DCMA, EPA - Interoperability Web Services (IWS): FSIS, AMS, USCG, CPSC - PGA Msg Set: EPA Ozone Depleting Substances, EPA Vehicles and Engines, USDA FSIS Application for Inspection - Agriculture streamlined findings input: APHIS 	<ul style="list-style-type: none"> - Agriculture streamlined findings input: APHIS - Data: Census, NRC 	<ul style="list-style-type: none"> - IWS: FCC - PG Msg Set: FCC, NMFS - Export licensing/forms: BIS - DDT, EPA - Pesticides, Hazardous Waste 	<ul style="list-style-type: none"> - IWS: FDA, IA, NHTSA, DEA, FMCSA, FSIS, APHIS, AMS, OFAC Sanctions, PHMSA, RITA - PGA Msg Set: DEA, APHIS Lacey Act, EPA TSCA, FDA, IA Steel Licensing - Portal: FTZB - Data: FMC, MARAD, FAA, FHWA - Export licensing/forms: NMFS, ATF, FWS, DEA, AMS 	<ul style="list-style-type: none"> - IWS: FAS, FWS Import Manifest, APHIS Interfaces - PGA Msg Set: FDA, CPSC, FWS - Portal: IA AD/CVD 	<ul style="list-style-type: none"> - DIS: IRS - IWS: EIA, IRS 	<ul style="list-style-type: none"> - Data: A/LM, OFM, OES
Technical Services	<p>ABI Profiles * Critical fixes * Document Image System * Reports * Logging and audit services * Miscellaneous technical services * Security services</p>						

May 1, 2015: Mandated use of Manifest - All electronic export and import manifest data must be transmitted via ACE.

November 1, 2015: Mandated use of Cargo Release - All data associated with the release of cargo, including PGA interactions, must be transmitted via ACE.

October 1, 2016: Mandated use of ACE.

Certification environment planned to be available eight weeks in advance of deployments to allow for testing with trade users.



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Priorities Mapped to Deployment

Category	Priority Rank	Functionality	Deployment
Manifest		e-Manifest: Truck	Deployed
	1	ACE e-Manifest: Rail and Ocean	Deployed
		Air Manifest	Deployment C and D (Apr. 2014 – Jan. 2015)
		Integration of Multi-Modal Manifest Vessel Management System	Deployment E (July 2015) Deployment B (Jan 2014)
Cargo Release	2A	Cargo Release/Simplified Entry Pilot Phase 1	Deployed
	2B	Document Image System	Ongoing; every Deployment
	2C	PGA Message Set	Ongoing; every Deployment
	2D	Complete Delivery of PGA Interoperability	Ongoing; every Deployment
	2E	Future phases to build upon delivered functionality for ultimate full delivery of cargo release	Deployment A – E (Oct. 2013 – July 2015)
Entry Summary		ACE Accounts and Reports	Deployed
		Periodic Monthly Statement	Deployed
		Entry Summary Filing for Consumption and Informal Entries	Deployed
		Antidumping/Countervailing Duty Entry Filing and Processing	Deployed
		Post Summary Corrections	Deployed
	3	Entry Summary Edits	Deployment A – G (Oct. 2013 – July 2016)
		Remaining Entry Summary types and processing	Deployment E and F (July 2015 – Jan 2016)
		Mail Entry Writing System	Deployment B (Jan 2014)
		Importer Activity Summary Statement/Simplified Summary	Deployment G (July 2016)
		Drawback	Deployment F (Jan. 2016)
		Reconciliation	Deployment E (July 2015)
	Protest	Deployment F (Jan. 2016)	
	Entry liquidation	Deployment F (Jan. 2016)	



