From: CBP COMMISSIONER SCHEDULER

To: (b) (6), (b) (7)(C) (b) (7)(C), (b) (7)(E) (b) (7)(C), (b) (6) DCC10A-RMB-COMMISSIONER-CN-RM; (b) (7)(C), (b) (6) OC BRIEFING STAFF; SMITH, BRENDA BROCKMAN; (b) (6), (b) (7)(C) (b) (7)(C), (b) (6) WAGNER, JOHN P (DEAC OFO); Owen, Todd C (EAC OFO); HAYES, BRADLEY F; VITIELLO, RONALD D (USBP); Kolbe, Kathryn; (b) (6), (b) (7)(C)

Subject: Airlines for America and International Air Transport Association (Trade Day)

Start: Tuesday, September 19, 2017 8:30:00 AM

End: Tuesday, September 19, 2017 9:30:00 AM

Location: Commissioner"s Small Conference Room

Attachments:
Tab 01a - A4A Briefing Memo 9-12-17 Final.docx
Tab 01b - IATA Briefing Memo 9-8-17.docx
Tab 02 - IATA and A4A Agenda.doc
(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
Tab 03b - Airlines for America Biographies.docx
Tab 04 Carrier Post Audit Procedures 090517.docx
Tab 05 - ACAS IP C1 083117.doc
Tab 06 Progressive Filing Model.doc
Tab 07 - Biometric Entry Exit 09052017.doc
Tab 08 - C1 Trade Day Export Manifests.doc
Tab 09 - e-Commerce and Section 321 8.29.17.doc
GENERAL TRADE DAY COVER PAGE 9-19-17.doc
Tab 10 Industry Letter to CBP re Biometric Exit Program (Final).pdf
001 Trade Day Master Table of Contents 9-19-17 (Revised 9-15-17).docx

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Please DO NOT forward this meeting invite. If you have any questions, reach out to (b) (7)(C), (b) (6) Thanks!

<<GENERAL TRADE DAY COVER PAGE 9-19-17.doc>> <<001 Trade Day Master Table of Contents 9-19-17 (Revised 9-15-17).docx>> <<Tab 01a - A4A Briefing Memo 9-12-17 Final.docx>> <<Tab 01b - IATA Briefing Memo 9-8-17.docx>> <<Tab 02 - IATA and A4A Agenda.doc>> <<Tab 03a - LAVIN Douglas 201702xx.pdf>> <<Tab 03a - Michael WHITE bio 20170828 CBP.PDF>> <<Tab 03b - Airlines for America Biographies.docx>> <<Tab 04 Carrier Post Audit Procedures 090517.docx>> <<Tab 05 - ACAS IP C1 083117.doc>> <<Tab 06 Progressive Filing Model.doc>> <<Tab 07 - Biometric Entry Exit 09052017.doc>> <<Tab 08 - C1 Trade Day Export Manifests.doc>> <<Tab 09 - e-Commerce and Section 321 8.29.17.doc>> <<Tab 10 Industry Letter to CBP re Biometric Exit Program (Final).pdf>>

BM: Yes
Lead Office: OTR / (b) (7)(C), (b) (6)
OC POC: (b) (7)(C), (b) (6)

Attendees:
Kevin K. McAleenan, Acting Commissioner
Ronald D. Vitiello, Acting Deputy Commissioner
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Cynthia Whittenburg, Deputy Assistant Commissioner, Office of Trade
Kathryn Kolbe, Executive Assistant Commissioner, Enterprise Services
Patrick Flanagan, Acting Chief of Staff, Office of the Commissioner
Bradley Hayes, Executive Director, Office of Trade Relations
(b) (7)(C), (b) (6), Executive Director, Trade Remedy Law Enforcement Directorate, Office of Trade
(b) (7)(C), (b) (6) Executive Director, Regulatory Audit, Office of Trade
John Leonard, Executive Director, Trade Policy & Programs, Office of Trade
(b) (7)(C), (b) (6), Director, Cargo & Conveyance Security, Office of Field Operations
(b) (7)(C), (b) (6), Deputy Executive Director, Cargo & Conveyance Security, Office of Field Operations
(b) (7)(C), (b) (6), Branch Chief, Cargo & Conveyance Security, Office of Field Operations
(b) (7)(C), (b) (6) Program Manager, Office of Trade Relations
(b) (7)(C), (b) (6) Program Manager, Office of Trade Relations *OTR Coordinator*
(b) (7)(C), (b) (6) Program Manager, Office of Trade Relations *OTR Coordinator*

Master Table of Contents
Tuesday September 19, 2017

Trade Day Meeting with World Shipping Council (WSC), The International Air Transport Association (IATA) &Airlines for America (A4A), and the National Retail Federation (NRF)

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Tab 04 Issue Paper: Ocean export manifest automation
Tab 05 Issue Paper: CTPAT Advance Qualified Unlading Approval
Tab 06 Issue Paper: CTPAT: Minimum Security Criteria
Tab 07 Issue Paper: Ocean Container Malfunctions
Tab 08 Issue Paper: ACE Partner Government Agency Data & Mission Creep
Tab 09 Issue Paper: ACE Performance & Outage Update
Tab 10 Issue Paper: Automation of vessel entrance/clearance forms and processes

Tab B IATA & A4A – 09:30 a.m. – 10:30 a.m.

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Tab 01b A4A
Tab 02 Agenda
Tab 03 Biographies
Tab 03a IATA
Tab 03b A4A
Tab 04 Issue Paper: Carrier Post Audit Procedures
Tab 05 Issue Paper: ACAS
Tab 06 Issue Paper: Progressive Filing Model
Tab 07 Issue Paper: Biometric Entry and Exit
Tab 08 Issue Paper: Export Manifest
Tab 09 Issue Paper: E-commerce/Section 321
Tab 10 Industry Letter to CBP on Biometric Exit Program

Tab C NRF – 11:00 a.m. – 12:00 p.m.

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Tab 02 Agenda
Tab 03 Biographies
Tab 04 NRF Paper on Trade Day Issues
Tab 05 Issue Paper: ACE Partner Government Agency Data & Mission Creep
Tab 06 Issue Paper: ACE Performance & Outage Update
Tab 07 Issue Paper: CTPAT: Minimum Security Criteria
Tab 08 Issue Paper: CTPAT: Importer Self-Assessment and Trusted Trader
Tab 09 Issue Paper: Forced Labor & TFTEA
Tab 10 Issue Paper: EAPA Investigations
Tab 11 Issue Paper: eCommerce/Section 321
Tab 12 Issue Paper: Increase in De Minimis Value (Section 321)

U.S. Customs and Border Protection

Trade Day

WORLD SHIPPING COUNCIL

THE INTERNATIONAL AIR TRANSPORTATION ASSOCIATION (IATA)
&
AIRLINES FOR AMERICA (A4A)

NATIONAL RETAIL FEDERATION (NRF)

September 19, 2017

TRADE DAY MEETING
AIRLINES FOR AMERICA (A4A)
Tuesday, September 19, 2017
9:30 AM – 10:30 AM (60 - minutes)
Commissioner's Large Conference Room

Overview:

- You will meet with A4A members (b) (6) Senior Vice President, Legislative and Regulatory Policy; and (b) (6) Managing Director – Cargo.
- The goal of the meeting is to discuss three priority issues that A4A has identified: Air Cargo Advance Screening (ACAS), Export Manifest, and E-commerce/Section 321.

Discussion Points:

- ACAS: The vehicle by which CBP will be turning the program into a regulatory regime, and maintaining the attractiveness of the program participation for freight forwarders.
  - CBP has drafted an Interim Final Rule (IFR) to make ACAS a permanent requirement. CBP provided responses to the TSA and DHS comments and to the rule on August 30th, and a call was held on September 7th to follow-up.
  - DHS Policy does not think the portions of the rule that require TSA comment are critical enough to delay moving ahead.
  - Since the beginning of ACAS in December 2010, CBP has received more than 445 million bills with zero Do-Not-Load messages, total number of ACAS reviews is 5,123,277 (1.15% of total bills submitted).

- (b) (7)(E)
  - CBP announced in the Federal Register on August 4, 2017, the expansion of the air, ocean, and rail electronic export manifest pilots to allow additional participation by the trade.
  - The Truck Manifest Working Group has made 17 recommendations for the truck manifest pilot. The recommendations are being evaluated for inclusion in the proposed electronic truck manifest pilot. A truck manifest pilot is anticipated sometime in FY 2018.
  - The Notices of Proposed Rulemaking for modification of the regulations based on these pilots is anticipated to be drafted in mid to late FY 2018.

- E-commerce/Section 321: Maintaining the current, highly-secure, automated 321 clearance regime for express carriers, and discussing the possibilities for conventional air carrier/forwarder participation in an automated system.
  - With the TFTEA-mandated De Minimis Value Threshold (DMT) increase to $800, CBP is seeing changes in business practices as well as volume increases due to the new cost

saving opportunity. These changes create challenges to effective enforcement and facilitation of trade.

- CBP is working with various trade groups such as the COAC, BIEC, NCBFAA and other trade associations to develop the requirements for an electronic functionality to process Section 321 shipments in addition to the current manifest process (through entry type 86).
- The electronic functionality will permit brokers to process de minimis shipments and report PGA data. CBP believes this will address security deficiencies (i.e., once the functionality is added to the Automated Commercial Environment (ACE), CBP will be able to effectively target and identify trends associated with de minimis shipments).
- Although importers, like Amazon and Walmart, support this automated solution, they raise issue if an automated solution is really customs business. They have also stated that developing an "entry-like" solution for section 321 would not follow the facilitative intent of the TFTEA value increase.

Watch Out For/ If Asked:

(b) (7)(E)

Requests by carriers to be able to submit data elements on a post departure basis.

- The language in the Trade Act of 2002 requires advance electronic data. CBP is willing to work with trade partners on the appropriate timing based on mode of transportation for the carrier/transportation based data.

Does the Section 321 release environment affect enforcement?

- Most PGAs have stated that their regulations do not identify a de minimis value for shipments and indicated that they would need permits and reporting for all relevant shipments regardless of value. Current ACE capabilities do not allow for submission of PGA information without the filing of an electronic entry via the Automated Broker Interface. CBP's vision is to provide PGAs with access to manifest information to manage risk.

Has CBP been seeing an increase in illicit drugs coming into the U.S. through de minimis packages?

- The information CBP receives on de minimis shipments is limited. There are no advanced data in the mail environment. (b) (7)(E) . Additional operations and training are needed to familiarize CBP Officers on de minimis shipments.

PRESS: Closed

CBP/OPA Services Required: None

ATTACHMENTS:

- Agenda
- Biographies
- Issue Paper: ACAS
- Issue Paper: Export Manifest
- Issue Paper: eCommerce/Section 321

PARTICIPANTS:

CBP

Kevin K. McAleenan, Acting Commissioner
Ronald D. Vitiello, Acting Deputy Commissioner
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Kathryn Kolbe, Executive Assistant Commissioner, Enterprise Services
Bradley Hayes, Executive Director, Office of Trade Relations
(b) (7)(C), (b) (6) Executive Director, Trade Remedy Law Enforcement Directorate, Office of Trade
(b) (6), (b) (7)(C), Executive Director, Trade Transformation Office, Office of Trade
(b) (6), (b) (7)(C), Executive Director, Trade Policy & Programs, Office of Trade
(b) (7)(C), (b) (6) Director, Cargo & Conveyance Security, Office of Field Operations
(b) (7)(C), (b) (6) Branch Chief, Cargo & Conveyance Security, Office of Field Operations
(b) (6), (b) (7)(C) Program Manager, Office of Trade Relations
(b) (7)(C), (b) (6) Program Manager, Office of Trade Relations

Non-CBP

(b) (6) Senior Vice President, Legislative and Regulatory Policy
(b) (6) Managing Director – Cargo

Staff Responsible for Briefing Memo:

(b) (6), (b) (7)(C) Office of Trade Relations

TRADE DAY MEETING
THE INTERNATIONAL AIR TRANSPORTATION ASSOCIATION (IATA)
Tuesday, September 19, 2017
9:30 AM – 10:30 AM (60 - minutes)
Commissioner's Large Conference Room

Overview:

- You will meet with 2 members from The International Air Transport Association (IATA).
- The goal of the meeting is to discuss the four priority issues that IATA has identified to include; Carrier Post Audit Procedures, ACAS, Progressive Filing Model and Facial Recognition.

Discussion Points:

- Carrier Post Audit Procedures
  - The post audit concept was developed as a cargo control procedure for carriers as well as custodians of in-bond cargo. Post audit procedures are made feasible because carriers, both automated and non-automated, are required by law to keep and maintain records, showing that they have properly disposed of imported cargo. This approach to cargo accountability includes a review of carrier records along with information in ACE.
  - Automated carriers are required to provide all equivalent electronic data, via system access or printout.
  - CBP provides the carrier with at least 24-hour notice of a scheduled audit. Audit reports for each carrier are maintained on file at the ports for a minimum of 2 years.
- ACAS
  - CBP has drafted an Interim Final Rule (IFR) to make ACAS a permanent requirement. CBP provided responses to the TSA and DHS comments to the rule on August 30th, and a call is scheduled for September 7th to follow-up.
  - DHS Policy does not think the portions of the rule that require TSA comment are critical enough to delay moving ahead.
  - Since the beginning of ACAS in December 2010, CBP has received more than 445 million bills with zero Do-Not-Load messages, total number of ACAS reviews is 5,123,277 (1.15% of total bills submitted).
- Progressive Filing Model
  - CBP announced the electronic air and ocean export manifest pilots in 2015 that include the potential for a progressive filing model utilization.
  - Each pilot effort was initially limited to 9 participants. On August 4, 2017 the air and ocean electronic export manifest pilots were expanded to allow for additional participants.
  - CBP is evaluating the data being submitted, who and when is the data being submitted, along with testing the linkage of the different data submissions.
  - Notices of Proposed Rulemaking are anticipated to be drafted in mid to late FY 2018.
- (b) (7)(E)

- (b) (7)(E)
  - As of August 1st, in a partnership with CBP, JetBlue has boarded more than 4,000 passengers using only a passenger's face and CBP's TVS system on flights from Boston Logan International Airport to Queen Beatrix International Airport in Aruba.
- The eGate confirms passenger identity using advanced facial recognition technology and Delta ticketing information in a single, automated, reliable and highly secure solution.
  - (b) (7)(E)

Watch Out For/ If Asked:

IATA has expressed concern that changes resulting from moving ACAS from a pilot to a regulatory regime may shift the responsibility to file the data to just the carrier.

- In the pilot, CBP has accepted data from an ordinarily non-regulated party- the freight forwarder. Freight forwarders are often the first party to have access to the required data, so CBP opted to include them in the pilot in order to maximize the time it had to target the shipments.
- Carriers have stated that they have realized a benefit to their cargo processing procedures by having freight forwarder provide an ACAS status on cargo before that cargo is even tendered to the carrier. Carriers have also stated that they do not want another party filing ACAS on their behalf.
- The necessary change in the IFR will require freight forwarders who wish to provide data to possess an appropriate bond containing the provisions of 19 CFR 113.62, 113.63, and 113.64. In other words, freight forwarders will still be able to provide data, but will have to be bonded in order to do so.

There are concerns over cost and implementation of the biometrics efforts.

- CBP is leading efforts to streamline the travel process by providing the air travel industry a secure platform for identifying and matching travelers to their identities.
- This biometric technology could possibly transform how travelers interact with airports, airlines, and CBP—potentially creating a seamless travel process that enhances both convenience and security.
- Partnerships with airlines and airports is necessary for CBP to realistically accomplish the biometric exit congressional mandate. If CBP is required to staff every international departure, it would likely require more than 4,000 officers and cost seven billion dollars.

- Partnering with airlines and airports will ensure that CBP's staffing for travelers arriving to the U.S. is not negatively impacted.

Background:

- There is currently an invitation inviting you to speak at the IATA Air Cargo Summit September 2017. IATA was last addressed at the U.S. Air Cargo Industry Affairs Summit October 2016. Topics addressed: Economic Importance of Air Cargo, Automated Commercial Environment (ACE). Air Cargo Advance Screening (ACAS), TFTEA and Pushing Borders Outward
- To be the force for value creation and innovation driving a safe, secure and profitable air transport industry that sustainably connects and enriches our world. IATA is a trade association of the world's airlines. Consisting of 274 airlines, primarily major carriers, representing 117 countries, the IATA's member airlines account for carrying approximately 83% of total air traffic. IATA supports airline activity and helps formulate industry policy and standards.

PRESS: Closed

CBP/OPA Services Required: None

ATTACHMENTS:

- Agenda
- Biographies
- Issue Paper: Carrier Post Audit Procedures
- Issue Paper: ACAS
- Issue Paper: Progressive Filing Model
- Issue Paper: Facial Recognition

PARTICIPANTS:

CBP

Kevin K. McAleenan, Acting Commissioner
Ronald D. Vitiello, Acting Deputy Commissioner
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Cynthia Whittenburg, Deputy Assistant Commissioner, Office of Trade
Kathryn Kolbe, Executive Assistant Commissioner, Enterprise Services
Patrick Flanagan, Acting Chief of Staff, Office of the Commissioner
Bradley Hayes, Executive Director, Office of Trade Relations
(b) (7)(C), (b) (6) Executive Director, Trade Remedy Law Enforcement Directorate, Office of Trade
(b) (6), (b) (7)(C), Executive Director, Regulatory Audit, Office of Trade
(b) (6), (b) (7)(C), Executive Director, Trade Policy & Programs, Office of Trade
(b) (7)(C), (b) (6), Director, CCS, Office of Field Operations
(b) (6), (b) (7)(C), Deputy Executive Director, CCS, Office of Field Operations
(b) (7)(C), (b) (6), Branch Chief, CCS, Office of Field Operations
(b) (7)(C), (b) (6), Program Manager, Office of Trade Relations
(b) (7)(C), (b) (6), Program Manager, Office of Trade Relations
(b) (7)(C), (b) (6) Program Manager, Office of Trade Relations

Non-CBP
(b) (6), Vice President, Government and Industry Relations, CNS
(b) (6), Vice President, Member and External Relations IATA

Staff Responsible for Briefing Memo:
(b) (6), (b) (7)(C) Office of Trade Relations

TRADE DAY MEETING
THE INTERNATIONAL AIR TRANSPORTATION ASSOCIATION (IATA)
AIRLINES FOR AMERICA (A4A)
Tuesday, September 19, 2017
9:30 AM – 10:30 AM (60 - minutes)
Commissioner's Large Conference Room

Agenda

Welcome and Introductions – Bradley Hayes, Executive Director, Office of Trade Relations

Opening Remarks – Kevin K. McAleenan, Acting Commissioner

Open Discussion

IATA and A4A priority issues:

1. Carrier Post Audit Procedures
2. ACAS
3. Progressive Filing Model
4. Facial Recognition
5. Export Manifest
6. E-commerce/Section 321

Adjournment

Office of Field Operations
Cargo and Conveyance Security
Carrier Post Audit Procedures
September 5, 2017

Action Required: Informational Only

Executive Summary:
The post audit concept was developed as a cargo control procedure for carriers as well as custodians of in-bond cargo. Post audit procedures are made feasible because carriers, both automated and non-automated, are required by law to keep and maintain records, showing that they have properly disposed of imported cargo. This approach to cargo accountability includes a review of carrier records along with information in the Automated Commercial Environment (ACE).

Background:
CBP implemented uniform procedures for conducting audits of carrier's records to assure compliance with cargo accountability and to detect exceptions to manifests that may lead to discrepancies requiring enforcement action. As per the guidelines, it is the officers' responsibility to pursue any manifest discrepancies that are discovered during the post audit process, and if applicable, ensure that penalties are diligently executed. The goal of the program is to ensure manifest accuracy through informed and enforced compliance, with the cooperation of the trade community.

Current Status:
- Ports identifies all import of cargo carriers.
- A post audit team should be assigned to conduct one initial audit, preliminary to performing a risk assessment. The audit team will then identify high-risk carriers for more frequent or more thorough audits. Carriers will be re-evaluated at a minimum of every three years as resources permit.
- CBP provides the carrier with at least 24-hours notice of a scheduled audit.
- Audit reports for each carrier are maintained on file at the ports for a minimum of 2 years.
- Carriers must make available all documents related to the manifests or bills being audited.
- Carriers must maintain manifest files which are identical to the arrival manifest originally submitted to CBP. The files must also include the following:
    - CBP delivery authorized documents (copies may be acceptable) or electronic release notifications
    - Manifest Discrepancy Reports and supporting records to substantiate the discrepancy
    - Other shipping, delivery and pick-up orders pertaining to the imported cargo
    - All records related to General Order notices and deliveries
- Automated carriers are required to provide all equivalent electronic data, via system access or printout.

AIR CARGO ADVANCE SCREENING PILOT (ACAS)

TALKING POINTS:

- CBP has drafted an Interim Final Rule (IFR) to make ACAS a permanent requirement
- CBP provided responses to the TSA and DHS comments to the rule on August 30, and a call is scheduled for September 7 to follow-up
    - DHS Policy does not think the portions of the rule that require TSA comment are critical enough to delay moving ahead
- (b) (7)(E)
- Since the beginning of ACAS in December 2010, CBP has received more than 445 million bills with zero Do-Not-Load messages
- Total number of ACAS reviews is 5,123,277 (1.15% of total bills submitted)
- Number of foreign ACAS referrals for additional screening is 5,619

WATCH OUT FOR/IF ASKED

- The International Air Transportation Association (IATA) has expressed concern that changes resulting from moving ACAS from a pilot to a regulatory regime may shift the responsibility to file the data to just the carrier.
    - In the pilot, CBP has accepted data from an ordinarily non-regulated party- the freight forwarder. Freight forwarders are often the first party to have access to the required data, so CBP opted to include them in the pilot in order to maximize the time it had to target the shipments.
    - Carriers have stated that they have realized a benefit to their cargo processing procedures by having freight forwarder provide an ACAS status on cargo before that cargo is even tendered to the carrier. Carriers have also stated that they do not want another party filing ACAS on their behalf.
    - The necessary change in the IFR will require freight forwarders who wish to provide data to possess an appropriate bond containing the provisions of 19 CFR 113.62, 113.63, and 113.64. In other words, freight forwarders will still be able to provide data, but will have to be bonded in order to do so.

BACKGROUND

In October 2010, the global counterterrorism community disrupted a potential terrorist attack when concealed explosive devices were discovered in cargo on board aircraft destined for the United States. This incident demonstrated the significance of advance information in identifying and disrupting the attempts of terrorists to exploit the global supply chain. While U.S. Customs and Border Protection (CBP) had already been receiving advance electronic information for air

shipments prior to arrival, this incident exposed the need to collect certain information earlier-prior to the loading of cargo onto aircraft bound for the United States. To that end, CBP and the Transportation Security Administration (TSA) collaborated with express consignment carriers to identify solutions to this gap, and launched the Air Cargo Advance Screening (ACAS) pilot in December 2010. The pilot has since expanded to include participation by relevant stakeholders in the air cargo community such as passenger carriers and freight forwarders.

Prepared by: (b) (6), (b) (7)(C)
Date: Thursday, August 31, 2017

PROGRESSIVE FILING MODEL FOR EXPORTS

TALKING POINTS:

- CBP announced the electronic air and ocean export manifest pilots in 2015 that include the potential for a progressive filing model utilization.
- Each pilot effort was initially limited to 9 participants under OMB rules.
- On August 4, 2017 the air and ocean electronic export manifest pilots were expanded to allow for additional participants.
  - Both pilot efforts have a number of participants at various stages of engagement.
- CBP is evaluating the data being submitted, who is submitting the data, and when the data is being submitted, along with testing the linking of the different data submissions.
- The drafting of the associated export manifest regulations will be based on the evaluation of the data submissions during the pilots.
- Notices of Proposed Rulemaking are anticipated to be drafted in mid to late FY 2018.

WATCH OUT FOR/IF ASKED

(b) (7)(E)

BACKGROUND

- The Trade Act of 2002 requires the electronic submission of export manifest data in all modes of transportation from the party with the most accurate information.
- The party with the information may be the carrier, freight forwarder, or a service provider.
- The progressive filing model for exports would have the respective party electronically file their portion of the manifest data on a pre-departure basis. The Automated Export System would combine the various portions of the manifest data into a single manifest for the conveyance.

Prepared by: (b) (6), (b) (7)(C)
Date: Tuesday, September 05, 2017

Biometric Entry and Exit: Facial recognition for passengers

TALKING POINTS:

Background:

- Since receiving the Entry/Exit mission, CBP has conducted several trials, at air and land ports of entry, integrating biometrics designed to inform and refine entry and exit operational processes and shape a long-term biometric exit solution in all environments. From these trials, CBP has developed a realistic and achievable biometric exit plan.

Traveler Verification Service (TVS):

- The CBP vision is to lead the transformation of travel processing using biometrics as the key to enhancing security and unlocking traveler facilitation benefits.
- CBP is re-architecting data flows and data systems to pre-stage biometric data throughout the travel process. By doing so, CBP will be able to retrieve all associated traveler biometrics from DHS holdings and segregate them into smaller, more manageable data sets (by flight, by cruise, etc.)
- By doing so, CBP will fuse the biometric and biographic information together and allow for the biometric to be the key to matching a traveler with the advance data. With the biometric as the key, travelers will no longer be required to utilize their travel document as a token to verify identity.

(b) (7)(E)

CBP Traveler Verification Service (TVS)

(b) (7)(E)

Partnerships:

- **JetBlue Partnership:** In Boston, JetBlue, in collaboration with CBP and SITA labs, is the first U.S. airline to use a travelers' face as the boarding pass without requiring registration.

(b) (7)(E)

  - The program started in June on flights from Boston Logan International Airport to Queen Beatrix International Airport in Aruba.
  - As of August 1st, JetBlue has boarded more than 4,000 passengers using only a passenger's face and the CBP's TVS system.
- **Delta Pilot at JFK Airport:** CBP partnered with Delta Airlines between June and August to test an eGate solution at John F. Kennedy International Airport which also launched in June.
  - The eGate confirms passenger identity using advanced facial recognition technology and Delta ticketing information in a single, automated, reliable and highly secure solution.

Demonstration Efforts:

- **Summer 2017**: CBP is demonstrating the initial implementation of the TVS through the expansion of air exit capabilities at eight airports. The capability will utilize the TVS to biometrically identify departing travelers. The limited expansion will demonstrate to airlines and airports how biometrics can be integrated into current boarding processes, provide real-time, centralized biometric matching capabilities, and record biometrically verified outbound departures in CBP systems.
  - **Technical demonstrations are now operational at 8 airports**:(b) (7)(E)

(b) (7)(E)

Beyond the gate – TSA, Bag Drop, and Arrival:

- CBP and TSA will test facial biometric matching to replace the manual document check currently required at TSA checkpoint. We are aiming to launch a pilot by the end of the summer. This will further demonstrate the elimination of friction points for travelers.
- Through these and future public-private partnerships, CBP will build a compatible foundation that complements private sector investment in infrastructure designed to interface with the traveler -- for example, self-service baggage drop off kiosks, the TSA checkpoint, and facial recognition self-boarding gates, among others.

WATCH OUT FOR/IF ASKED

- There are concerns over cost and implementation of the biometrics efforts.
  - CBP is leading efforts to streamline the travel process by providing the air travel industry a secure platform for identifying and matching travelers to their identities.
  - This biometric technology could possibly transform how travelers interact with airports, airlines, and CBP—potentially creating a seamless travel process that enhances both convenience and security.
  - Partnerships with airlines and airports is necessary for CBP to realistically accomplish the biometric exit congressional mandate. If CBP is required to staff every international departure, it would likely require more than 4,000 officers and cost seven billion dollars.

- Partnering with airlines and airports will ensure that CBP's staffing for travelers arriving to the U.S. is not negatively impacted.

Prepared by: (b) (6), (b) (7)(C)
Date: Tuesday, September 5, 2017

EXPORT MANIFEST PILOTS

TALKING POINTS:

- CBP announced in the Federal Register on August 4, 2017 the expansion of the air, ocean, and rail electronic export manifest pilots to allow additional participation by the trade.

- The Truck Manifest Working Group has made 17 recommendations for the truck manifest pilot. The recommendations are being evaluated for inclusion in the proposed electronic truck manifest pilot.

  - A truck manifest pilot is anticipated sometime in FY 2018.

- CBP is evaluating the data elements being submitted and the timeframes for their submissions in the air, ocean and rail manifest pilots.

- The Notices of Proposed Rulemaking for modification of the regulations based on these pilots is anticipated to be drafted in mid to late FY 2018.

WATCH OUT FOR/IF ASKED

(b) (7)(E)

- Requests by carriers to be able to submit data elements on a post departure basis. The language in the Trade Act of 2002 requires advance electronic data. CBP is willing to work with trade partners on the appropriate timing based on mode of transportation for the carrier/transportation based data.

BACKGROUND

- The Trade Act of 2002 requires to electronic submission of export manifest data in all modes of transportation, from the party with the most accurate information.

- The parties may be carriers, freight forwarders, or non-vessel operating common carriers. Additionally, CBP is allow service providers and software developers to participate.

- In 2015 CBP announced in the Federal Register three export manifest pilots. Due to OMB rules only 9 participants were allowed in each pilot.

- The export truck manifest pilot was viewed as being very operationally complex. Thus CBP delayed announcing a truck pilot.

- CBP established a truck manifest working group to identify data elements for the truck manifest and to identify operational issues that might be associated with the submission of a truck manifest.

Prepared by: (b) (6), (b) (7)(C)
Date: Tues, September 5, 2017

E-COMMERCE AND SECTION 321

TALKING POINTS:

- With the TFTEA-mandated De Minimis Value Threshold (DMT) increase to $800, CBP is seeing changes in business practices as well as volume increases due to the new cost saving opportunity. These changes create challenges to effective enforcement and facilitation of trade.
- Both trade partners and CBP port personnel note a steady increase in Section 321 clearances resulting from e-commerce shipments. Easy accessibility to international markets and low value purchases demonstrate a clear nexus to the rise in Section 321 releases (economic globalization, through the fast growing e-commerce sector, provides the opportunity for business of all sizes to compete around the world).
- The current release process for Section 321 shipments is receiving notable discussion: cargo is cleared and released off of the manifest.
- CBP is working with various trade groups such as the COAC, BIEC, NCBFAA and other trade associations to develop the requirements for an electronic functionality to process Section 321 shipments in addition to the current manifest process (through entry type 86).
- (b) (7)(E)

WATCH OUT FOR/IF ASKED

- Does the Section 321 release environment affect enforcement?
  - Most PGAs have stated that their regulations do not identify a de minimis value for shipments and indicated that they would need permits and reporting for all relevant shipments regardless of value. Current ACE capabilities do not allow for submission of PGA information without the filing of an electronic entry via the Automated Broker Interface. CBP's vision is to provide PGAs with access to manifest information to manage risk.
- What are the challenges CBP is facing with small shipments?
  - CBP is challenged by unknown risk associated with e-commerce shipment. Low volume shipments are difficult to target, locate and examine in the small package environment.
- Has CBP been seeing an increase in illicit drugs coming into the U.S. through de minimis packages?
  - The information CBP receives on de minimis shipments is limited. There are no advanced data in the mail environment. (b) (7)(E) . Additional operations and training are needed to familiarize CBP Officers on de minimis shipments.

BACKGROUND

- The De Minimis Value Threshold (DMT) is the maximum monetary value of a shipment that can be imported into a country duty and tax free. In the United States, De Minimis shipments are commonly referred to as Section 321 shipments. The term "Section 321"

comes from Section 321(a)(2)(C) of the Tariff Act of 1930. The duty and tax exemption afforded by the DMT is limited to one shipment per day, per person. On February 24, 2016, the DMT for the United States was raised from $200 to $800. This increase was required by the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA) (Pub. Law 114-125). The $800 amount aligned with the amount a U.S. citizen can bring back duty free on a passenger plane.

- Recent statistical observations:
  - A 2017 operation targeting express mail found 43% of all examined parcels were non-compliant based from 3,000 packages that were examined.
  - There was a 20% increase in seizure count and 4% increase in seizure value from FY 2015 to FY 2016 for northern border ports, an increase of 84% over that time period.
  - (b) (7)(E)
  - [redacted]
- Next Steps:
  - CBP created a DMT/Section 321 working group under the Commercial Customs Operations Advisory Committee (COAC) in March 2017. The working group consists of fellow PGAs such as the Food and Drug Administration, the Consumer Product Safety Commission, and the U.S. Postal Service. It also consists of COAC members and participants from across multiple industries including express carriers, customs brokers, and electronic platforms.
  - In support of addressing PGA challenges, CBP has led the ongoing Border Interagency Executive Council (BIEC). The first BIEC principals meeting during President Trump's Administration was held in April 2017, and working level BIEC meetings continue on a regular basis. Specifically, the BIEC has established a working group to address the various DMT issues.
  - (b) (7)(E)

Prepared by: Trade Policy and Programs/OT, (b) (6), (b) (7)(C)
Date: Tuesday, August 29, 2017

September 14, 2017

Mr. Kevin K. McAleenan
Acting Commissioner
U.S. Customs and Border Protection
1300 Pennsylvania Avenue, NW
Washington, DC 20229

Dear Mr. McAleenan:

On behalf of our respective members, we are writing to express our continued interest in working closely with U.S. Customs and Border Protection (CBP) as it formulates its biometric exit program. We very much appreciate the close collaboration CBP has had with industry throughout this process.

As you know, several of our member airlines and airports have been actively engaged with CBP on pilots of the biometric capture exit project, with more beginning shortly. We thought it would be useful to share with you our collective thoughts on both the pilots and the policies associated with a biometric capture program. These comments are designed to supplement the detailed comments your team is already receiving directly from the airlines and airports participating in the pilots.

Technology
The pilots have demonstrated that facial recognition technology, including CBP's flight-specific image library, has promise, particularly when compared to the fingerprint-based technology proposed in the earlier U.S. Exit program. While the pilots remain ongoing, we are cautiously optimistic that the technology itself will help minimize the potential negative impact of such a program on existing airline operations as well as facility design. We strongly encourage CBP to accelerate the testing of this technology in the entry environment as well so that improvements in the arrivals process can be implemented quickly.

Staffing
We look forward to learning more about CBP's staffing plans on biometric exit so that we may better assess the impact the deployed system would have on airline operations. The current CBP biometric exit pilots have three to four CBP officers at each gate. Given the total number of international departure gates (99 percent of which are not self-boarding), the number of additional CBP officers needed to manage this program would be significant. It is imperative that CBP consider new ways to free up officers for front line duty, particularly given CBP's additional commitment to add preclearance locations. A successful CBP reengineering of the entry process may also offer opportunities to update its Workforce Staffing Model in the future.

Funding
Our continued support of CBP's development of an effective and efficient biometric capture program should not be seen as an acceptance of any financial responsibility on the part of our members to deploy or maintain this program. Since this system was first envisioned in the 1990's, Congress has repeatedly instructed the U.S. Department of Homeland Security (DHS) to perform this national security function. Neither carriers nor airports should be held responsible for funding this federal border control program.

Business Case
We are very appreciative of the close collaboration industry has with CBP Deputy Executive Assistant Commissioner John Wagner on this program. Airlines play a critical role in facilitating the entry of visitors and returning residents to the United States which in turn drives billions of dollars in economic benefits and supports five percent of U.S. gross domestic product. We look forward to our continued partnership with CBP to support continued increases in international passenger traffic. Mr. Wagner has suggested that carrier costs associated with this program could be offset by the deployment of the facial recognition software in the existing passenger facilitation process, including at check-in, baggage tagging, lounge access, boarding, etc. While there are currently at least two carrier-sponsored pilots in the U.S. testing biometric technology, many carriers are not yet in a position to consider integration of biometric into their facilitation process. It is industry's intention to work with CBP to ensure the agency is able to integrate its exit process into independent airline systems. However, it would be very difficult at this point to develop a useful estimate on what impact this biometric technology would have on airlines' passenger facilitation needs.

CBP/TSA Coordination
We understand that while CBP is focusing on a U.S. biometric program powered by facial recognition technology, the Transportation Security Administration (TSA) is studying whether a fingerprint capture can be employed to streamline the security checkpoint screening process. We believe there is a great opportunity for TSA and CBP to work together to select the optimum (reliable, effective, efficient, and minimizes passenger processing encumbrances) technology and deploy it at both the checkpoint and the gate. We look forward to working with both agencies to promote this shared vision of a mutually beneficial and seamless biometric capture and identity validation system.

Five Industry Principles
The undersigned associations have agreed on five principles that will guide us as we continue to work with CBP on this project:

- Border security is an inherently government function. As such, the burden of biometric collection, and all associated costs with the program, should rest with the U.S. government.
- Coordination between TSA and CBP in biometric capture is essential to ensure a streamlined experience for passengers as they move through the airport.
- Any biometric scheme should seek to minimize operational disruption to airlines.
- To be effective, a biometric exit scheme should be deployed at all air, land, and sea ports.
- DHS should withdraw its 2008 Notice of Proposed Rulemaking entitled "Collection of Alien Biometric Data upon Exit from the United States at Air and Sea Ports of Departure; United States Visitor and Immigrant Status Indicator Technology Program (US-VISIT)".

Thank you for your consideration.

Sincerely,

(b) (6)

President and CEO
Airlines for America

(b) (6)

President and CEO
Airports Council International – North America

(b) (6)

Director General and CEO
International Air Transport Association

cc: John P. Wagner, Deputy Assistant Commissioner, Office of Field Operations, U.S. Customs and Border Protection

From: [redacted] (b) (6), (b) (7)(C)

To: [redacted] (b) (6), (b) (7)(C) [redacted] (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) [redacted] (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) [redacted] (b) (6), (b) (7)(C) [redacted]; (b) (6), (b) (7)(C) [redacted] (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C); CINDY WALTERS; Price, Daniel; Lowe, Erik; Kaminsky, Glenn; SINGER, HAROLD M; Enderle, James; Liberta, [redacted] (b) (6), (b) (7)(C) AUGUSTIN, DEBORAH; HAYES, BRADLEY F; [redacted] (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

Cc: [redacted] (b) (6), (b) (7)(C)

Subject: BIEC Single Window Sustainment Mtg.

Start: Wednesday, September 13, 2017 2:00:00 PM

End: Wednesday, September 13, 2017 3:30:00 PM
Location: [redacted] (b) (6)
Attachments: 2017_09_13 BIEC Working Level Meeting_External_FINAL.pdf

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Meeting invite has been updated with PowerPoint presentation for today, which will also be accessible via webinar.
<<2017_09_13 BIEC Working Level Meeting_External_FINAL.pdf>>
###

Good Afternoon BIEC representatives,

To continue progress on the Single Window Sustainment Initiative, we are conducting a BIEC working-level meeting this Wednesday, 9/13 with the following agenda:
1. Discuss meeting the BIEC Principals' request to provide a list of "Core ACE functionality" but not built during ACE Core development. [The previous agenda item identified a request for GIFS that were considered as "Core ACE", however, per 9/7/2017 ITDS Board of Directors meeting, this request should not be limited to GIFs.] The BIEC working level will discuss its understanding and definition of what was Core, and then will begin compiling the list. This activity will likely go beyond this initial BIEC working level meeting.
2. Provide a live demo of the GIF Prioritization process (with proposed criteria) and tool – this will involve mock voting and will require in-person participation. This is simply a demo to demonstrate the tool and preview the process to the BIEC working level.

We're requesting in-person participation for those who want to partake in the demo (mock-voting on select GIFs). We plan to demonstrate prioritization of 5 GIFs: one CPSC, one FDA, one EPA, and two CBP.

###

Location:
* We invite you to participate in-person in DC at [redacted] (b) (6) .
* In-person participation is encouraged, however you may use the below webinar link and conference call number to listen in.
Webinar Link:
* https://share.dhs.gov/biec_working-level-meeting/
* If you have never attended an Adobe Connect meeting before, test your connection: https://share.dhs.gov/common/help/en/support/meeting_test.htm
Conference Call Number: [redacted] (b) (7)(E)

Meeting materials will be uploaded to this invite prior to the meeting.

BORDER INTERAGENCY EXECUTIVE COUNCIL (BIEC)

BIEC Working Level Meeting
Single Window Sustainment - GIF Prioritization Process

September 13, 2017

Agenda

1. **Roll Call**
2. **August Principal's Meeting Recap**
   - U.S. Fish and Wildlife Service ITDS
   - ITDS Board of Directors
   - Single Window Sustainment
   - Targeting, Access and Optimization for 1 USG (TAO-1)
3. **Discuss "Core ACE Functionality"**
4. **GIF Prioritization Process** (Provide walkthrough and live, interactive demo of GIF Prioritization process)
5. **Discuss Next Steps**

August Principals Meeting Recap

Below provides a **high-level overview of key discussion points**, agreements, and due outs from the August 28, 2017 BIEC Principals meeting.

- **U.S Fish and Wildlife Service ITDS:** An expeditious approach to Automated Commercial Environment (ACE) system integration testing, certification testing, and full production is the correct path.

  Due out: FWS to provide confirmed timeline of FWS system integration during November 2017 Principals Meeting.

- **ITDS Board of Directors:** Most of ITDS basic functionality has been built; development has transitioned to testing/improvement. Three key PGA concerns were to address: funding, GIF prioritization process, and ITDS Interagency Collaboration.

  Due out: U.S. Department of Treasury is addressing comments provided through the ITDS Board of Directors; and an updated version of the paper will be provided at the next BIEC Principals meeting for decision.

August Principals Meeting Recap (cont.)

- **Single Window Sustainment:** Principals agreed that the BIEC working level has established the appropriate foundation and path forward for the Single Window Sustainment framework.

Due Out: CBP to **provide complete list of GIFs to the BIEC working level for validation** and/or any comments (COMPLETE)

Due Out: CBP to address **BIEC working level feedback to list of GIFs** and share the final version (IN PROCESS, due 9/14)

Due Out: BIEC working level will provide a **Single Window Sustainment decision paper to the BIEC Principals**, which will include:

- ❑ Components of the sustainment model (e.g., overall approach, prioritization criteria, formalized definitions, any supporting processes)
- ❑ Completed and remaining GIFs, to include a level of effort, if available.

- **Targeting, Access and Optimization for 1 USG (TAO-1):** Preliminary recommendations and requirements will be discussed at the November 2017 Principals Meeting.

Core ACE Functionality

"Core ACE" was described to the ITDS Board of Directors in November 2015 as follows:

- Capabilities needed to transition off of ACS
- Capabilities for receiving from users the standard set of data and other relevant documentation (exclusive of applications for permits, licenses or certifications) required for the release of imported cargo and clearance of cargo for export (ref. Executive Order and forms list)

Discussion Points:

- *BIEC Principals requested that the BIEC working level provide a **list of "Core ACE functionality"** that was not built during ACE Core development.*
- *What items are the PGAs aware of that fit this description?*

GIF Prioritization Process – Submit, Present, and Score

All PGA and CBP GIFs that are submitted for inclusion in the Planned Pay-As-You-Go (PAYGO) model will follow the process outlined below:

Step 1

SUBMIT

- PGA GIFs are submitted to CBP
- GIFs are subject to OMB's regulatory and ICR processes, if applicable
- GIFs are added to the CBP's GIF Inventory List

Step 2

PRESENT

- GIFs from the Inventory List will be added to the agenda of the next BIEC working level meeting
- CBP will notify PGAs as to when they will present their GIF
- PGAs are given time to provide an overview to the BIEC working level and answer questions about their respective GIF

Step 3

SCORE*

- BIEC Working Group evaluates GIFs and scores them based on a pre-determined set of evaluation criteria
- Scores are averaged and recorded in the GIF Prioritization Model to determine a final weighted total score for prioritization purposes

*Scores will be submitted through a live-voting program

GIF Prioritization – An Overview of the Scoring Process

After each PGA presents their respective GIF, the **BIEC working level will provide scores** on the perceived impact, value, and functionality of the GIF **using the following process:**

- An *in-person* representative from each PGA will receive a wireless clicker device to cast their vote
- Each agency that is participating is allocated *ONE vote – i.e., 1 vote per agency*
- CBP will walk through the six (6) evaluation criteria for each GIF, allowing for all in-person attendees to cast their live-vote on screen
- Results will be shown on the PowerPoint for transparency purposes
- Scores will then be recorded, averaged, and inputted in the GIF Prioritization Model
- The model will calculate a weighted average score for each GIF
- Final weighted average scores will be shared with the BIEC working level for transparency

Keep in Mind…

- ❖ FUNDING DOES NOT INFLUENCE GIF PRIORITZATION
- ❖ *THE GIF PRIOITZATION TOOL IS USED TO HELP INFORM DECISIONS*

Step 1: SUBMIT

- Today we will be demonstrating the proposed prioritization process by performing a mock-evaluation of four GIFs that are currently in the GIF Inventory List (2 PGA & 2 CBP)
- GIFs chosen for the purposes of this demo have a pending status, are Post Core requirements, and have been confirmed by the respective PGAs.

