

Issue Paper on Simplified Summary and Revenue Collection Working Group

SUMMARY:

U.S Customs and Border Protection (CBP) convened the Simplified Summary and Revenue Collection Working Group (the Working Group) in the summer of 2014. This involved a three-month research and development effort on the monthly filing concept which seeks to enhance the certification, release, summary, payment, liquidation, and post-liquidation processes. The purpose of this working session was to gain consensus on the proposed concept; identify stakeholders to engage in concept refinement; and discuss next steps for concept design, development and implementation of a monthly summary filing.

ISSUES:

COAC has offered the following recommendations regarding the Working Group. CBP's response to those recommendations are detailed below.

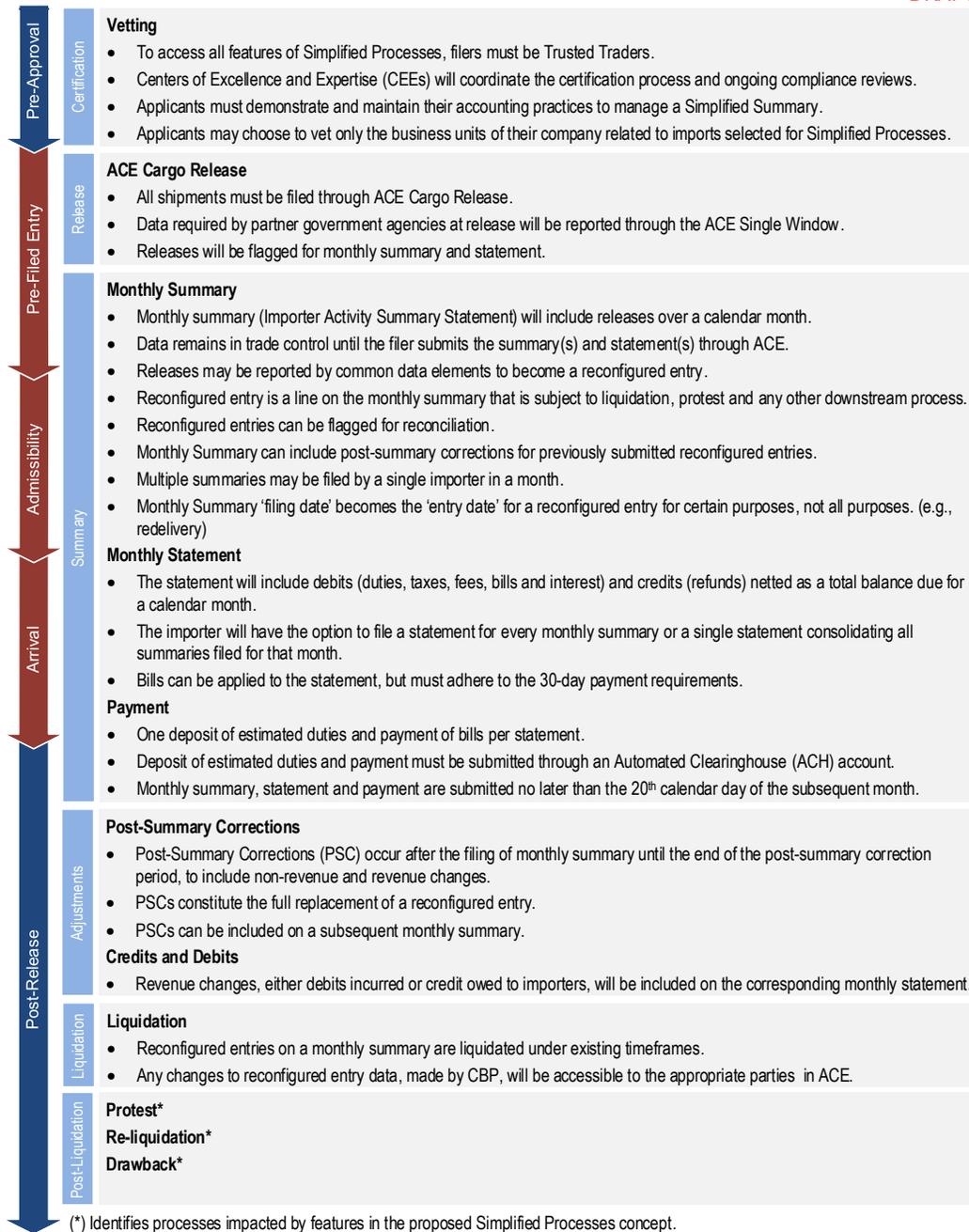
- 1) CBP continue to work with a broad section of the trade to create a Simplified Entry Summary and Payment process that is beneficial to the trade and CBP.**
 - a. CBP plans to convene a related Simplified Processes working group to identify further opportunities to streamline post-release processes in advance of the ACE deployment schedule. That working group is expected to kick off in the early spring.
- 2) Participation in the program be optional and that customs brokers and IOR's should be able to file CF7501's in the current, legacy process.**
 - a. As conceived by the Working Group, the monthly summary would be optional, posing benefits to a specific sector of the trade community.
- 3) This work should be postponed if it will negatively impact ACE deployment.**
 - a. The monthly summary is currently on the ACE deployment schedule. It was the intent of the working group to enhance the policy development of that deployment.
- 4) Work should be done to mitigate the following concerns: Level of resources required to participate in the process (by importers and brokers); Additional layers of services that would be needed by Customs Brokers; Level of benefit to CBP and the Trade for the Cost**
 - a. The working group kept these goals in mind when developing the concept for a monthly summary filing.

PROPOSAL:

The Simplified Summary and Revenue Collection Working Group developed the proposed Simplified Summary concept are shown in Table 1.

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Simplified Summary: An account-based model for release and payment of imports PRE-DECISIONAL
 Concept overview and identification of proposed features available to certified participants DRAFT



(*) Identifies processes impacted by features in the proposed Simplified Processes concept.

Table 1: Monthly Summary Concept

BACKGROUND:

In 2011, U.S. Customs and Border Protection (CBP) launched the Simplified Processes Initiative. The initiative convened representatives from government and industry in a collaborative effort to develop innovative solutions to critical issues emerging at the intersection of trade facilitation, enforcement, and national security. This initiative resulted in the Simplified Entry pilot. Launched in 2012, the pilot streamlined the Entry Release process, allowing industry to report critical data elements earlier in the importation process. As a result, CBP enforcement

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officials were provided an extended timeframe to target, identify and seize imports of based on potential risks. The success of the Simplified Entry pilot, which later expanded into ACE Cargo Release, established a foundation for implementing other proposed solutions identified in the Simplified Process Initiative. In 2014, a revitalized Working Group was created by OT, to continue the work of simplifying CBP trade processes for mutual benefit. The Working Group includes representatives from government and industry. Federal government agencies and industry organizations represented are listed the Table below.

| Private – Trade Industry | Public – CBP and Partner Agencies |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • American Association of Exporters and Importers (AAEI) • Business Alliance for Customs Modernization (BACM) • Forwarders Association of America (NCBFAA) • International Trade Surety Association (ITSA) • Retail Industry Leaders Association (RILA) • National Retail Federation (NRF) • National Customs Brokers (NCB) | <ul style="list-style-type: none"> • CBP, Office of International Trade (OT) • CBP, Office of Field Operations (OFO) • CBP, Office of Administration (OA) • CBP, Office of Information Technology (OIT) • CBP, Office of Trade Relations (OTR) • Department of Treasury, Office of Tax, Trade, and Tariff Policy |

Table 2: Simplified Summary and Revenue Collection Working Group Members