



U.S. Customs and
Border Protection

Automated Commercial Environment Plan Forward

Trade Support Network Webinar

February 26, 2013

Brenda Smith, Executive Director, ACE Business Office

Phil Landfried, Executive Director, Cargo Systems Program Office

U.S. Customs and Border Protection



The Automated Commercial Environment

The key to CBP's trade transformation initiatives, ACE:

- Modernizes commercial trade processing systems with features designed to consolidate and automate border processing to include other federal agencies with a border presence
- Provides a single centralized access point to connect CBP, Partner Government Agencies (PGAs), and the trade community
- Forms backbone of CBP trade processing and risk assessment capability
- Facilitates collection and distribution of standard electronic import and export data required by all Federal agencies via the International Trade Data System (ITDS) initiative



ACE to Date

Electronic Entry Summary Corrections More than 56,000 Simplified Entries Filed

20% of Entry Summaries Filed in ACE 68% duties & fees collected via ACE

Expansion of Cargo Release/Simplified Entry Automated Data Exchange Between CBP & Partners

Now Processing All Rail, Sea, and Truck **30% Faster Truck Processing**

More than 20,000 ACE Accounts and Growing

Pre-Arrival

Expands data available for CBP and PGA officials to assess safety, security, compliance

- e-Manifest: Truck, Rail, Sea
- Better ID for high risk cargo
- 30% faster truck processing
- 75% primary modes in ACE
- 100% in-bond data for truck, rail and sea

Arrival

Enables speedier release of legitimate imported cargo

- Cargo Release
- Simplified Entry co-created with trade
- Implemented w/in 1 year
- 16 airports
- 12 data elements (from 27)
- 56,000 SEs
- 3 agencies receiving data

Post Release

Modernizes data requirements to validate compliance with U.S. trade laws

- Entry Summary
- eSubmittal of forms
- Automation of paper processes
- Single window trade vision
- 60,000 reports per month
- From 3% to 20% ACE entry summaries - 1 year

Exports

Modernizes processes and enhances assessment of outbound cargo for safety, security, compliance

- Export Manifest
- Enhanced screening
- Pilot - Ocean carrier eSubmittal at all seaports

Finance

Streamlines payment mechanisms

- Periodic Monthly Statement
- Monthly, interest free payments
- 68% duties & fees
- \$1.6B collected monthly



Program Priorities

- ▶ Goal: Develop all core trade processing capabilities in ACE in approximately three years.
- ▶ ACE priorities driven by stakeholder input:
 - **Cargo Release:** Mechanism by which International Trade Data System (ITDS) “single window” will be achieved.
 - Key ITDS initiatives, including the PGA Message Set, Document Image System, and PGA Interoperability, will be incorporated into Cargo Release.
 - **Entry Summary Edits:** New edits in ACE to increase the accuracy of data based on the edits available in the legacy environment.
 - **Critical fixes for deployed ACE functionality**
 - **Export functionality:** Plan to make ACE the single platform for all export manifest and commodity transactions, supporting President’s National Export Initiative.



Current Development Activities

▶ What is the ACE end-state?

- Core functionality that (1) enables full trade processing in ACE and (2) allows for the decommissioning of the Automated Commercial System (ACS).

▶ How will CBP achieve the ACE end-state?

- Agile methodologies will allow CBP to produce smaller pieces of functionality more frequently, resulting in a more flexible, user-focused development process.