GIF Title	Agency	Owner/Presenter
Create PGA Review-Entry Line Selection (**PGA-CPC-015**)	CPSC	(b) (6), (b) (7)(C) [redacted]
Center of Excellence and Expertise Unique Identifier	CBP	
Create Type 21 indicators in AE and SE to facilitate FDA PGA data processing (**PGA-FDA-035**)	FDA	
De Minimis/Section 321	CBP	

Step 2: PRESENT – PGA Presents GIF PGA-CPC-015

Agency: CPSC

GIF Title: Create PGA Review-entry Line Selection

Owner/Presenter: (b) (6), (b) (7)(C)

Description: ACE Portal functionality will allow CPSC to "Create PGA Review" on any given Entry Line under our jurisdiction. CPSC is able to access the "Create PGA Review" under the Actions drop-down menu and populate most of the fields. However, the system will not allow CPSC to select an "Entry Line" and use the "Create" button at the bottom. **CPSC is requesting a modification to all CPSC to select and "Entry Line" and use the "Create" button at the bottom.**

Evaluation Criteria

Question
2a. How does implementing this GIF reduce workload for government personnel and/or streamline government operations (field, HQ, etc.)?
2b. Does this GIF improve operations for multiple agencies? (higher rating for more agencies impacted)
2c. How does this GIF improve the U.S Government's ability to target and enforce legitimate trade, and/or manage risks?
2d. How much vested interest does the trade industry have for the implementation of this GIF?
2e. How does this GIF reduce burden on trade?
2f. How much is this GIF directly related to emerging priorities (i.e.., legislation, Executive Order, etc.)?

Step 2: PRESENT – CBP Presents GIF CBP-001

Agency: CBP

GIF Title: Center of Excellence and Expertise Unique Identifier

Owner/Presenter: (b) (6), (b) (7)(C)

Description: Create a unique identifier for each Center that would be applied to all post release transactions and functional areas, allowing for a transaction to be easily identified as work belonging to a specific Center. This will provide more streamlined processes for routing work to the appropriate Center; a key piece of CBP's efforts to simplify processes and shift to an account-based approach to trade facilitation.

Evaluation Criteria

Question
2a. How does implementing this GIF reduce workload for government personnel and/or streamline government operations (field, HQ, etc.)?
2b. Does this GIF improve operations for multiple agencies? (higher rating for more agencies impacted)
2c. How does this GIF improve the U.S Government's ability to target and enforce legitimate trade, and/or manage risks?
2d. How much vested interest does the trade industry have for the implementation of this GIF?
2e. How does this GIF reduce burden on trade?
2f. How much is this GIF directly related to emerging priorities (i.e.., legislation, Executive Order, etc.)?

Step 2: PRESENT – PGA Presents GIF – PGA-FDA-025

Agency: FDA

GIF Title: Messaging Automation for Rescinding a Status and Subsequent Messages

Owner/Presenter: (b) (6), (b) (7)(C)

Description: The inception of ACE enabled the ability to send electronic messaging after FDA issues an admissibility decision, thus making it possible to notify trade when an FDA admissibility decision (e.g. may proceed) has been rescinded, as well as subsequent messaging. Currently these activities are not automated and require FDA staff to notify trade the admissibility decision has been rescinded through phone calls or emails. As a result, the filer and importer must rely on hard copies of FDA Notice of Action and ITACS to obtain the current status of a line when this occurs. In addition,, due to the lack of electronic messaging, the ABI status and ACE UI Portal Status do not reflect the actual status and do not match the status in ITACS, causing confusion for trade.

Evaluation Criteria

Question
2a. How does implementing this GIF reduce workload for government personnel and/or streamline government operations (field, HQ, etc.)?
2b. Does this GIF improve operations for multiple agencies? (higher rating for more agencies impacted)
2c. How does this GIF improve the U.S Government's ability to target and enforce legitimate trade, and/or manage risks?
2d. How much vested interest does the trade industry have for the implementation of this GIF?
2e. How does this GIF reduce burden on trade?
2f. How much is this GIF directly related to emerging priorities (i.e.., legislation, Executive Order, etc.)?

Step 2: PRESENT – CBP Presents GIF CBP-002

Agency: CBP

GIF Title: De Minimis / Section 321 GIF

Owner/Presenter: (b) (6), (b) (7)(C) [redacted]

Evaluation Criteria

Question
2a. How does implementing this GIF reduce workload for government personnel and/or streamline government operations (field, HQ, etc.)?
2b. Does this GIF improve operations for multiple agencies? (higher rating for more agencies impacted)
2c. How does this GIF improve the U.S Government's ability to target and enforce legitimate trade, and/or manage risks?
2d. How much vested interest does the trade industry have for the implementation of this GIF?
2e. How does this GIF reduce burden on trade?
2f. How much is this GIF directly related to emerging priorities (i.e.., legislation, Executive Order, etc.)?

Next Steps

- ❑ Thursday September 14: CBP to distribute ***"Core ACE" Technical Functionality Request Form*** to the BIEC Working Level, asking all agencies compile and submit their list of requested ACE functionality and the dates they were submitted on.

  ***NOTE: This list will be shared with OMB Budget to detail all of the technical development that was requested by agencies, and not yet built by CBP*

- ❑ Thursday September 14: CBP to schedule **BIEC Working Level GIF Prioritization Offsite** for **Thursday**, **September 21st** and **Tuesday**, **September 26th**, where the working level will conduct an initial scoring/prioritization of all GIFs currently in the GIF Inventory List .

- ❑ Thursday September 14: CBP to schedule Operations & Maintenance (O&M) Definition Meeting with BIEC working level (Date TBD).

- ❑ Develop Single Window Sustainment Decision Memo, and present to BIEC working level.

(b) (6), (b) (7)(C)

Subject:	BIEC Working Level Meeting
Location:	1400 L St., 11th Floor Conf. Room; Webinar / (b) (7)(E)
Start:	Tue 9/19/2017 2:00 PM
End:	Tue 9/19/2017 3:30 PM
Show Time As:	Tentative
Recurrence:	Weekly
Recurrence Pattern:	every Tuesday from 3:00 PM to 4:30 PM
Meeting Status:	Tentatively accepted
Organizer:	(b) (6), (b) (7)(C)
Categories:	Calls

Good Afternoon BIEC representatives, this meeting invite serves as a placeholder for weekly BIEC working level meetings through October.

Agenda and meeting materials will be uploaded to this invite prior to the meeting.

Location:

- We invite you to participate in-person in **DC at 1400 L Street, NW, (11th Floor Conference Room)**.
- In-person participation is encouraged, however you may use the below webinar link and conference call number to participate remotely.

Webinar Link:

- (b) (6)
- If you have never attended an Adobe Connect meeting before, test your connection: https://share.dhs.gov/common/help/en/support/meeting_test.htm

Conference Call Number: (b) (7)(E)

(b) (6), (b) (7)(C)

Subject: Bradley(b) (6), (b) (7)(C) - Memphis Tour

Start: Wed 9/20/2017 12:00 AM
End: Fri 9/22/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject: Bradley/(b) (6), (b) (7)(C)
Location: Sterling, VA

Start: Wed 11/1/2017 12:00 AM
End: Thu 11/2/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject:	C2 - McAllen, TX
Start:	Fri 9/22/2017 12:00 AM
End:	Sun 9/24/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	C1-C2 Meetings

(b) (6), (b) (7)(C)

Subject:	C2 - Mexico
Start:	Tue 9/19/2017 12:00 AM
End:	Fri 9/22/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	C1-C2 Meetings

From: [redacted] (b) (6) [redacted]
To: HAYES, BRADLEY F
Subject: Call
Start: Wednesday, September 6, 2017 1:00:00 PM
End: Wednesday, September 6, 2017 1:30:00 PM
Location: (b) (6), (b) (7)(C)

Great. Talk to you tomorrow

From: [redacted] (b) (6) [redacted]. EOP/WHO [mailto [redacted] (b) (6) [redacted]
Sent: Tuesday, September 5, 2017 4:49 PM
To: HAYES, BRADLEY F [redacted] (b) (6), (b) (7)(C) [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

Please use (b) (6), (b) (7)(C) (my direct line).

[redacted]
w: (b) (6), (b) (7)(C)
c: [redacted]

From: HAYES, BRADLEY F [redacted] (b) (6), (b) (7)(C) [redacted]
Sent: Tuesday, September 5, 2017 11:36 AM
To: [redacted] (b) (6) [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

Sounds good. What number should I call?

From: [redacted] (b) (6) [redacted]
Sent: Tuesday, September 5, 2017 11:35 AM
To: HAYES, BRADLEY F [redacted] (b) (6), (b) (7)(C) [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

Want to aim for 2:00 p m.?

[redacted]
w: (b) (6), (b) (7)(C)
c: (b) (6), (b) (7)(C)

From: HAYES, BRADLEY F [mailto [redacted] (b) (6), (b) (7)(C) [redacted]]
Sent: Tuesday, September 5, 2017 11:33 AM
To: [redacted] (b) (6) [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

How does tomorrow afternoon work for you? I'm wide open after 2,

Bradley

From: [redacted] (b) (6) [redacted]
Sent: Sunday, September 3, 2017 8:12 AM
To: HAYES, BRADLEY F < [redacted] (b) (6), (b) (7)(C) [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

Bradley:

No worries and sounds good. Let me know when works best for you after Tuesday 9/5.

(b) (6)

From: HAYES, BRADLEY F [redacted] (b) (6), (b) (7)(C) [redacted]
Sent: Saturday, September 2, 2017 11:48 AM
To: [redacted] (b) (6) [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

(b) (6) -

Sorry I missed this. I was in Detroit for a conference this week and just got back to DC yesterday.

I'm in office all next week, so let me know times that work for you and we'll get a call in the books.

Probably need to talk DREAM Act. I was point for (b) (6), (b) (7)(during the last big debate in 2010 and have a ton of material.

Bradley

Bradley F. Hayes
Executive Director
Office of Trade Relations
Office of the Commissioner
U.S. Customs & Border Protection
O: [redacted] C: [redacted]

For scheduling needs, please contact [redacted] a [redacted]

From: [redacted]
Sent: Monday, August 28, 2017 12:19:34 PM
To: HAYES, BRADLEY F
Subject: RE: Assist with Current Border Security and Enforcement Statistics
10-4.

How about 1:00 p.m. (Eastern) on Wednesday 8/30?

[redacted]

From: HAYES, BRADLEY F [mailto: [redacted]
Sent: Monday, August 28, 2017 8:20 A
To: [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

I got back to DC late Saturday night and am headed to Detroit this afternoon. Let's touch base this week. I don't know of any other senior level politicals at CBP, so I'm not sure to whom I could direct you.

Is there a good time to talk Wednesday or Thursday?

From: [redacted]
Sent: Sunday, August 20, 2017 7:42 PM
To: HAYES, BRADLEY F < [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

Bradley:

I hope all is well (and that you had fun at the wedding).

Yes, we are good on what we needed. Thanks for checking in on this.

On a related note, I apologize for bugging you about this. [redacted] told me offline after I sent the e-mail that you are handling trade at CBP, and immigration is not one of your subject matter responsibilities. I am more than happy to bug the more appropriate people, except I do not know any politicals at CBP who handle immigration. Happy to pick your brain on who I should talk to offline.

[redacted]

From: HAYES, BRADLEY F [mailto [redacted]
Sent: Sunday, August 20, 2017 12:07 PM
To: [redacted]
Subject: RE: Assist with Current Border Security and Enforcement Statistics

[redacted]

I've been off grid at a wedding in Maine. Did you get what you needed from DHS/components?

Bradley

From: [redacted]
Sent: Friday, August 18, 2017 5:40:52 PM
To: HAYES, BRADLEY F; [redacted] EOP/NSC; [redacted] EOP/WHO
Cc: MCALEENAN, KEVIN K; [redacted]
Subject: Assist with Current Border Security and Enforcement Statistics
Bradley and [redacted]

Meet [redacted] in NSC and [redacted] in Speechwriting. To build relevant support materials for the President's trip to Yuma next Tuesday, we could use whatever you think are the most pertinent data regarding CBP's border security efforts, ICE's interior enforcement efforts, and the Yuma Sector generally. It would also be helpful if we could have the most up-to-date border detention numbers for the year since January (both for the entire U.S.-Mexico border, but also for Yuma Sector), and how they differ from last year's numbers for the same time frame. If you had an existing, up-to-date key stat sheet, that could probably work for most of this.

[redacted]

Meet Bradley Hayes at Customs and Border Protection, and [redacted] at Immigration and Customs Enforcement.

If we can get these data from your respective comms shops or someone else, please let us know and we can reach out to them.

Thanks in advance,

[redacted] (b) (6)
Justice and Homeland Security
Domestic Policy Council
Executive Office of the President
w: (b) (6), (b) (7)(C)
c: [redacted]

From: (b) (6), (b) (7)(C)
To: SMITH, BRENDA BROCKMAN; Owen, Todd C (EAC OFO); WHITTENBURG, CYNTHIA F (DEAC OT); (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: CBP Meeting w/Airlines for America (A4A)
Start: Tuesday, September 5, 2017 12:00:00 PM
End: Tuesday, September 5, 2017 1:00:00 PM
Location: (b) (6)

From: (b) (6)
Sent: Monday, August 07, 2017 5:33 PM
To: HAYES, BRADLEY F (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
Cc: Owen, Todd C (AC OFO) (b) (6), (b) (7)(C) SMITH, BRENDA BROCKMAN (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
Subject: Sep 5 meetings

Hi Bradley and (b) (6),

This message is sent from both (b) (6) We have found that both A4A and EAA would like to have a meeting with CBP on the afternoon of September 5th. We both are trying to take advantage of having our members in town for the Air Cargo Industry Summit on Sep 6th. We thought it would be helpful to provide the details on the CBP officials we would like to attend these meetings, the topics we would like to cover, and a schedule we feel is feasible. Both meetings would be held at A4A, across the street from CBP HQ, at 1275 Pennsylvania Ave NW, 13th floor (building entrance faces Freedom Plaza).

The A4A event is the Cargo Council fall meeting. A4A would like to have a session with CBP from 1-2pm, with the following outline:
1. 1300-1320: If possible, we would like to have Todd Owen and Brenda Smith kick the meeting off with high level overviews of the following CBP items: e-commerce strategy, export automation progress and timelines, ACE development and resiliency – to include OFO downtime processes, ACAS rulemaking, Trusted Trader / account-based management initiatives, and C-TPAT revisions. Brenda and Todd's attendance for the rest of the meeting is welcome, but we understand their schedules are busy.
2. In addition to Brenda and Todd, we would request the attendance of the following CBP representatives:
a. OFO: Rich Dinucci, (b) (6), (b) (7)(C)
b. OT: Debbie Augustin, (b) (6), (b) (7)(C)
c. OTR: Bradley Hayes and (b) (6), (b) (7)(C)
3. 1320-1400 (no later than 1415): Discussion / Q&A on the topics above

After the CBP portion of the A4A meeting ends at approximately 2pm, A4A will continue its meeting with TSA. The CBP attendees for the EAA meeting will then move to a neighboring conference room. The EAA meeting will run from 2:30 to 4:30pm. EAA would like to cover the following topics:
I. Session with Brenda Smith and/or Cynthia Whittenburg, (b) (6), (b) (7)(C), other OT/OFO/OTR staff as desired
A. E-commerce
B. PGA access to manifest information
C. Single PGA message set for AES
D. An export strategy in the express environment
E. ACE downtime policy

II. Session with Todd Owen, (b) (6), (b) (7)(C), other OFO/OTR staff as desired
A. Staffing express facilities
B. North American cargo pre-clearance
C. ACAS penalties – add (b) (6)
D. Holds on ag-shipments – add Kevin Harriger

While this appears to be an ambitious agenda for the EAA meeting, some of these topics will only require a brief update and can be handled in a few minutes.

Please let us know if you have any questions about this plan. We look forward to hearing from you soon.

Thanks,

(b) (6)

From: (b) (6), (b) (7)(C)
To: SMITH, BRENDA BROCKMAN; Owen, Todd C (FAC OFO); WHITTENBURG, CYNTHIA F (DFAC OT); (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) DINUCCI, RICHARD F; (b) (6), (b) (7)(C) HARRIGER, KEVIN C; (b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject: CBP Meeting w/Express Association of America (EAA)
Start: Tuesday, September 5, 2017 1:30:00 PM
End: Tuesday, September 5, 2017 3:30:00 PM
Location: 1275 Pennsylvania Ave NW, 13th floor (building entrance faces Freedom Plaza)

From: (b) (6), (b) (7)(C)
Sent: Monday, August 07, 2017 5:33 PM
To: HAYES, BRADLEY F (b) (6), (b) (7)(C) | (b) (6), (b) (7)(C)
Cc: Owen, Todd C (AC OFO) (b) (6), (b) (7)(C) SMITH, BRENDA BROCKMAN (b) (6), (b) (7)(C) DINUCCI, RICHARD F (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) HARRIGER, KEVIN C (b) (6), (b) (7)(C) ; AUGUSTIN, DEBORAH (b) (6), (b) (7)(C)
Subject: Sep 5 meetings

Hi Bradley and (b) (6), (b

This message is sent from both (b) (6). We have found that both A4A and EAA would like to have a meeting with CBP on the afternoon of September 5th. We both are trying to take advantage of having our members in town for the Air Cargo Industry Summit on Sep 6th. We thought it would be helpful to provide the details on the CBP officials we would like to attend these meetings, the topics we would like to cover, and a schedule we feel is feasible. Both meetings would be held at A4A, across the street from CBP HQ, at (b) (6) (b) (6)

The A4A event is the Cargo Council fall meeting. A4A would like to have a session with CBP from 1-2pm, with the following outline:
1. 1300-1320: If possible, we would like to have Todd Owen and Brenda Smith kick the meeting off with high level overviews of the following CBP items: e-commerce strategy, export automation progress and timelines, ACE development and resiliency – to include OFO downtime processes, ACAS rulemaking, Trusted Trader / account-based management initiatives, and C-TPAT revisions. Brenda and Todd's attendance for the rest of the meeting is welcome, but we understand their schedules are busy.
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a. OFO: Rich Dinucci (b) (6), (b) (7)(C)
b. OT: Debbie Augustin, (b) (6), (b) (7)(C)
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3. 1320-1400 (no later than 1415): Discussion / Q&A on the topics above

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I. Session with Brenda Smith and/or Cynthia Whittenburg, Rich Dinucci, (b) (6), (b) (7)(C) other OT/OFO/OTR staff as desired
A. An export strategy in the express environment
B. ACE downtime policy
C. PGA access to manifest information
D. Single PGA message set for AES
E. E-commerce

II. Session with Todd Owen, Rich Dinucci, (b) (6), (b) (7)(C) other OFO/OTR staff as desired
A. Staffing express facilities
B. North American cargo pre-clearance
C. ACAS penalties – add (b) (6)
D. Holds on ag-shipments – add Kevin Harriger

While this appears to be an ambitious agenda for the EAA meeting, some of these topics will only require a brief update and can be handled in a few minutes.

Please let us know if you have any questions about this plan. We look forward to hearing from you soon.

Thanks,

(b) (6)

(b) (6), (b) (7)(C)

Subject: CBP Meet and Greet w/SFC
Location: (b) (6)

Start: Thu 9/14/2017 3:30 PM
End: Thu 9/14/2017 4:30 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6)
(Finance)'

Categories: External Meeting

(b) (6), (b) (7)(C)

Subject: CBP Meeting w/Pokemon
Location: Elephant & Castle Restaurant: 1201 Pennsylvania Ave NW, Washington, DC

Start: Wed 9/13/2017 12:00 PM
End: Wed 9/13/2017 1:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Categories: External Meeting

Open Table Confirmation: 3643

From: (b) (6)
Sent: Thursday, August 31, 2017 10:35 PM
To: Bradley Hayes (b) (6), (b) (7)(C)
Subject: Request for meeting 9/12 or 13

BH- am requesting a mtg with you and the General Counsel of Pokemon- (b) (6).
They are based in Seattle, WA.
They produce their cards IN the US in various locations – NC, TN, SD and other states….

We hope that 9/12 or 9/13 works….anytime after 10 am…..
Thanks and I am happy to provide additional information on the company, on (b) (6), etc!

(b) (6)
Senior Director of Governmental Affairs
(b) (6)

If you are not an intended recipient of confidential and privileged information in this email, please delete it, notify us immediately at (b) (6) and do not use or disseminate such information.

<< Attachments:

ATT96284 (31.6KB)

>>

(b) (6), (b) (7)(C)

Subject: CBP Overall Internal Briefing
Location: Bradley's Office

Start: Thu 9/7/2017 7:00 AM
End: Thu 9/7/2017 9:00 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

Categories: OTR Staff-Only

(b) (6), (b) (7)(C)

Subject:	CBP Port Tour
Location:	Memphis, TN
Start:	Wed 9/20/2017 7:00 AM
End:	Wed 9/20/2017 8:00 PM
Recurrence:	Daily
Recurrence Pattern:	every day from 8:00 AM to 9:00 PM
Organizer:	HAYES, BRADLEY F
Categories:	Travel

CBP Visit to Fed'l & Trade Neiwo...

CBP Visit to FedEx Trade Networks (FTN) and FedEx Express (FXE) facilities

PROPOSED AGENDA:

Wednesday, September 20

CBP arrives in the AM

1:00 PM CST – Pick Up at Hotel for CBP
Met by (b) (6), VP Regulatory Affairs and Compliance

1:30 PM CST - FTN Import and Brokerage Process - Forest Hill Irene facility
Met by (b) (6), VP Express Clearance Operations
Tour Facilitated by (b) (6), Managing Director, Express Clearance Operations

4:00 PM CST – Leave for Hotel

5:30 PM CST – Dinner CBP and FTN
Location TBD

9:45 PM CST – Pick Up at Hotel for Hub Tour
10:15 PM CST – FedEx Experience Center
10:30 PM CST – Depart for FXE Hub Tour
1:30 PM CST – Depart for Hotel

Thursday, September 21

11:00 AM CST – CBP and FTN Management Meeting Opportunity
Crescent Center Facility

12:00 PM CST – Lunch at Capitol Grill

1:00 PM CST – Internal CBP Meeting
Location TBD

(b) (6), (b) (7)(C)

Subject: CBP Technology Discussion w/ (b) (6)
Location: RRB: 1300 Pennsylvania Ave, Room 3.5A, Washington, DC 20229

Start: Thu 9/7/2017 10:00 AM
End: Thu 9/7/2017 10:45 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6) (b) (6), (b) (7)(C)

Categories: External Meeting

Please check in at the 14th street entrance with a U.S. government-issued ID. Have security call (b) (6), (b) (7)(C) for an escort. If you are not a U.S. citizen, please notify (b) (6), (b) (7)(C) immediately.

In further compliance with the REAL ID Act of 2005, effective immediately, U.S. Customs and Border Protection is prohibited from accepting driver's licenses and identification cards from the following states for accessing CBP properties: American Samoa, Minnesota, Illinois, Missouri, New Mexico, and Washington. Visitors to CBP properties from the aforementioned states will need to provide an alternate form of identification (e.g., US Passport, US Passport Card).

(b) (6), (b) (7)(C)

Subject:	CLOSED: Labor Day
Start:	Mon 9/3/2018 7:00 AM
End:	Mon 9/3/2018 4:00 PM
Show Time As:	Out of Office
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Reminder

From: (b) (6), (b) (7)(C)

To: (b) (6)
(b) (6), (b) (7)(C) (b) (6) (b) (6) (b) (7)(C) (b) (6)
(b) (6) (b) (6), (b) (7)(C) (b) (6)
(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) AUGUSTIN, DEBORAH; HAYES, BRADLEY F

Cc: (b) (6)

Subject: COAC 1USG Monthly Subcommittee Call - September 26th 11am-12pm EDT

Start: Tuesday, September 26, 2017 10:00:00 AM

End: Tuesday, September 26, 2017 11:00:00 AM

Location: (b) (7)(E)

Update: 9/15

We will have our monthly 1USG call on Tuesday September 26th at 11am (EDT).

Thank you,

(b) (6), (b) (7)

Update: 9/13/17

In order to have participation with both our Government Co-chairs I am changing our call date to be Friday September 29th at 11am (EDT).

I am still working with the COAC co-chairs to see if this works for their schedule as well. I can confirm this meeting once I have a critical mass on leadership participation.

Thank you,

(b) (6), (b) (7)

Greetings,

I ask that you save the date for Friday September 15th at 1:30-2pm (EDT) for our next monthly subcommittee call.

September is a busy conference and travel month so this date and time was the most optimal to avoid any schedule conflicts.

I will confirm the date and time once I have availability from the majority of 1USG leadership for this call.

Thank you,

(b) (6), (b) (7)

From: [redacted] (b) (6), (b) (7)(C) [redacted]

To: [redacted] (b) (6) [redacted]

[redacted] (b) (6) [redacted] (b) (6), (b) (7)(C) [redacted] (b) (6) [redacted] TRADE EVENTS; [redacted] (b) (6) [redacted]

[redacted] (b) (6), (b) (7)(C) [redacted]

HAYES, BRADLEY F; <ATTENDEE LIST UNAVAILABLE>

Cc: [redacted] (b) (6) [redacted]

Subject: COAC Admin Call

Start: Friday, September 29, 2017 1:00:00 PM

End: Friday, September 29, 2017 2:00:00 PM

Location: [redacted] (b) (7)(E) [redacted]

Agenda:

- Aug. 2017 COAC Meeting Minutes (executive summary)
- Future COAC meeting dates (2017 – 2018)
- COAC Sub-committee Updates
- Streamlining of COAC Work Groups
- COAC Report to Congress

From: [redacted]

To: [redacted]

Subject: COAC Export Subcommittee Monthly Call - September

Start: Thursday, September 21, 2017 2:00:00 PM

End: Thursday, September 21, 2017 3:00:00 PM

Location: [redacted]

Greetings,

We are planning our COAC Export monthly subcommittee call for September for Thursday 9/21 at 3pm (EDT).

Please save the date for October 26th at 3pm for our following monthly subcommittee call.

I will providing updates closer to the meeting dates.

Thank you,

[redacted]

From: [redacted]
To: [redacted] TRADE EVENTS; HAYES, BRADLEY F
Subject: COAC Working Group Developments
Start: Friday, September 29, 2017 9:00:00 AM
End: Friday, September 29, 2017 10:00:00 AM
Location: [redacted]

Discuss COAC subcommittees and working groups.

*No room – dial-in only; EAC Smith needs the conference room for an OT meeting.

From:	(b) (6), (b) (7)(C)
To:	(b) (6) HAYES, BRADLEY F
Cc:	(b) (6)
Subject:	Coffee w/ (b) (6)
Start:	Friday, September 15, 2017 8:45:00 AM
End:	Friday, September 15, 2017 9:30:00 AM
Location:	RRB Saxby"s: 1300 Pennsylvania Ave, Washington, DC

(b) (6), (b) (7)(C)

Subject: Conf call w DHS re: Hurricane Relief efforts (Bradley Hayes, (b) (6), (b) (7)(C) 5 pm Est

Location: (b) (7)(E)

Start: Fri 9/15/2017 4:00 PM
End: Fri 9/15/2017 5:00 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: (b) (6) '

Categories: Calls

From: (b) (6), (b) (7)(C)
To: (b) (6) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6) HAYES, BRADLEY F; (b) (6), (b) (7)(C) (b) (6) (b) (6)
Subject: Confirmed Meeting:: Datamyne Meeting with CBP
Start: Tuesday, September 12, 2017 8:30:00 AM
End: Tuesday, September 12, 2017 9:30:00 AM
Location: OTR Confernce Room: 3.5A RRB/ Phone Option 1 (b) (7)(E)

Greetings,
(9/7/17) Update,

This meeting is confirmed but unfortunately Executive Director Hayes will not be joining us this time.

Thank you,
(b) (6), (b) (7)(

OTR will host a meeting with members of Datamyne and Cozen O'Connor Public Strategies.

They requested to meet our new Executive Director Bradley Hayes as well as receive updates from CBP as part of their quarterly meetings with CBP.

I will have an agenda circulated closer to the event.

Please let me know if you will or will not be able to make this meeting for this date and time.

Thank you,

(b) (6), (b) (7)(

(b) (6), (b) (7)(C)

Subject: Coordinated action to address COBRA fee increases
Location: RRB: 1300 Pennsylvania Ave, Room 3.5A, Washington, DC/ Dial In: (b) (7)(E) (b) (7)(E)

Start: Wed 9/6/2017 12:00 PM
End: Wed 9/6/2017 1:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: AUGUSTIN, DEBORAH
Required Attendees: DINUCCI, RICHARD F; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

Optional Attendees: HAYES, BRADLEY F; SMITH, FREDERICK B (OCC); (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

Categories: Internal CBP Meeting

COBRA fees increases | COBRA Fees Increases - Prelim...

From: AUGUSTIN, DEBORAH
Sent: Wednesday, August 30, 2017 6:05 PM
To: (b) (6), (b) (7)(C)
Subject: MEETING REQUEST - Coordinated action to address COBRA fee increases

Debbie -
Would you please coordinate with the EAs of the following executives to schedule the subject meeting for this week or early next week:

- Rich Dinucci (b) (6), (b) (7)(C) – OFO
- Alice Kipel – TPP
- (b) (6), (b) (7)(C) – OF
- - OIT
- Bradley Hayes – OTR/optional
- Fred Smith – OCC/optional

Please also cc:

- (b) (6), (b) (7)(C)
-
-

- (b) (6), (b) (7)(C) [redacted]
- [redacted]
- [redacted]
- [redacted]

Time needed: 1 hour

Purpose: To coordinate on CBP's approach to approach to increasing COBRA fees per the alternate strategy approved by C1 which aims for an initial implementation date of 1/01/18. Specifically:

1) OFO needs to review the list of fees and identify operational impact of proposed changes in fees (flagging truck fee)
2) TTO needs to identify when ACE could program for the changes
3) ORR will lay out legal notice strategy, (Final rule, FRNs for phased implementation of new fees) and coordinate approach with OCC on any fees requiring special treatment.

Attachments/Background:

- EAC Smith's 8/29/17 message – Cobra fee increases
- Preliminary System Assessment

Thank you for your assistance! Note we have a get-back to EAC Smith by 9/10/17 which this meeting is helping inform.
Debbie

From: SMITH, BRENDA BROCKMAN
To: (b) (6), (b) (7)(C)
Cc: Owen, Todd C (AC OFO); WHITTENBURG, CYNTHIA F; (b) (6), (b) (7)(C) SMITH, FREDERICK B (OCC); HAYES, BRADLEY F
Subject: COBRA fee increases
Date: Tuesday, August 29, 2017 4:37:10 PM

(b) (5), (b) (6)

Thanks, Brenda

Brenda B. Smith
Executive Assistant Commissioner
Office of Trade
US Customs and Border Protection
1400 L St., NW 12th floor
Washington, DC 20229

Email: Brenda.Smith@cbp.dhs.gov
Phone: 202/863-6000

From: (b) (6), (b) (7)(C)
Sent: Thursday, August 17, 2017 4:09 PM
To: (b) (6), (b) (7)(C)
MCMULLEN, ROBERT P (b) (6), (b) (7)(C) Byram, James (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
Subject: RE: COBRA User Fee question

(b) (6), (b) (7)(C) so you have some OF, OIT, OT, and OFO. We'll update this if we get more info. With respect to the MPF in ACE, based on comments below the earliest the work start would be after the week after the 9/16 ACE deployment. 6 weeks would put a target date at around Nov. 1 at the earliest. I've added (b) (6), (b) (7)(C) to this message.

- 10 different fees can be collected via the Electronic Cash Registers at the ports. (Commercial Vessel, Commercial Truck, Commercial Truck decal, Railroad Car, Private Aircraft, Private Vessel, Express Consignment, Commercial Passenger, Barge/Busk Carrier, User Fee Shipping. It will take the Office of Finance approximately 4 weeks to push the needed changes to update the fees to the Electronic Cash Registers. The commercial truck fee is the most widely used across 97 ports.

- Additionally, the Decal and Transponder On Line Procurement System (DTOPS) can be used to pay commercial vehicle annual user fees and single border crossing fees. DTOPS can be used to pay private aircraft and private vessel annual fees also. This system is operated by the Passenger division of OIT and an estimate for the level of effort to make the changes is 4 weeks.

- Commercial Vessel Arrival Fees, Barges, and Other Bulk Carriers Arrival Fees are collected manually at the ports, however, the Ports of Los Angeles/Long Beach, CA; New Orleans, LA; Mobile, AL; and Gulfport, MS are issuing electronic CBP Form 368 and tonnage certificate receipts (via email) for those collections. All other locations are still issuing hard copies of CBP Form 368 receipts for collection of manual payments. (I'll need to see find out if the electronic Form 368 needs any change.)

- The Railroad Car arrival fee is collected via central processing in Indianapolis and any applicable changes could be accomplished within 4 weeks.

- The Dutiable Mail Fee is collected via the Mail Entry Writing System (MEWS). It will take minimal effort to make the change in this system

- The Commercial Vessel and Commercial Aircraft Passenger fees are collected via wire transfer to the federal reserve bank in New York or via checks to the Office of Finance in Indianapolis. Payments come in and are processed through ACS regardless of the payment type. We have a database that tracks who should be paying us and how much they are paying. We will need to send out a letter to all of our stakeholders reiterating the change along with an updated form they can send in with their payment and will also update the pay.gov forms. How the payment comes in doesn't really matter. This isn't a huge lift for Indianapolis to send these notices out to the carriers.

- The Customs Broker Permit fee is collected manually at 42 port throughout the country.

- The Express Consignment Carrier Facilities fees is self-assessed and collected manually via the Office of Finance in Indianapolis.

- The Merchandise Processing fees are collected through ACE. It will take 6 weeks to develop, test, and deploy changes. If we began development after the 9/16 deployment, 6 weeks will not be enough time to hit a 10/1 implementation date. I'm sure management would not ask to move this up in priority ahead of de-coupling, so work could not conceivably began until after 9/16, since Team Phoenix is heads down for the 9/16 date and is the team needed for this effort.

- It will be a minimal effort to change fees related to manual entry.

(b) (6), (b) (7)(C)

Subject: [redacted] - A/L 12:00-4:00

Start: Thu 9/14/2017 12:00 AM
End: Fri 9/15/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: [redacted] - S/L

Start: Mon 9/25/2017 12:00 AM
End: Tue 9/26/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: DCA -> MEM (American Airlines 1668 & 1846)
Location: Hotel: Hampton Inn at 5320 Poplar Ave (Confirmation: 85859617)

Start: Wed 9/20/2017 7:45 AM
End: Wed 9/20/2017 10:09 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

Washington, DC, US - to - Memphis, TN, US Check In
Departs: Wednesday - September 20 **Flight# 4648**

Carrier:	American Airlines	**Operated by:**	REPUBLIC AIRLINES AS AMERICAN EAGLE
Departs:	Washington National Airport (DCA)(Terminal:TERMINAL C)	Wednesday - September 20 - 8:45 AM	
Arrives:	Memphis International Airport (MEM)	Wednesday - September 20 - 10:09 AM	
Seat #:	Airport Check-in	**Ticket #:**	0018654475736-REF 0018655123229-REF
Carrier Locator:	UHYGQL	**Meal:**	N/A
Status:	Segment Confirmed	**Info:**	Stops: 0, Time: 2.24, Miles: 751
Class:	ECONOMY (G)	**Equipment:**	Embraer 175 (2 Engine Jet)
Frequent Flyer:	(b) (6), (b) (7)(C)		

The Hertz Corporation
Wednesday - September 20 - to - Friday - September 22

BASE RATE DOES NOT INCLUDE TAXES AND SURCHARGES CAR RENTER MUST BE 18 YEARS OF AGE WITH CREDIT CARD IN THE NAME OF DRIVER IS REQUIRED FOR RENTAL MILEAGE CHARGES MAY BE APPLICABLE TO THIS RENTAL

Confirmation:	H41622649A8GOLD- ¤Hayes Bradley
Pickup Info:	Date: Wednesday - September 20 - 10:09 AM Location: Terminal MEMPHIS INTERNATIONAL AIRPORT 2560 RENTAL ROAD MEMPHIS TN 38118-1552 Phone: 901-345-5680
Car Info:	Compact, Car, Automatic, Air Conditioning
Drop Off Info:	Date: Friday - September 22 - 1:05 PM MEMPHIS INTERNATIONAL AIRPORT 2560 RENTAL ROAD MEMPHIS TN 38118-1552 Phone: 901-345-5680
Rate Info:	Daily: 44.00 USD (Mileage Info: Unlimited) Extra Hour: 22.00 (Mileage Info: Unlimited) Estimated Total: 202.21
Agency Notes:	PROCEED TO THE COURTESY BUS PICKUP ISLAND LOCATED ON THE BAGGAGE CLAIM LEVEL OUTSIDE OF THE TERMINAL ON THE MIDDLE WALKWAY.

Corporate Membership:	[redacted] (b) (6), (b) (7)(C)
Personal Membership:	XXXXXX5130

Hampton Inn
Wednesday - September 20 - to - Friday - September 22

HOTEL MUST BE CANCELLED BY 06PM OF 9/20/2017 TO AVOID CHARGES

Hotel:	Hampton Inn Memphis 5320 Poplar Ave Memphis Tn 38119 Phone: 1-901-683-8500 Fax: 1-901-763-4970
Check In:	Wednesday - September 20
Check Out:	Friday - September 22
Confirmation:	85859617
Rate Info:	$113.00 USD **Per Diem Rate:** $117.00
Other Info:	Number of Rooms: 1, Number of Guests: 1 Room Description: A0BA3L FEDROOMS -FEDROOMS-US GOVERNME 1 KING BED NONSMOKING HDTV FREE WI-FI HOT BREAKFAST C CANCEL BY 6 PM DAY OF ARRIVAL TTX 66.17 TTL TAX TSC 0.00 TTL SURCHARGE TP 405.17 USD APPROX. TTL PRICE TD INCLUDES TAXES AND SURCHARGES TD EXCLUDES INCIDENTALS
Corporate Membership:	(b) (6), (b) (7)(C) [redacted]
Personal Membership:	

(b) (6), (b) (7)(C)

Subject:	Detroit
Start:	Fri 9/1/2017 7:00 AM
End:	Fri 9/1/2017 9:00 AM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Travel

From: (b) (6), (b) (7)(C)
To: KIPEL, ALICE A.; (b) (6), (b) (7)(C); (b) (6) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject: DHS Updates on Hurricane Maria
Start: Wednesday, September 27, 2017 2:00:00 PM
End: Wednesday, September 27, 2017 3:00:00 PM
Location: (b) (7)(E)
Attachments: Jones Act FAQ.pdf

<<Jones Act FAQ.pdf>>

Speaker Dial-in for Ms. Kipel and (b) (6), (b) (7)(C)
Dial-In: (b) (7)(E)
PIN: (b) (7)(E)

NPPD/FEMA NBEOC Stakeholder
Conference Call:
Hurricane Maria

Agenda
Wednesday, September 27, 2017
3:00 p.m. – 4:00 p.m. EDT

(b) (7)(E)

NBEOC Operations Dashboard is now back live at: https://fema.connectsolutions.com/maria2017/

3:00 p.m. Welcome
* (b) (6) Acting Director, NICC, NPPD/IP
* (b) (6) Director, Private Sector Division, FEMA

3:05 p.m. Federal Updates

* NOAA LNO National Operations Center

* Office of Infrastructure Security and Energy Restoration, DOE

* Director National Coordination Center for Communications

* Department of Transportation

* U.S. Coast Guard

* Health and Human Services

* Jones Act

3:40 p.m. Open Discussion Potential Sector Impacts and Shortfalls
* Moderated open discussion

3:55 p.m. Closing Remarks
* (b) (6) Acting Director, NICC, NPPD/IP

Jones Act FAQ

Q: When can the Jones Act be waived?

A: Under current U.S. law, the Jones Act can only be waived in two circumstances. One, based on a request of the Secretary of Defense to waive the Act in the interest of national defense. And two, based on a determination by the Secretary of Homeland Security of a national defense need AND a determination by the head of the Maritime Administration of the non-availability of qualified United States flag capacity ships to meet national defense requirements.

Authority does not exist in law for any federal department to waive the Jones Act for purely economic purposes.

To read the applicable text of the Jones Act with regard to waivers -- https://www.law.cornell.edu/uscode/text/46/501

Q: Why has DHS not issued a Jones Act waiver for Puerto Rico? Did they deny a request?

A: Currently, DHS has not denied any request for a Jones Act waiver for Puerto Rico. DHS's waiver authority is limited and there are significant hurdles. Under current law, DHS can only waive the Jones Act for "national defense" purposes. Absent a DOD finding there is a national security risk, or the Maritime Administration confirming there is a shortage of American flagged available vessels, DHS cannot waive the Jones Act.

Based on consultation with these and other Federal agencies, DHS has been informed that there is sufficient numbers of US-flagged vessels to move commodities to Puerto Rico. The limitation in Puerto Rico is going to be port capacity to offload and transfer cargo, not vessel availability. Most of the humanitarian shipments will be through barges, which make up a significant portion (along with tugs) of the US-flagged cargo fleet.

Q: Why give waivers for Texas and Florida but not Puerto Rico?

A: After Hurricanes Harvey and Irma, the rationale for a Jones Act waiver was to make up for the loss of very high capacity pipelines taking petroleum to numerous places along the east coast. This included the shipment of a significant amount of aviation fuel stocks. This disruption of fuel was determined by the Secretary of Defense to pose a threat to national defense.

The situation in Puerto Rico is much different. There has been no determination of a national defense need, nor do we lack US-flagged vessel capacity to move commodities to Puerto Rico, and restrictions on port operations and slowdowns at the port (e.g., cranes operating on generators are moving at half speed), and the above mentioned internal movement of goods, will be the primary limiting factors.

As noted above, the previous Jones Act waiver was to address the severe disruptions of the oil supply system resulting from Hurricanes Harvey and Irma -- https://www.dhs.gov/news/2017/09/13/dhs-statement-extending-jones-act-waiver

Q: Petroleum shortages in Puerto Rico are a serious problem. How is this different from Hurricane Harvey and Irma?

A: The fuel supply challenges facing Puerto Rico are not a function of the lack of fuel being shipped to the island, but caused by the devastation to Puerto Rico's transportation networks that have prevented fuel from being transported on the island to all of the places that need it.

FEMA has identified priority fuel customers and is working with the government of Puerto Rico to supply those customers, but significant challenges remain.

The fuel concerns associated with Hurricane Harvey were driven by the loss of numerous refineries and the shutdown of the primary pipeline moving refined fuel to the East Coast and Southeast. In those cases, we needed additional vessel capacity to make up for those loses.

Q: Is DHS concerned that keeping the Jones Act in place will delay or hinder relief efforts in Puerto Rico?

A: DHS relies on the Maritime Administration to determine whether there is a lack US-flagged vessel capacity to move commodities to Puerto Rico. MARAD has made no such determination. Instead restrictions on port operations and slowdowns at the port (e.g., cranes operating on generators are moving at half speed), and the above mentioned internal movement of goods, will be the primary limiting factors of the movement of commodities.

Q: What about the economic argument to waive the Jones Act and lower costs for Puerto Rico's recovery?

A: DHS has not done an analysis of the potential cost savings of waiving the Jones Act for Puerto Rico since that is not material to our decision-making. Under current law, we can only waive the Jones Act for national defense purposes, and in coordination with other federal agencies.

Changes to the Jones Act in regards to economic considerations would need to be done through Congress.

Background

DHS has not denied any request for a Jones Act waiver for Puerto Rico.

Based on consultation with other Federal agencies, DHS's current assessment is that there is sufficient numbers of US-flagged vessels to move commodities to Puerto Rico. The limitation is going to be port capacity to offload and transfer cargo, not vessel availability. Most of the humanitarian shipments will be through barges, which make up a significant portion (along with tugs) of the US-flagged cargo fleet.

After Hurricanes Harvey and Irma, the rationale for a Jones Act waiver was to facilitate movement of petroleum to numerous places along the east coast, and making up for the loss of very high capacity pipelines. The situation in Puerto Rico is much different.

The fuel supply challenges facing Puerto Rico are not a function of the lack of fuel being shipped to the island, but caused by the devastation to Puerto Rico's transportation networks that have prevented fuel from being transported on the island to all of the places that need it. FEMA has identified priority fuel customers and is working with the government of Puerto Rico to supply those customers, but significant challenges remain.

The fuel concerns associated with Hurricane Harvey were driven by the loss of numerous refineries and the shutdown of the primary pipeline moving refined fuel to the East Coast and Southeast. In those cases, we needed additional vessel capacity to make up for those loses.

We do not lack US-flagged vessel capacity to move commodities to Puerto Rico, and restrictions on port operations and slowdowns at the port (e.g., cranes operating on generators are moving at half speed), and the above mentioned internal movement of goods, will be the primary limiting factors.

In addition, DHS's waiver authority is actually quite limited and there are significant hurdles. Under current law, DHS can only waive the Jones Act for "national defense" purposes. DHS has not done an analysis of the potential cost savings of waiving the Jones Act for Puerto Rico since that is not material to our decision-making.

