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ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS OF
CUSTOMS AND BORDER PROTECTION (COAC)

October 7, 2014

AUTOMATED COMMERCIAL ENVIRONMENT (ACE)/
INTERNATIONAL TRADE DATA SYSTEM (ITDS) UPDATE

Issue: CBP is establishing ACE as the Single Window for Government and the trade community. ACE will automate and enhance interaction between international trade partners, CBP, and Partner Government Agencies (PGA) during the cargo import and export process, significantly increasing efficiency and reducing costs compared to the manual, paper-based interactions in place to-date.

Background:

- The current trade process, involving 47 Federal agencies and CBP, is largely manual and paper-based, which is costly and time-consuming for both the Government and the trade. Approximately 30 agencies require nearly 200 forms for imported and exported products.
- Through the International Trade Data System (ITDS), the Federal government is creating a Single Window to streamline trade processes, and support economic competitiveness.
- The Automated Commercial Environment (ACE) will become this Single Window– the primary system through which the international trade community submits import and export documentation required by all Federal agencies.
- Through ACE, Federal agencies will have earlier, automated visibility to shipment data, expediting their import or export assessments at the border and speeding the flow of legitimate trade while also improving security, health and safety of cargo.
- CBP is developing and delivering remaining core trade processing capabilities in ACE and will decommission the corresponding capabilities in legacy systems by the end of calendar year 2016.
- As part of the plan to complete ACE by 2016, CBP has established three mandatory use dates:
 - **May 1, 2015: Mandatory use of ACE for all electronic manifest filing** - filing of all electronic import and export cargo manifest data related to all transportation modes will be mandatory in ACE.
 - **November 1, 2015: Mandatory use of ACE for all electronic cargo release and related entry summary filings** - filing of all data associated with the release of imported cargo from the government's custody, including data related to PGA interactions, and the associated entry summaries will be mandatory in ACE.
 - **October 1, 2016 - Mandatory use of ACE for all remaining electronic portions of the CBP cargo process** - all electronic trade processing will be mandatory in ACE. This includes processes such as Drawback and Protest.
- CBP is encouraging the trade community to begin transitioning to ACE now to ensure they are ready when new capabilities come out.

Recent and Upcoming ACE Capabilities:

- Since November 2013, CBP has had four successful ACE deployments of new functionality. There are significant capabilities available in ACE now, and we're encouraging our trade stakeholders to start using them.
- **More than 75% of Import Manifest functionality is now in ACE.**
 - All electronic truck, ocean and rail manifests must already be filed in ACE.
 - The final piece, air import manifest, will be delivered January 2014.

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- **Approximately 70% of core Cargo Release processing capabilities have been delivered in ACE.**
 - When we transitioned ACE development to the Agile development methodology, the ACE Cargo Release pilot only supported air.
 - Capabilities supporting basic cargo release processing for all modes have now been developed in ACE.
 - CBP is continuing to expand the ACE Cargo Release pilot, rolling out additional basic and advanced cargo release capabilities to trade participants.
- **More than 60% of Post Release – or Entry Summary capabilities - are in ACE.**
 - Nearly 99% of entry summaries are eligible to be filed in ACE.
 - The majority of entry summary validations, identified as a top priority by our trade partners, have been delivered in ACE. We will continue to deliver the remaining validations in upcoming deployments.
- **More than 50% of export processing functionality is now deployed in ACE.**
 - The Automated Export System (AES) is now part of the ACE platform.
 - Capabilities to support electronic air export manifest is expected to be delivered in October 2014. A Federal Register Notice (FRN) is being developed for publicly announcing the beginning of a pilot for testing this new functionality for the air mode.
- **The final area of functionality – the integration of Partner Government Agencies (PGAs) in ACE – is the one we probably get the most questions about; we are approximately 50% complete.**
 - We've delivered the core technical enablers for PGA Integration – PGA Message Set, Interoperability and Document Image System. These are in ACE now.
 - **Partner Government Agency (PGA) Message Set** - creates a single, harmonized set of the trade-related data required by federal agencies. Data is collected in ACE on behalf of PGAs.
 - **PGA Interoperability** – provides the pipeline through which data is transmitted between ACE and PGAs.
 - As of September 2014, nine PGAs¹ are currently receiving automated data via PGA Interoperability.
 - **Document Image System (DIS)** allows trade users to electronically supply the documents needed for cargo import and export, eliminating paper and expediting clearance of goods through the border.
 - As of September 2014, DIS is able to accept document images for nine PGAs².
- The following capabilities are planned for deployment by January 2015.
 - Import Air Manifest

¹ The nine PGAs are 1) Agricultural Marketing Service, 2) Alcohol and Tobacco Tax and Trade Bureau, 3) Animal and Plant Health Inspection Service, 4) Bureau of Industry and Security, 5) Consumer Product Safety Commission, 6) Environmental Protection Agency (EPA), 7) Food Safety and Inspection Service, 8) National Marine Fisheries Service, and 9) U.S. Coast Guard.

² The nine PGAs are 1) CBP, 2) Animal and Plant Health Inspection Service, 3) Census Bureau, 4) Centers for Disease Control and Prevention, 5) Defense Contract Management Agency, 6) Environmental Protection Agency, 7) Food Safety and Inspection Service, 8) National Highway Traffic Safety Administration, and 9) National Marine Fisheries Service.

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- Export Air, Ocean, Rail Manifest
- Electronic Bond Processing
- Expansion of ACE Cargo Release pilot to include advanced truck processing
- Exporter Accounts

Talking Points:

- Our message to the trade community is “Don’t Wait – start transitioning to ACE now.”
 - We have established the mandatory dates.
 - We encourage trade members to start using ACE now so they’ll have time to ask questions and work with Client Reps before the mandatory dates.
 - Benefits of switching to ACE now include cost savings through the elimination of paper, faster CBP response times, streamlined entry processing prior to arrival, and decreased courier and administrative costs.
 - We would like the COAC members to work with us to encourage their fellow trade members to understand the benefits of ACE and transition to ACE now.
- PGA Integration
 - CBP is continuing to work with different PGAs to facilitate the integration of systems and data sets for trade to realize a single window.
 - FDA and CBP continue to work on finalizing data elements, message standards, and mock up system interface screens.