

## **Trusted Trader Program Cargo and Conveyance Security**

**Background:** In coordination with members of the trade community, and Partner Government Agencies (PGAs); the Food and Drug Administration (FDA), Consumer Product Safety Commission (CPSC), and Transportation Security Administration (TSA) we have formulated the design for a holistic, integrated trusted trader program. The Trusted Trader program will involve a unification of the current Customs-Trade Partnership Against Terrorism (C-TPAT) and Importer Self Assessment (ISA) processes to integrate supply chain security and trade compliance. The program will align with Authorized Economic Operator programs implemented by other countries around the world to enhance the security and facilitation of global trade.

### **Incentive Based Cost Savings:**

- Reduced FDA targeting/examination risk score
- Product Safety benefits from CPSC
- Participants may request penalty offset
- Reduced NII inspections
- Allow for movement of goods in lieu of standard re-delivery demands (for non-PGA admissibility related cargo) on multi-container shipments
- Allowance for submission of blanket statements in lieu of transaction by transaction required documentation (Chemical Abstract Statement/CAS)
- Expanded Reconciliation functionality (includes a "blanket" option)
- Front of line processing for Post Entry Amendments
- Including current C-TPAT, ISA and ISA-PS benefits

**Current Status:** The Trusted Trader Pilot volunteer participants have completed the program application and questionnaire.

- The vetting and validation team coordination for nine volunteer applicants is currently being tested to ensure added program efficiencies.
- The test will run for 18 months to ensure ample time is given to test the vetting, revalidation and annual notification requirements.
- Current ISA participants will not be automatically transitioned during the Trusted Trader program test.
- Planning is underway to define program expansion in Phase II to be announced by FRN on a follow on date.
- Phase II is targeted to included expanded participation incentives and additional PGA participation.
- The transition of all current ISA participants is currently being addressed.
- Trusted Trader will be expanded to test a global element that will include mutually agreed upon trade compliance criteria and reciprocating benefits between participating countries.