See this for more background on Jones Act waivers -- https://www.law.cornell.edu/uscode/text/46/501

Also, as noted above, the previous Jones Act waiver was to address the severe disruptions of the oil supply system resulting from Hurricanes Harvey and Irma -- https://www.dhs.gov/news/2017/09/13/dhs-statement-extending-jones-act-waiver

(b) (6), (b) (7)(C)

Subject: DHS Press Call on Jones Act
Location: (b) (7)(E)

Start: Wed 9/27/2017 9:00 AM
End: Wed 9/27/2017 9:30 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: KIPEL, ALICE A.; (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) (b) (6)
(b) (6), (b) (7)(C)

Categories: Calls

From: DHS Press Office (b) (6)
Sent: Wednesday, September 27, 2017 9:03 AM
To: (b) (6)
Subject: DEPARTMENT OF HOMELAND SECURITY TO HOST PRESS CALL ON JONES ACT

Press Office
U.S. Department of Homeland Security

Media Advisory

September 27, 2017
Contact: DHS Press Office, (202) 282-8010

DEPARTMENT OF HOMELAND SECURITY TO HOST PRESS CALL ON JONES ACT

WASHINGTON – Senior officials from the Department of Homeland Security will participate in a press call today, Wednesday, September 27th at 10:00 AM EDT to discuss the Jones Act. The information is on background attributable to senior DHS officials.

Reporters who RSVP will receive an email with dialing instructions and additional information for this media-only briefing.

Wednesday, September 27, 2017

10:00 AM EDT Senior officials from DHS participate in a press call on Jones Act

**Credentialed media planning to call in must RSVP to* [redacted] *for conference call-in number*

# # #

(b) (6), (b) (7)(C)

Subject: DHS PSO Involvement with ECTS
Location: (b) (7)(E)

Start: Fri 9/8/2017 2:30 PM
End: Fri 9/8/2017 3:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6); (b) (6), (b) (7)(C)
Resources: (b) (6)

Categories: Calls

From: HAYES, BRADLEY F
Sent: Tuesday, August 8, 2017 3:48 PM
To: (b) (6), (b) (7)(C)
Cc: (b) (6); (b) (6), (b) (7)(C)
Subject: ECTS Convo with DHS PSO

(b) (6), (b) (7)(C) –

Could you find some time early next week for (b) (6), (b) (7)(C) and me to hop on a call and talk about PSO involvement in the ECTS (and OTR/PSO coordination generally)?

Actually, if it's easier to do when I'm out of office at end of week, I'm happy to hop on a call then.

Thank you,

Bradley F. Hayes
Executive Director
Office of Trade Relations
Office of the Commissioner
U.S. Customs & Border Protection
O: (b) (6), (b) (7)(C)

For scheduling needs, please contact (b) (6), (b) (7)(C)

From:	(b) (6), (b) (7)(C)
To:	[redacted] HAYES, BRADLEY F
Subject:	Discuss C1"s WESCCON remarks - Friendly reminder
Start:	Wednesday, September 27, 2017 12:00:00 PM
End:	Wednesday, September 27, 2017 12:30:00 PM
Location:	OTR Conference Room / (b) (6), (b) (7)(C)

Good morning (b) (6), (b) (7)(C):

XD Hayes has had an unexpected change to his schedule; therefore, he will have to discuss C1's WESCCON remarks via teleconference. You and I can still meet in-person, and he will converse with us via teleconference. Thank you for your understanding.

Issues from WESCCON POC:

1. Trade facilitation staffing at the ports. Ports around the country and customs brokers and importers believe that staffing at the seaports is insufficient. What is CBP doing to address this, and how is it assuring that the staffing goes to the right places, to facilitate international trade, and not just on enforcement at the land border? Is CBP staffing being diverted from the seaports and airports to the express consignment facilities?
2. The $800 de minimis combined with rapidly growing E-Commerce import volumes, is allowing unprecedented volumes of imports to enter without the traditional level of scrutiny by CBP and relevant Federal agencies responsible for carrying out efforts to stem the import of illegal/counterfeit drugs, counterfeit consumer goods, illegal opioids, dangerous consumer goods, slave and forced labor goods, and etc. How is CBP assuring that the nation's safety, security and compliance is protected in the face of a $800 de minimis and the explosion of E-Commerce?
3. When will CBP reinstate Option 4 or other meaningful post departure filings of export documentation for cargoes such as agriculture, forest products, and etc.
4. Is CBP keeping trade facilitation as a top mission, or is it being pulled into an expanded enforcement role, which diverts resources from facilitation?

(b) (6), (b) (7)(C)

Subject: Discuss Canada Trip w/(b) (6), (b) (7)(C)
Location: (b) (7)(E)

Start: Fri 9/29/2017 10:30 AM
End: Fri 9/29/2017 11:00 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Categories: Calls

From: (b) (6), (b) (7)(C)
To: HAYES, BRADLEY F
Subject: Discussion regarding UFAC possibly being placed under COAC
Start: Wednesday, September 6, 2017 12:00:00 PM
End: Wednesday, September 6, 2017 12:30:00 PM
Location: (b) (7)(E)

Good afternoon:

(b) (5)

(b) (6), (b) (7)(C)

Subject: DTW -> DCA (Delta 2360) *Confirmation: JJMERG

Start: Fri 9/1/2017 9:20 AM
End: Fri 9/1/2017 10:50 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

Friday, September 01, 2017

Flight Detroit, MI (DTW) to Washington, DC (DCA)

Delta 2360

Departure: 10:20 AM
Seat: 18C (Requested) Change Seat
Detroit Wayne County Arpt (DTW)
Terminal: E.H.MCNAMARA TERMINAL

Duration: 1 hour, 30 minutes
Nonstop

Arrival: 11:50 AM
Ronald Reagan National Arpt (DCA)
Terminal: B

Confirmation: JJMERG
Status: Confirmed
Air Frequent Flyer Number: (b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)

To: (b) (6), (b) (7)(C) ; (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) ; (b) (6) ;(b) (6), (b) (7)(C); (b) (6) "; (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) (b) (6)
(b) (6), (b) (7)(C) OTRConferenceRoomCalendar; TRADE
EVENTS; (b) (6) "; (b) (6), (b) (7)(C) ;
(b) (6)
(b) (6)
(b) (6), (b) (7)(C) ; (b) (6)
(b) (6), (b) (7)(C)
(b) (6) AUGUSTIN, DEBORAH; (b) (6) ;(b) (6), (b) (7)(C); HAYES, BRADLEY F

Cc: (b) (6), (b) (7)(C)

Subject: Emerging Technologies WG meeting

Start: Tuesday, September 26, 2017 2:00:00 PM

End: Tuesday, September 26, 2017 3:00:00 PM

Location: (b) (7)(E)

All –

We are postponing this meeting until next Tuesday at 3PM. I will be sending an e-mail shortly with some questions for each of you to answer. We will use the answers to the questions as a starting point for the meeting next week. In the same e-mail will be a request to let us know if you intend to attend the workshop in October.

Please let me know if you have any questions.

Thank you,

(b) (6), (b)

It looks like a majority of the working group is available at this date and time. I have provided a dial-in that is also a webinar. I do not think we will have documents to share at this meeting, however, it does allow us to make a recording of the meeting for those that are not able to attend.

Webinar link: http://dhs.adobeconnect.com/emergingtechnologies/

Agenda will be added once developed

Please let me know if you have any questions about the meeting or working group.

Thank you,

(b) (6), (b) (7)(C)
Office of Trade Relations
Office of the Commissioner
US Customs and Border Protection
(b) (6), (b) (7)(C) (C)

From: (b) (6), (b) (7)(C)

To: (b) (6); AUGUSTIN, DEBORAH; (b) (6), (b) (7)(C) (b) (6) HAYES, BRADLEY F

Subject: Emerging Technologies WG Workshop Day 2 agenda

Start: Tuesday, September 26, 2017 3:00:00 PM

End: Tuesday, September 26, 2017 3:30:00 PM

Location: (b) (7)(E)

After the co-chair meeting, the appearance of day 2, looks like it would be best utilized as a day of discussions with the end goal being outlines of possible strategic level recommendations that could be discussed at follow on calls. The consensus was that we could use some of the questions that I sent out in e-mail on Tuesday to spur the discussion.

* What problem are we trying to solve.
* How could the technology solve it
* What benefits are obtained by utilizing Blockchain
* What is your business using the technology for now, or planning on using it for in the future.
* What areas might a company be interested in testing this
* Could blockchain remove redundant regulatory
* Where could this be used within the CBP process with the trade
o A.I.I.
o Carnets

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6) (b) (6) ; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C); AUGUSTIN, DEBORAH; John, Anil
Cc: (b) (6)
Subject: Emerging Technologies Working Group Kick-off
Start: Monday, September 11, 2017 9:00:00 AM
End: Monday, September 11, 2017 10:00:00 AM
Location: (b) (7)(E)
Attachments: Emerging Technologies WG SOW 8.26.17.docx

Good Afternoon,

This is the kick-off meeting for the Emerging Technologies working group. I have included a high-level outline agenda for the meeting and the draft SOW. The draft SOW will be discussed during the kick-off.

High level agenda:
Introductions
What is COAC
SOW and goals of the WG, Recommendations by which public COAC meeting
Meeting Frequency/day/time
DHS Blockchain/Emerging Technology Workshop October 10,11 & optional 12th
<<Emerging Technologies WG SOW 8.26.17.docx>>
Please let me know if you have any questions about the working group or the kick-off meeting

Thank you,

(b) (6), (b) (7)(C)
Office of Trade Relations
Office of the Commissioner
US Customs and Border Protection
(b) (6), (b) (7)(C) (C)

U.S. Customs and Border Protection

Advisory Committee on Commercial Operations to U.S. Customs and Border Protection (COAC) Statement of Work for the Emerging Technologies Working Group

1. Background:

New and evolving technologies will have a substantial impact on both the enforcement and facilitation on trade. U.S. Customs and Border Protection (CBP) is proposing the initiation of an emerging technologies working group. This working group will be announced at the August 23rd COAC public meeting. The emerging technologies working group objectives and scope are consistent with the official charter of COAC.

2. Objectives and Scope of Activities:

After engaging in full deliberation and discussion, the working group shall advise the COAC Global Supply Chain Subcommittee of any advice or recommendations related to new technologies or advancement of existing technology which will have an impact on trade. For example, blockchain is a decentralized and distributed digital ledger in which transactions made in bitcoin or another cryptocurrency are recorded chronologically and publicly across many computers so that the record cannot be altered retroactively without the alteration of all subsequent blocks and the collusion of the network. Initially, the working group is expected to help CBP identify ways blockchain could be utilized and develop a pilot to test aspects of the blockchain technology. The pilot design should focus on a specific sector of industry or an industry already familiar with blockchain technology. Additional phases could include ideas on expanding the use of blockchain technology and other emerging technologies throughout CBP.

The working group will conduct its work throughout the 1st Term of the COAC established by TFTEA April 2016. The Working Group is anticipated to take no longer than 12 months, although can be extended if needed.

The working group will offer practical strategic approaches, solutions/suggestions and recommendations in areas such as:

- Identify areas for standard setting
- Determine ways blockchain or emerging technology could be utilized
- Expanding use of blockchain or emerging technology throughout CBP
- Determine the feasibility of pilot to implement blockchain or emerging technology.
- Emerging technologies related to Trade

The COAC working group on emerging technologies will advise the COAC Global Supply chain Subcommittee in these areas and will make recommendations that are helpful to industry and Government, will be supported by a broad range of stakeholders, and will incorporate the views and address the concerns of industries impacted by the proposed projects.

Note this statement of work can be further modified by the COAC, Subcommittee or working group as the work progresses during the year.

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Tue 9/5/2017 12:00 AM
End: Thu 9/7/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6) - Travel
Location: Memphis, TN

Start: Fri 9/22/2017 12:00 AM
End: Sat 9/23/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Wed 9/20/2017 12:00 AM
End: Thu 9/28/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - S/L

Start: Fri 9/1/2017 12:00 AM
End: Sat 9/2/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) OTRConferenceRoomCalendar; TRADE EVENTS; HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C) ; KIPEL, ALICE A.
Subject: Forced Labor Internal Meeting
Start: Thursday, September 7, 2017 12:00:00 PM
End: Thursday, September 7, 2017 1:00:00 PM
Location: 11th Floor Conference Room at 1400 L Street, Conference Line (b) (7)(E)

This Meeting is requested by Deputy Executive Director (b) (6), (b) (7) to discuss the Forced Labor Issue.

Please take note of the location change to L street. Conference Line (b) (7)(E)

Thank you for your time in consideration of this request.

Respectfully,
(b) (6), (b) (7)(C)
Program Manager, CBPO
Office of Trade Relations, Office of the Commissioner
U.S. Customs & Border Protection
(b) (6), (b) (7)(C)

Warning: The information contained herein remains under the control of the Department of Homeland Security (DHS), through the Bureau of Customs and Border Protection (CBP). This message contains information intended only for the addressee named above. If you believe you have received this email in error, please notify the sender immediately.

From: (b) (6), (b) (7)(C)
To: (b) (6)
(b) (6) (b) (6), (b) (7)(C); HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: Forced Labor Leadership Call
Start: Friday, September 22, 2017 11:30:00 AM
End: Friday, September 22, 2017 12:00:00 PM
Location: (b) (7)(E)

Good Morning,

Due to scheduling restrictions please note the new time.

Good Morning,

Your participation is appreciated for a final preparation call for the Forced Labor In Person Meeting Scheduled for Tuesday, September 26, 2017.

Thank you.

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C); HAYES, BRADLEY F
Subject:	Front Lobby Opening Internal by Invite Only
Start:	Monday, September 18, 2017 9:00:00 AM
End:	Monday, September 18, 2017 9:30:00 AM
Location:	RRB Front Lobby
Attachments:	CBP Lobby Invite - Email.jpg

<<CBP Lobby Invite - Email.jpg>>

You are invited to the opening ceremony for the **Hall of Honor**
An exhibit in the 14th Street lobby of the Ronald Reagan Building, Washington, D.C.
Monday, September 18, 2017 at 10:00 a.m.

U.S. Customs and Border Protection

Doors close at 10:00 a.m., latecomers will be admitted following ceremony.

From: (b) (6), (b) (7)(C)

To: (b) (6), (b) (7)(C) (b) (6)

(b) (6)

(b) (6) (b) (6), (b) (7)(C); (b) (6)
(b) (6) (b) (6), (b) (7)(C) (b) (6) TRADE EVENTS;
(b) (6) (b) (6), (b) (7)(C) (b) (6) ; (b) (6), (b) (7)(C) ,
(b) (6), (b) (7)(C); HAYES, BRADLEY F; (b) (6)

Cc: (b) (6)

Subject: FW: AD/CVD Conference Call

Start: Tuesday, September 12, 2017 1:00:00 PM

End: Tuesday, September 12, 2017 2:00:00 PM

Location: (b) (7)(E)

Attachments: AD-CDV Recommendations.xlsx

Importance: High

OT Colleagues,
Will an OT resource be available to participate on this call? I believe (b) (6) is not certain of the agenda. Who from OT is leading this working group and this call?
(b) (6), (b) (7

-----Original Appointment-----
From: (b) (6), (b) (7)(C)
Sent: Wednesday, August 30, 2017 9:21 AM
To: (b) (6), (b) (7)(C); (b) (6), (b) (7)(C) ; (b) (6), (b) (7)(C) ; (b) (6), (b) (7)(C)
; (b) (6), (b) (7)(C) ; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) ;
(b) (6), (b) (7)(C) (b) (6), (b) (7)(C) TRADE EVENTS; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: FW: AD/CVD Conference Call
When: Tuesday, September 12, 2017 2:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Number: (b) (6), (b) (7)(C)

-----Original Appointment-----
From: (b) (6), (b) (7)(C)
Sent: Thursday, April 27, 2017 12:46 PM
To: (b) (6), (b) (7)(C) ; (b) (6)

(b) (6)

(b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C)
(b) (6) (b) (6), (b) (7)(C)
(b) (6) (b) (6), (b) (7)(C) TRADE EVENTS; (b) (6) (b) (6), (b) (7)(C) (b) (6)
(b) (6)
Cc: (b) (6)
Subject: AD/CVD Conference Call
When: Tuesday, September 12, 2017 2:00 PM-3:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Conference Number: (b) (6)

Good morning:

The AD/CVD Working Group call has been rescheduled, and will occur on September 12th from 2:00 p.m. – 3:00 p.m. Eastern Time. Please review the attached recommendations for discussion on our next call.

You may use the following webinar link for the call:

http://dhs.adobeconnect.com/r5vc9fs6k3r/

(b) (7)(E)

Agenda (TBD)
* Roll Call
* Recommendation Review
* Open Discussion
* Next Steps

<<AD-CDV Recommendations.xlsx>>

Cum.#	Rec. #	FY	Date	Sub-committee	COAC Recommendation	FACA	OTR Status	Comments	Lead Office
COAC TERM (2016 – 2018)									
	10005				COAC recommends that CBP utilize CSMS messaging and/or RSS feeds to more actively push out links to AD/CVD enforcement information, such as: • AD/CVD enforcement updates issued monthly or as available on CBP.gov. • The final disposition of 19 U.S.C. §1592(a) penalty cases for civil violations and Department of Justice criminal claims filed under the False Claims Act as reported on CBP.gov • Year-end enforcement statistics on AD/CVD that breaks down enforcement efforts by commodity, country, etc. on an annual fiscal year basis (see IPR Annual Seizure Report as an example).			Information on the first two bullets is available by RSS feed. AD/CVD statistics are included in AD/CVD update newsletters posted on CBP.gov.	
	10006				COAC recommends that CBP should also utilize CSMS messaging and/or RSS feeds to provide a web link to advise the trade of new AD/CVD Orders. This represents an important stage in the AD/CVD investigation when all entries are suspended for liquidation and cash deposits must be secured.			This duplicates information that is already publicly available in multiple sources. AD/CVD Orders are already published in the Federal Register by the Commerce Department. Subscriptions to the Federal Register are available via RSS feed or email, to a search term, a section, an agency or a daily feed of all documents. In addition, all Commerce AD/CVD messages on new AD/CVD Orders are already available to the trade in ACE and the AD/CVD Search database on CBP.gov. AD/CVD messages are searchable by message type in both systems to identify new AD/CVD Order messages, and the AD/CVD Search database includes a "View Most Recent AD/CVD Messages" function to access new messages on AD/CVD Orders.	
	10007				COAC recommends that the Centers collaborate based on their industry expertise to conduct outreach via webinars so the trade can be fully informed of AD/CVD orders among the various Centers' industry sectors and to increase informed compliance for the trade.			CBP plans to set up briefings with the AD/CVD Working Group from representatives from different Centers of Excellence and Expertise.	
	10008				COAC recommends that CBP establish RSS feeds from the AD/CVD page of its website to allow the trade to receive real-time notifications of any updates made to the site.			Implemented.	
	10009				COAC recommends that CBP should provide an updated document to the trade that provides clear definition of what is meant by terminated vs. inactive AD/CVD cases as identified in the customs broker outreach that was conducted.			Implemented and posted on CBP.gov.	
	10010				In accordance with Section 432 of HR 644, COAC recommends that CBP consult with COAC to further assess its legal ability to provide a public summary of AD/CVD investigations under the Enforce and Protect Act of 2015 to balance the need for trade enforcement transparency and support informed compliance for the trade.			CBP conducted briefings with AD/CVD Working Group on EAPA process and regulations.	
	10011				COAC recommends that the AD/CVD Working Group conduct a final review of CBP's AD/CVD Web Page to ensure it hosts links to all other government websites where AD/CVD information can be found. The AD/CVD web page is already robust and this review should help complete this pending recommendation.			The AD/CVD Working Group has completed its review and provided its input to CBP.	

From: (b) (6), (b) (7)(C)

To: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6) (b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) (b) (6); (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C); (b) (6) ; TRADE EVENTS; TRADE RELATIONS; (b) (6), (b) (7)(C) (b) (6) ; HAYES, BRADLEY F; (b) (6) (b) (6), (b) (7)(C) ; (b) (6)

Cc: (b) (6), (b) (7)(C); (b) (6), (b) (7)(C) (b) (6) (b) (6) ; (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6)

Subject: FW: Confirmed: - COAC Export Manifest WG 9/15 @ 2:00pm (EDT)

Start: Friday, September 15, 2017 1:00:00 PM

End: Friday, September 15, 2017 2:00:00 PM

Location: (b) (7)(E)

Attachments: E-Manifest Annotation.xlsx

All times listed are in the following time zone:(UTC-05:00) Eastern Time (US & Canada)

From: (b) (6), (b) (7)(C)
Sent: Friday, September 01, 2017 9:16:43 AM
To: (b) (6), (b) (7)(C) (b) (6) (b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

(b) (6)

(b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) TRADE EVENTS; TRADE RELATIONS; (b) (6), (b) (7)(C) (b) (6)
Cc: (b) (6) (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) ; (b) (6), (b) (7)(C) (b) (6) (CENSUS/ITMD FED)
Subject: Confirmed: - COAC Export Manifest WG 9/15 @ 2:00pm (EDT)
When: Friday, September 15, 2017 2:00 PM-3:00 PM.
Where: (b) (7)(E)

Greetings,

The Office of Trade Relations held a CBP/Trade call on Friday 9/8 to discuss impacts of Hurricane Irma.

We did reschedule our manifest working group meeting for this Friday September 15th at 2pm (EDT). (b) (6) provided the following agenda topics that we will cover along with 1 reference file.

1. Welcome back to the group; overview of Export Subcommittee ideas for EPWG-manifest work prior to the November COAC meeting
2. Brainstorming of any other work to be done in the near-term – either for November, or early 2018
3. Review of document on potential AES citations for export manifest (attached)
4. Outline of work to be done prior to next EPWG call (Sept 29)
5. Other topics?

Thank you,

(b) (6), (b) (7)

Due to circumstances out of my control I will need to reschedule this meeting.

This is due to Hurricane Irma Communications Efforts.

Sorry for any inconvenience,

(b) (6), (b) (

Greetings,

The COAC Export Subcommittee, under the leadership of (b) (6), would like to resume activities of the Export Manifest working group.

We are proposing our first meeting to be Friday September 8th at 2pm (EDT) with meetings every three weeks.

Our tentative schedule for now is Friday 9/8, 9/29 and 10/20. We may have additional meetings prior to the November 15th public COAC meeting.

If you could save the dates at this time I will follow up with confirmed invites once I have availability of all working group leadership.

If you are no longer interested in participating in this working group please let me know an I will remove you from our master distribution emailing list. (b) (6) previously managed this group between April 2015- January 2017. She is now back at her C-TPAT position within the Office of Field Operations.

Thank you,

(b) (6), (b) (7)(C)
Office of Trade Relations
CBP
(b) (6), (b) (7)(C)

FTR Descriptions (Proposed)	Annotation for Electronic Manifest (Proposed)	FTR Descriptions (Provided by CBP)	Annotation for Electronic Manifest (Provided by CBP)
AES Proof of Filing Citation. (Internal Transaction Number)	AES20170101987654		Example: AES20170101987654
AES Postdeparture Citation. PDF (USPPI EIN)	PDF123456789	AES Postdeparture Citation – USPPI filing AESPOST USPPI-EIN Date of Export AESPOST 123456789	PDF(USPPI EIN) Example: PDF123456789
AES Downtime Citation–Use only when AES or AES*Direct* is unavailable. AED (USPPI EIN)	AED123456789	AES Downtime Citation AESDOWN FILER ID Date of Export AESDOWN 123456789 01/01/2017	AED (USPPI EIN) Example:AED123456789
Exemptions			
30.36 – Exemption for shipments to Canada	EXAA	Shipments to Canada	EXB
30.37(a) – Exemption for low value shipments	EXA	Shipments valued at less than $2500	EXC
30.37(b) – Exemption for tools of trade and their containers	EXB	Tools of trade	EXY
30.37(c) – Exemption for shipments from one point in the United States to another point in the United States by routes passing through Canada or Mexico	EXC	Shipments through Mexico or Canada back to the US	EXZ
30.37(d) – Exemption for shipments starting and ending in Canada and Mexico that route through the United States	EXD	Shipments from either Mexico or Canada through the US back to the same country	EX1
30.37(f) – Exemption for exports of technology and software as defined in 15 CFR 772 of the EAR that do not require an export license	EXF	Mass Market Software	EXD
30.37(g) – Exemption for shipments of books, maps, charts, pamphlets, and similar articles to foreign libraries, government establishments, or similar institutions	EXG	Books, maps charts, pamphlets for foreign libraries	EXE

30.37(h) – Exemption for shipments as authorized under License Exception GFT for gift parcels and humanitarian donations as (15 CFR §740.12(a) and (b))	EXH	Gift parcels/humanitarian donations	EXF
30.37(i) – Exemption for shipments of diplomatic pouches and their contents	EXI	Diplomatic pouches	EXG
30.37(j) – Exemption for shipments of human remains and accompanying appropriate receptacles and flowers	EXJ	Human remains	EXH
30.37(k) – Exemption for shipments of interplant	EXK	Interplant correspondence	EXI
30.37(l) – Exemption for shipments of pets as baggage	EXL	Pets shipped as baggage	EXX
30.37(m) – Exemption for carrier's stores, not shipped under a bill of lading or an air waybill, supplies and equipment, including usual and reasonable kinds and quantities of bunker fuel, deck engine and steward department stores, provisions and supplies, medicinal and surgical supplies, food stores, slop chest articles, and saloon stores or supplies for use or consumption on board and not intended for unlading in a foreign country	EXM	Carrier stores	EX2
30.37(n) Exemption for dunnage not shipped under a bill of lading or an air waybill, of usual and reasonable kinds and quantities not intended for unlading in a foreign country	EXN	Dunnage	EX3
30.37(o) – Exemption for shipments of aircraft parts and equipment; food, saloon, slop chest, and related stores; and provisions and supplies for use on aircraft by a U.S. airline. (EAR license exception (AVS) for aircraft and vessels 15 CFR 740.15(c)	EXO	Aircraft parts, equipment, supplies for US airlines	EXJ

30.37(p) – Exemption for baggage and personal effects, accompanied or unaccompanied, of persons leaving the United States including members of crews on vessels and aircraft, when they are not shipped as cargo under a bill of lading or an air waybill or other commercial loading documents and do not require an export license	EXP	Baggage and personal effects - oral declaration	EX4
30.37(q) – Exemption for temporary exports	EXQ	Temporary exports (less than 12 months) except ITAR	EX5
30.37(r) – Exemption for temporary imports	EXR	Exported on a Carnet or TIB	EX6
30.37(s) – Exemption for shipments of issued banknotes and securities and coins in circulation exported as evidence of financial claims. The EEI must be filed for unissued bank notes and securities and coins not in circulation (such as bank notes printed in the United States and exported in fulfillment of the printing contract or as part of collections), which should be reported at their commercial or current value	EXS	Banknotes and securities	EXK
30.37(t) – Exemption for shipments of documents used in international transactions, documents moving out of the United States to facilitate international transactions including airline tickets, internal revenue stamps, liquor stamps, and advertising literature. Export of such documents in fulfillment of a contract for their production, however, are not exempt and must be reported at the transaction value for their production	EXT	Docs for international transactions, tickets IRS stamps, and ad literature	EXL

30.37(u) – Exemption for exports of technical data and defense service exemptions as defined in 22 CFR 123.22(b)(3)(iii) of the ITAR	EXU	Technical data and defense service exemptions based on ITAR requirements	
30.37(v) – Exemption for vessels, locomotives, aircraft, rail cars, trucks, other vehicles, trailers, pallets, cargo vans, lift vans, or similar shipping containers not considered "shipped" in terms of the regulations in this part, when they are moving, either loaded or empty, without transfer of ownership or title, in their capacity as carriers of goods or as instruments of such carriers, and EEI filing is not required	EXV	Vessels, trains, aircraft with no transfer of ownership	EXN
30.37(w) – Exemption for shipments to Army Post Office/Diplomatic Post Office/ Fleet Post Office	EXW	Shipments to APO, FP, and Dip Post Offices	EXO
30.37(x) – Exemption for shipments exported under license exception BAG	EXX	Baggage under 15 CFR 740.14	EX7
30.37(y) – Exemption for certain shipments destined to Country Group E:1 and E:2	EXY	Shipments to Country Group E:1 Sup. No. 1 to 15 CFR 740	EXR
30.39 – Exemption for shipments to the U.S. armed services	EXBA	Shipments to the US Armed Forces, except ITAR	EXS
30.40**(a)** – Exemption for certain shipments to U.S. government agencies and employees	EXCA	Office furniture for USG agencies	EXT
30.40(b) – Exemption for certain shipments to U.S. government agencies and employees	EXCB	Household goods for USG employees	EXU
30.40(c) – Exemption for certain shipments to U.S. government agencies and employees	EXCC	Commissary goods	EXV
Exclusions			

30.2(d)(1) – Exclusion for goods shipped under CBP bond through the United States, Puerto Rico, or the U.S. Virgin Islands from one foreign country or area to another where such goods do not enter the consumption channels of the United States.	EX1		
30.2(d)(2) – Except for Puerto Rico and U.S. Virgin Islands, exclusion goods shipped from the U.S. territories, and goods shipped between the United States and these territories do not require EEI filing.	EX2		
30.2(d)(3) – Exclusion for electronic transmissions and intangible transfers.	EX3		
30.2(d)(4) – Exclusion for goods shipped to Guantanamo Bay Naval Base in Cuba from the United States, Puerto Rico, or the U.S. Virgin Islands and from Guantanamo Bay Naval Base to the United States, Puerto Rico, or the U.S. Virgin Islands.	EX4		
30.2(d)(5) – Exclusion for goods licensed by a U.S. federal government agency where the country of ultimate destination is the United States or goods destined to international waters where the person(s) or entity assuming control of the item(s) is a citizen or permanent resident alien of the United States or a juridical entity organized under the laws of the United States or a jurisdiction within the United States.	EX5		

(b) (6), (b) (7)(C)

Subject: FW: Trade Call - Hurricane Irma Impact on ACE Filings
Location: (b) (7)(E)

Start: Wed 9/6/2017 2:00 PM
End: Wed 9/6/2017 3:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: (b) (6), (b) (7)(C)

Categories: Calls

Importance: High

Good Afternoon: ITDS Board Members:

Please mark your calendars and dial-in this afternoon for an emergent conference call **Hurricane Irma Impact on ACE Filings.**

Respectfully,

(b) (6), (b) (7)(C)

-----Original Appointment-----
From: (b) (6), (b) (7)(C)
Sent: Wednesday, September 06, 2017 12:34 PM
To: (b) (6), (b) (7)(C)
Subject: Trade Call - Hurricane Irma Impact on ACE Filings
When: Wednesday, September 06, 2017 3:00 PM-4:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Teleconference

The Trade Transformation Office (TTO) will host a call with members of the Trade today (Wednesday, September 6, 2017) at 3:00PM ET to provide an update on the impacts of Hurricane Irma on ACE filings.

Dial-in Information

(b) (7)(E)

If the first line is full please use

(b) (7)(E)

(b) (6), (b) (7)(C)

Subject: Hurricane Irma Trade Stakeholder Call
Location: (b) (7)(E)

Start: Fri 9/8/2017 1:30 PM
End: Fri 9/8/2017 2:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: HAYES, BRADLEY F; (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
AUGUSTIN, DEBORAH
(b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)

Optional Attendees: (b) (6), (b) (7)(C)
(b) (6) (b) (6), (b) (7)(C)

Categories: Calls

From:	CBP COMMISSIONER SCHEDULER
To:	[redacted] (b) (6), (b) (7)(C) [redacted] HAYES, BRADLEY F; [redacted] (b) (6), (b) (7)(C) [redacted]
Subject:	Immigration Cell Meeting
Start:	Tuesday, September 19, 2017 12:00:00 PM
End:	Tuesday, September 19, 2017 1:00:00 PM
Location:	Commissioner"s Small Conference Room

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) (b) (6) (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Cc: (b) (6) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
Subject: Internal - Section 321 Meeting as an outcome of today"s C1 Trade Day Brieffing (reference document added)
Start: Monday, September 25, 2017 1:00:00 PM
End: Monday, September 25, 2017 2:00:00 PM
Location: (b) (7)(E)
Attachments: Section_321_Future Vision Inforgraphic_DRAFT.PPTX

<<Section_321_Future Vision Inforgraphic_DRAFT.PPTX>>

(b) (6), (b) (7)(C) asked me to provide the attached ppt for today's meeting discussions.

Thank you,

(b) (6), (b) (7)(

Greetings,

Originally this hour on Monday September 25th was going to be used for Director (b) (6), (b) (7)(C) to brief XD Hayes on Section 321. That meeting was moved to Monday October 2nd.

(b) (6), XD Hayes, EAC Owen and EAC Smith made a plan to go forward with Section 321 during today's C1 Trade Day briefing.

(b) (6), (b) (7 would like to host an internal meeting on Monday September 25th to discuss the plan for going forward with Section 321.

Thank you,
(b) (6), (b) (7)(

From:	(b) (6), (b) (7)(C) on behalf of (b) (6), (b) (7)(C) EOP/OMB"
To:	(b) (6), (b) (7)(C) (b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject:	IPEC + CPB Meeting
Start:	Monday, September 18, 2017 1:30:00 PM
End:	Monday, September 18, 2017 2:00:00 PM
Location:	EEOB 296

WAVES: https://events.whitehouse.gov/form?rid=47WT4HKG8D
Please submit by 5pm on Friday, September 15, 2017.

(b) (6), (b) (7)(C)

Subject: ITI Trade Staff Meeting
Location: 1101 K Street, NW, 6th Floor-Suite 610

Start: Fri 9/8/2017 8:30 AM
End: Fri 9/8/2017 9:30 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

Categories: External Meeting

Mr. Hayes will arrive at the lobby and take the elevators to the 6th floor, suite 610, where the front desk will notify (b) (6) of arrival.

From: (b) (6)
Sent: Friday, August 4, 2017 9:34 AM
To: HAYES, BRADLEY F (b) (6), (b) (7)(C)
Subject: ITI Trade Staff Meeting

Hi, Bradley!

How are things in the new job? Sorry to miss you and others at polo last weekend. I am sure it was a fun group!

I let my internal ITI trade colleagues know about your appointment at the CBP Trade Relations Office, and they are interested in sitting down some time to get acquainted and then down the road, potentially having you as a guest speaker at our trade policy committee meeting. (We have several policy committees at ITI and most have monthly meetings to discuss our policy priorities within that issue area. Each often has a guest speaker at the beginning before discussion of committee business.)

Would you have time this month for a casual coffee with my trade colleagues? If so, let me know when you are around, and I'll see if we can coordinate around everyone's travel schedules. I will be out Aug. 17-25, but otherwise around.

(b) (6)
Senior Director, Government Affairs & Policy Counsel
Information Technology Industry Council
1101 K Street, NW
Suite 610
Washington, DC 20005
(b) (6), (b) (7)(C)

<image001.jpg>

From:	SMITH, BRENDA BROCKMAN
To:	OVERACKER, THOMAS F; KIPEL, ALICE A.; [redacted] (b) (6), (b) (7)(C) [redacted] (OCC); [redacted] (b) (6), (b) (7)(C) [redacted] HAYES, BRADLEY F; [redacted] (b) (6), (b) (7)(C) [redacted] LADOWICZ, JOHN P
Subject:	Jones Act Next Steps
Start:	Friday, September 29, 2017 1:30:00 PM
End:	Friday, September 29, 2017 2:00:00 PM
Location:	OTR Conference Room 3.5A/Dial In [redacted] (b) (7)(E) [redacted]

Focus of this meeting is to prep for what happens after the current blanket waiver expires.

[redacted] (b) (7)(E) [redacted]

(b) (6), (b) (7)(C)

Subject: Jones Act Misinformation Call
Location: (b) (7)(E)

Start: Wed 9/27/2017 10:15 AM
End: Wed 9/27/2017 10:45 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: HAYES, BRADLEY F; (b) (6), (b) (7)(C)
QUINN, TIMOTHY; (b) (6), (b) (7)(C); (b) (6)

Optional Attendees: (b) (6)

Categories: Calls

From: (b) (6)
Sent: Wednesday, September 27, 2017 8:35:51 AM
To: (b) (6)
Cc:
Subject: Jones Act misinformation

(b) (6):

OPA is going to hold a media call this morning on the Jones act to push back on the misinformation that PR needs a waiver. We feel that people are confused why we didn't grant a waiver, and more broadly confusing some lawmakers and Puerto Rico's opposition to it for economic reasons for what DHS/the administrations role for waiving it in certain emergency situations. We'd like to remind people that congress should address the Jones act more broadly if they want it repealed.

Since lawmakers, industry and other stakeholders seem to be the ones spreading this information to the media, can we do additional outreach to these groups this morning as well? Have you already planned something?

(b) (6)
Deputy Assistant Secretary, Strategic Communications
Office of Public Affairs
U.S. Department of Homeland Security
(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject: LACBFA Dinner
Location: Capitol Hill Club

Start: Mon 9/11/2017 5:00 PM
End: Mon 9/11/2017 7:00 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: External, External Meeting

LACBFA Bradley Hayes Invite.p...

From: (b) (6)
Sent: Friday, August 18, 2017 10:27:55 PM
To: (b) (6), (b) (7)(C)
Cc: (b) (6)
Subject: Re: Greetings PCC!

(b) (6), (b) (7)(C) your message was very timely. We would like to invite Bradley Hayes to the traditional annual dinner here in DC hosted by the LA Customs Brokers and Forwarders Assoiciation in September. We will send you details, it will be Monday evening, during the NCBFAA Govt Affairs Conference. '

As you and (b) (6) know, this is informal, enjoyable, and most of the leadership of CBP has been a guest at one of these dinners over the years. Will be a nice opportunity for the LA Association leadership to get to know Mr. Hayes.

The LA Delegation will include (b) (6), (b) (7)(C) President of the PCC and Co-Chair of COAC, amoung others.

We wanted to get this in front of you now; please help us schedule this, and a formal invitation letter is coming. Many thanks (b) (6), (b) (7)(C).

(b) (6)

THE LOS ANGELES CUSTOMS BROKERS & FREIGHT FORWARDERS ASSOCIATION, INC.

August 22, 2017

Mr. Bradley Hayes
Executive Director for the Office of Trade Relations (OTR)
Customs & Border Protection
Department of Homeland Security
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20229

Dear Mr. Hayes:

The leadership of the Los Angeles Customs Brokers & Freight Forwarders Association, with responsibility of handling the imports through the nation's largest port complex and beyond, will be in Washington DC in September, and invite you for an informal dinner on the evening of Monday September 11.

This spring, Commissioner McAleenan met with the leadership of the Pacific Coast Council in an informal dinner setting, providing an opportunity for dialogue. We know you are familiar with many of our concerns here on the West Coast, and would truly value the opportunity to discuss these, and your objectives in your new role. We are not looking for a speech, just a productive discussion.

We will meet at 6:30 PM, at a restaurant in downtown Washington, D.C. We encourage you or your staff to contact [redacted] (b) (6) [redacted] in Washington, DC at [redacted] (b) (6), (b) (7)(C) [redacted] for additional details.

Thank you for considering this invitation, and we hope you will accept.

Sincerely,

[redacted] (b) (6) [redacted]
President
Los Angeles Customs & Freight Brokers Assn.

320 Pine Avenue, Suite 1050
Long Beach, CA 90802 | Phone: 714.316.5270
Email: info@lacbffa.org| Website: www.lacbffa.org

(b) (6), (b) (7)(C)

Subject: Lunch w/ (b) (6)
Location: Elephant & Castle: 1201 Pennsylvania Ave, Washington, DC

Start: Wed 9/6/2017 10:30 AM
End: Wed 9/6/2017 12:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6)

Categories: External Meeting

Open Table Confirmation #2268

From: (b) (6)
To: (b) (6), (b) (7)(C) (b) (6), (b) (6) HAYES, BRADLEY F
Subject: Luncheon Invitation- President"s Table
Start: Monday, September 11, 2017 11:00:00 AM
End: Monday, September 11, 2017 12:30:00 PM
Location: NCBFAA GAC

On behalf of NCBFAA's President (b) (6) and the GAC planning committee, please allow this calendar invitation to serve as your invitation to join us at the NCBFAA Government Affairs Conference at the PRESIDENT'S table for our luncheon with the CBP Commissioner on Monday, September 11 at noon.

We request an RSVP by Wednesday, September 6th so that we may ensure that we have a full table.

Thank you, we very much look forward to seeing you at the Upcoming Government Affairs Conference. As always, please let me know how we can be of assistance to help you keep trade moving.

(b) (6)

(b) (6), (b) (7)(C)

Subject: Meet-and-Greet w/Colombia CBP Attache
Location: RRB: 1300 Pennsylvania Ave, Room 3.5A, Washington, DC 20229

Start: Fri 9/15/2017 10:00 AM
End: Fri 9/15/2017 10:30 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Resources: OTRConferenceRoomCalendar; TRADE EVENTS

Categories: External Meeting

PLEASE DO NOT FORWARD INVITE. If you are not able to attend, or would like to add someone to this meeting, please send names and email addresses to (b) (6), (b) (7)(C). Thank you!

Please check in at the 14th street entrance with a U.S. government-issued ID. Have security call (b) (6), (b) (7)(C) for an escort. If you are not a U.S. citizen, please notify (b) (6), (b) (7)(C) immediately.

In further compliance with the REAL ID Act of 2005, effective immediately, U.S. Customs and Border Protection is prohibited from accepting driver's licenses and identification cards from the following states for accessing CBP properties: American Samoa, Minnesota, Illinois, Missouri, New Mexico, and Washington. Visitors to CBP properties from the aforementioned states will need to provide an alternate form of identification (e.g., US Passport, US Passport Card).

REAL ID Accept...

From: (b) (6), (b) (7)(C)
Sent: Monday, August 28, 2017 9:01 AM
To: HAYES, BRADLEY F (b) (6), (b) (7)(C)
Subject: Meet with CBP Attache to Colombia

Sir,

I found your contact info on CBPnet and am reaching out to seek a POC from OTR to meet with the CBP Attaché to Colombia, (b) (6), (b) (7)(C) in early September. Amy will be in town for meetings before she travels to Bogota to begin her assignment. She wants to meet with OTR to learn more about any current/planned outreach to the Colombian trade community.

Thank you,
(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) | INTERATIONAL RELATIONS SPECIALIST | OFFICE OF INTERNATIONAL AFFAIRS | MOBILE: (b) (6) | OFFICE: (b) (6), (b) (7)(C)

U.S. Customs and Border Protection

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Wed 9/27/2017 12:00 AM
End: Sat 9/30/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Categories: Personal

(b) (6), (b) (7)(C)

Subject: [redacted] - A/L 8:00-2:00pm

Start: Wed 9/6/2017 12:00 AM
End: Thu 9/7/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - S/L 2:00-4:00

Start: Mon 9/11/2017 12:00 AM
End: Tue 9/12/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - Telework 6:00-10:00

Start: Wed 9/27/2017 12:00 AM
End: Thu 9/28/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: OTR Staff-Only

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) - Telework

Start: Wed 9/20/2017 12:00 AM
End: Thu 9/21/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: OTR Staff-Only

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Fri 9/22/2017 7:00 AM
End: Fri 9/22/2017 4:00 PM
Show Time As: Out of Office

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

From: SMITH, BRENDA BROCKMAN
To: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C); (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject: NAFTA Modernization Negotiations
Start: Friday, September 15, 2017 2:00:00 PM
End: Friday, September 15, 2017 3:00:00 PM
Location: 1400 L St

When you arrive in the lobby, please call myself or (b) (6), (b) (7)(C) to escort you to EAC's Conference room.

(b) (6), (b) (7)(C)

Executive Assistant to the Executive Assistant Commissioner
Office of Trade
U.S. Customs and Border Protection

(b) (6), (b) (7)(C)

~~Notice: FOR OFFICIAL USE ONLY - this transmission contains material covered by the Privacy Act of 1974 and should be viewed only by personnel having an official "need to know." If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the content of this information is prohibited. If you have received this communication in error, please notify me immediately by email and delete the original message.~~

From:	SMITH, BRENDA BROCKMAN
To:	(b) (6), (b) (7)(C) (b) (6) HAYES, BRADLEY F
Subject:	National Fisheries Institute Meeting
Start:	Wednesday, September 20, 2017 3:00:00 PM
End:	Wednesday, September 20, 2017 3:30:00 PM
Location:	1400 L St NW

Mr. (b) (6)

When you arrive in the lobby, please call for me to escort you to EAC's Conference room.

