

# ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS OF CUSTOMS AND BORDER PROTECTION

## Global Supply Chain Subcommittee Executive Summary – Trade Progress Report October 2015

### **I. Background**

The Advisory Committee on Commercial Operations of Customs and Border Protection (COAC) determined to carry on the work from the 14<sup>th</sup> Term COAC Global Supply Chain Subcommittee.

#### **Mission Statement:**

*Advance priorities that promote trade facilitation, global customs modernization and global supply chain security, to enhance the competitiveness of our American businesses.*

**Trade Co-Chairs:** Adam W. Salerno & Brandon Friedman

**Government Co-Chairs:** Liz Schmelzinger, Jennifer McGill

**Members:** David Berry, Liz Merritt, Mike White, Kevin Pinel, Lisa Gelsomino, Vincent Iacopella, Vincent Iacopella, Michael Schreffler, Maria Luisa Boyce, Steven Graham, Sean Moon, Steven Krupinsky and Cheryl Bryce.

### **II. Summary of Work**

#### **Electronic Cargo Security Devices**

The Commercial Operations Advisory Committee (COAC), Subcommittee on Global Supply Chain was asked to look at Electronic Cargo Security Devices (ECSDs), and the commercial viability of these products in international trade. In our review, we worked with various experts, companies and government agencies and came to consensus around the recommendations that accompany this document. In the COAC public meeting, we will vote on those recommendations.

#### **Cross Border Pipelines**

U.S. Customs and Border Protection has renewed an effort to review lack of uniformity at port of entry, automation procedures and modernize regulations governing the movement of products through pipelines. The COAC is working with industry experts and CBP to coalesce around recommendations and a pilot program. There have been a series of presentations to educate both sides on pipeline movement and accounting for commodities. Both sides have a mutual understanding on the pipeline issues in focus and should lead to recommendations in early 2016.

#### **Air Cargo Advanced Screening**

The Air Cargo Advanced Screening (ACAS) was the first advanced data targeting initiative in the wake of the October 2010 Yemen incident in which terrorists shipped explosives in toner cartridges within printers on cargo flights to the United States. Since then, pilot security

enhancement programs have been undertaken in the United States, EU and Canada with the understanding that the US would serve as a model from which other programs could be derived.

The ACAS subcommittee working group submitted numerous industry recommendations to CBP and TSA in the 13<sup>th</sup> COAC regarding data elements, flexibility in accommodating various business models, dual and self-filing models for express carriers and freight forwarders and the integration of ACAS and inbound air manifest requirements.

The U.S. Customs and Border Protection (CBP) is again extending the Air Cargo Advance Screening (ACAS) pilot program through to July 26, 2016, and is also reopening the application period to accept applications for new ACAS pilot participants through to October 26, 2015. The ACAS Subcommittee Working Group looks forward to providing its input on the Notice of Proposed Rulemaking expected from CBP in the coming months.

### **III. Next Steps**

The Committee will present recommendations related to ECSDs, and then work towards a similar result in the other issue areas in early 2016.