

ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS TO CUSTOMS AND BORDER PROTECTION

One U.S. Government at the Border Subcommittee Executive Summary – Trade Progress Report January 2016

1. Background:

The Advisory Committee on Commercial Operations of Customs and Border Protection (COAC) determined to carry on the work from the 12th and 13th Term COAC One US Government at the Border Subcommittee. The Mission of the Subcommittee is to implement the January 15, 2013 COAC 12th 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: Susie Hoeger, Scott Boyer, Amy Magnus

Government: Cynthia Whittenburg, Executive Director, Trade Policy and Programs, Office of International Trade; Debbie Augustin, Acting Executive Director, ACE Business Office, Office of International Trade

Outline of Work

The Subcommittee continued its work in promoting the One USG Master Principles document through the newly formed North American Single Window Working Group. The previous Single Window Working Group is also being reactivated and expanded with additional non-COAC members. The first meeting of that WG will be in January, subsequent to the public COAC meeting.

2. Summary of Work

North American Single Window Working Group

The North American Single Window Working Group (NASW WG) consists of importers, filers, software vendors, Canadian and Mexican trade partners, and CBP representatives. In November, the WG finalized its vision statement, covering imports and exports between the United States, Canada, and Mexico for all modes of transportation:

Through the North American Single Window, traders (importers, exporters and relevant parties of their supply chain) will be able to provide all required import and export information required of the Canadian, Mexican and United States Customs Services and associated departments or government agencies responsible for establishing border-

related decisions and regulating goods crossing the borders. Simplified data sets, timely information assessment and streamlined processing will be enabled through compatible regulatory requirements, partnership (Government to Industry) program requirements (through Mutual Recognition Arrangements), and data definitions, thereby advancing an account -based whole-of-government and whole-of-region approach that meets shared responsibilities for risk based trade facilitation and enforcement. Traders will provide data; responsibility for the data will be decided by the supply chain, allowing for the most efficient party to assume responsibility.

The expected goals/benefits of a North American Single Window include:

- *Increasing trade and economic growth by aligning and simplifying Canadian, Mexican and United States import and export reporting processes which reduces the costs of doing business among the region.*
- *Minimizing the requirement for paper forms in the import and export process by allowing commercial traders to electronically submit information to comply with Customs and other government regulations for border-related decisions in the region.*
- *Promoting transparency and process predictability.*
- *Facilitating compliance with and enforcement of trade requirements among Canada, Mexico and the United States.*
- *Enhancing national and regional security by facilitating advance data reporting and sharing of information among Canada, Mexico and the United States*

The NASW WG has divided into two groups, one to address the Mexican border and one to address the Canadian border. In our discussions, we are finding that there are many similarities between the US and Canada in the way that cargo data is gathered and processed in advance of arrival and how summary and payment is filed post arrival. On the southern border, the full data set and payment are provided along with the arrival of cargo which is significantly different from both Canada and the US.

We also discussed who is authorized to provide trade data in the various countries. Manifest data for both the US and Canada can be provided by seemingly anyone with the carrier ultimately responsible for the data. Entry data into the US must be provided by either an importer directly or a US based Customs broker, and the importer is held responsible for the correctness of the data. Entry data for Canada must be provided by either an importer directly or a Canadian customs broker, and the importer is held responsible for the correctness of the data. In Mexico, the requirements are seemingly even more restrictive than the US in that the broker must be physically located in the area of the importation, and the broker is also held responsible for the correctness of the data.

Other Work

In addition to the work of the NAWSV WG, the IUSG subcommittee continues to collect feedback on ACE readiness and the various PGA pilots. This feedback will be summarized and presented in the committee's public remarks.

2. Next Steps

The Subcommittee intends to continue its work with the North American Single Window Vision Working Group with the intent of providing formal recommendations at the April 2016 public meeting.

In addition, the subcommittee will continue to monitor CBP, PGA, and trade readiness as the ACE rollout continues, and will provide feedback to CBP and make recommendations as appropriate.

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.

Revised: February 1, 2016