(b) (6), (b) (7)(C)

Executive Assistant to the Executive Assistant Commissioner
Office of Trade
U.S. Customs and Border Protection

(b) (6), (b) (7)(C)

~~Notice: FOR OFFICIAL USE ONLY – this transmission contains material covered by the Privacy Act of 1974 and should be viewed only by personnel having an official "need to know." If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the content of this information is prohibited. If you have received this communication in error, please notify me immediately by email and delete the original message.~~

From: CBP COMMISSIONER SCHEDULER

To: DCC10A-RMB-COMMISSIONER-CN-RM; SMITH, BRENDA BROCKMAN; WHITTENBURG, CYNTHIA F (DEAC OT); (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Owen, Todd C (EAC OFO); McAleenan, Kevin K SES; FLANAGAN, PATRICK S; VITIELLO, RONALD D (USBP); HAYES, BRADLEY F; AUGUSTIN, DEBORAH; (b) (6), (b) (7)(C)

Cc: (b) (6), (b) (7)(C)

Subject: National Retail Federation (Trade Day)

Start: Tuesday, September 19, 2017 10:00:00 AM

End: Tuesday, September 19, 2017 11:00:00 AM

Location: Commissioner"s Large Conference Room

Attachments:
001 Trade Day Master Table of Contents 9-19-17 (Revised 9-15-17).docx
01 2017 09 19 NRF Briefing Memo 9-11-17R2.docx
02 NRF Agenda.doc
03 NRF CBP Trade Day September 2017 Participant Bios (2).docx
04 2017 09 07 NRF CBP Trade Day 091917.docx
05 PGA Data and Mission Creep_8.2017.doc
06 Issue Paper ACE Performance and Outage OT Update 2.doc
07 CTPAT MSC.DOCX
08 CTPAT ISA TT.DOCX
09 TFTEA Forced Labor.docx
10 non-LES EAPA_Issue Paper.public.083117.docx
11 Trade Day E-Commerce and Section 321 8.29.17.doc
12 Trade Day De minimis 9.7.17.docx

DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please email (b) (6), (b) (7)(C) and provide a reason as well as a surrogate request.

<<001 Trade Day Master Table of Contents 9-19-17 (Revised 9-15-17).docx>> <<01 2017 09 19 NRF Briefing Memo 9-11-17R2.docx>> <<02 NRF Agenda.doc>> <<03 NRF CBP Trade Day September 2017 Participant Bios (2).docx>> <<04 2017 09 07 NRF CBP Trade Day 091917.docx>> <<05 PGA Data and Mission Creep_8.2017.doc>> <<06 Issue Paper ACE Performance and Outage OT Update 2.doc>> <<07 CTPAT MSC.DOCX>> <<08 CTPAT ISA TT.DOCX>> <<09 TFTEA Forced Labor.docx>> <<10 non-LES EAPA_Issue Paper.public.083117.docx>> <<11 Trade Day E-Commerce and Section 321 8.29 17.doc>> <<12 Trade Day De minimis 9.7.17.docx>>
Attendees:
Kevin K. McAleenan, Acting Commissioner
Ronald D. Vitiello, Acting Deputy Commissioner
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Cynthia Whittenburg, Deputy Assistant Commissioner, Office of Trade
Bradley Hayes, Executive Director, Office of Trade Relations
Deborah Augustin, Executive Director, Trade Transformation Office, Office of Trade
John Leonard. Executive Director, Trade Policy & Programs, Office of Trade
(b) (6), (b) (7)(C) Deputy Executive Director, Cargo & Conveyance Security, Office of Field Operations
Director, C-TPAT, Office of Field Operations
(b) (6), (b) (7)(C) Director, Cargo & Conveyance Security, Office of Field Operations
(b) (6), (b) (7)(C) Branch Chief, Cargo & Conveyance Security, Office of Field Operations
Patrick Flanagan, Acting Chief of Staff, Office of the Commissioner
(b) (6), (b) (7)(C) Program Manager, Office of Trade Relations
(b) (6), (b) (7)(C) International Trade Liaison, Office of Trade Relations *OTR Coordinator*

Master Table of Contents
Tuesday September 19, 2017

Trade Day Meeting with World Shipping Council (WSC), The International Air Transport Association (IATA) &Airlines for America (A4A), and the National Retail Federation (NRF)

Tab A WSC – 08:00 a.m. - 09:00 a.m.

Tab 01 Briefing Memo for WSC
Tab 02 Agenda
Tab 03 Biographies
Tab 04 Issue Paper: Ocean export manifest automation
Tab 05 Issue Paper: CTPAT Advance Qualified Unlading Approval
Tab 06 Issue Paper: CTPAT: Minimum Security Criteria
Tab 07 Issue Paper: Ocean Container Malfunctions
Tab 08 Issue Paper: ACE Partner Government Agency Data & Mission Creep
Tab 09 Issue Paper: ACE Performance & Outage Update
Tab 10 Issue Paper: Automation of vessel entrance/clearance forms and processes

Tab B IATA & A4A – 09:30 a.m. – 10:30 a.m.

Tab 01 Briefing Memo
Tab 01a IATA
Tab 01b A4A
Tab 02 Agenda
Tab 03 Biographies
Tab 03a IATA
Tab 03b A4A
Tab 04 Issue Paper: Carrier Post Audit Procedures
Tab 05 Issue Paper: ACAS
Tab 06 Issue Paper: Progressive Filing Model
Tab 07 Issue Paper: Biometric Entry and Exit
Tab 08 Issue Paper: Export Manifest
Tab 09 Issue Paper: E-commerce/Section 321
Tab 10 Industry Letter to CBP on Biometric Exit Program

Tab C NRF – 11:00 a.m. – 12:00 p.m.

Tab 01 Briefing Memo for NRF
Tab 02 Agenda
Tab 03 Biographies
Tab 04 NRF Paper on Trade Day Issues
Tab 05 Issue Paper: ACE Partner Government Agency Data & Mission Creep
Tab 06 Issue Paper: ACE Performance & Outage Update
Tab 07 Issue Paper: CTPAT: Minimum Security Criteria
Tab 08 Issue Paper: CTPAT: Importer Self-Assessment and Trusted Trader
Tab 09 Issue Paper: Forced Labor & TFTEA
Tab 10 Issue Paper: EAPA Investigations
Tab 11 Issue Paper: eCommerce/Section 321
Tab 12 Issue Paper: Increase in De Minimis Value (Section 321)

TRADE DAY MEETING
NATIONAL RETAIL FEDERATION (NRF)
Tuesday, September 19, 2017
11:00a.m.-12:00p.m. (60 minutes)
Commissioner's Large Conference Room

Overview:

- You will meet with (b) (6), Senior Vice President, Government Relations and (b) (6), Vice President of Supply Chain and Customs Policy at the National Retail Federation as well as (b) (6), Chairman of NRF International Trade Advisory Committee (ITAC) and Vice President of Customs and Social Compliance for Macy's Merchandising Group. A full list of participants is below.
- The goal of the meeting is to discuss four priority issues that NRF has identified to include; ACE/SW, C-TPAT, Enforcement, and E-Commerce/Section 321.

Discussion Points:

ACE/SW – As related to PGA Data and Mission Creep

- CBP is in full agreement with the trade community on the need to guard against mission creep in the Single Window, and has worked continuously with the International Trade Data System (ITDS) Board of Directors and the Border Interagency Executive Council (BIEC) to ensure that appropriate measures are in place to mitigate against it.

C-TPAT – Update on Minimum Security Criteria / Benefits

- A working group comprised of about 50 individuals representing the equities and interests of the entire supply chain spectrum was created. Many of our COAC representatives have been part of the discussions, webinars and face to face meetings that have taken place since this working group was created in April 2016.
- CBP provided an update to the membership at large during the C-TPAT conference in in August. This topic was part of the Director's remarks during the general session and it was also covered at one of the eight workshops delivered during the conference.

Enforcement – Changes with New Administration

- Forced Labor
  - Section 307 of the Tariff Act of 1930 (19 U.S.C. § 1307) prohibits the importation into the United States of merchandise mined, produced or manufactured, wholly or in part, in any foreign country by forced labor.

- E-Commerce/Section 321
  - With the TFTEA-mandated De Minimis Value Threshold (DMT) increase to $800, CBP is seeing changes in business practices as well as volume increases due to the new cost saving opportunity. These changes create challenges to effective enforcement and facilitation of trade.

- CBP is working with various trade groups such as the COAC, BIEC, NCBFAA and other trade associations to develop the requirements for an electronic functionality to process Section 321 shipments in addition to the current manifest process (through entry type 86).
- The electronic functionality will permit brokers to process de minimis shipments and report PGA data. CBP believes this will address security deficiencies (i.e., once the functionality is added to the Automated Commercial Environment (ACE), CBP will be able to effectively target and identify trends associated with de minimis shipments).
- Although importers, like Amazon and Walmart, support this automated solution, they raise issue if an automated solution is really customs business. They have also stated that developing an "entry-like" solution for section 321 would not follow the facilitative intent of the TFTEA value increase.

Watch Out For/ If Asked:

What safeguards does ACE have in place to guard against mission creep?

- As the lead agency for Single Window implementation, CBP has sought to restrict the data elements required in the PGAs' message sets to only those that are required for entry into the United States.
- CBP has also taken concrete steps to limit agencies' access to only data associated with products over which they have legal jurisdiction.
- An example of this is the implementation of Harmonized Tariff Schedule (HTS) code "filters" that restrict agencies' access to data associated with HTS codes that correspond to products that they regulate.

What are CBP's downtime procedures for ACE?

- In the event of an ACE system slow down or outage, CBP has procedures in place to address system issues and communicate with users just as we've had with ACS. Port downtime or workaround procedures will be implemented as determined by the Office of Field Operations, and guidance to the trade community will be communicated via the Cargo Systems Messaging Service (CSMS). Filers should continue to work with the local port office regarding the movement of goods.

When will ISA members be allowed to receive Trusted Trader incentives?

- CBP will announce its intent to transition the Trusted Trader Pilot to a fully operational Trusted Trader Program. CBP will transition all ISA members to the Trusted Trader Program, at which point they will be eligible to receive program incentives.

When will the Trusted Trader Pilot become fully operational?

- Once CBP completes the testing and evaluation of incentives in Phase II of the Pilot, and upon completion of the functional requirements for trade compliance portion of the program in the CTPAT portal. We hope to launch CTPAT Trade Compliance and begin the transition of ISA members on a phased approach beginning in FY 2019.

Should CBP create regulatory deadlines, similar to EAPA, for issuance of a withhold release order or for reviewing an importer's admissibility statement?

- The current regulations stipulate that CBP will promptly review and respond to the respective submissions. The flexibility of the current regulations enhances our ability to collaborate with ICE, but we did advise the workgroup that the current detention authorities did not exist when this regulation was created.
- COAC repeatedly requested a 30 day deadline on CBP while continuing to allow them 90 days to respond. The final recommendations amended this recommendation to 30 days total. CBP views the current regulations as advantageous to importers and must abide by the timeframes within 19 U.S.C. §1499 (i.e. 30 days).

Will CBP agree with the recommendations made by the Forced Labor working group?

- **Answer:** CBP will review the recommendations and respond through to the COAC accordingly. CBP continues to incorporate some recommendations (i.e. webinars, RSS Feeds and coordination with the Centers) into its existing work.

Does the Section 321 release environment affect enforcement?

- Most PGAs have stated that their regulations do not identify a de minimis value for shipments and indicated that they would need permits and reporting for all relevant shipments regardless of value. Current ACE capabilities do not allow for submission of PGA information without the filing of an electronic entry via the Automated Broker Interface. CBP's vision is to provide PGAs with access to manifest information to manage risk.

Has CBP been seeing an increase in illicit drugs coming into the U.S. through de minimis packages?

- The information CBP receives on de minimis shipments is limited. There are no advanced data in the mail environment. (b) (7)(E) . Additional operations and training are needed to familiarize CBP Officers on de minimis shipments.

Background:

- National Retail Federation (NRF) is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries.
- Executive Assistant Commissioner Brenda Smith, Office of Trade spoke to members of the National Retail Federation on July 18th during a joint meeting of NRF's International Trade Advisory Committee (ITAC) and Strategic Supply Chain Council (SSCC).
- NRF has several members on the current COAC 1USG Subcommittee's Fish & Wildlife Service Working Group this includes (b) (6) from NRF, (b) (6) from IKEA, and (b) (6) Carnes from the TJX Companies. (b) (6) is also a member of the COAC TERC Forced Labor Working Group. (b) (6) served on the COAC Trade Modernization Rulings Improvement working group.
- NRF sent a letter of support to Chairman Hatch, and Ranking Member Wyden of the Senate Committee on Finance for your nomination on July 11, 2017.

- Members of National Retail Federation last participated in a CBP hosted Trade Day on Tuesday March 31, 2015.

PRESS: Closed

CBP/OPA Services Required: None

ATTACHMENTS:
- Agenda
- Biographies
- NRF Paper on Trade Day Issues
- Issue Paper: ACE/SW Partner Government Agency Data & Mission Creep
- Issue Paper: ACE Performance & Outage Update
- Issue Paper: CTPAT: Minimum Security Criteria
- Issue Paper: CTPAT: Importer Self-Assessment and Trusted Trader
- Issue Paper: Forced Labor & TFTEA
- Issue Paper: EAPA Investigations
- Issue Paper: eCommerce/Section 321
- Issue Paper: Increase in De Minimis Value (Section 321)

PARTICIPANTS:
CBP
Kevin K. McAleenan, Acting Commissioner
Ronald D. Vitiello, Acting Deputy Commissioner
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Cynthia Whittenburg, Deputy Assistant Commissioner, Office of Trade
Bradley Hayes, Executive Director, Office of Trade Relations
Deborah Augustin, Executive Director, Trade Transformation Office, Office of Trade
John Leonard. Executive Director, Trade Policy & Programs, Office of Trade
(b) (6), (b) (7)(C) Deputy Executive Director, CCS, Office of Field Operations
(b) (6), (b) (7)(C), Director, C-TPAT, Office of Field Operations
(b) (6), (b) (7)(C), Director, CCS, Office of Field Operations
(b) (6), (b) (7)(C), Branch Chief, CCS, Office of Field Operations
Patrick Flanagan, Acting Chief of Staff, Office of the Commissioner
(b) (6), (b) (7)(C), Program Manager, Office of Trade Relations
(b) (6), (b) (7)(C), International Trade Liaison, Office of Trade Relations

Non-CBP
(b) (6), Senior Vice President, Government Relations, National Retail Federation
(b) (6), Vice President, Supply Chain and Customs Policy, National Retail Federation
(b) (6), Vice President of Customs and Social Compliance, Macy's Merchandising Group
(b) (6), Vice President International Logistics and Trade Compliance leader for TJX Companies
(b) (6), Trade Compliance Associate Director, JC Penney

(b) (6), (b) (7)(C), Trade Programs Area, QVC, Inc.
(b) (6), (b) (7)(C), Regional Customs and Compliance Manager the America's Region, IKEA Purchasing Services (US), Inc.
(b) (6), (b) (7)(C) Trade Advisor in Customs Coordination Center, IKEA Purchasing Services (US) Inc.

Staff Responsible for Briefing Memo:
(b) (6), (b) (7)(C), Office of Trade Relations

TRADE DAY MEETING
NATIONAL RETAIL FEDERATION (NRF)
Tuesday, September 19, 2017
11:00a.m.-12:00p.m. (60 minutes)
Commissioner's Large Conference Room

Agenda

Welcome and Introductions – Bradley Hayes, Executive Director, Office of Trade Relations

Opening Remarks – Kevin K. McAleenan, Acting Commissioner

Open Discussion

NRF priority issues:

1. ACE/SW
2. C-TPAT - Update on Minimum Security Criteria / Benefits
3. Enforcement
4. E-Commerce/Section 321.

Adjournment

NRF CBP Trade Day September 19, 2017

Who is NRF

NRF is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. Retail is the nation's largest private sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing $2.6 trillion to annual GDP, retail is a daily barometer for the nation's economy.

Issues

ACE Rollout – PGA Messaging Sets and Mission Creep

There continue to be concerns within NRF and the larger trade community about ACE rollout and the mission creep from other Partner Government Agencies. The primary concern about ACE rollout is the continuing extension of full implementation and the recent shutdown that occurred. We would like to know CBP's strategy moving forward as well as what additional resources the agency will need for ongoing maintenance and improvement.

In addition, there continues to be concern about PGAs seeking additional information. We have seen issues with CPSC, FDA and FWS seeking significant amounts of new information for import clearance. While CBP has been successful in engaging with these agencies, what is the status of working with other agencies? How is CBP working with the PGAs to ensure facilitation is a key part of ACE implementation and risk mitigation?

CTPAT rewrite

NRF's members strongly support CTPAT. Many have been in the program since its inception and continue to participate at a Tier 3 level. We fully understand the need to update the program after more than a decade of its existence, especially the minimum security criteria (MSC). We want to make sure that new and updated requirements still fit the mission of the voluntary program to improve supply chain security against the threat of terrorism and not to address other areas of enforcement from the agency. We also want to ensure that CTPAT members will have the ability to review and provide comments on any new MSC created for the program. In addition, we must ensure that new requirements are rolled out on phased in approach in order to give companies enough time to make any necessary changes to their supply chains. CBP must also ensure that new benefits are developed to be commensurate with new requirements for CTPAT participants.

Enforcement Issues (Forced labor, etc.)

There continue to be a number of questions from NRF members and other stakeholders about CBP's enforcement strategy for issues such as Forced Labor. While the Trade Enforcement and Trade Facilitation Act required changes to the law, NRF members would like to know what actions CBP intends to take to update the requirements and regulations surrounding Consumptive Demand and Forced Labor. What is CBP's reaction to the COAC's Forced Labor Working Group recommendations? What kind of training and guidance will the agency provide to importers and others on the topic? What can the industry do to help CBP on this issue?

E-Commerce Issues

NRF members recognize that E-Commerce presents a new range of opportunities and issues for companies as well as key agencies at the border. What are the key issues that CBP has identified with regards to both facilitation and enforcement of E-Commerce sales that cross U.S. borders? What kind of impact has the increase of the de minimis level had on CBP operations? What kind of information does CBP need from industry, especially retailers, regarding supply chain operations for E-Commerce?

PARTNER GOVERNMENT AGENCY DATA AND MISSION CREEP

TALKING POINTS:

- CBP is in full agreement with the trade community on the need to guard against mission creep in the Single Window, and has worked continuously with the International Trade Data System (ITDS) Board of Directors and the Border Interagency Executive Council (BIEC) to ensure that appropriate measures are in place to mitigate against it.
- However, it should be noted that what is sometimes viewed as mission/data creep is actually the result of an agency's enhanced ability to enforce its public safety and/or trade enforcement mission as a result of participation in the Single Window.
  - The Single Window provides agencies with access to data electronically in real-time, as well as with a platform to communicate efficiently with other agencies and with CBP.
  - This enhances their ability to identify harmful and violative shipments before entering the country in a way that was not possible prior to the full implementation of Single Window.

WATCH OUT FOR/IF ASKED:

- What safeguards does ACE have in place to guard against mission creep?
  - As the lead agency for Single Window implementation, CBP has sought to restrict the data elements required in the PGAs' message sets to only those that are required for entry into the United States.
  - CBP has also taken concrete steps to limit agencies' access to only data associated with products over which they have legal jurisdiction.
  - An example of this is the implementation of Harmonized Tariff Schedule (HTS) code "filters" that restrict agencies' access to data associated with HTS codes that correspond to products that they regulate.

BACKGROUND:

- In the context of ACE and the Single Window, the terms "mission creep" and "data creep" are essentially synonymous. It refers to the potential, enabled by an agency's access to electronic data that were once submitted in paper form as well as an expanded access to other data in ACE, for an agency to gain access to data not strictly under its regulatory jurisdiction.
- In the beginning stages of the Single Window effort, then Deputy Assistant Secretary Tim Skud warned against data creep occurring as a negative consequence of agencies gaining expanding access to data through ACE, often in real-time. His concern was that such expanded access could negatively impact the movement of commerce due to an increase in entry review times by multiple agencies, and an increase in the number of shipment holds for closer scrutiny and/or examination.
- The trade community has vocalized that agencies should not expand their PGA message sets to include information that is not required at release and which is presently collected by agencies upon request or for various purposes. The Commercial Customs Operations Advisory Committee (COAC) has recommended that CBP work through the BIEC and ITDS in the oversight of the PGA ACE pilots with the intent of preventing data creep and maintaining alignment with the agencies' current regulatory authority.
- Recently, the BIEC has been working closely with the Office of Management and Budget to develop a process that ensures that agencies avoid data creep in any new PGA Message set requirements.

Prepared by: [redacted] (b) (6), (b) (7)(C)
Date: Thursday, August 31, 2017

ACE Performance & Outages

TALKING POINTS:

RECENT ACE ISSUES

- ACE experienced multiple service degradations between August 2nd -10th as a result of failures of the power supplies on the ACE servers and external network issues. CBP's assessment of the incidents concluded that the issues were not the result of a cybersecurity event or other malicious activity.
- Despite having hardware redundancy, the precise circumstances of the failure hindered CBP's ability to get ACE operational on the backup server and caused most ACE users to experience significant impact for almost a full day.
- In addition, external network issues contributed to the ACE Portal access issues and caused ACE Virtual Private Network (VPN) filers to experience service degradation during this same timeframe.
- During these incidents, CBP followed procedures in place for such occurrences, and port downtime or workaround procedures were implemented as determined by the Office of Field Operations, and guidance was provided to the trade community via the Cargo Systems Messaging Service (CSMS).
- As part of CBP's assessment of the incidents, we have identified a series of both short and longer-term technology solutions to help mitigate the likelihood or duration of any future ACE service outages:
    - Secured/obtaining additional redundant servers
    - Expanded on-site supply of hardware spare parts
    - Pursuing additional geographic hardware redundancy
    - Employing database replication (mirroring) to facilitate quicker restoration
    - Instituted settings and configuration changes for ACE Portal and database in accordance with vendor after incident analysis recommendations
    - Established enhanced failover for database to reduce risk for data loss
    - Deploying additional software capabilities to allow CBP to continue cargo facilitation operations if ACE Portal is down, especially critical in time-sensitive areas such as land border/truck processing.
- The resulting additional infrastructure will enable CBP to conduct more regular reviews of mission critical systems to ensure optimal configuration settings, improve system monitoring and provide rapid restoration of service during any future incidents.
- CBP and DHS are still investigating potential solutions to the service issues related to the DHS VPN connectivity that arose during this time period. The current VPN service is managed by DHS and external to ACE. Many ACE filers rely on a VPN connection to submit data to ACE.
- In addition to addressing technology solutions, CBP and COAC agreed at the August 23 COAC meeting to establish a joint working group to further improve downtime procedures and communications, taking into account industry impacts and needs.

WATCH OUT FOR/IF ASKED

- **What are CBP's downtime procedures for ACE?**
  - In the event of an ACE system slow down or outage, CBP has procedures in place to address system issues and communicate with users just as we've had with ACS. Port downtime or workaround procedures will be implemented as determined by the Office of Field Operations, and guidance to the trade community will be communicated via the Cargo Systems Messaging Service (CSMS). Filers should continue to work with the local port office regarding the movement of goods.

Prepared by: (b) (6), (b) (7)(C), Director, Communications & Training Trade Transformation Office, Office of Trade, [redacted]
(b) (6), (b) (7)(C)

Date: Thursday, September 7, 2017

CTPAT: MINIMUM SECURITY CRITERIA UPDATE

TALKING POINTS:

- CBP continues to make great progress in its work with the COAC's Global Supply Chain Subcommittee in updating CTPAT's minimum security criteria.

- The program's security criteria requires review and updating to ensure that it is reflective of CBP's overall mission, the current supply chain environment and the threats that the global supply chain faces today.

- A working group comprised of about 50 individuals representing the equities and interests of the entire supply chain spectrum was created. Many of our COAC representatives have been part of the discussions, webinars and face to face meetings that have taken place since this working group was created in April of last year.

- My understanding is that we have reached a good level of consensus with the requirements that have been discussed and that the members of the working group were given an additional opportunity last month to provide the program office with any additional comments and suggestions.

- CBP has been very proactive in engaging most major trade organizations and associations, including the World Shipping Council (WSC). The C-TPAT Director personally discussed the proposed criteria requirements on agricultural security such as the protection of the supply chain from pests and contaminants, with the leadership of the WSC just a few weeks ago.

- CTPAT will continue to further refine the criteria requirements by the end of this month and finalize the working group's product. At this point, the criteria is not ready to be released to the trade community at large.

NEXT STEPS

- Once the program office has finalized the Working Group's product, CTPAT will brief CBP's leadership and discuss what changes to the criteria are a priority for implementation and how that implementation plan would look over the next several years. (September/October 2017)

- Once CBP has drafted an implementation plan, CBP and the COAC members would engage trade members on the proposed criteria and draft implementation timeline.

- A road map for implementation needs to be developed before sending out the new criteria to a wider audience. A road map outlining a phased approach to implementation would relieve concerns that CTPAT members may have about CBP moving too fast.

- CBP provided an update to the membership at large during the CTPAT conference in Detroit which the last week of August 2017. This topic was part of the Director's remarks during the

general session and it was also covered at one of the eight workshops delivered during the conference.

WATCH OUT FOR/IF ASKED

- Since this work is on-going and still considered pre-decisional, members of the working group were asked to sign a non-disclosure agreement with CBP.

BACKGROUND

- A COAC Working Group under the COAC's Global Supply Chain Subcommittee was created in April 2016 to address the program's criteria update.

- The working group is comprised of six teams, with each team addressing a specific set of requirements or issues proposed by CBP. The first step of this project was the discussions by the 6 teams of the original drafts submitted by CBP. This was followed by two meetings in Washington DC, and six webinars following those meetings. The issues discussed by the teams included:

  - ✓ Security Measures to Counter Agricultural Pests and Diseases / Personnel Issues
  - ✓ Cybersecurity Issues
  - ✓ Non-IT Security Technology
  - ✓ Prevention of Money Laundering and Terrorism Financing Issues / Risk
  - ✓ High Security Seals and Highway Carrier Issues
  - ✓ Security Management and Administration

Prepared by: (b) (6), (b) (7)(C)
Date: August 28, 2017

CTPAT: IMPORTER SELF-ASSESSMENT AND TRUSTED TRADER

ISSUE

- Importer Self-Assessment (ISA) is a voluntary approach to trade compliance, launched in 2002, through which CBP partners with eligible importers who assume the responsibility to manage their own compliance through self-assessment. The ISA program has 334 members and represents about 25 percent of the total import value into the U.S. as of August 2017.
- The Trusted Trader Strategy seeks to integrate the Customs Trade Partnership Against Terrorism (CTPAT) and ISA programs into a consolidated program focused on supply chain security and trade compliance. This strategy began in 2014 via a Trusted Trader pilot that is currently in Phase II where CBP is working with seven approved pilot participants and Partner Government Agencies (PGAs) to evaluate program incentives and move toward a whole of government approach to supply chain security and trade compliance.
- CBP is prioritizing three areas of focus for the Trusted Trader pilot, including (1) evaluating program incentives, (2) establishing a whole of government approach via coordination with PGAs, and (3) preparing the program for implementation in FY 2019.
    - Evaluating Program Incentives: CBP is working with pilot participants to test incentives and measure their impact on participating importers via an interactive catalog and tool.
    - Partnering with PGAs: CBP has established connections with PGAs to promote a whole of government approach to supply chain security and trade compliance. CBP is working with these PGAs to facilitate existing program incentives and evaluate additional incentives based on the input of pilot participants.
    - Program Implementation: CBP is prioritizing incentives with pilot participants, and is working to inform, train, and prepare internal and external stakeholders for the roll-out of the program.

BACKGROUND

- Recognizing trade threats and import safety violations represent significant harm to national and economic security, CBP is integrating its partnership programs to develop a comprehensive CTPAT Security and Trade Compliance Program that addresses the totality of threats confronting international supply chains.
- The integrated Trusted Trader Program strengthens supply chain security by building on existing CTPAT guidelines, and maximizes trade compliance by leveraging existing ISA requirements and benefits.
- CBP worked with the Commercial Customs Operations Advisory Committee (COAC) to develop the Trusted Trader Strategic Framework, which guides CBP's implementation of the CTPAT Trade Compliance Program.
- Internationally, the CTPAT Trade Compliance Program will be recognized as an Authorized Economic Operator (AEO) program and align with other global AEOs and World Customs Organization standards, engaging other countries through Mutual Recognition Arrangements to increase security and achieve cost savings for CBP.

TALKING POINTS / STATUS

- CBP established the pilot with a phased approach. Phase I entailed the development of internal guidance, vetting, and validation of nine pilot participants; and concluded with the issuance of the Trusted Trader Validation Report and formal acceptance of seven pilot participants as Trusted Traders.

- CBP is in Phase II of the pilot, launched in July 2016, which aims to (1) evaluate the current incentives with pilot partners, (2) develop white papers to best address partner concerns, (3) define the role of the national account manager, and (4) configure the CTPAT Portal to accommodate trade compliance in addition to supply chain security.

- In Phase II, CBP has been closely engaged with the pilot participants through bi-weekly conference calls and worked with PGAs, such as FDA, CPSC, and FCC, to mutually recognize CBP's Trader Partners for enhanced benefits across the US Government.

- CBP is developing a Trusted Trader Incentives Matrix to catalogue and measure the success of program incentives via operational metrics developed in coordination with pilot participants. The Matrix will help improve and standardize incentive delivery as the pilot transitions to a fully operational program by FY 2019.

- To advance the goals of enhanced interagency partnership as outlined in the *National Strategy for Global Supply Chain Security*, CBP will expand PGA partnerships and leverage the Border Interagency Executive Council (BIEC), to move toward a whole of government approach to supply chain security and trade compliance.

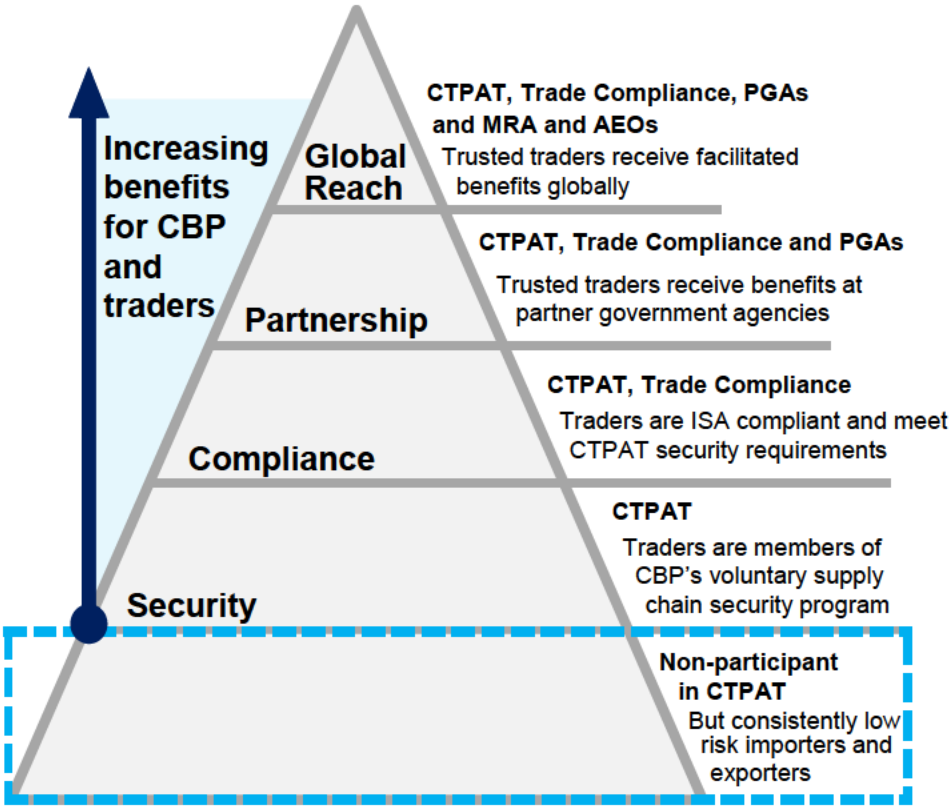
- CBP, the Trusted Trader Subcommittee members, and the Trusted Trader pilot participants held a private meeting after the public COAC meeting on August 23, 2017. This meeting provided an opportunity for CBP and the pilot participants to report on the progress, future vision, and timeline for implementation of the CTPAT Trade Compliance Program. We agreed to meet in the near future.

- CBP held a conference the week of August 28, 2017 that included a panel and workshops focusing on CBP's Trusted Trader Strategy and our intention to create an integrated CTPAT program covering supply chain security and trade compliance.

WHAT TO AVOID / WATCH OUT IF ASKED

- When will ISA members be allowed to receive Trusted Trader incentives?
  - CBP will announce its intent to transition the Trusted Trader Pilot to a fully operational Trusted Trader Program. CBP will transition all ISA members to the Trusted Trader Program, at which point they will be eligible to receive program incentives.
- When will the Trusted Trader Pilot become fully operational?
  - Once CBP completes the testing and evaluation of incentives in Phase II of the Pilot, and upon completion of the functional requirements for trade compliance portion of the program in the CTPAT portal. We hope to launch CTPAT Trade Compliance and begin the transition of ISA members on a phased approach beginning in FY 2019.

CBP/CTPAT is envisioning the following structure for Trusted Trader:



Prepared by: [redacted] (b) (6), (b) (7)(C)
Date: August 28, 2017

OVERVIEW OF FORCED LABOR, TFTEA
NATIONAL RETAIL FEDERATION (NRF)

TALKING POINTS

- Section 307 of the Tariff Act of 1930 (19 U.S.C. § 1307) prohibits the importation into the United States of merchandise mined, produced or manufactured, wholly or in part, in any foreign country by forced labor.
- When information reasonably but not conclusively indicates that merchandise within the purview of this provision is being imported, the Commissioner may issue withhold release orders (WROs) pursuant to 19 C.F.R. § 12.42(e).
    - A WRO requires information that is reasonable but not conclusive for issuance.
- If the Commissioner is provided with information sufficient to make a determination that the goods in question are subject to the provisions of 19 U.S.C. § 1307, the Commissioner will publish a formal finding to that effect in the Customs Bulletin and in the Federal Register pursuant to 19 C.F.R. § 12.42(f).
- The Trade Facilitation and Trade Enforcement Act of 2015 repealed the "consumptive demand" clause in 19 U.S.C. § 1307, which allowed importation of forced labor goods, "if the goods were not produced in such quantities in the United States as to meet the consumptive demands of the United States."
    - CBP no longer considers consumptive demand during its review of information.
- CBP immediately implemented this change and published a technical amendment to its regulations on June 8, 2017.
    - CBP continues a review of its regulations to identify efficiencies.
- For more information, including the current list of WROs, and fact sheets on the forced labor process, and importer due diligence, please visit https://www.cbp.gov/trade/trade-community/programs-outreach/convict-importations.
- Since March 2016, CBP has issued four WROs related to merchandise produced in China with prison labor.

WATCH OUT FOR/IF ASKED

- **Question:** Should CBP create regulatory deadlines, similar to EAPA, for issuance of a withhold release order or for reviewing an importer's admissibility statement?
- **Answer:** The current regulations stipulate that CBP will promptly review and respond to the respective submissions. The flexibility of the current regulations enhances our ability to collaborate with ICE, but we did advise the work group that the current detention authorities did not exist when this regulation were created. The COAC repeatedly wanted a 30 day deadline on CBP while continuing to allow them 90 days to respond; the final recommendations have amended this recommendation to 30 days total. CBP views the current regulations as advantageous to importers and must abide by the timeframes within 19 U.S.C. §1499 (i.e. 30 days).
- **Question:** Will CBP agree with the recommendations made by the workgroups?

- **Answer:** CBP will review the recommendations and respond through to the COAC accordingly. CBP continues to incorporate some recommendations (i.e. webinars, RSS Feeds and coordination with the Centers) into its existing work.

BACKGROUND

- National Retail Federation (NRF) is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries.
  - (b) (6), Vice President, Supply Chain and Customs Policy is a member of the Commercial Customs Operations Advisory Committee (COAC) TERC Subcommittee Forced Labor Work Group Communications Team.
- 19 U.S.C. § 1307 prohibits the importation of goods, made wholly or in part, with convict, indentured or forced labor (including forced child labor); the law contained a consumptive demand loophole that has been repealed upon the passage of the TFTEA. The relevant CBP regulations are in 19 C.F.R. §§ 12.42-45; they provide for submission of information alleging use of forced labor with respect to imported goods.
- CBP will issue a withhold release order if it has evidence that reasonably, but not necessarily conclusively, shows that goods made wholly or in part with forced labor are being, or are likely to be, imported.
- Repeal of the consumptive demand clause has expedited the review of information; after CBP determines that sufficient information has been provided to warrant a WRO, consumptive demand considerations will no longer hinder issuance of the order.
- CBP continues to collaborate with ICE/HSI, the Department of Labor, the Department of State, and other agencies to enforce U.S. trade laws.

Prepared by: (b) (6), (b) (7)(C); Office of Trade, Trade Remedy Law Enforcement Directorate
Date: August 31, 2017

EAPA INVESTIGATIONS

TALKING POINTS

- Enforce and Protect Act (EAPA) investigations present CBP with new tools to investigate evasion of antidumping and countervailing duty orders and protect the revenue, while also providing an opportunity to partner with other governments and government agencies to expand our investigative capabilities.
- EAPA provides for a multi-party, transparent administrative proceeding where parties can both participate in and learn the outcome of the investigation. It also provides an option for both administrative and judicial reviews of the determination as to evasion.
- On August 14, 2017, TRLED reached a final determination in its first EAPA investigation. It determined that there was substantial evidence that certain hangers were transshipped through Thailand and thus, were being entered into the United States through evasion of the antidumping duty order on steel wire hangers from China. CBP has taken following actions:
  - rate-adjusted entries to reflect that they are subject to the antidumping duty order;
  - issued a Trade Alert for "live entry," requiring the deposit of duties prior to release;
  - increased the continuous bond; and
  - suspended or extended the liquidation for any unliquidated entry;
- These enforcement measures greatly impacted the U.S. hanger industry, with counsel stating that CBP's interim measures in the Thai hanger investigation had the largest economic effect on the domestic producer of wire hangers since the actual filing of the antidumping duty order. As a result, that alleger filed eight (8) more allegations of transshipment evasion through Malaysia, for which interim measures were issued on August 17, 2017.
- As the success of the completion of the first EAPA investigation has spread among the domestic manufacturing industry, we are seeing a sharp increase in allegation filings. While two EAPA allegations were filed in Fiscal Year (FY) 2016, numerous others were properly filed since February 2017. Presently, the Trade Remedy Law Enforcement Directorate (TRLED) within in the Office of Trade is working on staffing the division coordinating the EAPA investigations.
- CBP does not publicly disclose the number of pending allegations or the details of the allegations as this is considered law enforcement sensitive information. An importer is not informed that it is under investigation until the notice of interim measures is issued, which is due no later than 90 days after the investigation is initiated. This provides CBP with crucial time to investigate without the party being aware that it is under investigation.
- CBP is taking all valid allegations of evasion seriously and employing viable methods in accordance with the law to address allegations submitted via EAPA Allegations web portal on CBP.gov.

WHAT TO AVOID / WATCH OUT IF ASKED

Administrative Protective Orders (APO)

- An APO provides the ability for parties' attorneys (not the parties themselves) to review and comment upon business confidential information in the course of a proceeding. Use and administration of APOs is a complex process that has been employed for decades by the Commerce Department and the International Trade Commission, based on explicit statutory authority.
- Congress has never given CBP comparable explicit authority to use APOs, in EAPA or otherwise.

POC FOR FURTHER QUESTIONS
(b) (6), (b) (7)(C)

EAPA INVESTIGATIONS

- We have received several comments from the trade regarding the use of APOs in response to our Interim Final Rulemaking. We will be considering this matter further when considering those comments in issuing our final rulemaking.
- Additionally, administering an APO electronically would likely require a new secure docket system to enable the service of business confidential documents with private parties as EAPA relies upon a fully electronic record. This would require additional funds to support this effort and the additional staff needed for such a complex administrative procedure. Notably, both Commerce and the ITC have staffs devoted solely to the administration of APOs.
- Without an APO, parties who represent themselves *pro se* are on equal footing with those who have counsel, in that they have access to the same information in EAPA investigations – only information that is designated as "public." However, if APOs are instituted, parties that are *pro se* will be at a significant disadvantage compared to those with an attorney, as they will not be able to access information that is business confidential under the APO.

Entry of Appearance by Other Interested Parties Who Did Not File the Allegation

- Presently only interested parties who file an allegation and the alleged evader can be a "party to the investigation" and only if CBP consolidates investigations can other "interested parties" jointly participate. Some in the trade wish to file an entry of appearance and join an ongoing investigation if it merely qualifies as an "interested party."
- The statute did not expressly permit this and in multiple places uses the phrase "interested party that filed an allegation" to clarify that the EAPA's application is more narrow. For example, only "an interested party that filed an allegation" can be issued a questionnaire or receive notification of the final determination of the investigation, or file an appeal. Thus, the fundamental procedural rights provided in the statute are limited to only those interested parties who filed an allegation.
- Further, in some cases a broader interpretation of who could participate directly would expand the number of parties participating in the investigation exponentially, creating a significant administrative burden. Moreover, the parties to the investigation could provide CBP with the information on behalf of those other parties or CBP could solicit it from them if it chose. Thus, parties who have relevant information are not prevented from providing it to CBP.

Allegers Must Identify the Importer

- We concur with concerns expressed from some in the trade that it is challenging to identify the importer for entries alleged to have been entered as to evasion.
- CBP has put forth a request for a legislative change to enable us to initiate allegations where the importer is not identified and CBP has a reasonable suspicion evasion has occurred.
- Without this express exemption of the importer's name as business confidential information, a party might argue that CBP's identification of the importer's name is in violation of the Trade Secrets Act. This is why the regulations require the identification of the importer in the allegation.
- The legislative change would permit that in any allegation where the importer is not identified, the identity of the importer shall not be deemed confidential information if CBP determines that reasonable suspicion of evasion exists.
- Without this exemption, parties who wish to evade our antidumping and countervailing duty laws and avoid EAPA investigations will ensure the importer of record information remains undisclosed.

POC FOR FURTHER QUESTIONS
(b) (6), (b) (7)(C)

EAPA INVESTIGATIONS

Notification to the Parties to the Investigation

- Some have argued that even though the statute does not require such notifications, CBP should provide more frequent status updates to the parties and publicly announce when key steps are made in an investigation.
- The statute only requires CBP to notify parties if a scope referral is made to Commerce, and to provide the alleger with the final determination, but only if we wish, CBP may also provide the basis for that determination. In promulgating its regulations, CBP has committed to providing far more notice to the parties than the statute requires.
- The current regulations provide CBP with a mechanism to inform all parties to the investigation of its decision to take interim measures (as well as the final determination on evasion), and notifies the alleger if it does not initiate an investigation. These notices provide a full explanation of the basis for CBP's determination and are posted on CBP's public website. Further, parties in an EAPA investigation receive the public version of all documents on the record of the investigation.
- CBP also communicates closely with the alleger prior to initiation, notifying it of "receipt" of the allegation after it is filed, as well as, committing to informing the alleger of any concerns with the allegation prior to the initiation deadline. This open communication permits the alleger to supplement the allegation or withdraw it prior to an initiation decision.

Satisfying the Statutory Deadlines

- Some have raised concerns that text in the preamble to the Interim Final Rulemaking raises doubt as to whether CBP will meet the statutory deadlines in EAPA investigations.
- CBP is taking all valid allegations of evasion seriously and employing existing resources in accordance with the law to address allegations submitted via the EAPA Allegations portal.
- Our ability to efficiently pursue EAPA investigations is contingent upon obtaining sufficient resources to adequately conduct these investigations, and the President's Fiscal Year 2018 request includes an increase in our capacity to address these allegations, which based on our recent successes, we have already experienced a significant increase in EAPA allegations these past few months and anticipate this volume will continue to grow. These personnel would greatly support our mutual interest in meeting statutory deadlines and strengthen CBP's efforts to address AD/CVD evasion.

Scope of Entries Covered

- The regulations specify that entries made within one year before the receipt of an allegation may be the subject of an EAPA investigation. The request was to broaden it to one year from discovery of the evasion.
- It is something we can consider, however, that would potentially require CBP to investigate stale entries, many years old, and determine when the alleger first became aware of the evasion, which may be challenging to do to.
- Further the regulations permit TRLED to expand the scope if it chooses to include additional entries.

Standard for Initiation

- CBP declined to initiate the first EAPA allegation that was filed because of a lack of evidence to "reasonably suggest" evasion. The alleger provided no evidence, beyond its mere supposition that the importer would not have paid the cash deposits owed. As a result, counsel for the alleger reported to the trade press that CBP has created a very high standard

POC FOR FURTHER QUESTIONS
(b) (6), (b) (7)(C)

for initiation of EAPA investigations and that CBP should have supplemented the allegation with its own information.

- CBP has closely followed the statutory requirements that the allegation contain evidence that "reasonably suggests" evasion. Evidence of importation alone, without more evidence to show the type of evasion being alleged, is not sufficient to reasonably suggest evasion.

Status of the Final Rule

- CBP intends to take the public comments into account, as well as its own experience with EAPA investigations, in developing a final rule. However, in light of the fact that: a rule is in place, the rule is working well thus far, and CBP has to-date had limited experience using the rule due to the fact that the number of EAPA allegations have only now begun to increase, CBP does not believe it would be a good use of resources to hastily or prematurely prepare a final rule.