Priorities Mapped to Deployment

Category	Priority Rank	Functionality	Deployment
Exports	5	Exports	Deployment C – D (Apr. 2014 – Jan. 2015)
Financial		Migration of collections processes in ACE	Deployment F (Jan 2016)
Operations and Maintenance	4	Priority fixes (Problem Reports): <ul style="list-style-type: none"> - Reports; - Forms and other entry summary related fixes; - e-Manifest: Truck; - CBP/ACE Inbox (impacts CBP users only); and - Validation Activities (impacts CBP users only). 	Ongoing; every two weeks
		Ongoing fixes and enhancements to deployed functionality	Ongoing; every two weeks
		Rehosting efforts for ACS	Ongoing; in parallel with development
		Rehosting efforts for AES	Deployment A Live to users Deployment B (Early 2014)
		Reducing cost of Operations & Maintenance	Complete
		Transition to the target architecture & open standards	Ongoing
		Systems Migration (SEACATS, LIMS, etc.)	Ongoing



Deployment A Overview

Theme	Capability	Trade User Impact
Entry Summary	Harbor Maintenance Fee and classification validations	Filers
PGA Integration	PGA Message Set pilots targeted to begin in late October: <ul style="list-style-type: none"> • EPA - Ozone depleting substances; Vehicles and engines • FSIS - Meat, poultry, eggs 	Filers
Cargo Release	<p>Additional capabilities – Automated entry corrections and cancellations, in-bond, split shipments, partial quantities, upgraded user interface.</p> <p>Federal Register Notice (FRN) anticipated in late September authorizing expansion of ACE Cargo Release pilot to additional trade filers and CBP air ports.</p>	Filers
Reports	Software upgrade (Identified fixes being worked separately)	All users of ACE reports



ACE Transition

Don't Wait . . . Migrate!

- **Development/deployment schedule** published on CBP.gov
 - Consultation with CBP, PGAs, and trade community stakeholders throughout development of schedule
- **Mandatory dates** for ACE
 - May 1, 2015: Mandated use of Manifest – All electronic export and import manifest data must be transmitted via ACE
 - November 1, 2015: Mandated use of Cargo Release – All data associated with the release of cargo, including PGA interactions, must be transmitted via ACE
 - October 1, 2016 – Mandated use of ACE



ACE Transition

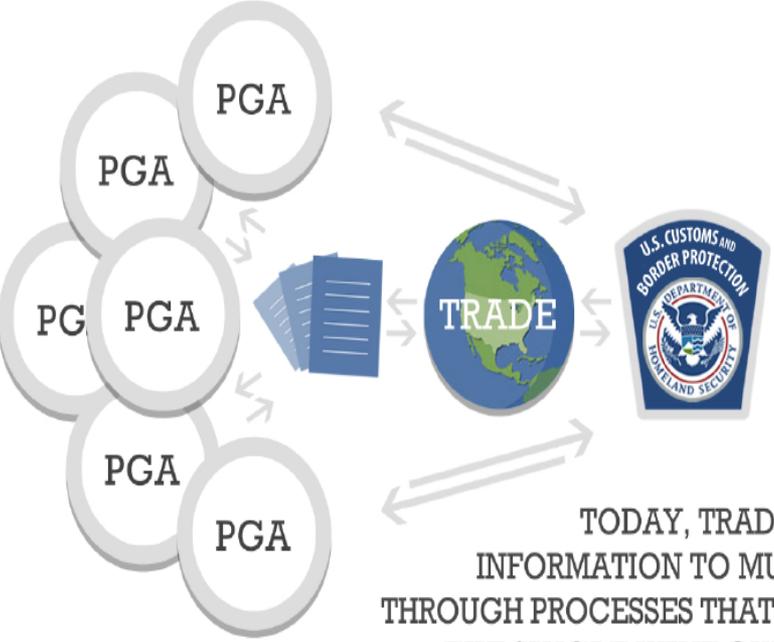
Don't Wait . . . Migrate!

