

# ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS OF CUSTOMS AND BORDER PROTECTION

## One U.S. Government at the Border Subcommittee Executive Summary – Trade Progress Report October 2014

### 1. Background:

The Advisory Committee on Commercial Operations of Customs and Border Protection (COAC) determined to carry on the work from the 12<sup>th</sup> Term COAC One US Government at the Border Subcommittee. The Mission of the Subcommittee is to implement the January 15, 2013 COAC 12<sup>th</sup> Term Recommendation:

*That CBP pursue interagency partnership programs following the principles and standards set forth in the One US Government Master Principles Document and progress toward completion can be measured via CBP reporting quarterly back to COAC on progress being made to implement programs that align with these principles, principally through the Border Interagency Executive Council (BIEC).*

**Trade chairs:** Mary Ann Comstock, Susie Hoeger

**Government:** Cynthia Whittenburg, CBP, Carol Cave – U.S. Consumer Product Safety Commission (CPSC), Vice Chair- Border Interagency Executive Council (BIEC)

### 1. Outline of Work

The Subcommittee identified a number of activities supporting the President's Executive Order which outlines the implementation of the single window concept. They are:

- Import Mapping Exercise by modes of transportation:
  - Map the current ACS import process to identify inefficiencies as well as opportunities to improve the current transactional environment.
  - Leverage the knowledge gained through the previous EPA Working Group engagement.
  - Create an educational tool to assist CBP, the Partner Government Agencies and the trade as ACE and the PGA Message Set develops and deploys.
- FDA Working Group encompassing food, pharmaceutical and medical device interests and focusing on three key areas:
  - Data Quality and Processes
  - Information Technology
  - Communication
- Assist in developing a list of Frequently Asked Questions on the Single Window for both Imports and Exports – this work has not yet started, and may be taken up in the 4<sup>th</sup> Quarter of 2014 in the 13<sup>th</sup> COAC.

## **2. Summary of Work**

### **Import Mapping Work Group**

An Import Mapping Work Group (IMWG) was formed in the 2<sup>nd</sup> Quarter of 2014, consisting of customs brokers, and COAC members with ocean and air carrier expertise. The work was divided up by the groups' expertise into 5 Mapping Exercises: Ocean Inbound; Conventional Air Inbound; Air Express Inbound, Rail Inbound and Truck Inbound.

Today the 1 US Government at the Border presents the IMWG work product to CBP for use by CBP, the Partner Government Agencies, the ITDS Board of Directors and the Trade Support Network. The documents presented are:

- Import Maps by 5 modes of transportation. Each map details the flow of cargo, information and documents, timelines to be met and the current processes as well as the parties involved in the import transactions in ACS.
- High level document listing inefficiencies as well as areas of opportunities that exist along the time line.
- Narrative that further explains the current process and areas of opportunities identified by the Import Map per mode of transportation.

### **FDA Working Group**

The FDA Working Group (FDA WG) was re-formed with a new mission in the 2<sup>nd</sup> Quarter of 2014, with representation from the pharmaceutical, medical device, and food sectors, as well as express carriers and brokers. The work group initially divided into three teams each representing an industry sector, but the pharma and device teams were ultimately merged, as their issues and concerns were found to be very similar. FDA also participated, along with CBP, in several of the WG meetings.

The primary goal of the FDA WG was to develop recommendations that would help improve the quality of data submitted to FDA and reduce the number of rejects that don't pass the automated screening process in PREDICT. According to FDA, only 30% of lines get an automated "may proceed" at the time of entry, with the remainder requiring some level of manual review by FDA personnel. As FDA moves towards implementation of ACE/ITDS and the PG message set, they would like to see a higher level of automated may proceeds, allowing them to redeploy their limited resources to higher risk shipments.

The FDA WG group has developed recommendations in the areas of data quality, processes and procedures, information technology, and communication (both in terms of transactional messaging, and outreach and informed compliance). In addition to the formal recommendations that will be brought to vote at the October 7 public meeting, the 1USG subcommittee will also take the opportunity to present additional recommendations and suggestions, not to be voted on, directly to FDA. The subcommittee is also drafting a white paper for FDA, providing a more narrative description of the drivers and issues behind the recommendations, and putting them in

better context for an improved understanding of the root causes the FDA WG is hoping to address.

### **2014 Trade Survey – PGA Focus**

The One US Government Subcommittee reviewed the 2014 Trade Survey responses, focusing on the questions relating to interaction with CBP and the Partner Government Agencies. Most respondents (83%) were satisfied with CBP's facilitation efforts. With regard to PGA satisfaction, those that had contact with the PGA indicated 46% were satisfied, 33% were neutral and 21% were dissatisfied.

In 2013 we reported that many survey respondents did not appear to know whether their imports were subject to PGA requirements. The 2014 survey indicated more respondents knew their imports were subject to PGA requirements, but there are still significant numbers in highly regulated industries that do not appear to know.

The survey respondents continue to strongly support the filing of data electronically, followed by the need for a single, coordinated One US Government entry release, receiving entry admissibility decisions prior to the arrival of the cargo at the border.

We ask that CBP share the results of the survey with the Partner Government Agencies, to better understand the impact of cargo delays/holds (detention and dwell times) on the international supply chain.

### **3. Next Steps**

Now that the Import Mapping Working Group product has been delivered, the Subcommittee will continue to interact with the ITDS Board of Directors from time to time, as well as engage with the BIEC as requested.

Several activities that will be explored as future work are as follows:

- Bi-directional training and policy issues.
- Single Window FAQ's and other communication tools to raise awareness and generate participating in the PGA Message Set pilots.
- Work with CBP and PGAs to identify and drive efficiencies in the import process, through concepts such as Trusted Trader, Simplified Entry Summary, and other initiatives that contribute to a robust, thriving U.S. economy. The United States must be a global leader in development and expansion of single window initiatives through the World Customs Organization and the international sector. Harmonization with our significant trading partners on document (data) production and information sharing will further improve the global movement of goods.

We conclude by reiterating our previous statement:

*It is imperative that the trade community and government agencies establish mutual understanding for the future of data exchange, engagement expectations and cooperate to achieve the appropriate risk based mitigation standards that secure cargo movement and facilitate trade at the speed of business.*