BACKGROUND

- CBP has developed procedures for evaluating EAPA allegations to ensure that valid and supported allegations of evasion of antidumping and countervailing duty orders, which satisfy the statutory standards, are investigated. While the EAPA investigations are coordinated by TRLED, CBP pulls expertise and resources from the Centers for Excellence and Expertise, Regulatory Audit, the National Targeting and Analysis Groups (NTAGs), the Office of Chief Counsel, among others. This coordinated approach ensures that the proper skills are applied to the alleged evasion scheme at issue and that CBP takes a holistic approach to the investigation.
- The first EAPA allegation was filed a few weeks after the regulations went into effect. The CBP team formed a cohesive investigative unit and it completed its work well ahead of the statutory deadline for interim measures. It initiated a unique investigative approach to obtain key information when the parties being investigated declined to participate. As a result of the strong coordination and communication among the team, CBP can claim a successful kickoff for its newly instituted EAPA investigations.
- Thus far, TRLED has coordinated multiple foreign on-site verifications for transshipment investigations, in both Thailand and Malaysia, as well as domestically.
- The foreign on-site verifications are crucial to gather evidence of exporter production capability and capacity to assess the information provided in the allegations and CBP's own research of the exporters, in order to address inconsistencies between information provided by the parties.
- CBP has established an investigative mechanism within the EAPA framework to work closely with foreign and domestic government agencies to take enforcement actions on antidumping/countervailing duty (AD/CVD) violations. This type of coordination with other agencies and governments facilitates the sharing of information as well as aiding in the enforcing of the trade laws to stop illicit trade.
- CBP has also established a website to post both background information and updates on EAPA investigations. This permits real time communication with the trade on important developments in the EAPA program. In response to requests from the trade, CBP now posts its notices of interim measures and its notices regarding initiation of investigations on the EAPA website.

POC FOR FURTHER QUESTIONS
(b) (6), (b) (7)(C)

EAPA INVESTIGATIONS

- CBP has conducted significant outreach in an effort to train businesses and their representatives on the new procedures for these investigations. In the year since the inception of these new investigations, CBP has presented before several trade associations, the Court of International Trade Judicial Conference, and our own Trade Symposiums. TRLED also hosted a half day workshop for the trade on April 28, 2017, to provide an overview of CBP's enforcement actions for AD/CVD, as well as to walk through an example EAPA investigation to demonstrate CBP's procedures.
- The Interim Final Rule, which was published on August 22, 2016, provided for a public comment period. CBP received 16 comments, which it continues to analyze. The bulk of the comments centered on issues of transparency, disclosure and publication of allegations and decisions; protective orders; referrals to the Commerce Department; use of adverse inferences; the definitions of "interested party" and "parties to the investigation;" timing and time periods; and the requirement to identify an importer.
- Information and additional resources on these new investigations can be found at https://www.cbp.gov/trade/trade-enforcement/tftea/enforce-and-protect-act-eapa.

POC FOR FURTHER QUESTIONS
(b) (6), (b) (7)(C)

E-COMMERCE AND SECTION 321

TALKING POINTS:

- With the TFTEA-mandated De Minimis Value Threshold (DMT) increase to $800, CBP is seeing changes in business practices as well as volume increases due to the new cost saving opportunity. These changes create challenges to effective enforcement and facilitation of trade.
- Both trade partners and CBP port personnel note a steady increase in Section 321 clearances resulting from e-commerce shipments. Easy accessibility to international markets and low value purchases demonstrate a clear nexus to the rise in Section 321 releases (economic globalization, through the fast growing e-commerce sector, provides the opportunity for business of all sizes to compete around the world).
- The current release process for Section 321 shipments is receiving notable discussion: cargo is cleared and released off of the manifest.
- CBP is working with various trade groups such as the COAC, BIEC, NCBFAA and other trade associations to develop the requirements for an electronic functionality to process Section 321 shipments in addition to the current manifest process (through entry type 86).
- The electronic functionality will permit brokers to process de minimis shipments and report PGA data. CBP believes this will address security deficiencies (i.e., once the functionality is added to the Automated Commercial Environment (ACE), CBP will be able to effectively target and identify trends associated with de minimis shipments).

WATCH OUT FOR/IF ASKED

- Does the Section 321 release environment affect enforcement?
  - Most PGAs have stated that their regulations do not identify a de minimis value for shipments and indicated that they would need permits and reporting for all relevant shipments regardless of value. Current ACE capabilities do not allow for submission of PGA information without the filing of an electronic entry via the Automated Broker Interface. CBP's vision is to provide PGAs with access to manifest information to manage risk.
- What are the challenges CBP is facing with small shipments?
  - (b) (7)(E)
- Has CBP been seeing an increase in illicit drugs coming into the U.S. through de minimis packages?
  - The information CBP receives on de minimis shipments is limited. There are no advanced data in the mail environment. The increase in de minimis packages makes it difficult to target illicit drugs. Some ports within the Buffalo Field Office have begun to manually target shippers and known carriers who handle de minimis shipments. Additional operations and training are needed to familiarize CBP Officers on de minimis shipments.

BACKGROUND

- The De Minimis Value Threshold (DMT) is the maximum monetary value of a shipment that can be imported into a country duty and tax free. In the United States, De Minimis shipments are commonly referred to as Section 321 shipments. The term "Section 321"

comes from Section 321(a)(2)(C) of the Tariff Act of 1930. The duty and tax exemption afforded by the DMT is limited to one shipment per day, per person. On February 24, 2016, the DMT for the United States was raised from $200 to $800. This increase was required by the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA) (Pub. Law 114-125). The $800 amount aligned with the amount a U.S. citizen can bring back duty free on a passenger plane.

- Recent statistical observations:

(b) (7)(E)

- Next Steps:
  - CBP created a DMT/Section 321 working group under the Commercial Customs Operations Advisory Committee (COAC) in March 2017. The working group consists of fellow PGAs such as the Food and Drug Administration, the Consumer Product Safety Commission, and the U.S. Postal Service. It also consists of COAC members and participants from across multiple industries including express carriers, customs brokers, and electronic platforms.
  - In support of addressing PGA challenges, CBP has led the ongoing Border Interagency Executive Council (BIEC). The first BIEC principals meeting during President Trump's Administration was held in April 2017, and working level BIEC meetings continue on a regular basis. Specifically, the BIEC has established a working group to address the various DMT issues.
  - In order to effectively target illicit shipments and keep officers and the public safe, CBP is organizing various operations and trainings to teach officers how to effectively target Section 321 shipments. Multiple trainings have taken place including a mash-up training in Chicago, IL. The purpose of these efforts is to collect and analyze data to determine violations, identify new importing scenarios caused by increased e-commerce and Section 321 shipments, and determine if consolidated Section 321 shipments pose a higher threat than non-consolidated and higher value shipments.

Prepared by: Trade Policy and Programs/OT, (b) (6), (b) (7)(C)
Date: Tuesday, August 29, 2017

INCREASE IN DE MINIMIS VALUE (SECTION 321)

TALKING POINTS:

- Increasing the de minimis value limit will provide for a larger percentage of cargo to enter into the U.S. under the Section 321 rule. The intention is to streamline and facilitate the movement of trade.
- Trade has reported (UPS, Fed Ex, AN Derringer) that there has been an increase of over 20% of section 321 claims. Additionally, CBP has verified these approximate volume increases for truck shipments through various reporting. This volume increases sharply during the holiday season now starting in early December instead of October since most shipping is direct to consumer.
- There are some reported instances that cargo is being imported into Canadian warehouses and then being imported using 321 clearance into the US. This has occurred, but the volume is unknown. Cargo can be entered into Canada and then into a Canadian duty free warehouse. That merchandise can then be deconsolidated in that Canadian warehouse and cleared into the US using section 321. By doing this, companies avoid duty and PGA requirements during the clearance process. Wearing apparel companies (Forever 21, Luluemon and Limited) are known to use this process. The Office of Trade continues to work with the Apparel/Footwear Center to research the impacts.
- CBP is working with the NCBFAA, as well as other trade associations to develop requirement for an electronic method of clearing a Section 321 shipments in addition to the currently available manifest process. This effort will permit brokers to process de minimis shipments to include reporting PGA data. CBP believes this will address security deficiencies.
- The automation of de minimis shipments have been discussed at a high level. A concept for automating de minimis shipments in ACE was agreed to by external stakeholders and CBP. Although this functionality in ACE has been identified, funding for this project has not been received.
- The brokerage community believe section 321 shipments to be customs business and would like CBP to find an automated solution in ACE. When this solution is available they would be able to file a section 321 "entry-like" transaction that would provide data (including PGA data) to assist CBP with admissibility.
- Although importers, like Amazon and Walmart, support this automated solution, they raise issue if an automated solution is really customs business. They have also stated that developing an "entry-like" solution for section 321 would not follow the facilitative intent of the TFTEA value increase.
- Although the automated solution in ACE has been identified, funding for this project has not been received. The Office of Trade and the Office of Field Operations are having initial discussions concerning Donation Acceptance Program (DAP) Private Public Partnership (P3) funding related to Section 321 automated solution.
- CBP continues to have in-depth conversations with the PGAs to understand the complexities of regulating goods that fall within the Section 321 threshold. Existing PGA requirements and an FAQ sheet has been posted to CBP.gov for further information.

Prepared by: (b) (6), (b) (7)(C)
Date: August 31, 2017

- We are engaged with our PGA through the BIEC principal's, Section 321 sub-committee. Currently, none of our PGAs recognize de minimis. They see value in providing an automated ACE solution so they would receive PGA data.

WATCH OUT FOR/IF ASKED

- **What has been the volume of goods being released as Sections 321 due to the Trade Facilitation and Trade Enforcement Act (TFTEA) of 2015?**
  - Both trade partners and CBP port personnel note a steady increase in section 321 clearances. Once the functionality is added to ACE, CBP will be able to effectively target and identify trends associated with *de minimis*.
- **Does the Section 321 release environment effect Partner Government Agency (PGA) enforcement?**
  - All PGAs have identified their regulations do not identify a *de minimis* value for shipments and would need permits and reporting for all relevant shipments regardless of value. Current ACE capabilities do not allow for submission of PGA information without the filing of an electronic entry via Automated Broker Interface at the 10-digit level.
- **How is the brokerage community impacted by the new Section 321 rule?**
  - With the increase to $800, the Brokerage community see no role in the section 321 process. They feel an automated solution would be ideal to assist in this capacity, as it would provide a business opportunity for them to file information on behalf of new clients.
- **What are the challenges CBP is facing with small shipments?**
  - CBP is challenged by unknown risk associated with section 321 shipments. Low volume shipment packages are difficult to target, locate and examine in the small package environment.
  - There is a lack of knowledge of international trade laws and regulations among the e-commerce and small business individuals. They are not generally well versed in customs procedures, guidelines and regulations. Education and outreach to the public and small business owners is needed as e-commerce continues increase change business models.
- **Has CBP been seeing an increase in illicit drugs coming into the U.S. through de minimis packages?**
  - (b) (7)(E)
- **Why does CBP consider Section 321 a revenue enforcement issue?**
  - CBP protects the revenue. We are also charged with protecting fees charged by PGA groups.

Prepared by: (b) (6), (b) (7)(C)
Date: August 31, 2017

BACKGROUND

- One of the provisions of the TFTEA was to establish a 15 day mandatory implementation of an increase in the de minimis value exemption from $200 to $800. This provision was implemented timely on March 10, 2016.
- This increase in the de minimis value has had a major impact on the Section 321 clearance process. Section 321 is the process by which cargo can be imported by one person on one day and as cited in 19 CFR 10.151 without filing an entry declaration. The value of the imported cargo may be free of duties and taxes. All existing processes and restrictions for these shipments remain the same. Only the increase in value from $200 to $800 has changed as required by TFTEA. It is intended to streamline and facilitate the movement low value shipments.
- CBP published a rulemaking on August 26, 2016, conforming the amount of the exemption in the regulations to the statutory amount, as well as amending certain regulatory provisions which set forth exceptions to the applicability of the exemption for certain shipments. CBP issued that document as an interim rule, effective immediately upon publication; ample opportunity for public comment was provided for in the interim rule.
- CBP has issued policy guidance to the field. Ports were instructed to amend its Standard Operating Procedures to reflect the increase in the de minimis identified in the policy guidance and muster by March 10, 2016. Additional information will be provided as it becomes available including possible new limitations based on Partner Government Agency requirements or revenue protection initiatives.

Prepared by: (b) (6), (b) (7)(C)
Date: August 31, 2017

(b) (6), (b) (7)(C)

Subject: NCBFAA Government Affairs Conference *C1 Luncheon Keynote Speaker
Location: Hyatt Regency Washington on Capitol Hill

Start: Mon 9/11/2017 10:30 AM
End: Mon 9/11/2017 1:00 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: C1-C2 Meetings

2017 0911 NCBFAA Govern...

From: (b) (6), (b) (7)(C)
Sent: Thursday, August 24, 2017 12:41 PM
To: (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: RE: ITC Recommendation: NCBFAA Government Affairs Conference

(b) (6), (b) (7)(C)

The front office would like to accept this speaking invitation for the Commissioner. Please reach out and accept and copy us so we can work directly with the coordinator on a time that works best for the Commissioner.

Thank you,

(b) (6), (b) (7)(C)
Office of the Commissioner
U.S. Customs and Border Protection
Office of the Commissioner
(b) (6), (b) (7)(C)
Desk (b) (6), (b) (7)(C)
Cell:

From: (b) (6), (b) (7)(C)
Sent: Wednesday, August 23, 2017 3:37 PM
To: (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: ITC Recommendation: NCBFAA Government Affairs Conference

Good Morning,

Please see the ITC Recommendation below.

If you have any questions or concerns, please feel free to let me know.

Thank You.

ITC C1/C2 Trade Event Recommendation Request	
Event	NCBFAA Government Affairs Conference
Sponsor	National Customs Brokers and Forwarders Association of America, Inc. (NCBFAA)
Location	Hyatt Regency Washington on Capitol Hill, Washington, DC Capitol Hill Reception (Tuesday, September 12th, 2017)
Date	**September 10th – 12th, 2017**
Invitation source	Invitation sent to OTR
Request type (participate, keynote speech, moderator, etc.)	Keynote Luncheon Speaker Share common interests in the facilitation of commerce and the security of supply chains forms the basis for the productive and respectful partnership that we enjoy as we work together to achieve common goals.
Office	OFO
Recommendation AND reason for recommendation (if delegate, include WHO delegated to)	C1 accept; He is spoken at recent NCBFAA events
CBP Alternate (include an alternate speaker that will be available if C1/C2 is unable to attend due to a conflict). An alternate must be recommended.	OT EAC Smith to discuss current trade issues with the association
CBP Staff Attending (Key Attendees)	
Sidebar events (please offer recommendations for activities which C1 or C2 could pursue on the margins of the event)	
Red flag issues regarding the person or organization	
Previous meetings or contact with the person or organization	Yes, several the last few years
Open Press	Yes
Approximate Attendees	150-175

Other notes/comments	

(b) (6), (b) (7)(C)
Managament Program Analyst
Office of Trade Relations
Office of the Commissioner
U.S. Customs and Border Protection
P
C
E
(b) (6), (b) (7)(C)

Monday, September 11, 2017

8:15 a.m. to 8:30 a.m.
Columbia

Call to Order and Welcoming Remarks
Presenters:

- (b) (6) C.H. Powell Co., NCBFAA President
- (b) (6), NCBFAA Executive Vice President
- (b) (6) J. W. Allen & Co., Inc., NCBFAA GAC Chair
- (b) (6) JAS Forwarding USA Inc., NCBFAA PAC Chair

8:30 a.m to 8:50 a.m.
Columbia

NCBFAA President's Report on Challenges for the Industry
Precis: NCBFAA's President describes what the Association has done to shape the industry's future during the past year -- working with CBP to construct ACE; evolving the relationships with the PGAs that assume a much greater role in our businesses; addressing the efficiencies of our ports; generating an export-focus in the federal trade agencies; and ensuring that regulation does not constrain our ability to compete. Look to this presentation and the balance of the GAC program for what your Association sees as our challenges for the future.
Speaker: (b) (6), C.H. Powell Co., NCBFAA President

8:50 a.m. to 9:20 a.m.
Columbia

A FMC Commissioner's Perspective on Port Efficiency and Congestion
Precis: FMC Commissioner (b) (6) has long favored a hands-off approach to federal regulation of the maritime industries. Recently, she has organized, under the auspices of the FMC, "Business Innovation Teams," among whom she has formed three working groups to develop practical business solutions for such issues as efficiency and congestion at the port. Included are all sectors of the port community. Hear about this and other emerging transportation issues.
Speaker: (b) (6) Federal Maritime Commission, Commissioner
Introduced by: (b) (6), John S. James Co., NCBFAA Transportation Committee Chair

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9:25 a.m. to 10:10 a.m.
Columbia

Trade Legislation: What Direction Will It Take?
Precis: Trade has been a major focus of the new administration -- modernizing NAFTA, withdrawing from TPP, reducing trade deficits and protecting the economy against predatory trade practices. How does Congress feel about these priorities? Where does CBP fit in? Learn about the on-coming trade activity on the Hill from two representatives of the Senate Finance and House Ways and Means Committees.
Panel:

- (b) (6) U.S. House of Representatives, Committee on Ways & Means
- Senate Finance Committee, International Trade Counsel (Invited)

Moderator: (b) (6) Kent & O'Connor, Inc., NCBFAA Legislative Counsel

10:10 a.m. to 10:30 a.m.
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U.S. Fish & Wildlife: ITDS Requirements and the Impact on the Trade Community
Precis: As the last remaining entrant to ITDS, the U.S. Fish and Wildlife Service has stirred controversy and moved rapidly to work with industry to resolve differences. Issues include the agency's requirements that could impact customs brokers handling a wide range of products. Hear how a leader in this federal agency is responding to that challenge.
Speaker: TBD
Moderator: (b) (6), A.N. Deringer, Inc., NCBFAA Regulatory Affairs Committee Co-Chair

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10:30 a.m. to 10:45 a.m.
Columbia

Networking Break

10:45 a.m. to 11:30 a.m.
Columbia

NCBFAA Perspective on CBP's Regulatory and Trade Policy
Precis: As our industry's relationship with CBP evolves, our increasing inter-dependency allows us to explore the more nuanced issues of our collaboration. Join us for a robust discussion of the hot topics of the customs arena.
Panel:

- (b) (6), Carmichael Intl Service, NCBFAA Customs Committee Vice Chair
- (b) (6), Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP, NCBFAA Customs Counsel
- (b) (6), Global Customs & Trade Specialists, NCBFAA Drawback Committee Chair

Moderator: (b) (6), MOL Logistics (USA), Inc., NCBFAA Treasurer

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11:30 a.m. to 11:50 a.m.
Columbia

ASAPRA: The Shared Vision of Our Latin and South American Counterparts
Precis: The Association of Professional Customs Brokers of the Americas (ASPARA) is a vehicle for our collegues in the Western Hemisphere to discuss common issues and, where necessary, work with our respective governments in a common direction. This portion of the program will introduce the organization and outline major issues in Central and South America that will be of interest to attendees.
Speaker: (b) (6) ASAPRA President
Introduced by: (b) (6) F. Zuniga, Inc., NEI Executive Director

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11:50 a.m. to 12:00 p.m.
Columbia

Networking Break (Transition to Lunch Room)

12:00 p.m. to 1:30 p.m.
Capitol

Lunch
Report from the Acting Commissioner
Precis: An important feature of any GAC is the Commissioner's address, and the continued building of the NCBFAA's relationship with the Number One person at Customs.
Speaker: Kevin K. McAleenan, Customs & Border Protection, Acting Commissioner (Invited)
Introduced by: (b) (6), C.H. Powell Co., NCBFAA President

1:30 p.m. to 1:45 p.m.
Columbia

Networking Break (Transition to Meeting Room)

1:45 p.m. to 2:15 p.m.
Columbia

Preparing for the Hill in a Time of Change and Turmoil
Precis: Valuable time can be spent reviewing the issues that you will discuss during your visits preparing you to put the best foot forward on behalf of your company and your industry. This sessions goal is to answer your questions, help you articulate complex subjects in an understandable way and prepare you to respond to divergent viewpoints and open-ended questions.
Panel:

- (b) (6), Kent & O'Connor, Inc., NCBFAA Legislative Counsel
- (b) (6) J. W. Allen & Co., Inc., NCBFAA GAC Chair
- (b) (6), John A. Steer Co., NCBFAA Legislative Committee Chair

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2:20 p.m. to 2:55 p.m.
Columbia

NAFTA: Modernizing Critical Trade Relationships
Precis: The North American Free Trade Agreement (NAFTA) has been the operating system for trade between the U.S., Canada and Mexico since 1994. Rhetoric has evolved from eliminating NAFTA altogether to "modernizing" the treaty so that it can adapt to changes in trade from 2018 and beyond. NAFTA negotiations are underway from mid-August and hold center stage on the Hill and in the new Administration. See how the negotiation process works and what we can expect.
Panel: (b) (6), Senate Finance Committee (Invited)
Moderator: (b) (6), Kent & O'Connor, Inc., NCBFAA Legislative Counsel

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2:55 p.m. to 3:05 p.m.
Columbia

Networking Break

3:05 p.m. to 3:55 p.m.
Columbia

The Ports: Overcoming the Challenges of the Recent Past
Precis: After a tempestuous period, commerce at the ports has entered a new phase -- avoiding the crises of the past and improving the efficiency of our maritime operations. There are differing views on how to accomplish this that affect business, labor, carriers, shippers and the intermediaries that constitute NCBFAA's membership.
Panel:

- (b) (6), National Retail Federation, V.P. Supply Chain & Customs Policy
- (b) (6) Thompson Hine LLP, Partner, Transportation Practice Group Leader
- (b) (6), The Port of Los Angeles, Executive Director

Moderator: (b) (6) GKG Law, P.C., NCBFAA Transportation Counsel

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3:55 p.m. to 4:15 p.m.
Columbia

The Food and Drug Administration and Its Growing Significance to Trade

Precis: As the Partner Government Agencies have joined ACE, a lion's share of the attention has been focused on the Food and Drug Administration. Opening the way into automation, reorganization and culture change has created big challenges for the Trade and for FDA leadership. Our industry has engaged in unprecedented dialogue with the agency, much to our mutual benefit.

Speaker: (b) (6), FDA, Director, Office of Enforcement and Import Operations

Moderator: (b) (6), Williams Clarke Co., NCBFAA Regulatory Affairs Committee Chair

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4:15 p.m. to 5:15 p.m.
Columbia

The De Minims Debate: How Will It Change Your Business?

Precis: With the passage of TFTEA and the increas of de minimis from $200 to $800, CBP has been confronted with a range of difficult questions: how will CBP manage the increased number of individual importations? How will they refer data, if appropriate, to specific PGAs? How can CBP apply its targeting technology? What are the business implications for brokers and will the playing field be leveled?

Panel:

- (b) (6), A.N. Deringer, Inc., NCBFAA Vice President
- (b) (6), FedEx Trade Networks, Transport & Brokerage
- (b) (6), (b) (7)(C), CBP, Director of Cargo, Office of Field Operations (Invited)
- (b) (6), (b) (7)(C), CBP, Office of Trade (Invited)

Moderator: (b) (6), Geodis, NCBFAA Customs Committee Chair

5:30 p.m. to 7:00 p.m.
Congressional B

Drawback Committee Meeting

(b) (6), (b) (7)(C)

Subject: NCBFAA Internal OTR Prep
Location: Bradley's Office

Start: Wed 9/6/2017 1:30 PM
End: Wed 9/6/2017 2:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Categories: OTR Staff-Only

Prep Bradley for NCBFAA pre-brief meeting with (A) C1 on 9/7/17.

(b) (6), (b) (7)(C)

Subject:	NCBFAA Prep Discussion
Location:	Bradley's office
Start:	Thu 9/7/2017 1:15 PM
End:	Thu 9/7/2017 1:45 PM
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	(b) (6)
Categories:	OTR Staff-Only

From:	(b) (6), (b) (7)(C) on behalf of (b) (6), (b) (7)(C)
To:	(b) (6)
Cc:	HAYES, BRADLEY F; (b) (6)
Subject:	OTR/DHS PLCY Monthly Tag Up
Start:	Friday, September 8, 2017 1:00:00 PM
End:	Friday, September 8, 2017 1:30:00 PM
Location:	RRB, Room 3.5A/Dial-in Option: (b) (7)(E)

Monthly tag up with trade PLCY team and OTR leadership.

(b) (6), (b) (7)(C)

Subject: OTR/OCA coordination
Location: 5.4A

Start: Mon 9/18/2017 8:30 AM
End: Mon 9/18/2017 9:00 AM

Recurrence: (none)

Meeting Status: Accepted

Organizer: (b) (6), (b) (7)(C)
Required Attendees: HAYES, BRADLEY F; LADOWICZ, JOHN P; (b) (6), (b) (7)(C)

Categories: Internal CBP Meeting

Good afternoon,
Something has come up in the office which will require that we delay and shorten this meeting by 30 minutes. Thank you for your understanding.
(b) (6), (b) (7

From: CBP COMMISSIONER SCHEDULER

To: (b) (6), (b) (7)(C) DCC10A-RMB-COMMISSIONER-CN-RM; (b) (6) (b) (6), (b) (7)(C); OC BRIEFING STAFF; SMITH, BRENDA BROCKMAN; Owen, Todd C (FAC OFO); (b) (6), (b) (7)(C); (b) (6), (b) (7)(C) DINUCCI, RICHARD F; HAYES, BRADLEY F; (b) (6), (b) (7)(C)

Subject: Prep: NCBFAA - Keynote Luncheon

Start: Friday, September 8, 2017 12:00:00 PM

End: Friday, September 8, 2017 12:30:00 PM

Location: Commissioner"s Small Conference Room

Attachments:
20170911 NCBFAA Government Affaires Conf Agenda.docx
ACM GAC Invite 5.4.17.pdf
C1_Remarks_NCBFAA_GAC_09122017v5.docx
0a COVER PAGE NCBFAA.DOC
Tab 00 NCBFAA GAC Table of Contents V4.docx
Tab 01 Briefing Memo NCBFAA Annual Conf V3.docx
Tab 04 NCBFAA Drawback IP 9.7.17.doc
Tab 05 Cargo Downtime Processes and Procedures 090617.docx
Tab 06 NCBFAA De minimis 9.7.17.docx
Tab 07 Electronic exam 83117.doc
Tab 08 Agenda from IFCBA 2017 Programme_5 Bangkok.pdf
Tab 09 20170911 NCBFAA GAC Agenda.docx
Tab 10 20170911 NCBFAA Biographies.docx
Tab 03 NCBFAA ACE GAC Issue Paper.docx

DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please emai (b) (6), (b) (7)(C) and provide a reason as well as a surrogate request.

<<ACM GAC Invite 5.4.17.pdf>> <<20170911 NCBFAA Government Affaires Conf Agenda.docx>> <<C1_Remarks_NCBFAA_GAC_09122017v5.docx>> <<0a COVER PAGE NCBFAA.DOC>> <<Tab 00 NCBFAA GAC Table of Contents V4.docx>> <<Tab 01 Briefing Memo NCBFAA Annual Conf V3.docx>>

<<Tab 03 NCBFAA ACE GAC Issue Paper.docx>> <<Tab 04 NCBFAA Drawback IP 9.7.17.doc>> <<Tab 05 Cargo Downtime Processes and Procedures 090617.docx>> <<Tab 06 NCBFAA De minimis 9.7.17.docx>> <<Tab 07 Electronic exam 83117.doc>> <<Tab 08 Agenda from IFCBA 2017 Programme_5 Bangkok.pdf>> <<Tab 09 20170911 NCBFAA GAC Agenda.docx>> <<Tab 10 20170911 NCBFAA Biographies.docx>>

BM: Yes
Lead Office: OTR
Remarks: OPA
OC POC: (b) (6), (b) (7)(C)

U.S. Customs and Border Protection

National Customs Brokers & Forwarders Association of America, Inc. (NCBFAA)

Monday, September 11, 2017
12:00 noon – 1:40 p.m.

Monday, September 11, 2017

8:15 a.m. to 8:30 a.m.
Columbia

Call to Order and Welcoming Remarks
Presenters:

- (b) (6), C.H. Powell Co., NCBFAA President
- (b) (6), NCBFAA Executive Vice President
- (b) (6), J. W. Allen & Co., Inc., NCBFAA GAC Chair
- (b) (6), JAS Forwarding USA Inc., NCBFAA PAC Chair

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Introduced by (b) (6), John S. James Co., NCBFAA Transportation Committee Chair

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- (b) (6), Senate Finance Committee, International Trade Counsel (Invited)

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Speaker: TBD
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Introduced by: (b) (6), F. Zuniga, Inc., NEI Executive Director

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2:20 p.m. to 2:55 p.m.
Columbia

NAFTA: Modernizing Critical Trade Relationships
Precis: The North American Free Trade Agreement (NAFTA) has been the operating system for trade between the U.S., Canada and Mexico since 1994. Rhetoric has evolved from eliminating NAFTA altogether to "modernizing" the treaty so that it can adapt to changes in trade from 2018 and beyond. NAFTA negotiations are underway from mid-August and hold center stage on the Hill and in the new Administration. See how the negotiation process works and what we can expect.
Panel: (b) (6), Senate Finance Committee (Invited)
Moderator: (b) (6), Kent & O'Connor, Inc., NCBFAA Legislative Counsel

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2:55 p.m. to 3:05 p.m.
Columbia

Networking Break

3:05 p.m. to 3:55 p.m.
Columbia

The Ports: Overcoming the Challenges of the Recent Past
Precis: After a tempestuous period, commerce at the ports has entered a new phase -- avoiding the crises of the past and improving the efficiency of our maritime operations. There are differing views on how to accomplish this that affect business, labor, carriers, shippers and the intermediaries that constitute NCBFAA's membership.
Panel:

- (b) (6), National Retail Federation, V.P. Supply Chain & Customs Policy
- (b) (6), Thompson Hine LLP, Partner, Transportation Practice Group Leader
- (b) (6), The Port of Los Angeles, Executive Director

Moderator: (b) (6), GKG Law, P.C., NCBFAA Transportation Counsel

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3:55 p.m. to 4:15 p.m.
Columbia

The Food and Drug Administration and Its Growing Significance to Trade

Precis: As the Partner Government Agencies have joined ACE, a lion's share of the attention has been focused on the Food and Drug Administration. Opening the way into automation, reorganization and culture change has created big challenges for the Trade and for FDA leadership. Our industry has engaged in unprecedented dialogue with the agency, much to our mutual benefit.

Speaker: (b) (6), FDA, Director, Office of Enforcement and Import Operations

Moderator: (b) (6), Williams Clarke Co., NCBFAA Regulatory Affairs Committee Chair

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4:15 p.m. to 5:15 p.m.
Columbia

The De Minims Debate: How Will It Change Your Business?

Precis: With the passage of TFTEA and the increas of de minimis from $200 to $800, CBP has been confronted with a range of difficult questions: how will CBP manage the increased number of individual importations? How will they refer data, if appropriate, to specific PGAs? How can CBP apply its targeting technology? What are the business implications for brokers and will the playing field be leveled?

Panel:

- (b) (6), A.N. Deringer, Inc., NCBFAA Vice President
- (b) (6), FedEx Trade Networks, Transport & Brokerage
- (b) (6), (b) (7)(C), CBP, Director of Cargo, Office of Field Operations (Invited)
- (b) (6), (b) (7)(C), CBP, Office of Trade (Invited)

Moderator: (b) (6), Geodis, NCBFAA Customs Committee Chair

5:30 p.m. to 7:00 p.m.
Congressional B

Drawback Committee Meeting

NCBFAA
NATIONAL CUSTOMS BROKERS & FORWARDERS ASSOCIATION OF AMERICA, INC.
VOICE OF THE INDUSTRY SINCE 1897

May 4, 2017

The Honorable Kevin K. McAleenan
Acting Commissioner
U.S. Customs and Border Protection
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Re: Request for Keynote Address: September 11, 2017
Hyatt Regency Washington on Capitol Hill

Dear Acting Commissioner McAleenan:

As President of the **National Customs Brokers and Forwarders Association of America, Inc.**, (NCBFAA), I would like to once again extend, on behalf of our Board and the Association's membership, an invitation to speak at an upcoming NCBFAA event, our 2017 **Government Affairs Conference**, scheduled for September 10-12, 2017, at the Hyatt Regency Washington on Capitol Hill.

The relationship between your agency and our Association is one that we have valued over many years. The common interest we share in the facilitation of commerce and the security of supply chains forms the basis for the productive and respectful partnership that we enjoy as we work together to achieve these common goals. Given our mutual interest, we would like to offer you an opportunity to join us as our Keynote Luncheon Speaker on Monday, September 11. Of course, if that time does not fit your schedule, please suggest one that is more appropriate and we would be more than happy to accommodate your needs.

As our most politically influential event of the year, the NCBFAA Government Affairs Conference generally attracts those industry participants most closely attuned to political developments in Washington. Just one more reason you will find an audience highly motivated and more anxious than ever to hear your outlook on the issues. Your take on CBP's ongoing E-Commerce initiatives, broker regulations, Centers of Excellence, ACE and TFTEA will provide our attendees with a critical inside look at one of their industry's most important regulators.

Our Executive Vice President is available at any time to discuss to discuss this invitation with your staff. I do hope you will be able to join us not only as a speaker during the sessions, but also as a guest at our Capitol Hill Reception, which will be held in the Rayburn House Office Building, room 2168, from 6-8 p.m., Tuesday, September 12.

Sincerely,

(b) (6)

NCBFAA President

Cc: (b) (6), NCBFAA Executive Vice President
(b) (6) - NCBFAA GAC Chairman

U.S. Customs and Border Protection

Remarks by Acting Commissioner Kevin K. McAleenan
Name of Event: NCBFAA Gov't Affairs Conference
Location: Hyatt Regency Washington – Capitol Hill
Date: Sept. 11, 2017 – Keynote Luncheon Address
Introduced by: (b) (6), NCBFAA President

Press: Open
Run Time: 15 mins.
Audience: ~150
Format: Podium
Q&A: Yes

Keynote Luncheon Remarks

Introduction

Thank you, (b) (6). It's great to see so many familiar faces here in Washington, and I want to thank all of you for being here.

I'd also like to recognize:

- (b) (6), the Association's Executive Vice President;
- (b) (6), Vice President;
- (b) (6), Customs Committee Chairwoman; and
- (b) (6), the Association's Legislative Representative. (b) (6) was instrumental, as you know, in joining forces with Cargo Network Services to organize last year's inaugural Air Cargo Industry Affairs Summit here in DC, and I was honored last week to speak at the second annual summit.

Joining me here today from CBP is Bradley Hayes, our new Executive Director of the Office of Trade Relations, as well as (b) (6), (b) (7)(C), Deputy Executive Director.

Today I want to talk to you about **what's new – what's <u>changed</u> and what's <u>changing</u>**.

Obviously, there's been tremendous change here in Washington, and lots of new developments at CBP that have a direct, profound impact on you and your businesses. From ACE to *de minimis* … from entry specialists to the new broker exam … we've been working hard to improve our processes and programs.

<u>ACE Update</u>

First, let's talk about **ACE** – the Automated Commercial Environment, the "Single Window." As you know, we've completed **6** out of **7** of the primary deployments for core trade processing. So today I want to talk about the **seventh** and final deployment of ACE core trade processing capabilities – specifically about our **deployment "replan."**

Based on results of rigorous testing of collections capabilities previously planned for this deployment, CBP modified the deployment approach. Since our collections capabilities are largely "inward facing," the "replan" will enable us to separate collections and deploy the other post release capabilities of ACE core using a phased approach over three releases between now and February 2018.

The deployment replan also enables the delivery of TFTEA drawback capabilities in accordance with the legislative mandate. Once we deploy the seventh core trade processing capability, we will move into the operational and maintenance phase of the program.

Finally, let me say a few words about the availability issues we experienced during the **week of July 31**. Our after-action assessment indicates the issue was caused by a hardware failure and was not the result of a cybersecurity event or other malicious activity.

As part of our "hot wash" on the incident, CBPs' Office of Information and Technology is providing additional redundancy, being proactive to ensure we don't have a recurrence. We're also looking at longer-term technology solutions that could help mitigate "downtime" in especially time-sensitive areas such as land border/truck processing.

In addition to addressing technology, we agreed last month at our Commercial Customs Operations Advisory Committee (COAC) meeting to establish a joint working group to provide us with **industry input on downtime procedures**. Our Office of Trade Relations and Office of Information Technology have begun work on this, and the planned kick-off meeting will be this **Thursday, September 14.**

<u>This input is vital.</u> It's going to help us consider impacts to industry and build in the needs of industry into our own internal communications plans and operational processes.

Drawback and TFTEA

Speaking of TFTEA and ACE, among the other changes facing trade stakeholders are the changes in drawback.

By streamlining and simplifying drawback operations, TFTEA – in combination with the updates to ACE – is expected to result in significantly more drawback claims filed with CBP. There will be a corresponding increase in the amounts of duty, taxes, and fees refunded in the coming years – making drawback a greater export promotion program.

That legislation set February 24, 2018 as the deadline for us to fully implement these changes, as well as a one-year transition – until February 2019 – during which claimants can choose to file new drawback claims.

These changes put pressure on you as well as pressure on us. But we have the funding, we have a deployment roadmap, and we are

committed to developing the automation needed to support the drawback simplification provided for under TFTEA and to meet the February 2018 congressional mandate.

CBP continues to work through the Trade Support Network as well as other associations and workgroups and we are confident we can reach mutually acceptable solutions that address automation as well as regulatory policy concerns.

De Minimis

And the aftershocks generated by the TFTEA earthquake haven't ended there … for the broker and freight-forwarding industry, one of the biggest tremors has been the increase in the *de minimis* value exemption.

The effects of this increase have been magnified by the continuing exponential growth of electronic commerce. Online retail sales are expected to reach as high as **$443 billion** in this country, reflecting a

growth rate of **between 8 and 12 percent**, compared to the **2.8%** growth rate of brick-and-mortar stores.[1]

One survey conducted late last year found that **15 percent** of Americans shop online at least weekly. That's nearly **50 million** people, every week.[2]

CBP is working collaboratively with members of the broker industry, couriers, carriers, importers, other trade stakeholders, and Partner Government Agencies, or PGAs, to address the many questions that have arisen from this change, including who is responsible for the Section 321 entries and how we can accelerate processing.

For example, CBP is working with the industry to develop an electronic method for clearing Section 321 shipments in addition to the currently available manifest process. It's critical to define data elements, identify

[1] National Retail Federation. https://www.digitalcommerce360.com/2017/02/08/online-will-grow-three-times-faster-retail-industry/
[2] Pew Research Center, http://www.pewinternet.org/2016/12/19/online-shopping-and-e-commerce/

trade responsibility and liability, and determine how trade can manage their liability.

Finally, CBP's E-Commerce and Small Business Branch has been engaging with various stakeholders, consumers, Congress, PGAs, and at international forums like the World Customs Organization and COAC, which has created an E-Commerce Working Group within its Trade Modernization Subcommittee.

Entry Specialists

There have been other changes since last year's meeting here in Washington, as well. As you know, as of July, Entry Specialists have permanently transitioned to our Centers of Excellence and Expertise. This integration provides end-to-end processing of trade with other trade disciplines, such as the Import Specialists, already working for the Centers.

The Entry Specialists will continue to provide service to the local trade community by preserving existing local based processing, such as collections and broker management. The transition further builds out the Centers' organizational structure, and we're confident that it is proving to be a seamless transition for the trade community.

Some of you may be wondering if that means there isn't any support at the Ports of Entry. I want to assure you that the local processes and the levels of service you currently receive do not change.

The Entry staff is still physically located at the port and will assist with all local processing – which includes cashier duties, collections, and broker management.

Broker Management – The New, Improved Exam

And while I'm on the topic of brokers… being a Customs broker is no easy job, and becoming one is even tougher. CBP has been working closely with COAC and your members to **revise and modernize the broker exam** – one that reflects the current realities of your profession.

Last September, CBP published a Notice of Proposed Rulemaking in the *Federal Register* which proposed changing some of CBP regulations to **modernize the customs broker examination procedures**.

CBP subsequently published the Final Rule in the *Federal Register* on June 30 – adopting these changes in enough time so that the new procedures will be in effect for the upcoming October broker exam.

The new Customs broker exam will be delivered on October 25 electronically in more than **48** locations. We collaborated with the broker educator community in troubleshooting the electronic exam platform and navigation tools.

Not only did we post a sample list of **80** questions on our web site to help applicants prepare, we've also provided a link on the broker home page where you can submit questions for use on future exams.

The **new all-electronic exam benefits both CBP and the trade**, providing faster processing time, which lets examinees know their results more quickly and efficiently, and a significant reduction in administrative duties for CBP employees.

Results of the written exam were distributed, on average, in 7-8 weeks. Now, CBP expects to release exam results in three to four weeks on the first electronic exam, shortening that time to **1 week or less** on subsequent deliveries.

We are eager to get your feedback on the exam. Don't be shy.

We are also committed to providing educational opportunities to the broker community once those licenses are in your hands. The **Broker Management Branch**, led by (b) (6), has been actively providing educational webinars in 2017 to NCBFAA and its educational institute, NEI.

These webinars included courses on Anti-Dumping and Countervailing Duty (AD/CVD) risk management, ACE cargo release and post release, and the regulatory audit process.

Washington, of course, is a city that "runs on regulations." And CBP has been working on those that directly affect the broker community. CBP is focused on ways to modernize the broker regulations, taking into account the recommendations we have received from the broker community, as well as from COAC.

Additionally, section 116 of TFTEA amended the **broker statute** (19 U.S.C. 1641) to **formally require brokers to verify the identity of importers.**

CBP has been developing a separate regulatory package to implement these requirements. Both of these regulatory packages will be Notices of Proposed Rulemaking and will be published in the *Federal Register*, after they have been reviewed and approved at the DHS level.

Although we can't control the approval process, we are hopeful that both packages will publish within the next six months.

Conclusion

Before I wrap up, I want to take just a moment to commend those of you who are based in Houston or who have operations there. Within days of the recent hurricane, Texans put their shoulders to the wheel and began getting back to business. I visited the area last week, and the Port is making tremendous progress in returning to full capacity. And I couldn't be prouder of the more than **600** CBP employees who deployed to help in the rescue and recovery efforts in and around Houston.

Now many of you are facing the same challenges in Florida. Know that we are ready to help you however we can. We continue to pledge our support for you, your organizations, and your communities during this difficult time, for as long as it takes.

NCBFAA plays a vital role in helping us achieve our mission of facilitating trade while protecting the public and economy from harm. Every single one of you is integral to CBP's trade mission – and you are absolutely essential in our relationship with American businesses.

I'm grateful to the brokerage and freight-forwarding community for working with us to facilitate global trade while maintaining secure and efficient borders.

On a more personal note, I also want to thank those of you who were so kind to call and send notes of encouragement in the wake of my formal nomination to be Commissioner. I'm both humbled and honored by your confidence in me and I look forward to the opportunity to live up to that confidence.

Thank you, and now I think we have time for a few questions.

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NATIONAL CUSTOMS BROKERS AND FREIGHT FORWARDERS ASSOCIATION OF AMERICA (NCBFAA), GOVERNMENT AFFAIRS CONFERENCE

Monday, September 11, 2017
Noon- 1:40 p.m.
Hyatt Regency Washington on Capitol Hill, 400 New Jersey Ave NW
Washington, DC

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NATIONAL CUSTOMS BROKERS AND FREIGHT FORWARDERS ASSOCIATION OF AMERICA (NCBFAA), GOVERNMENT AFFAIRS CONFERENCE

Monday, September 11, 2017
Noon – 1:40 p.m.
Hyatt Regency Washington on Capitol Hill, 400 New Jersey Ave NW
Washington, DC

Overview:

- [redacted] will greet you upon your arrival at noon. You will have a sidebar meeting with (b) (6) from 12:05 – 12:10 and then he will escort you to the Columbia room to be seated for lunch.
- You will eat lunch from 12:10 – 1:10 then be introduced to the 160+ attendees of the Government Affairs Conference by (b) (6) at 1:10 pm. You will deliver your remarks from 1:15 to 1:30 pm from the podium and address 10 minutes of Q&A. You will depart at 1:40.
- The goal is to reinforce the important relationship we have with the broker community. You will emphasize topics of interest to the broker community that will also be addressed by other CBP speakers throughout their event such as E-Commerce, broker regulations, Centers of Excellence, ACE and TFTEA.

Discussion Points:

TFTEA/ACE

- The status and phased approach of delivering the seventh deployment of ACE core trade processing will include TFTEA duty drawback.
- Recent ACE outages have identified issues with standardization and implementation of downtime procedures at ports. Dependencies on a paperless process have created confusion with requirements for ACE downtime with both CBP and trade partners. OFO has developed and distributed on September 1, 2017, an updated version of downtime to reflect the new realities of ACE processing. The internal process document has been distributed and a follow-on public version of the national SOP is pending. Each port will also be providing updates to local procedures and will be enhancing lines of communication surrounding downtime issues.

E-commerce, di Minimis and Section 321

- In addition to forming the E-Commerce and Small Business Branch within the Office of Trade we have been engaging with various stakeholders, consumers, COAC, Congress, Partner Government Agencies (PGAs), and at international forums like the World Customs Organization.
- At the August 23rd COAC meeting the Trade Modernization subcommittee delivered 13 recommendations on this topic. On Tuesday (b) (6), (b) (7)(C), Director of Cargo, Office of Field Operations (OFO), CBP and (b) (6), (b) (7)(C), Office of Trade (OT) are scheduled to present on a panel with [redacted] titled "The De Minims Debate: How Will It Change your Business."