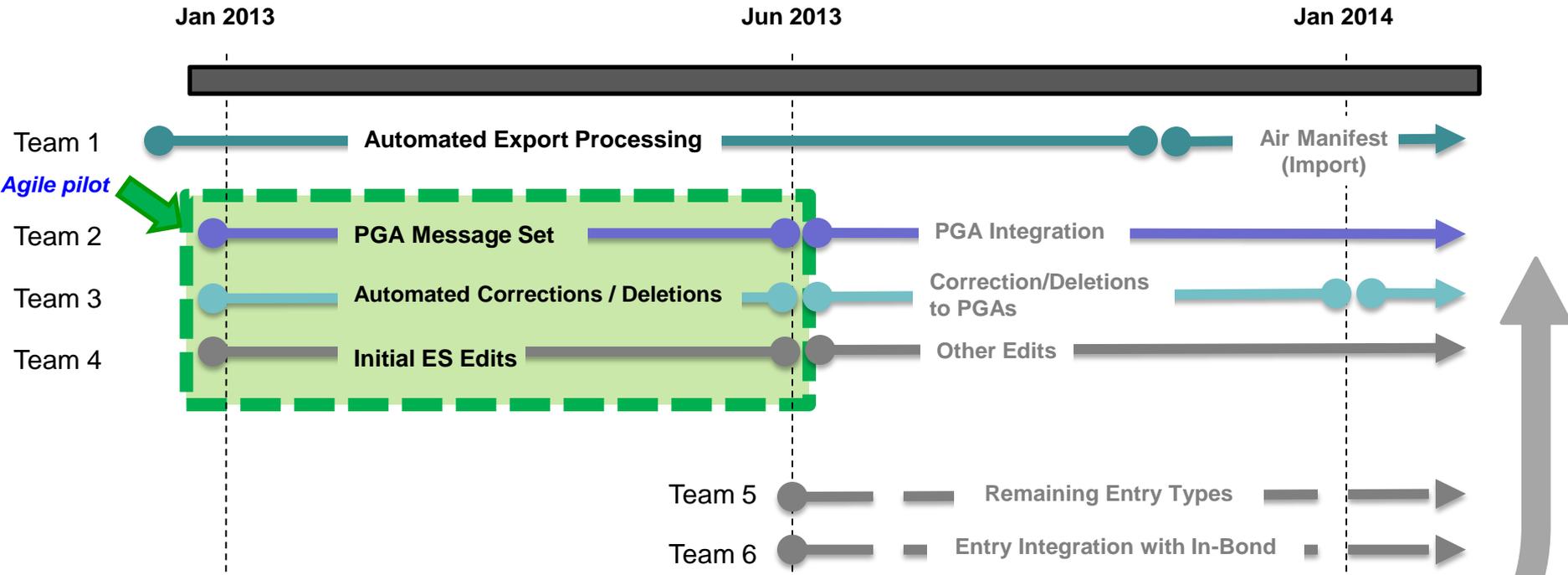
▶ Near-Term development activities for 2013:

| Capability | Description |
|---------------------------------|--|
| Exports | Migrates current AES off the mainframe and creates a single automated export processing platform for all export manifest, commodity, licensing, export control, and export targeting transactions. |
| Automated Corrections/Deletions | The next phase of Cargo Release/Simplified Entry. Provides the capability to accept (or deny) corrections and/or deletions to an entry sent by Trade via EDI to simplified entries already on file with CBP. |
| PGA Message Set | Establishes the first phase of system to system communications between PGAs and CBP. |
| Entry Summary Edits | Establishes the foundation for the ability to process system checks on the quality and accuracy of incoming entry summary data so that CBP can properly assess duties, taxes and fees. |



ACE Moving Forward: Near Term Plans

This development roadmap depicts efforts for a period of one year in priority order.



Next items on ACE Prioritized Product Backlog *

- Single Transaction Bonds
- Automated invoice
- ACE accounts (Refactor** from legacy ACE)
- ACE Entry Summary (Refactor from legacy ACE)
- Statements

NOTES: * Product Backlog is in current priority order and schedule is subject to change as priorities for backlog items change. High confidence in projects scheduled for the next six months. All core functionality is identified in ACE Product Backlog.

** Refactoring refers to a technical process largely invisible to users in which existing code is modified/revised in order to improve system performance.



ACE Going Forward: Achieving the ACE End-State

- ▶ **WHAT WE BUILD, i.e., What is the ACE end-state?**
 - Core functionality that enables full trade processing in ACE and complete decommissioning of the Automated Commercial System (ACS)
- ▶ **HOW WE BUILD, i.e., How will CBP achieve the end-state?**
 - Use an Agile software development methodology
 - Establish a service-oriented architecture
 - Develop software using open standards
 - Reuse software code wherever possible
 - Develop our way to ACS decommissioning
- ▶ **HOW LONG WILL IT TAKE?**
 - Completion of core functionality within approximately three years
 - Development began with 3 Agile teams and will increase to 12 by January 2014



U.S. Customs and Border Protection