

ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS OF CUSTOMS AND BORDER PROTECTION

One U.S. Government at the Border Subcommittee Executive Summary – Trade Progress Report May 2013

1. Background:

The Advisory Committee on Commercial Operations of Customs and Border Protection (COAC) determined to carry on the work from the 12th Term COAC One US Government at the Border Subcommittee. The Mission of the Subcommittee is to implement the January 15, 2013 COAC 12th Term Recommendation:

That CBP pursue interagency partnership programs following the principles and standards set forth in the One US Government Master Principles Document and progress toward completion can be measured via CBP reporting quarterly back to COAC on progress being made to implement programs that align with these principles, principally through the Border Interagency Executive Council (BIEC).

The subcommittee's priorities and key elements were laid out in the March 2013 COAC Public Meeting.

Trade chairs: Mary Ann Comstock, Susie Hoeger

Government: John Leonard, CBP, Carol Cave – U.S. Consumer Product Safety Commission (CPSC), Vice Chair- Border Interagency Executive Council (BIEC)

Outline of Work

The Subcommittee consists of a cross section of COAC members interested in promoting the One USG Master Principles document and pursuing single window automation, a government wide approach to partnership programs, identifying and removing regulatory and policy obstacles that prevent greater information sharing between Partner Government Agencies, leverage the support and forward progress of the Border Interagency Executive Council (BIEC), and gather Trade Community feedback to further enhance trade facilitation.

The Subcommittee has formed two active Working Groups in our effort to engage Partner Government Agencies: The EPA Working Group and the FDA Working Group. The Working Groups will not necessarily be covering the same ground or focusing on the same topics.

2. Summary of Work

EPA Working Group

The EPA Working Group was initially formed with industry participation from the two EPA PG Message Sets available for discussion – Ozone Depleting Substances (ODS) and Vehicles & Engines (V & E). In the first meeting with EPA on the PG Message sets, we determined the

group should be expanded to include software vendors who facilitate this information for their broker filers or importer customers.

The EPA Working Group has focused on 2 areas to date:

- Tri-directional communication and information sharing between EPA, CBP and the industry or trade community. This has resulted in a better understanding of the complexities of the supply chain; the importance of accurate data and when it is available, and how the import data is produced, transmitted and stored by the various parties involved.
- PG Message Set requirements for Ozone Depleting Substances (ODS) and Vehicles and Emissions (V&E). The actual review of the data requirements provided good dialogue between trade and EPA. Insights into EPA's requirements lead to candid discussion on the trade's ability to provide the data, early data filing and possible alternatives to consider.
 - i. Review of the actual message sets provided insight into:
 1. PGA Identifier Codes
 2. Intended Use Codes
 3. Entity Role Codes
 4. Reporting requirements for significant quantities (i.e. VIN numbers)
 - ii. Several areas have been identified for further discussion:
 1. CBP 5106 enhancement – possible place to store repetitive data
 2. Blanket declarations
 3. Non-resident Importers of Record
 4. ACE/ABI line limitations
 5. Definitions of data elements to be reported (e.g. does the term Manufacturer mean the same to EPA and CBP?)
 6. Matrix – what is a required, optional, or conditional data element?
 7. For a particular PGA, where does the information required to be reported come from? (e.g. engine family name)

While COAC subcommittees and work groups traditionally focus on strategic goals and objectives, it became clear early on that an in depth, more tactical review of the EPA PG message set would lead to greater understanding by the trade community, the participating government agency, software vendors, as well as CBP.

Our next steps will be to further explore alternative methods of reporting, the areas identified for further discussion and engage in a Partnership Program discussion.

FDA Working Group

The FDA working group was formed with representation from the FDA-regulated industries, including pharmaceuticals, medical devices, and food, as well as express couriers. Many of the members have already been working on FDA-related initiatives via other groups and coalitions. Representatives from FDA will be joining the group as soon as the list of recommendations is formalized and ready for presentation and discussion.

In alignment with the BIEC goals, the FDA Working Group is formulating recommendations in the following areas:

- Information Sharing
 - Areas for further discussion include, but are not limited to:
 - Increased sharing of information between CBP/FDA
 - More FDA engagement via the CEEs.
- Automation
 - Areas for further discussion include, but are not limited to:
 - Advance data transmission or “pre-filing” of data that would result in “wheels up” or pre-arrival clearance of goods by FDA (similar to BTA Prior Notice or FDA weekly entry)
 - Single window concept. Less data sooner, used by multiple agencies.
 - Integration of ISF with CBP entry system.
 - Proactively using FDA’s PREDICT system to pre-validate data prior to importation.
 - Modification of the PREDICT rules to recognize trusted traders and reduce targeting and/or allow for expedited handling.
- Partnership Programs
 - Areas for further discussion include, but are not limited to:
 - How the agencies can provide support for the recently introduced House/Senate legislation that directs the government to establish a risk-based interagency process for highly compliant importers.
 - How CBP/COAC can influence the pending VQIP regulations
 - Need to be mindful with regards to “contingent partnership programs” where membership in one program is a prerequisite for another.

As a next step, a working draft of the recommendations is being circulated among the group for comments, additions, and revisions and will serve as the ongoing basis for discussion.