Broker Regulations

- On June 30th a Final rule was published announcing the modernization of the custom broker examination process. This will be implemented for the first time on October 25, 2017.
- The membership will be visiting their congressmen on Tuesday directly after EAC Smith gives her presentation.

Centers of Excellence and Excellence (CEE)

- As of July 2017, Entry Specialists have permanently transitioned to our Centers of Excellence and Expertise. This integration provides end-to-end post release processing in the Centers.

Watch Out For/ If Asked:

NCBFAA representatives reported their concerns for the "completion of ACE" and specifically mentioned errors in release and entry date logic and availability of currency rates via EDI.

- Release and Entry Date Logic: CBP delivered program fixes that corrected all release dates in early 2017 except for in-bond arrivals. The fix for in-bond arrivals is being tested currently and is planned for production in the fall of 2017. CBP is also writing utility programs to go back and clean up all prior entries that have been impacted due to issues with the release date, and this effort is targeted for completion in the fall of 2017.
- Currency rates of exchange: The Automated Broker Interface (ABI) Query for Foreign Currency Rates will remain in ACS until ACS is no longer available. In parallel, currency rate calculation information is also posted on www.cbp.gov/ace.

NCBFAA representatives reported their concerns regarding ACE system stability and a desire to have written downtime procedure for the ports and the trade to work from.

- As part of CBP's assessment of recent incidents, we have identified a series of short and long-term technology solutions to help mitigate the likelihood or duration of any future ACE service outages including additional infrastructure, more regular reviews of mission critical systems, improved system monitoring and providing rapid restoration of service during future incidents.
- CBP is working with the Commercial Customs Operations Advisory Committee (COAC) to establish a joint working group focused on industry input on downtime procedures.
- OFO has developed and distributed on September 1, 2017, an updated version of downtime to reflect the new realities of ACE processing. A follow-on public version of the national SOP is pending. Each port will also be providing updates to local procedures and will be enhancing lines of communication surrounding downtime issues.

Background:

- In the morning of the first day of the conference President (b) (6) will address the association on evolving relationships with PGAs who are assuming a much greater role in a brokers business; efficiencies at ports of entry; generating an export –focus in the federal trade agencies; and ensuring that regulations don't constrain their ability to compete.
- The new Federal Maritime Commission Commissioner (b) (6) as well as (b) (6) (b) (6), U.S. House of Representatives, Committee on Ways & Means will address the

members in two separate presentations in the morning. (b) (6), President of the Mexican Broker association will present just prior to your lunch keynote.

- (b) (6) and NCBFAA Chairman of the Board, (b) (6), recently returned from Bangkok, Thailand where they attended an International Federation of Customs Brokers Association (IFCBA) event on August 28 & 29.
- You met with (b) (6) and (b) (6) on Friday April 28, this year and discussed Down Time Processes as well as the Di Minimis and Section 321 issues.
- You and Executive Assistant Commissioner Brenda Smith addressed the association at their Annual Conference on April 5, 2017 in New Orleans.
- You delivered a keynote breakfast speech at the NCBFAA Government Affairs Conference (GAC) on September 13, 2016 in Washington, D.C. A number of the same issues were of concern to NCBFAA at that time, including the increased de minimis value for Section 321 releases, the delay in new broker regulations, and the final delivery of ACE

PRESS: (open)

- American Shipper Magazine
- Journal of Commerce
- International Trade Today

ATTACHMENTS:

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PARTICIPANTS CBP:

Kevin McAleenan, Acting Commissioner
John Leonard, Executive Director, Office of Trade
Richard DiNuccci, Executive Director, Office of Field Operations
Bradley Hayes, Executive Director, Office of Trade Relations, OC

Staff Responsible for Briefing Memo:
(b) (6), (b) (7)(C)

September 11, 2017 NCBFAA Gov't Affairs Committee
ACE/Single Window Issue Paper

TALKING POINTS:

Deployment G

- To date, we have completed six of seven primary deployments established to achieve core trade processing in ACE. With the last deployment we will have all core trade processing capabilities in ACE and move into the operational and maintenance phase. Currently:
    - 100 percent of import manifest, cargo release processing, Partner Government Agency (PGA) integration, and export processing functionality has been deployed in ACE.
    - All manifest, entries, entry summaries and export commodity filings must be filed in ACE.
    - In addition, more than 85 percent of post release capabilities are available in ACE.
- CBP announced a replan of the seventh and final deployment of the ACE post release capabilities that had been scheduled for July 8, 2017.
- The replanned deployment strategy enables us to separate collections and deploy the other post release capabilities of ACE core using a phased approach.
    - Developers are working software changes that will allow ACE deployment of these post release capabilities, while also ensuring that they continue to interface seamlessly with collections in the legacy system.
- The phased deployment schedule is as follows:
    - ACE Deployment G, Release 2 (**September 16, 2017**) - Duty Deferral, e214 (electronic Foreign Trade Zone admission), Manufacturer ID Creation and Importer Security Filing (ISF)
        - We are also deploying a lineless input capability for non-ABI entry summaries. This functionality for CBP employees only
    - ACE Deployment G, Release 3 (**December 9, 2017**) – Statements
    - ACE Deployment G, Release 4 (**February 24, 2018**) – Reconciliation, ACE Core Drawback and Trade Facilitation and Trade Enforcement Act (TFTEA) Drawback, Liquidation and Automated Surety Interface (ASI)
        - We are developing and will deploy TFTEA drawback capabilities in accordance with the legislative mandate.
        - Between February 2018 and February 2019, trade users will have the option to file either Core Drawback or TFTEA Drawback.
        - Core Drawback includes the following:
            - Consolidation to entry type 47;
            - For electronic claims, submission of entire drawback package electronically;
            - System validations;
            - Integration with post release processes;
            - Improved system controls; and
            - Does not require line level reporting.
        - TFTEA Drawback includes the following:
            - Substitution based on 8-digit HTS or Schedule B number;

- Requirement to file all drawback claims electronically;
- Recordkeeping requirement three years from date of liquidation;
- All claims due five years from date of importation;
- Reliance on documents kept in "normal course of business"; and
- Requires line level reporting.

- We will be retraining our personnel and providing updated materials on each capability prior to these deployments.

The Next Phase of ACE

- Following Deployment G, ACE will transition to the Operations and Maintenance (O&M) phase of its life cycle.
- There are no ACE Program funds for developing new or enhanced capabilities; funding will have to be identified to support development of any new capabilities beyond O&M.
- Resources for the remaining life cycle of the core ACE system are dedicated to promoting supply chain predictability by ensuring ACE system availability and reliability through timely system bug fixes, program management, software sustainment, and infrastructure support for deployed core capabilities.
- The trade community should continue to engage with us on trade program priorities and the enabling automation updates/changes that may be associated with implementing trade program initiatives or process improvements.
- The trade community can help by quantifying and articulating the trade benefit of desired CBP trade program enhancement initiatives, including those requiring automation.
- Stakeholder input has been key to defining the business requirements that make up our ACE deployments thus far, and continued feedback on ongoing fixes and enhancement opportunities will continue to be critical as we enter the O&M phase.

Specific Issues of Interest to NCBFAA

- NCBFAA has raised the following two issues for discussion at the NCBFAA GAC meeting, September 11-12, 2017:
  - Release and Entry Date Logic
    - CBP delivered program fixes that corrected all release dates in early 2017 except for in-bond arrivals. The fix for in-bond arrivals is being tested currently and is planned for production in the fall of 2017.
    - CBP is also writing utility programs to go back and clean up all prior entries that have been impacted due to issues with the release date, and this effort is targeted for completion in the fall of 2017.
  - Currency rates of exchange:
    - The Automated Broker Interface (ABI) Query for Foreign Currency Rates will remain in ACS until ACS is no longer available.
    - In parallel, currency rate calculation information is also posted on www.cbp.gov/ace.

- At this time, Foreign Currency Rates functionality has not been identified as a funded priority for ACE.

ACE System Stability and Downtime Procedures

- Concerning recent downtime, ACE experienced multiple service degradations in early August, from August 2 to August 10, due to issues with the power supplies on the ACE servers and external network issues.
- With respect to the issues we encountered with ACE system availability on August 2, our assessment indicates the issue was caused by a hardware failure and was not the result of a cybersecurity event or other malicious activity.
- During these incidents, CBP followed procedures in place for such occurrences, and port downtime or workaround procedures were implemented as determined by the Office of Field Operations.
- As part of CBP's assessment of the incidents, we have identified a series of short and long-term technology solutions to help mitigate the likelihood or duration of any future ACE service outages.
- The resulting additional infrastructure will enable CBP to conduct more regular reviews of mission critical systems to ensure optimal configuration settings, improve system monitoring and provide rapid restoration of service during any future incidents.
- In addition to addressing technology, CBP is working with the Commercial Customs Operations Advisory Committee (COAC) to establish a joint working group focused on industry input on downtime procedures, which will enable us to incorporate industry impacts and needs into our communication process.
- We appreciated the support of port personnel and our trade stakeholders as we worked through these critical issues.

DUTY DRAWBACK and TFTEA

TALKING POINTS:

- The Trade Facilitation and Trade Enforcement Act of 2015 ("Act"), Section 906 enacted on February 24, 2016, is a major milestone, a sweeping "game-changer," for the CBP drawback program, providing numerous, significant enhancements to the drawback laws under 19 U.S.C. § 1313, long-sought over the past decade by both CBP and the trade.
- By streamlining and simplifying drawback operations, the Act in combination with ACE system updates are expected to expand the number of drawback claims filed to CBP and amounts of duty, taxes and fees correspondingly refunded in coming years making drawback a greater export promotion program.
- The Act provides CBP with two-years from the date of enactment to fully implement the new law. As such, the changes promulgated by the Act will not take effect until Feb. 24, 2018, applying to drawback claims filed on or after that date.
- The Act provides for an additional one-year transition period, from Feb. 24, 2018 to Feb. 24, 2019, during which claimants may elect to file new drawback claims under either the existing, pre-Act or Act drawback regulations.
- Section 906, Drawback and Refunds, of the Act goes far to strengthen the drawback legal framework and CBP's ability to more accurately and objectively administer drawback.
- CBP continues to coordinate with both external and internal stakeholders concerning the TFTEA drawback program. Our external stakeholders have been engaged with CBP from the beginning and throughout the development process. There have been several face to face meetings and conference calls where discussions focused on ACE automation, policy and procedures, and regulatory updates. On January 24 and 25, the Office of Trade held a two day meeting with a trade designated drawback working group to discuss TFTEA drawback regulation and policy.
- Deployment of TFTEA drawback is dependent on funding and available resources. Drawback is currently funded and development has started. Planning has been scheduled and a development and deployment roadmap has been finalized. CBP intends to meet the February 2018 congressional mandate. This date is when CBP is required to provide the ability to file drawback claims under the TFTEA provision.
- ACE developments for Drawback are integral to the implementation of the Drawback portions of TFTEA and CBP continues to work through the Trade Support Network as well as other associations and workgroups to arrive at mutually acceptable solutions to both automation and regulatory concerns while holding to Congressional intent.

WATCH OUT FOR/IF ASKED:

- Does CBP know when they will be completed with all technical drawback development? The Office Trade has developed a timeline and roadmap for full implementation of Sec. 906 of the Act. CBP intends to implement all necessary technical modifications in ACE by Feb. 24, 2018 and keep the drawback trade well apprised on the implementation process.

Prepared by: (b) (6), (b) (7)(C), Office of Trade, Trade Policy & Programs, Email: (b) (6), (b) (7)(C),
Phone: (b) (6), (b) (7)(C)
Date : September 7, 2017

- Does CBP plan to implement a "Per Unit Averaging" process in TFTEA drawback? The Office of Trade is currently studying the capability and will notify our external stakeholders as to the direction as soon as possible.
- Currently, CBP has a 5000 item limit on drawback claims. Does CBP intend to continue with this limitation? Upon deployment, CBP will track this requirement and update as needed. Current testing has not uncovered any issues.
- What happens if CBP does not provide TFTEA drawback on the congressional mandate date of February 24, 2018? CBP has developed a contingency plan if programming is not available to support TFTEA mandates and is currently collaborating with the Department of Treasury on the details and process.

BACKGROUND:

- Regulations implementing 19 U.S.C. 1313 are set forth in Part 191 of Title 19 of the Code of Federal Regulations (19 CFR Part 191). Title 19 of the Code of Federal Regulations (CFR), Ch. 1, Part 191.2(i) defines "Drawback" as, "the refund or remission, in whole or in part, of a customs duty, fee or internal revenue tax which was imposed on imported merchandise under Federal law because of its importation, and the refund of internal revenue taxes paid on domestic alcohol as prescribed in 19 U.S.C. 1313(d)."
- There are several types of drawback, and the requirements and procedures for applying for drawback differ depending upon the type of drawback being requested and the articles involved. Regardless of the type of drawback claim sought or the merchandise involved, it is the goal of CBP through its implementation and enforcement of the drawback laws and regulations to protect the duties, taxes and fees that it collects for the U.S. Government.

Prepared by: (b) (6), (b) (7)(C), Office of Trade, Trade Policy & Programs, Email: (b) (6), (b) (7)(C),
Phone (b) (6), (b) (7)(C)
Date : September 7, 2017

Cargo Downtime Processes and Procedures

Talking Points:

- Recent ACE outages have identified issues with standardization and implementation of downtime procedures at ports.
- Dependencies on a paperless process have created confusion with requirements for ACE downtime with both CBP and trade partners.
- OFO has developed and distributed on September 1, 2017, an updated version of downtime to reflect the new realities of ACE processing.
- The internal process document has been distributed and a follow-on public version of the national SOP is pending.
- Each port will also be providing updates to local procedures and will be enhancing lines of communication surrounding downtime issues.

Background: Downtime policy includes the following guiding principles:

- Cargo downtime policy should be based on the following pillars (in order of importance:
    - Security
    - Enforcement
    - Facilitation
- Cargo downtime policy should provide basic downtime requirements yet allow sufficient flexibility to allow ports to adjust and adopt local procedures suited to local risk factors and infrastructure.
- Cargo downtime policy should utilize existing systems and processes available to CBP users to identify and mitigate risk and facilitate movement of cargo.
- Cargo downtime policy should include both requirements for port policy and identification of best practices utilized around the country.
- Communication, especially two-way communication, is the key to a successful downtime policy including;
    - National communication with CBP Stakeholders
    - National communication with Trade stakeholders
    - Local communication with CBP stakeholders (chain of command)
    - Local communication with trade stakeholders
- Downtime policy should include a plan to recover from downtime events including the plan to capture data for input at the completion of the event.

The updated downtime processing document has been distributed to CBP and includes:

- Processing instructions specific to each mode of transportation.
- Specific requirements that all ports are required to follow based on the policy above.
- Additionally, port best practices were solicited and are included as guidance to allow for the sharing of processes that have proven to be successful in certain ports with a broader base of CBP/OFO.
- The processing requirements and guidance has left room for establishment of port specific processes based on modes of transportation, infrastructure, volume, staffing levels and level of trade participation locally.

- All ports were required to immediately identify and/or establish local procedures and communicate these locally.
    - Ports were encouraged to include these procedures in their continuity of operations and business resumption plans.
    - Ports were encouraged to hold local exercises and drills to ensure that these plans are effective and clearly understood by all.
    - Ports were encouraged to provide feedback to headquarters to identify additional improvements or best practices discovered during implementation of these updated procedures.
- The SOP also includes a reminder of downtime procedures for export and detailed procedures for the Centers to address entry summary processing issues experienced during ACE downtime.
    - Export downtime procedures have not been modified at this time and are a joint effort with the Census Bureau.
    - OFO is working with Census to identify enhancements and improvements that may be required as a result of the enhanced export processing under ACE and the Single Window.

Prepared by: (b) (6), (b) (7)(C), Director, Cargo Security and Controls (b) (6), (b) (7)(C)
September 6, 2017

INCREASE IN DE MINIMIS VALUE (SECTION 321)

TALKING POINTS:

- Increasing the de minimis value limit will provide for a larger percentage of cargo to enter into the U.S. under the Section 321 rule. The intention is to streamline and facilitate the movement of trade.
- Trade has reported (UPS, Fed Ex, AN Derringer) that there has been an increase of over 20% of section 321 claims. Additionally, CBP has verified these approximate volume increases for truck shipments through various reporting. This volume increases sharply during the holiday season now starting in early December instead of October since most shipping is direct to consumer.
- There are some reported instances that cargo is being imported into Canadian warehouses and then being imported using 321 clearance into the US. This has occurred, but the volume is unknown. Cargo can be entered into Canada and then into a Canadian duty free warehouse. That merchandise can then be deconsolidated in that Canadian warehouse and cleared into the US using section 321. By doing this, companies avoid duty and PGA requirements during the clearance process. Wearing apparel companies (Forever 21, Luluemon and Limited) are known to use this process. The Office of Trade continues to work with the Apparel/Footwear Center to research the impacts.
- CBP is working with the NCBFAA, as well as other trade associations to develop requirement for an electronic method of clearing a Section 321 shipments in addition to the currently available manifest process. This effort will permit brokers to process de minimis shipments to include reporting PGA data. CBP believes this will address security deficiencies.
- The automation of de minimis shipments have been discussed at a high level. A concept for automating de minimis shipments in ACE was agreed to by external stakeholders and CBP. Although this functionality in ACE has been identified, funding for this project has not been received.
- The brokerage community believe section 321 shipments to be customs business and would like CBP to find an automated solution in ACE. When this solution is available they would be able to file a section 321 “entry-like” transaction that would provide data (including PGA data) to assist CBP with admissibility.
- Although importers, like Amazon and Walmart, support this automated solution, they raise issue if an automated solution is really customs business. They have also stated that developing an “entry-like” solution for section 321 would not follow the facilitative intent of the TFTEA value increase.
- Although the automated solution in ACE has been identified, funding for this project has not been received. The Office of Trade and the Office of Field Operations are having initial discussions concerning Donation Acceptance Program (DAP) Private Public Partnership (P3) funding related to Section 321 automated solution.
- CBP continues to have in-depth conversations with the PGAs to understand the complexities of regulating goods that fall within the Section 321 threshold. Existing PGA requirements and an FAQ sheet has been posted to CBP.gov for further information.

Prepared by: (b) (6), (b) (7)(C), OT, TPP, CORE, (b) (6), (b) (7)(C)
Date: August 31, 2017

- We are engaged with our PGA through the BIEC principal's, Section 321 sub-committee. Currently, none of our PGAs recognize de minimis. They see value in providing an automated ACE solution so they would receive PGA data.

WATCH OUT FOR/IF ASKED

- **What has been the volume of goods being released as Sections 321 due to the Trade Facilitation and Trade Enforcement Act (TFTEA) of 2015?**
  - Both trade partners and CBP port personnel note a steady increase in section 321 clearances. Once the functionality is added to ACE, CBP will be able to effectively target and identify trends associated with *de minimis*.
- **Does the Section 321 release environment effect Partner Government Agency (PGA) enforcement?**
  - All PGAs have identified their regulations do not identify a *de minimis* value for shipments and would need permits and reporting for all relevant shipments regardless of value. Current ACE capabilities do not allow for submission of PGA information without the filing of an electronic entry via Automated Broker Interface at the 10-digit level.
- **How is the brokerage community impacted by the new Section 321 rule?**
  - With the increase to $800, the Brokerage community see no role in the section 321 process. They feel an automated solution would be ideal to assist in this capacity, as it would provide a business opportunity for them to file information on behalf of new clients.
- **What are the challenges CBP is facing with small shipments?**
  - CBP is challenged by unknown risk associated with section 321 shipments. Low volume shipment packages are difficult to target, locate and examine in the small package environment.
  - There is a lack of knowledge of international trade laws and regulations among the e-commerce and small business individuals. They are not generally well versed in customs procedures, guidelines and regulations. Education and outreach to the public and small business owners is needed as e-commerce continues increase change business models.
- **Has CBP been seeing an increase in illicit drugs coming into the U.S. through de minimis packages?**
  - The information CBP receives on de minimis shipments are limited. There is no advanced data in the mail environment. (b) (7)(E) More operations and training are needed to familiarize CBP Officer's on de minimis shipments are needed.
- **Why does CBP consider Section 321 a revenue enforcement issue?**
  - CBP protects the revenue. We are also charged with protecting fees charged by PGA groups.

Prepared by: (b) (6), (b) (7)(C), OT, TPP, CORE, (b) (6), (b) (7)(C)
Date: August 31, 2017

BACKGROUND

- One of the provisions of the TFTEA was to establish a 15 day mandatory implementation of an increase in the de minimis value exemption from $200 to $800. This provision was implemented timely on March 10, 2016.
- This increase in the de minimis value has had a major impact on the Section 321 clearance process. Section 321 is the process by which cargo can be imported by one person on one day and as cited in 19 CFR 10.151 without filing an entry declaration. The value of the imported cargo may be free of duties and taxes. All existing processes and restrictions for these shipments remain the same. Only the increase in value from $200 to $800 has changed as required by TFTEA. It is intended to streamline and facilitate the movement low value shipments.
- CBP published a rulemaking on August 26, 2016, conforming the amount of the exemption in the regulations to the statutory amount, as well as amending certain regulatory provisions which set forth exceptions to the applicability of the exemption for certain shipments. CBP issued that document as an interim rule, effective immediately upon publication; ample opportunity for public comment was provided for in the interim rule.
- CBP has issued policy guidance to the field. Ports were instructed to amend its Standard Operating Procedures to reflect the increase in the de minimis identified in the policy guidance and muster by March 10, 2016. Additional information will be provided as it becomes available including possible new limitations based on Partner Government Agency requirements or revenue protection initiatives.

CUSTOMS BROKER EXAM MODERNIZATION

TALKING POINTS:

- Being a Customs Broker is a desirous profession.
  - The first Customs broker license was issued in 1917 to a New Orleans corporation and it remains active (George William Rueff Inc.)
  - CBP recently issued Customs broker license 32,629 (Laredo Texas).
  - 30,000 licenses have been issued in the last 50 years, 3000 within the last 5 years.
- In 2012 CBP moved the Broker Management Branch from the Trade Policy & Programs Directorate to the Commercial Targeting & Enforcement Directorate (now the Trade Remedy Law Enforcement Directorate).
- In 2013 the COAC and NCBFAA wanted to revise the exam and requested to be involved in the exam drafting process.
  - A collaborative workgroup of CBP, COAC members and NCBFAA took action resetting exam goals for a more reliable exam that is also reflective of the broker profession.
  - The resultant exams have delivered statistically reliable results by ensuring the questions were well-drafted, clear and tested information commonly used by brokers.
  - Examinee numbers are growing by more than 10% annually.
  - In FY17 CBP provided a link on the broker home page, where questions can be submitted for use on a future exams.
- CBP is answering the broker's and COAC's recommendation to modernize.
  - The NPRM for the automated customs broker exam was split from the larger regulatory package and published in September 2016 to ensure it would be implemented quicker.
  - As a result, the FINAL RULE published on June 30, 2017.
  - The October 25, 2017, customs broker exam will be delivered in electronic format in over 48 locations.
- CBP collaborated with the Broker Educator community in troubleshooting the electronic exam platform and navigation tools.
  - The educator group provided specific comments and overwhelmingly agreed that the automated platform was well done, its functionality is clear, and exam navigation is easy.
  - To permit preparation for the broker's exam, CBP posted an 80 question sample customs broker exam on CBP's website. It is available at www.cbp.gov. /trade/brokers "Sample Customs Broker Electronic Exam" also reached via https://usahire.opm.gov/assess/sampletest/landing
  - Perspective examinees and the public may take the sample exam as frequently as they like to familiarize themselves with the electronic product.
- Broker Management Branch has been actively providing educational webinars in 2017 to NCBFAA and their educational institute NEI
  - Brokers and AD/CVD Risk management (April with HSI/ICE)
  - Brokers and the Regulatory Audit process (June with the Office of Trade Relations)
  - Broker Regulation status (July with the Office of Trade Relations)
  - Broker Electronic Exam process (July with the Office of Trade Relations)
  - Brokers and ACE Cargo Release (September with the Office of Trade Relations)
  - Brokers and ACE Post Release (October with the Office of Trade Relations)

Prepared by: (b) (6), (b) (7)(C), Chief Broker Management, (b) (6), (b) (7)(C)
Date: September 1, 2017

WATCH OUT FOR/IF ASKED

- Can CBP continue to provide a written exam for those examinees that prefer to be able to underline key words, cross out ruled-out answers, make notes, and other such essential and critical elements of a paper-based exam? Alternatively, can exam booklets and an answer sheet be provided in addition to the electronic exam?

CBP has responded to the testing industry's advice that the written exam can no longer be supported with the modernization of the exam to an electronic format. Electronic testing is a standardized process for many types of entrance exams, from the DMV, to SAT and LSAT and many others. CBP is confident that study and testing skills will successfully transition to the electronic format. Exam sites will be providing 8 – 10 sheets of scrap paper to the examinee for note taking and they may bring their own reference materials.

- Where will the exams be located? Locations had been fairly standardized at Federal buildings, hotels and in some cases service ports. How will examinees be advised of their testing site?

The exams are being delivered at professional test sites. These sites are located within the same 48 areas where the exams have been provided in the past. The number of test sites may be greater than 48 based on individual site accommodations. CBP is currently conducting test site reviews to ensure consistency between locations. Examinees will be advised of the location of their exam on their admittance letter, which will be emailed approximately 2 weeks prior to the exam. The examinee requests location and try to accommodate those requests.

- Will the exam site provide the examinee with a copy of the exam and their answer sheet upon completion of the exam?

CBP intends to post the exam on CBP's website on the broker home page the day following the exam. It cannot be posted the same day due to varying exam end times across the United States. Examinee's answer sheets will be emailed to examinees within a few weeks of the exam. In the past, the examinee's scantron answer sheets were provided after exam results, which averaged 6-8 weeks.- Therefore, the electronic exam format provides for a far quicker response by CBP.

BACKGROUND

CBP is responsible for ensuring that only qualified individual and business entities can perform customs business on another party's behalf. The first step in meeting the eligibility requirements for a customs broker license require an individual to pass the customs broker license examination.

CBP's goal is to deliver a high quality and reliable test that covers the broad knowledge that the broker profession is expected to possess. The purpose of the broker's license exam is to "determine the individual's knowledge of Customs and related laws, regulation and procedures, bookkeeping, account, and all other appropriate matters, necessary to render valuable service to importers and exporters." *See* 19 CFR §111.13(a).

The all-electronic exam benefits both CBP and the trade, providing faster processing time, which lets examinees know their results more quickly and efficiently, and a significant reduction in administrative duties for CBP employees. Results of the written exam were advised, on average, in 7-8 weeks. CBP expects to advise exam results in three to four weeks on the first electronic exam, shortening that time to 1 week or less on subsequent deliveries.

The **Modernization of the Customs Broker Examination Final Rule** was published on June 30, 2017, and became effective on July 31, 2017.

- The exam transitioned from written format to an electronic customs broker examination.
- The bi-annual exam dates are changed to the fourth Wednesday in October and April (from the first Monday in October and April) to allow for more time between the start of the federal fiscal year and the October examination date.
- The cost increased from $200 to $390 to cover the cost of administering the exam. The previous $200 fee did not fully cover the cost of the paper exam. The last fee change occurred in 2000 when it was reduced from $300 to $200.
- CBP conducted a fee study that was included in the NPRM and based upon those findings, CBP proposed the fee increase. Several commenters questioned the fee increase on behalf of those starting their careers. CBP appreciates that the fee may be expensive for some but disagrees that its fee increase is too high. The fee increase was not done simply to adjust for inflation or attempt to mirror the cost for other types of exams in unrelated fields, but instead, reflects CBP's cost for providing the exam.

INTERNATIONAL FEDERATION OF CUSTOMS BROKERS ASSOCIATIONS

IFCBA

"The World Customs Brokers Organization"

IFCBA SPECIAL EVENT 2017
SEMINAR AND MEETING PROGRAMME
SHERATON GRANDE SUKHUMVIT
BANGKOK, THAILAND

(Please note that all seminars and meetings will be conducted in English)

Monday, August 28, 2017

09:00 **Words of Welcome**

09:15 **WCO Asia/Pacific ROCB: Plans for Prosperity**
Host: (b) (6)
Presenter: (b) (6) ***, CCF/CHINA Operational Manager & Program Manager(PI), World Customs Organization, Asia/Pacific Regional Office for Capacity Building, Bangkok***

The mission of the WCO Asia/Pacific Regional Office for Capacity Building is to assist in the building of the capacity of its Member Customs Administrations to continuously improve the securing and facilitating of trade. In doing so, it is only natural that they engage the private sector as they pursue that mission. The Current WCO Asia/Pacific ROCB Action Plan includes items ranging from assisting Members with implementation of the TFA to supporting their development of compliance and risk management tools. How can trade chain partners work with the WCO Asia/Pacific ROCB in its mission?

10:30 Refreshments

10:45 **e-commerce Administration in the Customs World: Implications for customs brokers and other trade chain players**
Host: (b) (6)
Presenter: (b) (6) ***Technical Officer, Compliance and Facilitation, World Customs Organization, Brussels;*** (b) (6) ***, China Customs Brokers Association and*** (b) (6) ***, Canadian Society of Customs Brokers***

Background Materials:
Future work on E-commerce in the World Customs Organization - EU
Non-Paper by China – China Customs Exploration of Cross-Border E-Commerce
Digital Customs and e-commerce work for WCO Policy Commission

The growth of e-commerce has created challenges for Customs Administrations around the world, with pressures for trade facilitation balanced with responsibilities for effective risk management and revenue collection. A priority for the World Customs Organization is the development of guidelines that respond to these challenges, while recognizing the complexities and possibilities of e-commerce business models. IFCBA is involved in these discussions, with particular attention to the implications of e-commerce for customs brokers and their clients. How can customs brokers add value by adopting simplified, account-based procedures? What is the impact of de minimis levels on customs brokers' business? How can customs brokers work with e-commerce platforms and vendors?

12:15 Lunch

13:45 **Blockchain Applications for International Trade**
Host: (b) (6)
Presenters: (b) (6), ***Softlink Global***

Background Materials:
WCO Information Management Sub-Committee report on Blockchains
Global Trade Digitalization – Blockchain in the Domain of Customs Agencies
Everyone is talking about it - unchangeable data (in blocks), stored in sequence (a chain) and distributed across organizations (a business network). A blockchain is a distributed database that maintains a continuously growing list of records (known as blocks), secured from tampering and revision. Each block contains a timestamp and a link to a previous block. By design, blockchains are inherently resistant to modification of the data — once recorded, the data in a block cannot be altered retroactively. International trade data in a blockchain can address current challenges faced by both traders and Customs administrations but the adoption on this technology depends on agreed upon standards. Can the international trade community reach the necessary agreement?

15:30 Networking Break - Refreshments

Tuesday, August 29, 2017

09:15 **Customs Brokers: Trade facilitators and Partners in Secure Trade**
Host: (b) (6)
Presenters: (b) (6), ***Technical Officer, Compliance and Facilitation, World Customs Organization, Brussels and*** (b) (6), ***IFCBA Secretary and Canadian Society of Customs Brokers President***

Background Materials:
WCO Study Report on Customs Brokers
In 2015, the IFCBA was invited to work with the World Customs Organization in the design of a survey that would guide the WCO and its member states in the regulation of customs brokers. The survey attained unprecedented levels of participation and the work associated with that survey continues. Customs brokers in all countries can benefit from the sharing of this newly gained knowledge relating to customs broker regulation and can strengthen the global reputation of customs brokers, their value to their clients and their national economies and their relationships with their Customs Administrations by collaborating on best practices.

10:45 Refreshments

11:15 **Facing the Challenges to Globalization: Implementing the TFA and other International Agreements**
Host: (b) (6)
Presenter: (b) (6), ***Customs Attache, Netherlands Embassy, Singapore***

Background Materials:
Trade Facilitation Agreement
WCO Guidance on National Committees on Trade Facilitation
While the loudest challenges to globalization during the past decade may have been advocates for social and economic justice and the voices of anti-corporatism and anti-consumerism, there now are players in positions of political power who are voicing their own challenges to global integration. How will the TFA and other trade agreements fare in this environment? What will this mean for trade facilitation and those who work in that field?

12:30	Lunch
13:30	**Board of Directors meeting/Annual General Meeting – IFCBA members only**
19:00	Closing Dinner for all attendees

Monday, September 11, 2017

8:15 a.m. to 8:30 a.m.
Columbia

Call to Order and Welcoming Remarks
Presenters:

- (b) (6), C.H. Powell Co., NCBFAA President
- (b) (6), NCBFAA Executive Vice President
- (b) (6), J. W. Allen & Co., Inc., NCBFAA GAC Chair
- (b) (6), JAS Forwarding USA Inc., NCBFAA PAC Chair

8:30 a.m to 8:50 a.m.
Columbia

NCBFAA President's Report on Challenges for the Industry
Precis: NCBFAA's President describes what the Association has done to shape the industry's future during the past year -- working with CBP to construct ACE; evolving the relationships with the PGAs that assume a much greater role in our businesses; addressing the efficiencies of our ports; generating an export-focus in the federal trade agencies; and ensuring that regulation does not constrain our ability to compete. Look to this presentation and the balance of the GAC program for what your Association sees as our challenges for the future.
Speaker: (b) (6), C.H. Powell Co., NCBFAA President

8:50 a.m. to 9:20 a.m.
Columbia

A FMC Commissioner's Perspective on Port Efficiency and Congestion
Precis: FMC Commissioner Rebecca Dye has long favored a hands-off approach to federal regulation of the maritime industries. Recently, she has organized, under the auspices of the FMC, "Business Innovation Teams," among whom she has formed three working groups to develop practical business solutions for such issues as efficiency and congestion at the port. Included are all sectors of the port community. Hear about this and other emerging transportation issues.
Speaker: (b) (6), Federal Maritime Commission, Commissioner
Introduced by: (b) (6), John S. James Co., NCBFAA Transportation Committee Chair

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9:25 a.m. to 10:10 a.m.
Columbia

Trade Legislation: What Direction Will It Take?
Precis: Trade has been a major focus of the new administration -- modernizing NAFTA, withdrawing from TPP, reducing trade deficits and protecting the economy against predatory trade practices. How does Congress feel about these priorities? Where does CBP fit in? Learn about the on-coming trade activity on the Hill from two representatives of the Senate Finance and House Ways and Means Committees.
Panel:

- (b) (6), U.S. House of Representatives, Committee on Ways & Means
- (b) (6), Senate Finance Committee, International Trade Counsel (Invited)

Moderator: (b) (6), Kent & O'Connor, Inc., NCBFAA Legislative Counsel

10:10 a.m. to 10:40 a.m.
Columbia

Preparing for the Hill in a Time of Change and Turmoil
Precis: Valuable time can be spent reviewing the issues that you will discuss during your visits preparing you to put the best foot forward on behalf of your company and your industry. This sessions goal is to answer your questions, help you articulate complex subjects in an understandable way and prepare you to respond to divergent viewpoints and open-ended questions.
Presenters:

- (b) (6), Kent & O'Connor, Inc., NCBFAA Legislative Counsel
- (b) (6), J. W. Allen & Co., Inc., NCBFAA GAC Chair
- (b) (6), John A. Steer Co., NCBFAA Legislative Committee Chair

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10:40 a.m. to 10:55 a.m.
Columbia

Networking Break

10:55 a.m. to 11:40 a.m.
Columbia

NCBFAA Perspective on CBP's Regulatory and Trade Policy
Precis: As our industry's relationship with CBP evolves, our increasing inter-dependency allows us to explore the more nuanced issues of our collaboration. Join us for a robust discussion of the hot topics of the customs arena.
Panel:

- (b) (6), Carmichael Intl Service, NCBFAA Customs Committee Vice Chair
- (b) (6), Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP, NCBFAA Customs Counsel
- (b) (6), Global Customs & Trade Specialists, NCBFAA Drawback Committee Chair

Moderator: (b) (6), MOL Logistics (USA), Inc., NCBFAA Treasurer

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11:30 a.m. to 12:00 a.m.
Columbia

ASAPRA: The Shared Vision of Our Latin and South American Counterparts
Precis: The Association of Professional Customs Brokers of the Americas (ASPARA) is a vehicle for our collegues in the Western Hemisphere to discuss common issues and, where necessary, work with our respective governments in a common direction. This portion of the program will introduce the organization and outline major issues in Central and South America that will be of interest to attendees.
Speaker: (b) (6), ASAPRA President
Introduced by: (b) (6), F. Zuniga, Inc., NEI Executive Director

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12:10 a.m. to

Networking Break (Transition to Lunch Room)

12:10 p.m. to 1:40 p.m.
Capitol

Lunch
Report from the Acting Commissioner
Precis: Acting Commissioner Kevin McAleenan is a longtime ally of fair and free trade interests and NCBFAA is excited to welcome him to our first Government Affairs Conference as CBP's number one. We look forward to a lively update on moving trade forward as we move toward the end of the administration's first year in office.
Speaker: Kevin K. McAleenan, Customs & Border Protection, Acting Commissioner (Invited)
Introduced by: (b) (6), C.H. Powell Co., NCBFAA President

1:40 p.m. to 1:55 p.m.
Columbia

Networking Break (Transition to Meeting Room)

1:55 p.m. to 2:15 p.m.
Columbia

Promoting Exports Through Collaboration With the Trade Community
Precis: The Department of Commerce is continuing the path of export promotion with their latest initiative, the public private partnership "Getting to Global (GtG)," that NCBFAA is proud to be a part of. This talk will include an update on the administration's export plans and initiatives, a GtG overview and a road map to where our industry can keep trade moving.
Speaker: (b) (6), DOC, Intl Trade Administration, Deputy Chief of Staff
Introduced by: (b) (6), Mallory Alexander Intl, NCBFAA Transportation Committee Vice Chair

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2:15 p.m. to 2:20 p.m.
Columbia

PAC Raffle

2:20 p.m. to 2:55 p.m.
Columbia

NAFTA: Modernizing Critical Trade Relationships
Precis: The North American Free Trade Agreement (NAFTA) has been the operating system for trade between the U.S., Canada and Mexico since 1994. Rhetoric has evolved from eliminating NAFTA altogether to "modernizing" the treaty so that it can adapt to changes in trade from 2018 and beyond. NAFTA negotiations are underway from mid-August and hold center stage on the Hill and in the new Administration. See how the negotiation process works and what we can expect.
Panel: (b) (6), Senate Finance Committee (Invited)
(b) (6), American Apparel & Footwear Association
Moderator: (b) (6), Kent & O'Connor, Inc., NCBFAA Legislative Counsel

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3:05 p.m. to 3:55 p.m.
Columbia

The Ports: Overcoming the Challenges of the Recent Past
Precis: After a tempestuous period, commerce at the ports has entered a new phase -- avoiding the crises of the past and improving the efficiency of our maritime operations. There are differing views on how to accomplish this that affect business, labor, carriers, shippers and the intermediaries that constitute NCBFAA's membership.
Panel:

- (b) (6) National Retail Federation, V.P. Supply Chain & Customs Policy
- (b) (6), Thompson Hine LLP, Partner, Transportation Practice Group Leader
- (b) (6), The Port of Los Angeles, Executive Director

Moderator: (b) (6), GKG Law, P.C., NCBFAA Transportation Counsel

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3:55 p.m. to 4:15 p.m.
Columbia

The Food and Drug Administration and Its Growing Significance to Trade
Precis: As the Partner Government Agencies have joined ACE, a lion's share of the attention has been focused on the Food and Drug Administration. Opening the way into automation, reorganization and culture change has created big challenges for the Trade and for FDA leadership. Our industry has engaged in unprecedented dialogue with the agency, much to our mutual benefit.
Speaker: (b) (6), FDA, Director, Office of Enforcement and Import Operations
Moderator: (b) (6) Williams Clarke Co., NCBFAA Regulatory Affairs Committee Chair

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4:15 p.m. to 5:15 p.m.
Columbia

The De Minims Debate: How Will It Change Your Business?
Precis: With the passage of TFTEA and the increase of de minimis from $200 to $800, CBP has been confronted with a range of difficult questions: how will CBP manage the increased number of individual importations? How will they refer data, if appropriate, to specific PGAs? How can CBP apply its targeting technology? What are the business implications for brokers and will the playing field be leveled?
Panel:

- (b) (6), A.N. Deringer, Inc., NCBFAA Vice President
- (b) (6) FedEx Trade Networks, Transport & Brokerage
- (b) (6), (b) (7)(C), CBP, Director of Cargo, Office of Field Operations (Invited)
- (b) (6), (b) (7)(C), CBP, Office of Trade (Invited)

Moderator: (b) (6), Geodis, NCBFAA Customs Committee Chair

5:30 p.m. to 7:00 p.m.
Congressional B

Drawback Committee Meeting

Tuesday, September 12, 2017

7:30 a.m. to 9:00 a.m.
Capitol

CBP Office of Trade Initiatives: A Report to NCBFAA
Precis: For customs brokers, the future often rides on policy decisions made at CBP's Office of Trade: the long-awaited broker regulations, e-Commerce, ACE, to name but a few. This session, moderated and organized by Executive Assistant Commissioner Brenda Smith, features those immediately responsible for those important policy determinations.
Panel:

- (b) (6), (b) (7)(C), CBP, Executive Director, Trade Remedy Law Enforcement Directorate
- Deborah Augustin, CBP, Executive Director, Trade Transformation Office
- (b) (6), (b) (7)(C), CBP, Division Director, AD/CVD Policy & Programs Division

Moderator: Brenda Brockman Smith, CBP, Executive Assistant Commissioner
Introduced by: (b) (6), A.N. Deringer, Inc., NCBFAA Vice President

---

9:30 a.m. to 5:00 p.m.

Congressional Appointments on Capitol Hill

3:30 p.m. to 5:30 p.m.
Rayburn House Office Building Room TBD

Congressional Appointments Debriefing
Moderators:
(b) (6), Kent & O'Connor, Inc., NCBFAA Legislative Counsel
(b) (6), J. W. Allen & Co., Inc., NCBFAA GAC Chair
(b) (6), John A. Steer Co., NCBFAA Legislative Committee Chair
(b) (6), NCBFAA Executive Vice President

5:30 p.m. to 7:30 p.m.

Congressional Reception
Rayburn HOB, Gold Room 2168

Wednesday, September 13, 2017

8:30 a.m. to 5:00 p.m.
Capitol

Customs Committee Meeting with CBP (Regular Members Only)
Continental breakfast will be provided for the Customs Committee and CBP attendees only; all others will have breakfast on their own.

12:00 p.m. to 1:00 p.m.
Congressional CD

Lunch
Lunch will be provided for the Customs Committee and CBP attendees only; all others will have lunch on their own.

From:	CBP COMMISSIONER SCHEDULER
To:	(b) (6), (b) (7)(C) Owen, Todd C (EAC OFO); QUINN, TIMOTHY; (b) (6), (b) (7)(C) ; SMITH, BRENDA BROCKMAN; WHITTENBURG, CYNTHIA F (DEAC OT); (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C); CALVO, KARL H.; PROVOST, CARLA (USBP); SAUNDERS, IAN C.
Subject:	Prep: San Diego Chamber of Commerce
Start:	Monday, September 25, 2017 8:30:00 AM
End:	Monday, September 25, 2017 9:00:00 AM
Location:	Commissioner"s Small Conference Room
Attachments:	CBP.PDF

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<<CBP PDF>>

Lead Office: OTR
Coordinating office: IPL
OC Lead: (b) (6), (b) (7)(C)
BM: Yes

Attendees:
C1
EAC Owen
EAC Kolbe
AC Calvo
DAC Whittenburg on behalf of EAC Smith
DAC (b) (6), (b) (on behalf of AC Saunders
Chief Provost
(b) (6), (b) (7)(C)
Bradley Hayes
(b) (6), (b) (7)(C)

San Diego Regional Chamber

402 West Broadway, Suite 1000
San Diego, CA 92101-3585
p: 619.544.1300
www.sdchamber.org

July 7, 2017

Commissioner Kevin K. McAleenan
U.S. Customs and Border Protection
1300 Pennsylvania Ave. NW
Washington, DC 20229

Dear Commissioner McAleenan:

The San Diego Regional Chamber of Commerce (Chamber) is leading a delegation of business, elected and community leaders from our Cali-Baja region to Washington, D.C. and respectfully requests a meeting with you to discuss cross border commerce and security. With more than 2,500 members the Chamber is the largest nonprofit advocate for the business community and is dedicated to growing commerce in the Cali-Baja region.

As a military town and gateway to trade, San Diego understands perfectly the vital importance of security and trade to our entire nation. We also know that protecting national security and promoting trade are not mutually exclusive. Many of our 1.3 million residents rely on jobs and businesses attracted to the San Diego region due to its proximity to Mexico. Direct access to trading partners and foreign capital markets provides San Diego a distinct advantage that helps it compete with other global metro areas.

The Chamber strives to enhance the economy through advocacy for efficient customs procedures and improved border infrastructure. It is through efficient cross-border trade and strong binational relationships, that our region has become the model for prosperity in a globalizing economy.