- **User preparation for ACE deployments**
 - Certification environment planned to be available six weeks in advance of deployments to allow for testing with trade users
 - Training assessment will be based on features scheduled for deployment
 - Webinars, user guides, etc. for CBP, PGA and Trade Community users
 - Information will continue to be posted on CBP.gov

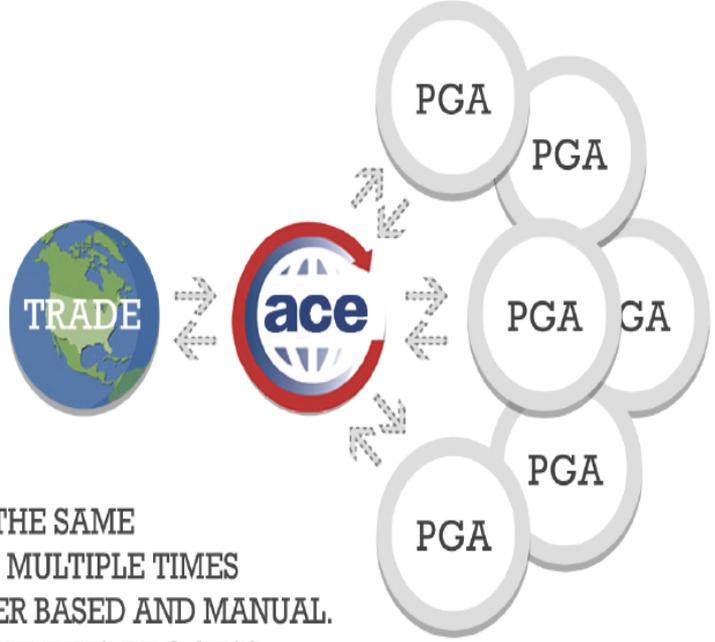


ACE and the Single Window

CURRENT FLOW OF INFORMATION



SINGLE WINDOW VISION



TODAY, TRADERS MUST SUBMIT THE SAME INFORMATION TO MULTIPLE AGENCIES, MULTIPLE TIMES THROUGH PROCESSES THAT ARE LARGELY PAPER BASED AND MANUAL. **THE SINGLE WINDOW WILL STREAMLINE THIS PROCESS.**



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Building the Single Window

- **Partner Government Agency (PGA) Message Set** - Establishes a single, harmonized set of information to be collected electronically from international traders by CBP on behalf of PGAs
 - PGAs currently participating: Environmental Protection Agency (EPA), Food Safety and Inspection Service (FSIS) - Pilot for both to begin in October 2013
- **Interoperability** - Provides the pipeline to transfer data between CBP and PGAs
 - PGAs currently participating: FSIS, Agriculture Marketing Service, U.S. Coast Guard, Consumer Product Safety Commission
- **Document Image System** - Allows trade members to supply electronic documents needed during the cargo import and export processes
 - PGAs currently participating: National Marine Fisheries Service, FSIS, Animal and Plant Health Inspection Service, Center for Disease Control and Prevention, EPA, Defense Contract Management Agency



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NEW CAPABILITIES PROCESSING ALL RAIL, SEA, AND TRUCK MANIFESTS **REDUCES DATA** UP TO 33% FASTER TRUCK CARGO PROCESSING submission requirements **EXPORT** AUTOMATING DATA EXCHANGE BETWEEN CBP AND PARTNERS

REAL TIME ACCESS **IMPORT** **HEALTH** **AUTOMATES** manual processes **COMMERCIAL**

ECONOMIC SECURITY ENHANCES IDENTIFICATION OF RISKY CARGO, IMPROVING SECURITY

LOWERS COSTS for government and industry **ENVIRONMENT** **ELIMINATES PAPER** FORMS

FASTER RELEASE OF CARGO **SAFETY** INTERNATIONAL TRADE STREAMLINED PAYMENT, CASH FLOW BENEFITS **COMPLIANCE** OCEAN CARRIERS SAVE \$900K / YEAR WITH ELECTRONIC EXPORT MANIFESTS

TRADE TRANSFORMATION **NEW CAPABILITIES**

RELEASE OF CARGO TRADE TRANSFORMATION NEW CAPABILITIES COMPLIANCE



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