We look forward to hearing from your office in hopes of confirming a meeting with you to discuss these important issues. To confirm a meeting or if you have any questions, please contact (b) (6) at (b) (6), (b) (7)(C) or via email at (b) (6), (b) (7)(C).

Sincerely,

(b) (6)

President & CEO

(b) (6)

Vice President, International Business Affairs
& Executive Board Member of the
Border Trade Alliance (BTA)

From:	CBP COMMISSIONER SCHEDULER
To:	(b) (6), (b) (7)(C) .; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) ; DCC10A-RMB-COMMISSIONER-CN-RM; OC BRIEFING STAFF; SMITH, BRENDA BROCKMAN; Owen, Todd C (EAC OFO); LANDFRIED, PHIL A; HAYES, BRADLEY F (b) (6), (b) (7)(C) ; VITIELLO, RONALD D (USBP)
Subject:	Prep: Trade Day
Start:	Monday, September 18, 2017 10:00:00 AM
End:	Monday, September 18, 2017 10:30:00 AM
Location:	Commissioer"s Small Conference Room

Please DO NOT forward this meeting invite. If you have any questions, reach out to (b) (6), (b) (7)(C) . Thanks!

Trade Day is 9/19
BM: Yes
Lead Office: OTR
OC POC: (b) (6), (b) (7)(C)

Call EAC Smith: (b) (6), (b) (7)(C)

From:	(b) (6), (b) (7)(C)
To:	(b) (6) (b) (6), (b) (7)(C) HAYES, BRADLEY F
Cc:	(b) (6), (b) (7)(C)
Subject:	Revenue Modernization Overview for Executive Director Bradley Hayes -Office of Trade Relations (Location Update)
Start:	Wednesday, September 27, 2017 9:00:00 AM
End:	Wednesday, September 27, 2017 10:00:00 AM
Location:	National Place OF Offices - 1347/1348
Attachments:	Bradley Hayes Bio.pdf

Greetings,

The Office of Trade Relations is requesting a briefing and overview of CBP Revenue Modernization for our Executive Director Bradley Hayes.

Please find attached Mr. Hayes' biography.

<<Bradley Hayes Bio.pdf>>

XD Hayes started with OTR on July 24th and we are scheduling various CBP program updates so he has an understanding of these programs, any impacts to the trade community and how OTR may be a continued partner with OF.

We look forward to meeting the Rev Mod team for this discussion.

Thank you,

(b) (6), (b) (7)(C)

Bradley F. Hayes
Executive Director, Office of Trade Relations

Bradley F. Hayes serves as U.S. Customs and Border Protection's (CBP) Executive Director of the Office of Trade Relations (OTR). Mr. Hayes assumed this role after serving as Chief of Staff for the Office of Policy at the Department of Homeland Security.

As Executive Director of OTR, Mr. Hayes advises the CBP Commissioner and senior leadership on the impact of the agency's policies and regulations to the private sector. He is also responsible for CBP trade outreach strategy, facilitating increased regulatory compliance and communication with industry. Mr. Hayes manages the Commercial Customs Operations Advisory Committee (COAC) and the User Fee Advisory Committee (UFAC), serving as the Committee's primary liaison to CBP Senior Staff.

Mr. Hayes has over a decade of experience in both the private and public sectors. Before joining the Executive Branch, Mr. Hayes served as Director of Congressional and Public Affairs for the U.S. Chamber of Commerce. In that capacity, he spearheaded the Chamber's advocacy efforts on cybersecurity, technology, intellectual property, and trade. By building and managing strong industry partnerships and coalitions, he represented interests of the business community to Congress and regulatory agencies.

Additionally, Mr. Hayes served for six years as an attorney on the Senate Judiciary Committee. As Deputy Chief Counsel for the Republican Ranking Member, Mr. Hayes handled the immigration, Intellectual Property, national security, and oversight portfolios while managing the Subcommittee on Administrative Oversight and the Courts. He also played a central role in preparation and vetting of Judicial nominations, including those of 4 current Supreme Court Justices.

A native of Mobile, Alabama, Mr. Hayes received his bachelor's degree in Business Administration from Birmingham-Southern College, where he graduated with a distinction in Leadership Studies. He earned his J.D. from the University of Alabama School of Law, where he was a Dean's Scholar.

From: CBP COMMISSIONER SCHEDULER
To: OC BRIEFING STAFF; [redacted] (b) (6), (b) (7)(C) [redacted]; Owen, Todd C (EAC OFO); SMITH, BRENDA BROCKMAN; [redacted] (b) (6), (b) (7)(C) [redacted]; WHITTENBURG, CYNTHIA F (DEAC OT); QUINN, TIMOTHY; DCC10A-RMB-COMMISSIONER-CN-RM; HAYES, BRADLEY F; SAUNDERS, IAN C.; Kolbe, Kathryn; [redacted] (b) (6) [redacted]
Subject: San Diego Chamber of Commerce
Start: Monday, September 25, 2017 9:00:00 AM
End: Monday, September 25, 2017 10:00:00 AM
Location: Commissioner"s Large Conference Room
Attachments: CBP.PDF
San Diego Chamber Briefing Memo.docx
SDCC Meeting 9-25-17 Table of Contents.docx
Tecate Rail Issue Paper_OFAM_09-22-2017.docx
TTP Issue Paper 09212017.doc
Bios.docx
C1 Issue Paper SDRCC SENTRI.DOC
Recruiting PAG March 2017 v4.doc
Unified Cargo Processing 9-21-17.docx
Border Wall Talking Point Fact Sheet.docx
Agenda.docx

DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please email [redacted] (b) (6), (b) (7)(C) [redacted] and provide a reason as well as a surrogate request.

Lead Office: OTR
Coordinating office: IPL
OC Lead: [redacted] (b) (6), (b) (7)(C) [redacted]
BM: Yes

<<CBP PDF>> <<Agenda.docx>> <<Border Wall Talking Point Fact Sheet.docx>> <<Unified Cargo Processing 9-21-17.docx>> <<Recruiting PAG March 2017 v4.doc>> <<C1 Issue Paper SDRCC SENTRI.DOC>> <<Bios.docx>> <<TTP Issue Paper 09212017.doc>> <<Tecate Rail Issue Paper_OFAM_09-22-2017.docx>> <<SDCC Meeting 9-25-17 Table of Contents.docx>> <<San Diego Chamber Briefing Memo.docx>>

Attendees:
C1
EAC Owen
EAC Kolbe
DAC Whittenburg on behalf of EAC Smith
DAC [redacted] (b) (6), (b) [redacted] on behalf of AC Saunders
[redacted] (b) (6), (b) (7)(C) [redacted]
Bradley Hayes
[redacted] (b) (6), (b) (7)(C) [redacted]
[redacted] (b) (6), (b) (7)(C) [redacted]

SAN DIEGO REGIONAL CHAMBER OF COMMERCE
Tuesday, September 25th, 2017
10:15am – 11:15am EDT
Ronald Reagan Building
1300 Pennsylvania Ave 4.4A
Washington, DC 20229
Commissioner's Large Conference Room

Agenda

Preferred:
10:15 - Chamber President & CEO (b) (6) introduces the group and the region's priorities.
10:17 - Acting Commissioner McAleenan addresses delegation
10: 30 - Mayor (b) (6) makes remarks
10:32 - (b) (6), (b) (7)(C), CEO of San Diego International Airport facilitates Q&A
11:00 - Meeting concludes

Alternate:
10:15 - Chamber President & CEO (b) (6) introduces the group and the region's priorities.
10:17 - Acting Commissioner McAleenan addresses delegation
10: 30 - Mayor (b) (6) makes remarks
10:32 - Acting Commissioner McAleenanc comments in response to the Mayor
10:35 - (b) (6), CEO of San Diego International Airport facilitates Q&A
11:00 - Meeting concludes

San Diego Chamber Of Commerce Border Wall Fact Sheet

- Border Wall Construction
    - CBP awarded four contracts on August 31, 2017 to construct four concrete wall prototypes and awarded another four contracts on September 7, 2017 to construct prototypes consisting of "other materials."
        - Prototype construction is anticipated to begin at the end of September 2017 and the construction period of performance is estimated to be 30 days. Testing and evaluation for breaching and scaling will occur once the period for concrete curing has passed, likely early December 2017.
        - USBP San Diego Sector is working closely with the Federal Protective Service, SD Police Department, the SD County Sheriff, and other state and local public safety counterparts to develop and implement security plans in the vicinity of the site.
        - The project is located on government-owned property east of the Otay Mesa Port of Entry in an area that has been used for prior fence/infrastructure construction.
    - San Diego Sector, Primary Pedestrian Fence Replacement is currently scheduled to begin February/March 2018. (FY 2017 funding)
        - CBP proposes to replace and strengthen approximately 14 miles of existing legacy fence, which consists of landing mat that is currently failing in many areas.
        - The project is located at the western edge of the Border Patrol San Diego sector in San Diego County and extends eastward approximately 14 miles.
    - The President's Fiscal Year 2018 Budget includes a request for funding 14 miles of a new border wall system that will replace existing secondary fence in the San Diego Border Patrol Sector and help deny access to drug trafficking organizations.
    - Under President Trump's Executive Order No. 13767, "Border Security and Immigration Enforcement Improvements," CBP is conducting risk assessments of the needs of frontline officers and agents that will be used to tailor an acquisition strategy going forward.
- On Tuesday, September 19, 2017, the San Diego City Council voted 5-3 to approve a resolution opposing the border wall and seeking disclosure of all companies involved in financing or construction of the project. In late August, the Mayor's office stated that Mayor (b) (6) was undecided on a possible veto and would reserve judgment until seeing the final language.

- Tijuana River Wastewater Pollution
    - Tijuana's wastewater management infrastructure is both under capacity and in significant disrepair. This infrastructure, coupled with illegal dumping activities, results in a significant volume of recurring transboundary wastewater and hazardous flows. These known and unknown contaminants pose an operational and health and life safety risk to the Border Patrol Agents operating in this area.

- The San Diego Port has joined the Imperial Beach lawsuit against the International Boundary and Water Commission (IBWC), and SD County officials are examining options within the context of potential NAFTA renegotiations.
- CBP has created an internal team focused on this issue, tasked with continuing and formalizing water and environmental testing baselines, and working with other Federal, state, and local counterparts on this issue.
- Addressing this issue is critical for the health and safety of the San Diego region, as well as our Border Patrol agents operating in the area.

(b) (6), (b) (7)(C), COS, Intergovernmental Public Liaison (IPL), (b) (6)

San Diego Regional Chamber of Commerce SENTRI Concerns

TALKING POINTS:

- The San Diego Regional Chamber of Commerce (SDRCC) has requested an update on the creation of a consolidated North American Trusted Traveler Program (Nexus, SENTRI, Global Entry).
  - On July 10, 2015, the Department of Homeland Security (DHS), Public Safety Canada, and the Secretariat of Governance of Mexico signed an agreement outlining first steps toward the creation of a North American Trusted Traveler network.
  - The initial phase of this trilateral network launched in November of 2016, allowing Mexican nationals who are members of Mexico's *Viajero Confiable* program to apply for the U.S. - Canada NEXUS trusted traveler program.
  - Additional phases are still under development.

- SENTRI Vehicle applications
  - On August 30, 2017, Trusted Traveler Programs (TTP) initiated steps to reduce the backlog of pending Vehicle Add applications.
    - At that time, nearly 16,000 vehicle applications were in the backlog with a processing wait time at around 130 days.
  - As of September 19, 2017, the backlog was eliminated and the current processing wait time is within one week or less than 7 days.

- Membership and registration of newborns and children under 1 year of age
  - In order to utilize the designated SENTRI lanes, an RFID enabled card is required. This card is processed at the conclusion of the in person interview.
  - CBP can explore an expedited process for newborns and children that would allow for the enrollment process to be concluded in a shorter timeframe.
  - This could be implemented with minimal infrastructure changes.

- Allow current program participants to use Ready Lanes during a change of status process (i.e. to commuter status)
  - For a traveler to utilize the Ready lanes, an RFID enabled document is required. If the traveler is in possession of his or her Trusted Traveler Card, the Ready Lane can be utilized.
  - This process already exists. For individuals in the process of changing status, use of the Ready Lane will not alleviate the need for any additional processing by CBP Officers, and the traveler may need to be referred to Secondary.

Current Enrollment:
As of 9/18/2017

- There are almost 6.8 million Trusted Travelers.
- There are 499,745 SENTRI members.
  - All Trusted Traveler members (SENTRI, Global Entry, and NEXUS) in possession of an activated Trusted Traveler Card may utilize the SENTRI lanes.

BACKGROUND

- In The Ports of Entry within the San Diego Field Office's Area of Responsibility account for the majority of land border crossings across the southern land border.
- Membership in Trusted Traveler Programs, such as SENTRI and Global Entry facilitate effective cross-border trade and strong binational relationships.
- Trusted Traveler application backlogs for the SENTRI program have historically been a concern for the San Diego Regional Chamber of Commerce (SDRCC), as access to the SENTRI lanes contribute directly to efficient border crossing from Mexico into the United States.

Prepared by: (b) (6), (b) (7)(C), OFO/APP/TTP, (b) (6), (b) (7)(C)
Date: Wednesday, September 21, 2017

SAN DIEGO REGIONAL CHAMBER OF COMMERCE
Tuesday, September 25th, 2017
10:15am – 11:15am EDT
Ronald Reagan Building
Commissioner's Large Conference Room

Overview:

- You will be meeting with a group of representatives from the San Diego Chamber of Commerce, to be led by Chamber President (b) (6).
- You will be accompanied by EAC Todd Owen and Executive Director Bradley Hayes.
- The San Diego Regional Chamber of Commerce would like updates on resource utilization and staffing, Trusted Traveler and the border wall construction.

Discussion Points:

Updates of Resource Utilization and Staffing

- CBP is in the process of addressing concerns over staffing levels and has just implemented new protocols in the hiring process to expedite application to academy time for select individuals, inclusive of prior military and government employees.
- Request for potential expansion of hours of operation for operators with perishable goods is under consideration. CBP is addressing this through discussions with Southern Border counterparts both in the US and Mexico. CBP is considering multiple avenues to address this, as outlined in the "Cargo Pre-Inspection Otay Mesa Issue Paper", however any further action is pending meetings and document approval, tentatively scheduled for the end of this month after you meet with Mexican Authorities.
- Overall CBP is directly addressing concerns of limited staffing and is actively working toward improving our hiring practices. Additionally we are working with trade stakeholders to solicit better methodology and practices to improve border wait times.

Trusted Traveler Programs

- CBP is aware of a long wait times for GOES applicants who need to update their SENTRI accounts. Concerns have been expressed for new vehicle updates to trusted trader accounts. This concern was previously expressed and addressed.
- The San Diego Field Office arranged for over 40 officers to be trained at the Vermont Vetting Center to assist in processing GOES updates and processing the backlog. The local community was advised of this plan and the implementation. Currently the officers have returned from training and are actively working on the back log.
- Port overtime has also been authorized to work on this project, however it will still take time to get caught up. At this time there is no projected completion date for the back log as upon informing local industry that resources were being dedicated to resolving the issue, there was a marked increase in additional applications.
- Downtime procedure and contingencies were mentioned as not being effective for the trusted traveler lanes. Dissatisfaction over regular processing methods are the issue, however CBP has addressed this as an abnormality to operation. When instances occur focus is on returning to regular operation as opposed to continuing operations in a system outage.

Border Wall Construction

- CBP understands the city's concerns with the prototype wall construction project, building on Federal land, in a border environment, with nearby Federal enforcement resources, was important to the project.
- DHS and CBP leadership are working closely with the SD Police Department, SD County Sheriff, and other Federal, state, and local public safety agencies to safeguard the construction site while maintaining public safety and permitting the exercise of first amendment rights without affecting the legitimate flow of cargo through the Otay Mesa port of entry.
- CBP is actively engaged in a local partnership addressing concerns over wastewater contamination from the Tijuana River and has created an internal team focused on this issue. This team will formalize CBP's water and environmental testing baselines, while working with other Federal, state, and local counterparts. Addressing this issue is critical for the health and safety of the San Diego region, as well as our Border Patrol agents operating in the area.

Background:

- CBP leadership last met with the San Diego Regional Chamber of Commerce on September 9th, 2017.
- The topics discussed were:
  - Funding support for the final phase of the San Ysidro Port of Entry modernization and Expansion project - $216M.
  - The integration of key initiatives during the design of the San Ysidro Port of Entry Modernization and Expansion Project.
  - Support for the SR11/Otay Mesa Port of Entry
  - Continued increases in funding for CBPO staffing.
  - Eliminating the request of registering vehicles in Sentri and Global Entry programs.

PRESS: Closed

CBP/OPA Services Required:

- N/A

ATTACHMENTS:

- Agenda
- Biographies
- Border Wall Talking Point Fact Sheet
- San Diego Regional Chamber of Commerce SENTRI Concerns
- Unified Cargo Processing Issue Paper
- Trusted Traveler Programs Issue Paper
- Dessert Rail Line interest Issue Paper
- Frontline Recruiting (Last updated for COAC)

PARTICIPANTS:

CBP
Acting Commissioner Kevin McAleenan
EAC Todd Owen, Office of Field Operations
Executive Director Bradley Hayes, Office of Trade Relations

Non-CBP (final list of 25 to be determined)

(b) (6), Council Member, City of San Diego
(b) (6), Vice President, International Business Affairs, SD Regional Chamber of Commerce
(b) (6), San Diego International Airport Authority
(b) (6), SIMNSA
(b) (6), Board Member, San Diego County Regional Airport Authority
(b) (6), Mayor, Imperial Beach
(b) (6), Executive Director, Smart Border Coalition
(b) (6), General Counsel, Duty Free Americas
(b) (6), Director of International Affairs, City of San Diego
(b) (6), Mayor, City of Tijuana
(b) (6), Legislative Assistant, County of San Diego
(b) (6), Business Development, Baja California Railroad
(b) (6), Director, Inter-Governmental Relations, SD County Regional Airport Authority
(b) (6), General Counsel, San Diego Metropolitan Transit System
(b) (6), Secretary of Economic Development, City of Tijuana
(b) (6), Consul General, US Consulate General Tijuana
(b) (6), HR Director, UTC Aerospace Systems
(b) (6), Political and Economic Officer, US Consulate Tijuana
(b) (6), Chair, SANDAG
(b) (6), Board Member, San Diego County Regional Airport Authority
(b) (6), President & CEO, San Diego Regional Chamber of Commerce
(b) (6), Principal Legislative Analyst SANDAG
(b) (6), Founder & President, Reality Changers
(b) (6), Dir. International Business Affair, San Diego Regional Chamber of Commerce

Staff Responsible for Briefing Memo:
(b) (6), (b) (7)(C), *Office of Trade Relations,* (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C), *CBPO, Office of Trade Relations,* (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)

U.S. Customs and Border Protection

San Diego Chamber of Commerce
Washington, DC

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Tab 5. Issue Paper: Unified Cargo Processing with Mexico Customs

Tab 6. Issue Paper: Trusted Traveler Programs

Tab 7. Issue Paper: Desert Rail Line Interest

Tab 8. Public Affairs Guidance

Tab 9. Biographies

San Diego Chamber of Commerce Visit
Desert Rail Line Interest
OFAM Update, as of September 22, 2017

Issue

The San Diego Chamber of Commerce supports rehabilitation of the Pacific Imperial Railroad (PIRR) Desert Rail Line, which connects with the Baja California Rail Road (BCRR) Mexican Line and crosses the border within the Tecate Land Port of Entry area of responsibility. The rail line is not presently in operation.The Chamber is seeking to provide U.S. Customs and Border Protection (CBP) with the latest status and garner our support for the construction of a proper rail inspection facility to enable inspections. CBP needs to indicate that while we support continued development, the expectation is for PIRR and the San Diego Metropolitan Transit District (MTS) to fund the inspectional facility.

Background

- The San Diego Arizona and Eastern Railway line is a binational rail line, completed in 1919 and currently non-functional, that starts in the San Diego metropolitan area, enters Mexico near San Ysidro and runs through a heavy industrial area in northern Baja California, re-enters California at Tecate and ends in Arizona.
- Comprised of several independent rail segments, the rail line requires major repairs in order for trains to be able to operate along its entire length.
- The Mexico Line, a 40-mile stretch of track that connects with U.S. trains in Tijuana and heads east to Tecate before crossing the border and connecting with the Desert Line near Tecate has already been repaired by the Baja California Railroad (BCRR) and is ready to start moving goods from maquiladoras toward the U.S.
- The Desert Line, running from Tecate, CA to Plaster City, AZ on the on U.S. side, remains in disrepair, precluding interconnected operation. Between $60 and $70 million in rehabilitation of 70 miles of track, 57 bridges and 17 tunnels is needed before any freight can be moved.
- MTS owns the Desert Line tracks and has been leasing them to the PIRR who signed a 99-year lease with MTS in 2012 but has done no major construction or rehabilitation of the rail line.
- BCRR is in the process of subleasing the Desert Line from PIRR, and seems to have worked out a plan to invest in necessary repairs to bring the tracks back into operation.
- No Presidential Permit is needed in conjunction with this rail rehabilitation project, as the railway pre-dates the Presidential Permitting process.
- To transit rail cargo to and from the United States, the project proponents will need to construct rail inspection facilities for CBP to conduct operations.
- CBP's Office of Facilities and Asset Management (OFAM) met with the project sponsors on August 24, 2016 and presented the most recent CBP Design Standard for rail facilities. OFAM reiterated that all rail inspection facilities are the responsibility of the rail roads and/or the rail operators and must be provided at no cost to CBP. OFAM encouraged the sponsors to reexamine the project's financial visibility/assumptions in light of this required investment.
- The Office of Field Operations (OFO) has also met with the project proponents locally to discuss the latest developments.

Issue/Need/Watch Out For If Asked

- The project proponents have been seeking to understand CBP's facility improvement requirements to get an overview on the approval processes required to begin international cross-border freight operations at this location. They are expected to ask for CBP's assistance

with all aspects of planning and implementation of this project and possibly even funding; however, CBP should not commit to any funding actions.

- The proponent appears to have an interest in pre-inspection opportunities; however, until more tangible development occurs, should not commit to a position.

Next Steps

- OFAM, in coordination with OFO, will continue to support this project as needed and will help develop operational/facility requirements in due course, as the project matures and transitions from the conceptual to the planning phase.

Trusted Traveler Programs
September 21, 2017

Overview:

- Currently, over 6.8 million travelers are enrolled in CBP's four trusted traveler programs: Global Entry, NEXUS, Secure Electronic Network for Travelers Rapid Inspection (SENTRI), and Free and Secure Trade (FAST).
- Trusted Traveler Programs are designed to expedite CBP processing for pre-approved, "low-risk" travelers by providing dedicated inspection processes in the land, air, and marine environments.
- Trusted Traveler Programs have been essential to CBP's risk-based approach to facilitate the flow of travelers into the United States.
- Applicants submit an electronic application through the Global Online Enrollment System (GOES) and pay the application fee online.
- All applicants are subject to background checks, collection of biometrics, and an interview with a CBP officer.
- North American citizen and legal permanent resident trusted traveler members are issued Radio Frequency Identification (RFID) enabled cards for use at the land borders.

Current Enrollment:

- Global Entry:
- NEXUS:
- SENTRI
- FAST:

(b) (7)(E)

Global Entry:

- Global Entry is available to U.S. citizens, U.S. Lawful Permanent Residents, Mexican nationals, and citizens of Columbia, Germany, Netherlands, Panama, Singapore, South Korea, Switzerland, India, the United Kingdom, and Argentina.
- Canadian citizens and landed immigrants to Canada may use Global Entry via membership in the NEXUS program. All NEXUS members are eligible to use Global Entry.
- Global Entry is currently operational at 53 U.S. airports and 15 Preclearance locations.
- To date, the Global Entry kiosks have been used over 35 million times. This equates to a savings of over 460,000 inspectional officer hours.

<u>STATISTICS (as of September 21, 2017)</u>

- There are (b) (7)(E) trusted travelers with Global Entry benefits. Of these:
  - (b) (7)(E) trusted travelers are directly enrolled in Global Entry
  - (b) (7)(E) trusted travelers received Global Entry benefits through their NEXUS membership
  - (b) (7)(E) trusted travelers received Global Entry benefits through their SENTRI membership
- There are (b) (7)(E) German citizens enrolled in Global Entry.
- There are [redacted] outh Koreans citizens enrolled in Global Entry.

- There are (b) (7)(E) Mexican nationals enrolled in Global Entry.
- There are (b) (7)(E) citizens of the Netherlands enrolled in Global Entry.
- There are (b) (7)(E) Qatari citizens enrolled in Global Entry.
- There are (b) (7)(E) UK citizens enrolled in Global Entry.
- There are (b) (7)(E) Saudi citizens enrolled in Global Entry.
- There are (b) (7)(E) Panamanian citizens enrolled in Global Entry.
- There are (b) (7)(E) Israeli citizens enrolled in Global Entry.
- There are (b) (7)(E) Singaporean citizens enrolled in Global Entry.
- There are (b) (7)(E) Swiss citizens enrolled in Global Entry.
- There are (b) (7)(E) Argentinian citizens enrolled in Global Entry.

NEXUS

- As of September 21 2017, membership in NEXUS has risen to over 1.6 million travelers.
- As of September 21, 2017 76% of NEXUS members are Canadian. There are (b) (7)(E) NEXUS members.
  Of these:
  - (b) (7)(E) are Canadians
  - (b) (7)(E) are Mexican
  - (b) (7)(E) are U.S. Citizens
  - (b) (7)(E) are Other Nationalities
  - (b) (7)(E) are LPRs
- NEXUS is a fee-based, voluntary program, designed to expedite CBP processing for vetted, low-risk trusted travelers. The program is open to citizens and permanent residents of both the U.S. and Canada, and provides expedited entry into both Canada and the U.S.
- Provides Dedicated Commuter Lanes at Canadian land borders and Preclearance airports.
- Currently open at 14 land border locations and 8 Canadian airports.
- Joint application and approval process by U.S. and Canadian governments for northern border travelers.
- Travelers use NEXUS kiosks at participating international airports when entering Canada, and Global Entry kiosks when entering the U.S.
- At the land borders, NEXUS members simply hold their card up to the reader and proceed to the NEXUS booth.

SENTRI

- As of September 1, 2017, membership in the SENTRI program has risen to over (b) (7)(E) travelers, an increase of about 7.6% over FY 2016 or about 60% since FY 2011. Currently US Customs and Border Protection operates 11 SENTRI enrollment centers along the southern border.
- SENTRI is a land border management process that provides expedited CBP processing at the Southern land border.
- SENTRI users have access to specific, RFID equipped dedicated primary lanes into the United States.
- The SENTRI program was first implemented at Otay Mesa, CA in 1995, and has grown to include 16 lanes at the nine largest ports of entry along the U.S.-Mexico border.
- Offers both a vehicle and pedestrian benefit at the land borders.

FAST

- FAST Driver cards afford expedited release to approved commercial truck drivers making fully-qualified FAST trips between the U.S and Canada or to the U.S. from Mexico.
- The program began on the northern border in 2002 and expanded to the southern border in 2004.
- Every truck using FAST lane processing must 1) be a U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) approved carrier, 2) carry qualifying goods destined for a C-TPAT approved importer, 3) be driven by an individual in possession of a valid FAST-Commercial Driver Card, and 4) have a high-security seal. On the southern border, manufacturers must also be C-TPAT approved in order for shipments to qualify for FAST release.

UNIFIED CARGO PROCESSING WITH MEXICO CUSTOMS

EXECUTIVE SUMMARY:

Unified Cargo Processing (UCP) is an innovative concept in which Customs and Border Protection (CBP) and the Servicio de Administración Tributaria (SAT) perform joint cargo clearance and examinations, in the United States, at the five major commercial ports of entry. By conducting joint cargo processing, CBP and SAT have reduced duplicate cargo inspections and wait times at the border. This in turn has significantly lowered the cost of doing business in the region as well as enhanced the national security for both countries.

NOGALES:

- July 25, 2016 UCP for northbound shipments began
- December 13, 2016, Nogales expanded UCP to include southbound commercial traffic
- April 3, 2017, UCP northbound rail began

DOUGLAS:

- January 30, 2017, Douglas began UCP northbound
- June 5, 2017, UCP southbound expanded to Douglas

SAN LUIS:

- February 27, 2017, San Luis began UCP northbound
- June 5, 2017, UCP southbound expanded in San Luis

Calexico:

- August 11, 2017 UCP for northbound commercial truck

Laredo:

- August 17, 2017 UCP for northbound commercial truck and rail

Otay Mesa:

- CBP and SAT are planning to begin operations on October 15, 2017.

UCP RESULTS:

- Enhanced national security by streamlining the supply chain
- 50% or greater reduction of border wait times
- Users report a significant reduction in transit inventory cost
- 99% trade compliance rate for UCP participants

VISION FORWARD (areas of opportunity to enhance security):

- On August 23, 2017, C1 signed the UCP MOU with SAT
- POEs along the SWB should consider the option to have SAT perform their process in the U.S. under the UCP program where feasible.
- On Friday September 15, 2017, CBP and SAT committed to opening UCP in Otay Mesa for all C-TPAT FAST certified members plus the current 6 companies that are participating in the cargo pre-inspection pilot in Mesa de Otay.

- CBP is planning to start with 3 inbound lanes for UCP and we are targeting October 15, 2017 as a start date. (Dependent on SAT getting the appropriate visas required in time.)
- CBP expects to process 35% of the cargo through UCP and we expect to see a significant wait time reduction.
- Once the UCP in Otay Mesa begins, the cargo pre-inspection pilot in Mesa de Otay will come to an end.

From:	(b) (6), (b) (7)(C)
To:	HAYES, BRADLEY F
Subject:	SES Performance Requirements
Start:	Friday, September 8, 2017 7:30:00 AM
End:	Friday, September 8, 2017 8:00:00 AM
Location:	RRB, Room 3.5A XD Hayes" Office
Attachments:	DHS SES System and Writing Performance Requirements training.pptx FY 17 SES Performance Plan Template for CBP.DOC COM - FY 2017-SES Perf Mgt Trng Certification Hayes name only.doc

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<<COM - FY 2017-SES Perf Mgt Trng Certification Hayes name only.doc>> <<FY 17 SES Performance Plan Template for CBP.DOC>> <<DHS SES System and Writing Performance Requirements training.pptx>>

(b) (6), (b) (7)(C)

Subject: [redacted] A/L 1:00-5:00

Start: Fri 9/8/2017 12:00 AM
End: Sat 9/9/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

From:	CBP COMMISSIONER SCHEDULER
To:	HAYES, BRADLEY F
Subject:	Tag up with XD Hayes
Start:	Tuesday, September 5, 2017 4:00:00 PM
End:	Tuesday, September 5, 2017 4:15:00 PM
Location:	Commissioner"s Small Conference Room

From: (b) (6), (b) (7)(C)
To: HAYES, BRADLEY F
Subject: TASKER DUE: Federal Register Notice on CDSOA Delinquency Interest (TFTEA) Supplemental Disbursement
Start: Friday, September 15, 2017 12:00:00 PM
End: Friday, September 15, 2017 12:30:00 PM

Bradley (b) (6), (b) (7)

OTR received the attachment with instructions below for input to OF via the OES tracking system. Responses due by next Friday. I will place a reminder on your calendars. Sonja is also copied for her review/input, given this involves TFTEA. We do not have access to folder #00540 as referenced in OF's instructions below, so please let me know if you require that documentation so I can reach out to OF directly.

All,

Attached for your review and approval, please find the draft Federal Register Notice (FRN) on CDSOA Delinquency Interest (TFTEA) Supplemental Disbursement. The FRN is related to the documentation in Folder 2017-INTC-00540. Please provide comments, if any, via "Track Change."

OF is requiring the following level of approval:

EAC OFO, EAC OT, AC OCA, AC OPA, Chief Counsel, XD OTR.

Your review, comment and approval are due by COB Friday, September 15.

Thank you,

OF Taskings

From: (b) (6), (b) (7)(C)
To: HAYES, BRADLEY F
Subject: TASKER DUE: Private Sector Engagement - part 2
Start: Thursday, September 21, 2017 7:00:00 AM
End: Thursday, September 21, 2017 7:30:00 AM
Attachments: Private Sector Engagement - Exemplars v3 (Metrics needed) 9_15_17.docx

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<<Private Sector Engagement - Exemplars v3 (Metrics needed) 9_15_17.docx>>

From: (b) (6), (b) (7)(C) On Behalf Of CBPTASKING
Sent: Monday, September 18, 2017 12:10 PM
To: OTRTASKING (b) (7)(E)
Cc: CBPTASKING (b) (7)(E)
Subject: [URGENT COMPONENT REQUEST] - Private Sector Engagement - part 2
Importance: High

Tasker Name [URGENT COMPONENT REQUEST] - Private Sector Engagement - part 2
Lead Office(s) OTR
Required Coordination Please advise
Product PLCY has identified the DRAFT exemplars for the QHSR "Private Sector Engagement Focus Study" narrative, but additional detail is needed. The additional details we would like to include in the draft narrative include whether there is a congressional or DHS leadership nexus for engaging the private sector for those programs and activities (e.g., to comply with a statutory mandate, and/or based on a DHS or Component Directive or action memoranda); whether we are measuring the outcome or ongoing impact of the program/activity (Y/N); and the most recent metrics that currently exist, if any.

ACTION REQUESTED: Please see the attached list and detailed guidance, and fill in the attached template to the greatest extent possible if your Component has equities in that particular exemplar.
Requestor DHS PLCY
Notes BACKGROUND: The Department's Quadrennial Homeland Security Review (QHSR) will include a section on DHS's private sector engagement efforts to secure the homeland, which we are currently calling a "Focus Study on Private Sector Engagement." PLCY drew upon the Component issue papers that were submitted in response to our July 10, 2017 Component request (noted below) to develop this Study. The exemplars listed in the attached will appear in the narrative section of this piece; the remaining programs/activities noted in the Component papers will be listed in an appendix to the Study. The methodology used to determine which exemplars to highlight in the narrative included: those that demonstrate a deep, symbiotically beneficial collaboration between DHS and the private sector; those that foster an innovation in process, security, or technology; and/or those that involve multiple DHS Components in collaboration with the private sector.

Due to CBP Tasking NLT 8am Thursday September 21, 2017

Please advise ASAP if any other office needs to be added as a required coordinator

Required Coordinators - Please provide input to the lead office as soon as possible.

Tasker information, contact lists, and templates can be found online at http://cbpnet cbp.dhs.gov/OC/Pages/tasker_info_abstract.aspx . Please ensure that your response adheres to the guidelines set forth in the CBP Style Book, which can be found at http://cbpnet/xp/cbpnet/oc/oes/. Please do not modify subject lines as we use them for tracking purposes.

* Please note: if you receive a duplicate tasking from OC BRIEFING STAFF please cc them on your response to us. Thank you.

(b) (6), (b) (7)(C)
Office of the Executive Secretariat
U.S. Customs and Border Protection
(b) (6), (b) (7)(C)

2018 QHSR Private Sector Engagement Focus Study – RFI Follow-up

Guidance: Please provide illustrative performance data (preference is for metrics showing outcomes) to demonstrate your Component/Office's collaboration with the private sector with respect to the following programs/activities. The listed programs/activities may be highlighted in this QHSR focus study.

Exemplar Program/Activity	**Performance Data Collected (Y/N)**	**Required by Statute/EO/Strategy (If Yes, please list)**	**Illustrative Performance Metrics** (preference is for outcome indicators, but if that data does not exist, please provide illustrative output metrics)
Cross-Goals:			
Silicon Valley Innovation Program (SVIP)			
Loaned Executive Program (LEP)			
Protect the Integrity of the U.S. Border and Enforce Immigration Laws:			
Information sharing with printing and marking device industries regarding fraudulent travel and identity documents			
Blue Lightning Initiative			
Protect the U.S. Transportation System:			
Air Cargo Advance Screening (ACAS)			
Protect Cyber and Physical Critical Infrastructure:			

Exemplar Program/Activity	**Performance Data Collected (Y/N)**	**Required by Statute/EO/Strategy (If Yes, please list)**	**Illustrative Performance Metrics** (preference is for outcome indicators, but if that data does not exist, please provide illustrative output metrics)
Critical Infrastructure Design and Adaptive Resilient Systems (CIDARS)			
Sector Specific Councils for critical infrastructure			
Aviation Cyber Initiative (ACI)			
Automated Indicator Sharing (AIS) for machine-speed, bidirectional sharing of cyber threat indicators			
Financial Services Information Sharing and Analysis Center (FS-IASC) engagement / US Cyber Attack-Power Outage Exercises			
Common Point of Purchase initiative			
Internet Fraud Alert initiative	Y		Since 2015, the USSS has successfully processed 3.4 million credit and debit cards through this initiative. The USSS estimates that, based on industry standards, this initiative has saved the partner U.S. financial institutions nearly two billion dollars in prevented loss.
Protect High-Risk Special Events:			

Exemplar Program/Activity	**Performance Data Collected (Y/N)**	**Required by Statute/EO/Strategy (If Yes, please list)**	**Illustrative Performance Metrics** (preference is for outcome indicators, but if that data does not exist, please provide illustrative output metrics)
Special Events Program			
Preparedness, Response, and Resilience:			
Integrated Public Alert and Warning System (IPAWS)			
Georgia Power Company Memorandum of Agreement			
EMERGE Accelerator program	Y		As of July 2017, EMERGE had reached over 200 accelerators and thousands of start-ups across the globe and engaged with 250 first responder organizations. For example, S&T developed and deployed the Finding Individuals for Disaster and Emergency Response (FINDER) technology, which identifies a human heartbeat in rubble piles. Using low-power microwave radar to detect the small movements from breathing and the heartbeat of a buried victim, FINDER quickly directs rescuers to victims, thereby allowing additional victims to be identified who might have been otherwise lost. FINDER was deployed following the April 25, 2015 earthquake in Nepal and was credited with saving four lives. As of July 2017, FINDER has been commercialized by two vendors and 196 units have been sold for search and rescue activity.
Administer the U.S. Immigration System and Services:			

Exemplar Program/Activity	**Performance Data Collected (Y/N)**	**Required by Statute/EO/Strategy (If Yes, please list)**	**Illustrative Performance Metrics** (preference is for outcome indicators, but if that data does not exist, please provide illustrative output metrics)
Mutual Agreement between Government and Employers (IMAGE) / collaboration with private sector to combat immigration fraud			
Enforce U.S. Trade Laws and Facilitate Lawful Trade:			
Intellectual Property Rights Division (IPRD)			
National Intellectual Property Rights Coordination Center ("IPR Center")			
Project Shield America			
Safeguard Financial Systems and Currency Authentication:			
Asset Forfeiture and Money Laundering Task Force (AFMLTF)			
Illicit Financial Proceeds of Crimes Unit's Cornerstone outreach program			
Safeguard U.S. Maritime Activities, Waterways, Resources, and Sovereignty:			

Exemplar Program/Activity	**Performance Data Collected (Y/N)**	**Required by Statute/EO/Strategy (If Yes, please list)**	**Illustrative Performance Metrics** (preference is for outcome indicators, but if that data does not exist, please provide illustrative output metrics)
Bridge Program to protect the Maritime Transportation System (MTS)			

(b) (6), (b) (7)(C)

Subject:	Teleworking
Start:	Tue 9/12/2017 7:00 AM
End:	Tue 9/12/2017 4:00 PM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F

(b) (6), (b) (7)(C)

Subject:	Teleworking
Start:	Fri 9/1/2017 11:00 AM
End:	Fri 9/1/2017 3:00 PM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Out of Office

(b) (6), (b) (7)(C)

Subject:	Teleworking
Start:	Thu 9/28/2017 7:00 AM
End:	Thu 9/28/2017 4:00 PM
Show Time As:	Free
Recurrence:	Daily
Recurrence Pattern:	every day from 8:00 AM to 5:00 PM
Categories:	Personal

From: (b) (6), (b) (7)(C)
To: (b) (6); (b) (6), (b) (7)(C); (b) (6); (b) (6), (b) (7)(C); (b) (6); (b) (6), (b) (7)(C); (b) (6); (b) (6), (b) (7)(C); TRADE EVENTS; (b) (6), (b) (7)(C); (b) (6), (b) (7)(C); (b) (6); (b) (6), (b) (7)(C); (b) (6);
(b) (6)
(b) (6); LEONARD, JOHN P; (b) (6), (b) (7)(C); HAYES, BRADLEY F
Subject: TERC Subcommittee Call
Start: Thursday, September 28, 2017 2:00:00 PM
End: Thursday, September 28, 2017 3:00:00 PM
Location: Conference Number: (b) (7)(E)

Good afternoon:

A Trade Enforcement and Revenue Collection (TERC) Subcommittee conference call has been scheduled on Thursday, September 28, 2017 from 3:00 – 4:00 pm Eastern Time.

You may use the following webinar link: http://dhs.adobeconnect.com/tercsub/

(b) (7)(E)

Agenda *
* Roll Call
* Bond Working Group
* IPR Working Group
* Forced Labor Working Group
* AD/CVD Working Group

*Subject to change.

Sincerely,

(b) (6), (b) (7)(C)
Program Manager
Office of Trade Relations
Office of the Commissioner
U.S. Customs and Border Protection
1300 Pennsylvania Avenue, NW Suite 3.5A
Washington, DC 20229

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject:	To be Rescheduled: XD Bradley Hayes to meet w/EAC Kolbe
Location:	RRB 3.5F EAC Kolbe's Office
Start:	Fri 9/8/2017 12:00 AM
End:	Sat 9/9/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Meeting Status:	Not yet responded
Organizer:	KOLBE, KATHRYN
Required Attendees:	HAYES, BRADLEY F
Categories:	Internal CBP Meeting

XD : Bradley Hayes to meet w/EAC... | Bradley Hayes Bio.pdf

From: (b) (6), (b) (7)(C)
To:
Cc:
Subject: RE: Bradley Hayes to meet w/EAC Kolbe
Date: Monday, August 14, 2017 6:12:33 AM
Attachments: image001.png

Good morning,

XD Hayes' availability provided below.

Thurs, Sep 7
9:00-10:00
2:00-3:00

Fri, Sep 8
11:30-4:00

Thank you.

V/r
(b) (6), (b) (7)(C)
Executive Assistant to Executive Director Bradley Hayes and Deputy Executive Director (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
Office of Trade Relations, Office of the Commissioner
U.S. Customs & Border Protection
(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)
Sent: Friday, August 11, 2017 3:25 PM
(b) (6), (b) (7)(C)
Subject: RE: Bradley Hayes to meet w/EAC Kolbe

Hi (b) (6), (b) (7) –

I'm afraid I'm booking out in September at this point. Would you like for me to provide some date/times?

(b) (6)

Eagle Hill Consulting
Enterprise Services
U.S. Customs and Border Protection
Desk:
Office (b) (6)

Visit: Senior Management Council
cid:image003.png@01D2EFF4.8BD81AA0

From: (b) (6), (b) (7)(C)
Sent: Friday, August 11, 2017 3:11 PM
To: (b) (6), (b) (7)(C)
Subject: RE: Bradley Hayes to meet w/EAC Kolbe

Hi, does EAC Kolbe have availability on Tuesday, Aug 15th at 2:30 or 4:00?

V/r
(b) (6), (b) (7)(C)
Executive Assistant to Executive Director Bradley Hayes and Deputy Executive Director (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
Office of Trade Relations, Office of the Commissioner
U.S. Customs & Border Protection
(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)
Sent: Friday, August 11, 2017 1:55 PM
(b) (6), (b) (7)(C)
Subject: Bradley Hayes to meet w/EAC Kolbe

Good Afternoon (b) (6), (b) (7) –

I was asked to get this meeting rescheduled to a later date, can you help me get this back on the schedule?

Thanks in advance,
(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)
Eagle Hill Consulting
Enterprise Services
U.S. Customs and Border Protection
Desk: (b) (6), (b) (7)(C)
Office
Visit: Senior Management Council
cid:image003.png@01D2EFF4.8BD81AA0

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) ; HAYES, BRADLEY F
Subject: Touching Base w/ (b) (6)
Start: Friday, September 29, 2017 8:15:00 AM
End: Friday, September 29, 2017 8:45:00 AM
Location: Call (b) (6) at (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject: Touching Base w/ (b) (6)
Location: Cafe Du Parc (1401 Penn Ave NW)

Start: Thu 9/14/2017 7:45 AM
End: Thu 9/14/2017 8:30 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6)

Categories: External Meeting

From: (b) (6), (b) (7)(C)
Sent: Wednesday, August 30, 2017 3:39:30 PM
To: HAYES, BRADLEY F
Subject: RE: Thank you

Thanks, Bradley. I would really appreciate the chance to sit down and talk with you about our RoO concerns. I will be in Mexico for the next round of negotiations, but am back in the office on the 7th. Let me know what days/times later that week or the following week are good for you. Best, (b) (6)

<image001.jpg>

(b) (6)

FCA US LLC
100 M Street, Suite 525
Washington, DC 20003
(b) (6)

From: HAYES, BRADLEY F [mailto (b) (6), (b) (7)(C)
Sent: Wednesday, August 30, 2017 2:39 PM
To: (b) (6) (FCA) (b) (6), (b) (7)(C)
Subject: RE: Thank you

Thanks for sending (b) (6) Sounds like the Trackhawk is going to be one hell of a ride.

Let's catch up when I'm back in DC.

From: (b) (6)
Sent: Wednesday, August 30, 2017 8:43:59 AM
To: (b) (6) HAYES, BRADLEY F; (b) (6)

Cc: [redacted] (b) (6)
Subject: RE: Thank you

Bradley – Thanks to [redacted] (b) (6) and you for taking the time to tour JNAP. And here's a Trackhawk teaser for you. Best, [redacted] (b) (6)

ROAD & TRACK (ONLINE) (08/30/2017) [BACK TO TOP]
by BOB SOROKANICH

Six Things You Learn Driving the Hellcat-Powered Jeep Grand Cherokee Trackhawk - With 707 supercharged horsepower, this Jeep can haul.

It's here. The long-rumored Jeep Grand Cherokee Trackhawk, stuffed with the Hellcat 6.2-liter supercharged V8 and sending 707 horsepower and 645 lb-ft of torque to all four wheels. It's outrageous, and intoxicating, and delightfully unhinged.

I've just spent the day driving the Trackhawk, on the roads of Maine and New Hampshire and on the brand-new, never-before-raced-on circuit at Club Motorsports in Tamworth, NH. We'll have a full review of the Trackhawk coming soon, but in the meantime, these are the six things you have to know about the world's quickest, most powerful SUV.

1. Hell Yeah It's Fast

Not just fast for an SUV. Extravagantly fast. Deliriously quick. On the road, you throw the hammer down and the thing just rockets away, from any speed, in any gear. Out in rural Maine, where winding two-lane roads taunt you with impossibly short passing zones, the Trackhawk makes even the most daring passes with ease. The TorqueFlite eight-speed automatic rips through whipcrack upshifts that get firmer in Sport mode and downright violent in Track. It's got power everywhere, but the fat part of the power band starts around 3500 rpm. And unlike the other Hellcat offerings, thanks to full-time all-wheel drive, the Trackhawk's acceleration is completely and utterly drama-free.

2. It Might Even Be a Little Faster Than Jeep Claims

Jeep quotes a 3.5-second zero to 60 time for the Trackhawk, a figure that puts the 5350-lb five-seat SUV neck and neck with a Dodge Viper. I get the feeling Jeep's official number is a touch conservative—on multiple acceleration runs using Launch Control, I was able to cut a 3.3-second sprint to 60 (as measured by the car's Performance Pages dashboard app). Conditions were textbook ideal: The ambient temperature was cool and I was running on the brand-new pavement of Club Motorsport's long straightaway. But there was no magic touch, no delicate finesse required: Just mash the brake and pin the throttle as Launch Control instructs, then drop the brake and let the all-wheel drive system find the traction for you. And speaking of Launch Control...

3. It Shares Launch Control Goodies With the Dodge Demon

Unlike most performance cars, the Trackhawk's launch control doesn't just rev the engine against the brakes. The muscle Jeep utilizes Torque Fill, a system first designed for the 840-horsepower, wheelie-popping Dodge Challenger SRT Demon. Working like an aftermarket "stutter box," Launch Control holds the engine at a preset RPM, spooling up the supercharger and manipulating its bypass valve to build maximum boost as the engine burbles and misfires (or more accurately, mis-fuels) like a drag car on a two-step rev limiter. Jeep opted not to install the Demon's trans brake on the Trackhawk, so a left-foot-brake launch is your only option. Believe me, it's all you need. Drop the brake, and the torque hits like a mallet, the big-body SUV squatting hard on its haunches and ripping through upshifts so forceful, you'll worry that you might swallow your own tongue. Jeep says the Trackhawk is good for an 11.6-second quarter-mile. I believe it.

4. It's Not Just For Straight Lines

With 707 horses and the wallop of an all-wheel drive launch, the Trackhawk is assuredly rad for drag racing and stoplight supremacy. But that's not this pony's only trick. The ultra Grand Cherokee gets Bilstein multi-mode adaptive dampers and specific chassis tuning to live up to its fictitious bird namesake. Around Club Motorsport's 15-corner, 2.5-mile circuit piled with several hundred feet of elevation changes, the hot rod Jeep felt completely composed. You just have to keep reminding yourself what it is. Thundering down the long straightaway, your brain notes the unyielding rocket acceleration, the redline scream of that supercharged V8, and assumes you're strapped into a sports car. Then you bend it into a

sweeper and realize that the center of gravity, and your posterior, are both about a foot higher off the ground than you were anticipating. It's giddying, mainly because the big truck never feels out of place on the race track despite its heft and height. There's roll, and it's easy enough to overwhelm the front tires if you're not careful—the Hellcat engine and its requisite cooling upgrades add 200-plus pounds to the Grand Cherokee's snout. But the body motions never turn queasy, the huge Brembo brakes never lose their massive stopping power, and the unbeatable traction makes you want to go full throttle earlier and earlier with each apex.

5. It Doesn't Sound Exactly Like the Hellcats You Know

Perhaps the signature aural feature of the Challenger and Charger Hellcat (and, of course, the Demon) is the high-pitched supercharger whine that accompanies all but the tiniest throttle prods. The Trackhawk announces its forced induction more subtly. A tricky new air intake system utilizes a Heimholtz resonance chamber to attenuate some of the Hellcat's howl. It's effective: At full throttle, the supercharger sound is audible, but not overwhelming inside the cabin, nearly disappearing under lighter loads. Jeep says this subdued sound is more in step with the five-seat, family-friendly Grand Cherokee, a top-rung luxury SUV that, in Trackhawk trim, starts at $86,000. Me? I miss the satanic slide-whistle yawp. Thankfully, an engineer pointed out that the Heimholtz doohicky should be easy enough for an owner to remove.

6. It Bears Repeating, Once Again, How Devastatingly Quick This Off-Roader Is

Consider the Trackhawk's competition. The BMW X5 M commands a smooch over $100,000; the Porsche Cayenne Turbo S adds nearly $60,000 to that. Both do 0-60 in 3.8 seconds, meaning they'd get smoked by the Grand Cherokee Trackhawk. This Jeep sprints, turns and brakes to beat Europe's hottest performance SUVs, tows 7200 lbs., sounds like your favorite old-school dragster, and looks menacing as all hell doing it. We'll have lots more to say about the Trackhawk in the coming days, but for now, consider us mighty impressed.

http://www.roadandtrack.com/new-cars/first-drives/a12121587/hellcat-jeep-grand-cherokee-trackhawk-2018-first-drive-review/

<image001.jpg>

(b) (6)

FCA US LLC
100 M Street, Suite 525
Washington, DC 20003
(b) (6), (b) (7)(C)

From: (b) (6)
Sent: Wednesday, August 30, 2017 8:32 AM
To: HAYES, BRADLEY F (b) (6), (b) (7)(C) ; (b) (6) (b) (6), (b) (7)(C) (b) (6) (FCA) (b) (6), (b) (7)(C) ; (b) (6) (FCA) (b) (6), (b) (7)(C) ; (b) (6) (FCA (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: RE: Thank you

Bradley – It was our pleasure to host you and (b) (6), (b) (7)(C) Thank you for taking the time to learn more about FCA and our vehicle assembly process and we look forward to working with CBP on future trade facilitation programs.

I'll be reaching out to you once the Trackhawk launches, I'd like to see one too.

Good luck at the C-TPAT conference, we'll talk soon.

Best wishes,

(b) (6)
Manager, US Customs Compliance
FCA US LLC
(b) (6), (b) (7)(C) office
mobile
(b) (6), (b) (7)(C)

<image002.png>

From: HAYES, BRADLEY F [mailto: (b) (6), (b) (7)(C)
Sent: Tuesday, August 29, 2017 8:27 PM
To: (b) (6) (FCA) (b) (6), (b) (7)(C) ; (b) (6) (b) (6), (b) (7)(C) (b) (6) (FCA) (b) (6), (b) (7)(C) ; (b) (6) (FCA) (b) (6), (b) (7)(C) ; (b) (6) (FCA) (b) (6), (b) (7)(C) >
Cc: (b) (6), (b) (7)(C)
Subject: Thank you

(b) (6), and Team FCA,

On behalf of CBP and the Office of Trade Relations, I want to thank all of you for taking the time to show (b) (6), (b) (7)(C) and me around the JNAP today. It was an incredible experience and highlighted the importance of trade facilitation and CBP cooperation with our industry partners.

I very much look forward to our continued partnership moving ahead and expect an email when the first Trackhawk rolls off the line.

Best,
Bradley

(b) (6), (b) (7)(C)

Subject: Touching Base w/ (b) (6)
Location: RRB: 1300 Pennsylvania Ave, Room 3.5A, Washington, DC 20229

Start: Fri 9/8/2017 10:00 AM
End: Fri 9/8/2017 11:00 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6) (b) (6), (b) (7)(C)
Resources:

Categories: External Meeting

Please check in at the 14th street entrance with a U.S. government-issued ID. Have security call (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) for an escort. If you are not a U.S. citizen, please notify (b) (6), (b) (7)(C) immediately.

In further compliance with the REAL ID Act of 2005, effective immediately, U.S. Customs and Border Protection is prohibited from accepting driver's licenses and identification cards from the following states for accessing CBP properties: American Samoa, Minnesota, Illinois, Missouri, New Mexico, and Washington. Visitors to CBP properties from the aforementioned states will need to provide an alternate form of identification (e.g., US Passport, US Passport Card).

REAL ID Acceptil...

(b) (6), (b) (7)(C)

Subject: Trade Day Debrief
Location: (b) (7)(E)

Start: Wed 9/20/2017 12:00 PM
End: Wed 9/20/2017 12:30 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Categories: Calls

(b) (6), (b) (7)(C)

Subject: Trade Day OTR Internal Prep
Location: OTR Conference Room / (b) (7)(E)

Start: Thu 9/14/2017 2:00 PM
End: Thu 9/14/2017 3:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C); OTRConferenceRoomCalendar; (b) (6), (b) (7)(C)

Categories: OTR Staff-Only

OTR prep Bradley for Trade Day:

C1 Prep = 9/18/17 at 11:00am
Trade Day = 9/19/17 8:00-12:00pm

(b) (6), (b) (7)(C)

Subject: Travel time

Start: Wed 9/27/2017 8:30 AM
End: Wed 9/27/2017 9:00 AM

Recurrence: (none)

Categories: Travel

(b) (6), (b) (7)(C)

Subject: Travel to K Street

Start: Fri 9/8/2017 8:00 AM
End: Fri 9/8/2017 8:30 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject: Travel to RRB

Start: Fri 9/8/2017 9:30 AM
End: Fri 9/8/2017 10:00 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject: Travel to RRB

Start: Thu 9/14/2017 8:30 AM
End: Thu 9/14/2017 9:15 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject:	Travel to Senate
Start:	Thu 9/14/2017 3:00 PM
End:	Thu 9/14/2017 3:30 PM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Travel

(b) (6), (b) (7)(C)

Subject:	Travel to White House
Start:	Mon 9/18/2017 1:00 PM
End:	Mon 9/18/2017 1:30 PM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Travel

From: (b) (6), (b) (7)(C)
To: HAYES, BRADLEY F
Subject: UFAC Updates Discussion w/ (b) (6), (b) (7)(C)
Start: Tuesday, September 5, 2017 11:00:00 AM
End: Tuesday, September 5, 2017 11:30:00 AM
Location: (b) (7)(E)

Discuss tentative plan:

(b) (5)

(b) (6), (b) (7)(C)

Subject:	UFAC Planning Meeting
Location:	RRB, room 3.5A
Start:	Thu 9/14/2017 12:30 PM
End:	Thu 9/14/2017 1:00 PM
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	(b) (6), (b) (7)(C)
Optional Attendees:	
Resources:	OTRConferenceRoomCalendar; TRADE EVENTS
Categories:	Internal CBP Meeting

UFAC Planning Meeting 091417 ...

User Fee Advisory Committee (UFAC) Planning Meeting

September 14, 2017 / 13:30 – 14:00 / RRB 3.5A

Discussion Topics

I. Proposal: Dissolving UFAC into COAC

- After the August 23, 2017 COAC meeting, several COAC members suggested that the UFAC become a subcommittee of the COAC, or to terminate UFAC and have COAC assume some or all of the UFAC's activities.
  - Example: The below, proposed Statement of Work from UFAC's Financial Assessment and Options Subcommittee (to create a working group titled "Regulatory Reforms and Collections Modernization Working Group") overlaps with COAC subcommittees / working groups (e.g., Emerging Technologies):

    UFAC Statement of Work.docx

- On September 6, 2017, OTR and OFO discussed this idea with OCC. OCC's initial research indicates that UFAC can be terminated and its activities absorbed into COAC. However, OCC is further examining 8 U.S. Code § 1356(k) – see Appendix A, page 3. OCC is concerned with the phrase of "shall consist of" – whether it means the members should have *some* representatives from airline and other transportation industries, or *only* representatives from the airline and other transportation industries:
  - "In accordance with the provisions of the Federal Advisory Committee Act, the Attorney General shall establish an advisory committee, whose membership ***shall consist of*** representatives from the airline and other transportation industries who may be subject to any fee or charge authorized by law or proposed by the Immigration and Naturalization Service for the purpose of covering expenses incurred by the Immigration and Naturalization Service. The advisory committee shall meet on a periodic basis and shall advise the Attorney General on issues related to the performance of the inspectional services of the Immigration and Naturalization Service. This advice shall include, but not be limited to, such issues as the time periods during which such services should be performed, the proper number and deployment of inspection officers, the level of fees, and the appropriateness of any proposed fee. The Attorney General shall give substantial consideration to the views of the advisory committee in the exercise of his duties."
- If terminating the UFAC is legally feasible, sensitivities exist about timing and messaging.

- OCC update as of 9/13/2017: “we are still preparing and formalizing a response that will address all of the legal concerns we raised over our phone discussion last week. As such, we will require some more time before we issue final advice on the matter.”

II. Getting UFAC Back to Its Purpose [per U.S. Code › Title 8 › Chapter 12 › Subchapter II › Part IX › § 1356 Disposition of moneys collected under the provisions of this subchapter (k) Advisory Committee]

1. Disengage UFAC from the User Fee Report

   - Why? Requests made by UFAC, that resulted in the User Fee Report dated February 2017, appear to exceed the scope of the UFAC (see Appendix A, p. 3).
   - Subsequent to the release of the User Fee Report to UFAC, UFAC prioritized its requests in an effort to assist CBP in fleshing out the Report:

     FAO User Fee Report Response...

     - Although CBP can compile most of the information requested, concerns within CBP exist whether this information should be provided to UFAC (scope issue above notwithstanding).

2. *Regardless of whether UFAC continues or is absorbed into COAC*, CBP can partner with UFAC on the following initiatives (details in Appendix B, p. 4):

   1. Remitting IUF Monthly Instead of Quarterly

   2. IUF (air and sea passenger fee) Legislative Proposal – Increase by $2.00, from $7.00 to $9.00.

III. Proposed Next Steps

1. OTR and OFO to follow up with OCC about their interpretation of 8 U.S. Code § 1356(k)
2. OT, OFO, and OF to review UFAC members’ past recommendations (see attachment below) for whether in-scope of UFAC (several recommendations are operational in nature) and which CBP Office owns which recommendations to evaluate

   UFAC Recommendations FY

Appendix A

Brief History of the UFAC

- The U.S. Customs and Border Protection Airport and Seaport Inspections User Fee Advisory Committee was established pursuant to section 286(k) of the Immigration and Nationality Act (INA), codified at title 8 U.S.C. 1356(k), which references the Federal Advisory Committee Act (5 U.S.C. App. 1 et seq.).
- With the merger of the Immigration and Naturalization Service into the Department of Homeland Security, the Advisory Committee's responsibilities were transferred from the Attorney General to the Commissioner of CBP pursuant to section 1512(d) of the Homeland Security Act of 2002.
- The Advisory Committee held its first meeting under the direction of CBP on October 22, 2003 (see 68 FR 56301, September 30, 2003). Among other things, the committee is tasked with advising the CBP Commissioner on issues related to CBP inspection services.
    - This advice includes, but is not limited to, the level and the appropriateness of the following fees assessed for CBP services: the **immigration user fee** pursuant to 8 U.S.C. 1356(d), the **customs inspection user fee** pursuant to 19 U.S.C. 58c(a)(5), and the **agriculture inspection user fee** pursuant to 21 U.S.C 136a. [redacted] (b) (5) [redacted]
- The UFAC was chartered to "advis[e] the Secretary of the Department of Homeland Security (DHS) on issues related to the performance of inspections coinciding with the assessment of an agriculture, customs, or immigration user fee. This guidance should include, but is not limited to, the time period during which such services should be performed, the proper number and deployment of inspection officers, the level of fees, and the appropriateness of any proposed fee . . . . The Committee reports to the Secretary of the Department of Homeland Security through the U.S. Customs and Border Protection (CBP) Commissioner."

Appendix B

1. Remitting IUF Monthly Instead of Quarterly

- GAO in its February 2008 report "Federal User Fees: Substantive Reviews Needed to Align Port-Related Fees with the Programs They Support" wrote:
- "Quarterly Remittance Schedule Delays Availability of Certain Passenger Inspection Fees
    - According to CBP officials, the quarterly remittance schedule for the passenger inspection fees contributes to a several month delay between the use of appropriated funds and receipt of reimbursement from the immigration and AQI user fee accounts, which has delayed CBP's ability to spend funds on critical mission areas such as hiring personnel, purchasing equipment, or travel. To address this challenge, CBP told us it has developed a legislative proposal that would, in part, require monthly instead of quarterly remittance.[26] A representative of a cruise line industry association we [GAO] spoke with noted that monthly payments would increase the administrative costs to the cruise lines, but that if a steadier supply of funding helped CBP to provide better service, it would be worthwhile.[27]
        - [26] We [GAO] have not reviewed or evaluated this proposal, although we have been briefed on elements of it.
        - [27] Airline officials also noted that changing to a monthly remittance schedule would not be a problem."

2. IUF Legislative Proposal

- Description of Proposal
    - As part of the FY 2018 President's Budget, CBP is proposing legislation for the authorizing committees to raise the Immigration User Fee (IUF) and Consolidated Omnibus Budget Reconciliation Act (COBRA) fees to decrease the shortfall between the costs of CBP's customs and immigration inspection activities and the collections received.
    - This proposal will increase the IUF by $2 and eliminate a partial fee exemption for sea passengers arriving from the United States, Canada, Mexico, or adjacent islands. These two adjustments will result in a total fee of $9 for all passengers, regardless of mode of transportation or point of departure.
- Background
    - The Department of Justice Appropriation Act of 1987 (P.L. 99-591) authorized the collection of user fees from international passengers traveling into the United States. The air and sea passenger user fees are set legislatively, and any rate adjustments require a statutory change to 8 U.S.C. § 1356(d), (e)(3).

This fee is primarily used to fund inspection and detention services at air and sea ports of entry.
    - This legislative proposal would provide funding for additional CBP Officers to keep pace with travel volumes through FY 2018 and meet the operational requirements identified by CBP's Workload Staffing Model.
    - This fee was last adjusted in November 2001, yet international travel volumes continue to grow at an annual rate of three to four percent; and CBP costs for immigration inspections continue to increase. As a result, CBP relies on its appropriated funds to support the difference between fee collections and the costs of providing immigration inspectional services.
- Congressional Overview
    - To the extent that revenues are available, the estimated FY 2018 collections will fund the activities in the IUF statute; however, the fees are currently not legislatively set to fully recover these costs.
    - CBP is proposing legislation for the authorizing committees to raise the IUF fees to decrease the shortfall between the costs of CBP's immigration inspection activities and the collections received.
- Q&A
    - Why is CBP requesting an increase to IUF rates?
        - An increase in IUF fees would be used to address CBP officer staffing needs and allow CBP to keep pace with projected travel volume.
    - How would this rate increase impact projected trade and travel levels?
        - Economic analysis indicates that CBP user fee rate increases are not a significant disincentive towards continual increases in trade and travel. Increased CBP staffing along with a corresponding decrease in processing times strongly encourages GDP, local economic, and job growth.
    - What is the likelihood that Congress will approve these fee rate increases?
        - The FY 2017 President's Budget proposed similar COBRA and IUF rate increases ($2.00 increase to air passengers) last year. Neither proposal was approved by Congress.
    - Has the airline industry weighed in on these proposals?
        - Not recently. Without effective engagement, the airline industry is believed to continue its historical opposition to an IUF increase, out of fear that any increase in the overall cost of tickets could discourage travel. CBP notes that studies have indicated that increased CBP services, allowing both for shorter wait times and greater throughput, have consistently driven an increased demand for air travel given the relatively small impact of $4 in additional CBP fees compared to airline fees (e.g., checked baggage fees), airport fees (e.g., passenger facility charges), and the overall cost of international air travel (e.g., UK Air Passenger Duty).

(b) (5)

(b) (5)

(b) (6), (b) (7)(C)

Subject:	USACIA
Location:	Auditorium of Jones Day /Across Capital
Start:	Wed 9/6/2017 7:30 AM
End:	Wed 9/6/2017 9:00 AM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	C1-C2 Meetings

https://events.bizzabo.com/204890/agenda
Registration ORDER #
498723

(A) C1 speaks from 9:10-9:30am

Tickets
498723.pdf

982779

US Air Cargo Industry Affairs Summit

Government

Septembe 6 2017 8:00AM - 7:00PM

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Bradley Hayes

www.b zzabo.com

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] CBP LI 1804
Location: Harpers Ferry, WV

Start: Mon 9/10/2018 12:00 AM
End: Fri 9/21/2018 12:00 AM
Show Time As: Free

Recurrence: (none)

Categories: Travel

From: CBP COMMISSIONER SCHEDULER
To: DCC10A-RMB-COMMISSIONER-CN-RM; SMITH, BRENDA BROCKMAN; WHITTENBURG, CYNTHIA F (DEAC OT); (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Owen, Todd C (EAC OFO); McAleenan, Kevin K SES; VITIELLO, RONALD D (USBP); HAYES, BRADLEY F; AUGUSTIN, DEBORAH; (b) (6), (b) (7)(C) FLANAGAN, PATRICK S
Cc: (b) (6), (b) (7)(C)
Subject: World Shipping Council (Trade Day)
Start: Tuesday, September 19, 2017 7:00:00 AM
End: Tuesday, September 19, 2017 8:00:00 AM
Location: Commissioner"s Large Conference Room
Attachments: 001 Trade Day Master Table of Contents 9-19-17 (Revised 9-15-17).docx
Tab 01 WSC Briefing memo.doc
GENERAL TRADE DAY COVER PAGE 9-19-17.doc
Tab 02 - WSC Agenda.doc
Tab 03 WSC Mtg Attendee Bios.docx
Tab 04 - Ocean Export Manifest Automation.doc
Tab 05 - AQUA Lane 9 5 17.doc
Tab 06 CTPAT MSC.DOCX
Tab 07 Ocean Container Malfunctions 090617.docx
Tab 08 PGA Data and Mission Creep_8.2017.doc
Tab 09 ACE Performance and Outages.doc
Tab 10 Automation of Maritime Forms 090517.docx

DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please email gabriella.r.chiaramonte@cbp.dhs.gov and provide a reason as well as a surrogate request.

<<GENERAL TRADE DAY COVER PAGE 9-19-17.doc>> <<001 Trade Day Master Table of Contents 9-19-17 (Revised 9-15-17).docx>> <<Tab 01 WSC Briefing memo.doc>> <<Tab 02 - WSC Agenda.doc>> <<Tab 03 WSC Mtg Attendee Bios.docx>> <<Tab 04 - Ocean Export Manifest Automation.doc>> <<Tab 05 - AQUA Lane 9 5 17.doc>> <<Tab 06 CTPAT MSC.DOCX>> <<Tab 07 Ocean Container Malfunctions 090617.docx>> <<Tab 08 PGA Data and Mission Creep_8 2017.doc>> <<Tab 09 ACE Performance and Outages.doc>> <<Tab 10 Automation of Maritime Forms 090517.docx>>

Attendees:
Kevin K. McAleenan, Acting Commissioner
Ronald D. Vitiello, Acting Deputy Commissioner
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Cynthia Whittenburg, Deputy Assistant Commissioner, Office of Trade
Bradley Hayes, Executive Director, Office of Trade Relations
Deborah Augustin, Executive Director, Trade Transformation Office, Office of Trade
(b) (6), (b) (7)(C) Deputy Executive Director, Cargo & Conveyance Security, Office of Field Operations
(b) (6), (b) (7)(C), Branch Chief, Cargo & Conveyance Security, Office of Field Operations
(b) (6), (b) (7)(C) Director, C-TPAT, Office of Field Operations
(b) (6), (b) (7)(C), Director, Cargo & Conveyance Security, Office of Field Operations
Patrick Flanagan, Acting Chief of Staff, Office of the Commissioner
(b) (6), (b) (7)(C), Program Manager, Office of Trade Relations
(b) (6), (b) (7)(C), Program Manager, Office of Trade Relations *OTR Coordinator*

Master Table of Contents
Tuesday September 19, 2017

Trade Day Meeting with World Shipping Council (WSC), The International Air Transport Association (IATA) &Airlines for America (A4A), and the National Retail Federation (NRF)

Tab A WSC – 08:00 a.m. - 09:00 a.m.

Tab 01 Briefing Memo for WSC
Tab 02 Agenda
Tab 03 Biographies
Tab 04 Issue Paper: Ocean export manifest automation
Tab 05 Issue Paper: CTPAT Advance Qualified Unlading Approval
Tab 06 Issue Paper: CTPAT: Minimum Security Criteria
Tab 07 Issue Paper: Ocean Container Malfunctions
Tab 08 Issue Paper: ACE Partner Government Agency Data & Mission Creep
Tab 09 Issue Paper: ACE Performance & Outage Update
Tab 10 Issue Paper: Automation of vessel entrance/clearance forms and processes

Tab B IATA & A4A – 09:30 a.m. – 10:30 a.m.

Tab 01 Briefing Memo
Tab 01a IATA
Tab 01b A4A
Tab 02 Agenda
Tab 03 Biographies
Tab 03a IATA
Tab 03b A4A
Tab 04 Issue Paper: Carrier Post Audit Procedures
Tab 05 Issue Paper: ACAS
Tab 06 Issue Paper: Progressive Filing Model
Tab 07 Issue Paper: Biometric Entry and Exit
Tab 08 Issue Paper: Export Manifest
Tab 09 Issue Paper: E-commerce/Section 321
Tab 10 Industry Letter to CBP on Biometric Exit Program

Tab C NRF – 11:00 a.m. – 12:00 p.m.

Tab 01 Briefing Memo for NRF
Tab 02 Agenda
Tab 03 Biographies
Tab 04 NRF Paper on Trade Day Issues
Tab 05 Issue Paper: ACE Partner Government Agency Data & Mission Creep
Tab 06 Issue Paper: ACE Performance & Outage Update
Tab 07 Issue Paper: CTPAT: Minimum Security Criteria
Tab 08 Issue Paper: CTPAT: Importer Self-Assessment and Trusted Trader
Tab 09 Issue Paper: Forced Labor & TFTEA
Tab 10 Issue Paper: EAPA Investigations
Tab 11 Issue Paper: eCommerce/Section 321
Tab 12 Issue Paper: Increase in De Minimis Value (Section 321)

U.S. Customs and Border Protection

Trade Day

WORLD SHIPPING COUNCIL

THE INTERNATIONAL AIR TRANSPORTATION ASSOCIATION (IATA)
&
AIRLINES FOR AMERICA (A4A)

NATIONAL RETAIL FEDERATION (NRF)

September 19, 2017

TRADE DAY MEETING
World Shipping Council (WSC)
Tuesday September 19, 2017
8:00 AM – 9:00 AM (60 - minutes)
Commissioner's Large Conference Room

Overview:

- You will meet with 10 members from the World Shipping Council (WSC) as well as representatives from OOCL & Maersk. A full list of participants is below.
- The goal of the meeting is to discuss four priority issues that NAM has identified to include; C-TPAT, Ocean export manifest automation, Automation of vessel entrance/clearance forms and processes, ACE system performance and outages; and Addressing ocean container malfunctions without penalty.

Discussion Points:

- **C-TPAT - AQUA Lane**
  - CBP seaports have been granting permission to low-risk sea carriers to unlade their cargo prior to CBP meeting the vessel informally for years without standardization or registration of the process. In December 2015, the AQUA Lane Pilot was implemented at four seaports.
  - The pilot now includes the following twenty seaports: Baltimore, Boston, Charleston, Ft. Lauderdale, Honolulu, Houston, Jacksonville, Los Angeles, Long Beach, Miami, New Orleans, Newark/New York, Norfolk, Philadelphia, Puerto Rico, San Francisco, Savannah, Seattle/Tacoma, Wilmington, DE and Wilmington, NC.
  - Actual averaged port charges obtained from the sea carrier community (World Shipping Counsel 2016) from 2014 to 2016 demonstrate that the advance release of cargo can save vessels from **$3,252.75** and up per "standby gang hour."
  - Next steps are to automate the 3171 to include requests for AQUA Lane.
- **C-TPAT Minimum security criteria;**
  - A working group comprised of about 50 individuals representing the equities and interests of the entire supply chain spectrum was created. Many of our COAC representatives have been part of the discussions, webinars and face to face meetings that have taken place since this working group was created in April 2016
  - Once the program office has finalized the Working Group's product, CTPAT will brief CBP's leadership and discuss what changes to the criteria are a priority for implementation and how that implementation plan would look over the next several years. (September/October 2017). CBP and the COAC members would then engage trade members on the proposed criteria and draft implementation timeline
  - CBP provided an update to the membership at large during the CTPAT conference in Detroit which the last week of August 2017. This topic was part of the Director's remarks during the general session and it was also covered at one of the eight workshops delivered during the conference.
- **Ocean export manifest automation;**
  - Maersk and OOCL are submitting the electronic manifest for a number of ports for vessels leaving the United States at Newark (Maersk) and Long Beach/Oakland

(OOCL). Other carriers, NVOs, and service providers are working through the certification process at their own pace, to be able to submit live data.

- CBP is looking to testing the linking of the NVO submitted data to the carrier's data. CBP is working with Maersk and OOCL to operationalize the electronic data and completely eliminate the submission of paper manifest at the ports.

- **Automation of Maritime Forms;**
  - CBP OFO has begun the process of automating maritime entrance and clearance forms. This effort is in competition with ongoing forms automation projects being conducted by Admissibility and Passenger Program (APP) and Agriculture Program and Trade Liaison (APTL), all of which have an overreach in the maritime environment. Prioritization between these projects need to be established.
  - Automation of maritime entrance and clearance paper forms, will provide a single electronic information system in the (b) (7)(E) to collect, organize, preserve and retrieve maritime entrance and clearance data. The realization of this goal will effect single common operating picture and realize true efficiencies and cost savings on all maritime-related processes.
  - TASPD provided a Level of Effort and cost for this task - approximately 18 Months and $1,197,153.20
  - A short-term solution for populating vessel documents in the Document Image System was completed. This will ultimately provide access to vessel documents for review via (b) (7)(E) prior to vessel arrival.
- **ACE system performance and outages;**
  - The ACE system availability on August 2nd, was caused by a hardware failure. The hardware issue was related to the power supplies on both the primary and backup ACE servers. The precise circumstances of the failure hindered CBP's ability to get ACE operational on the backup server.
  - CBP is working a series of short and long-term technology solutions to help reduce/eliminate and mitigate impacts of future ACE outages, including additional redundancy. OIT is also working to establish capabilities that will allow OFO personnel to continue operating if the ACE Portal is unavailable.
  - In addition to addressing technology, CBP is working with the Commercial Customs Operations Advisory Committee (COAC) to establish a joint working group focused on industry input on downtime procedures, which will enable us to incorporate industry impacts and needs into our communication process.
- **Ocean container malfunctions without penalty;**
  - Ocean carriers are asserting that they are being issued penalties for discharging malfunctioning or damaged containers in a U.S. port that were loaded from a previous U.S. port. The malfunctioning containers are being discharged for repair with the intent of reloading upon completion of repair.
  - In an effort to minimize the impact these situations may pose on the trade, CBP's current agreement with ocean carriers allows for full mitigation of penalties issued due to the discharge of the unforeseen malfunction of laden containers at a previous US port. CBP reviews requests for discharge of malfunctioning containers on a case-by-case basis. CCS works closely with the ports to ensure proper mitigation in each instance.

Watch Out For/ If Asked:

C-TPAT criteria requirements

- A road map for implementation needs to be developed before sending out the new criteria to a wider audience. A road map outlining a phased approach to implementation would relieve concerns that C-TPAT members may have about CBP moving too fast.
- C-TPAT will continue to further refine the criteria requirements by the end of this month and finalize the working group's product. At this point, the criteria is not ready to be released to the trade community at large. The members of the working group were asked to sign a non-disclosure agreement with CBP.
- **Aqua Lane Vendor Deliveries**- when vessels arrive after regular port hours and AQUA Lane is approved, because the vessel begins unlading, the immigration boarding is rescheduled for the following day thus requiring additional time for medical care of crew, and receiving needed spare parts and equipment for the vessel. Sea Carriers have complained that this additional time is negating the benefits of the AQUA Lane benefit. CTPAT has suggested to those vessel agents requesting vendor deliveries that the AQUA Lane process may not always fit every vessel schedule or business model, and those requests to allow vendor deliveries prior to having the crew cleared will be denied.
- **Aqua lane Asian Gypsy Moth (AGM) high season**, which ends at the end of September 2017, has resulted in the denial of AQUA Lane for vessels arriving from the ports of China, Russia, Japan and Korea arriving at LA/Long Beach seaports. CBP's APTL has advised vessel agents to request pre-departure certificates as close as possible to the day of departure from those countries to decrease the likelihood of vessel infestation. Additionally, the pre-departure certificates serve as a mitigating factor in the event the vessel has to be re-examined.
- The trade has requested that certain data elements be eliminated that are legislatively required. The trade has requested national targeting only. CBP plans to target export shipments at the national and local levels as appropriate based on the manifest and commodity level data and the timing of submissions.

What are CBP's downtime procedures for ACE?

- In the event of an ACE system slow down or outage, CBP has procedures in place to address system issues and communicate with users just as we've had with ACS. Port downtime or workaround procedures will be implemented as determined by the Office of Field Operations, and guidance to the trade community will be communicated via the Cargo Systems Messaging Service (CSMS). Filers should continue to work with the local port office regarding the movement of goods.

Background:

- WSC last met with CBP March 20, 2014 as attendees a part of a Trade Day. The primary purpose of the meeting was to discuss the POTUS Executive Order on 21st Century Trade Facilitation, Vancouver Trucking Strike and Importer Security Filing (ISF).
- WSC membership includes the world's 10 largest container shipping companies, as well as smaller firms comprising of 90 percent of global container shipments.

PRESS: closed

CBP/OPA Services Required: None

ATTACHMENTS:

- Agenda
- Biographies
- Issue Paper: Ocean export manifest automation
- Issue Paper: CTPAT Advance Qualified Unlading Approval (AQUA Lane)
- Issue Paper: CTPAT: Minimum Security Criteria
- Issue Paper: CTPAT: Importer Self-Assessment and Trusted Trader
- Issue Paper: ACE/SW Partner Government Agency Data & Mission Creep
- Issue Paper: ACE Performance & Outage Update
- Issue Paper: Automation of vessel entrance/clearance forms and processes

PARTICIPANTS:

CBP
Kevin K. McAleenan, Acting Commissioner
Ronald D. Vitiello, Acting Deputy Commissioner
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Kathryn Kolbe, Executive Assistant Commissioner, Enterprise Services
Liz Schmelzinger, Director, C-TPAT, Office of Field Operations
Troy Riley. Executive Director, Trade Remedy Law Enforcement Directorate, Office of Trade
Deborah Augustin, Executive Director, Trade Transformation Office, Office of Trade
(b) (6), (b) (7)(C) Executive Director, Trade Policy & Programs, Office of Trade
(b) (6), (b) (7)(C), Director, Cargo & Conveyance Security, Office of Field Operations
(b) (6), (b) (7)(C), Branch Chief, Cargo & Conveyance Security, Office of Field Operations
(b) (6), (b) (7)(C), Cargo & Conveyance Security, Office of Field Operations
(b) (6), (b) (7)(C), Program Manager, Office of Trade Relations
(b) (6), (b) (7)(C), Program Manager, Office of Trade Relations

Non-CBP
(b) (6), President & CEO, World Shipping Council
(b) (6), Vice President, World Shipping Council
(b) (6), VP, Business Systems (also a current COAC Member), OOCL
(b) (6), Head, Regulatory & Corporate Security, Maersk Line
(b) (6), Senior Vice President, K-Line America
(b) (6), VP, Security & Environmental Affairs, NYK
(b) (6), Director, Legislative & Regulatory Affairs, APL
(b) (6), Director, Regulatory Compliance & Security, Hapag Lloyd America
(b) (6), General Manager, Special Projects, Marine Ops, MSC

Staff Responsible for Briefing Memo:
(b) (6), (b) (7)(C), Office of Trade Relations

TRADE DAY MEETING
World Shipping Council (WSC)
Tuesday September 19, 2017
8:00 AM – 9:00 AM (60 - minutes)
Commissioner's Large Conference Room

Agenda

Welcome and Introductions – Bradley Hayes, Executive Director, Office of Trade Relations

Opening Remarks – Kevin K. McAleenan, Acting Commissioner

Open Discussion

WSC's priority issues:

1. C-TPAT
   a. AQUAlane
   b. Minimum security criteria
2. Ocean export manifest automation
3. Automation of vessel entrance/clearance forms and processes
4. ACE system performance and outages
5. Addressing ocean container malfunctions without penalty.

Adjournment

OCEAN EXPORT MANIFEST AUTOMATION

TALKING POINTS:

- Maersk and OOCL are submitting the electronic manifest for a number of ports for vessels leaving the United States at Newark (Maersk) and Long Beach/Oakland (OOCL).
- Other carriers, NVOs, and service providers are working through the certification process at their own pace, to be able to submit live data.
- CBP is looking to testing the linking of the NVO submitted data to the carrier's data.
- CBP is reviewing the data being presented and their submission conditions.
- CBP is working with Maersk and OOCL to operationalize the electronic data and completely eliminate the submission of paper manifest at the ports.

WATCH OUT FOR/IF ASKED

- The trade has requested that certain data elements be eliminated that are legislatively required.
- The trade has requested national targeting only. CBP plans to target export shipments at the national and local levels as appropriate based on the manifest and commodity level data and the timing of submissions.

BACKGROUND

- The Trade Act of 2002 requires the electronic submission of export manifest data from the party with the most accurate information.
- FY2015 CBP announced in the Federal Register the invitation for volunteers in the electronic vessel manifest pilot. The pilot was limited to 9 participants.
- In August 2017 a supplemental Federal Register Notice (FRN) announced the expansion of the pilot.
- Carriers, Non-Vessel Operating Common Carriers (NVOCCs), and service providers, as well as software developers are allowed to participate in the pilot.
- The FRN identified the data elements that are part of the manifest requirements, and if the individual data elements are mandatory, conditional, or optional.

Prepared by: (b) (6), (b) (7)(C), Director Cargo Security and Controls, OFO (b) (6), (b) (7)(C)
Date: Tuesday, September 05, 2017

Adavance Qualified Unlading Approval (AQUA Lane)

TALKING POINTS:

- Sea carriers typically have to wait for CBP to arrive before being granted permission to unlade their cargo incurring various port and labor fees during this down time.

- AQUA Lane is an effort to cut down on costs for the trade and better manage the CBP workforce by focusing resources on high risk sea carriers.

- CBP seaports have been granting permission to low-risk sea carriers to unlade their cargo prior to CBP meeting the vessel informally for years without standardization or registration of the process.

- On December, 2015, the Customs Trade Partnership Against Terrorism (CTPAT) launched the AQUA Lane Pilot beginning with four seaports.

- The AQUA Lane pilot now includes the following **twenty seaports**: Baltimore, Boston, Charleston, S.C., Ft. Lauderdale, Honolulu, Houston, Jacksonville, Los Angeles, Long Beach, Miami, New Orleans, Newark/New York, Norfolk, Philadelphia, Puerto Rico, San Francisco, Savannah, Seattle/Tacoma, Wilmington, DE and Wilmington, NC.

Benefits

- The AQUA Lane pilot was created to benefit sea carriers by allowing them to offload their cargo quickly and move on to the next port; however, as an additional benefit, this aids other entities such as importers, consolidators, etc., to benefit by being able to receive their goods faster than before (if the container is not on hold).

- AQUA Lane allows CBP to focus our resources where they can be better positioned on high threat vessels.

- AQUA Lane can expedite the movement of vessels waiting in line for berth space, saving money in dock charges/fees, and in turn move out the lines tractors with chassis clogging up the seaport entry/exit points and using up fuel while waiting for vessels to arrive.

- Actual averaged port charges obtained from the sea carrier community (World Shipping Counsel 2016) from 2014 to 2016 demonstrate that the advance release of cargo can save vessels from **$3,252.75** and up per "standby gang hour." A standby gang hour is the amount of time longshoremen wait without working alongside the vessel before gaining clearance from CBP to work the ship.

- It should be noted that standby work fees increase when larger vessels require additional longshoremen crews/gangs to work the vessel. This is especially significant being that the size of container vessels is steadily increasing. Also, longshoremen are paid additional pay for holidays, weekends, and for work afterhours.

WATCH OUT FOR/IF ASKED

- Vendor Deliveries- when vessels arrive after regular port hours and AQUA Lane is approved, because the vessel begins unlading, the immigration boarding is rescheduled for the following day thus requiring additional time for medical care of crew, and receiving needed spare parts and equipment for the vessel. Sea Carriers have complained that this additional time is negating the benefits of the AQUA Lane benefit. CTPAT has suggested to those vessel agents requesting vendor deliveries that the AQUA Lane process may not always fit every vessel schedule or business model, and those requests to allow vendor deliveries prior to having the crew cleared will be denied by CBP.

- Asian Gypsy Moth (AGM) high season, which ends at the end of September 2017, has resulted in the denial of AQUA Lane for vessels arriving from the ports of China, Russia, Japan and Korea arriving at LA/Long Beach seaports. CBP's Agriculture Programs and Trade Liaison (APTL) has advised vessel agents to request pre-departure certificates as close as possible to the day of departure from those countries to decrease the likelihood of vessel infestation. Additionally, the pre-departure certificates serve as a mitigating factor in the event the vessel has to be re-examined that should cut down the amount of time needed to conduct a ship search for agricultural pests.

- Containers are allowed to unlade in advance to allow the vessel to move on to the next port; however, off loaded containers may still be held for examination by CBP or other agencies. Those containers not being held should experience the benefit of an early unlading.

BACKGROUND

- AQUA Lane is currently active in 20 seaports and is increasing in demand. The seaports of Ft. Lauderdale (Port Everglades) and Long Beach lead in demand for advance unlading and ports which previously held no requests have recently seen requests come in.

- AQUA Lane requests are presently conducted through a manual process through the vessel agent and submission of the CBP Application-Permit-Special License Unlading-Lading-Overtime Services form 3171. Next steps are to automate the 3171 to include requests for AQUA Lane.

- Since September 2016 to September 2017, AQUA Lane was requested a total of 5,481 times, denied 1,194 times and approved 4,287 times (a 78% approval rate). Denials were mostly due to sea carriers and/or Terminal Operators not being in CTPAT and agricultural reasons.

- A total of 246 Hours of CBP overtime was saved ($10,705 at the GS 11 journeyman rate) as a result of not sending officers after normal business hours to clear vessels approved for AQUA Lane.

- Currently, regulations allow all sea carriers to request to unlade in advance based on port director's discretion. Regulatory changes to Vessel Entrance and Clearance process (19 CFR 4) are in process to allow only low risk carriers in the CTPAT program to request to unlade in advance.

Prepared by: (b) (6), (b) (7)(C), CBP/CTPAT, (b) (6), (b) (7)(C)
Date: September 5, 2017

CTPAT: MINIMUM SECURITY CRITERIA UPDATE

TALKING POINTS:

- CBP continues to make great progress in its work with the COAC's Global Supply Chain Subcommittee in updating CTPAT's minimum security criteria.

- The program's security criteria requires review and updating to ensure that it is reflective of CBP's overall mission, the current supply chain environment and the threats that the global supply chain faces today.

- A working group comprised of about 50 individuals representing the equities and interests of the entire supply chain spectrum was created. Many of our COAC representatives have been part of the discussions, webinars and face to face meetings that have taken place since this working group was created in April of last year.

- My understanding is that we have reached a good level of consensus with the requirements that have been discussed and that the members of the working group were given an additional opportunity last month to provide the program office with any additional comments and suggestions.

- CBP has been very proactive in engaging most major trade organizations and associations, including the World Shipping Council (WSC). The C-TPAT Director personally discussed the proposed criteria requirements on agricultural security such as the protection of the supply chain from pests and contaminants, with the leadership of the WSC just a few weeks ago.

- CTPAT will continue to further refine the criteria requirements by the end of this month and finalize the working group's product. At this point, the criteria is not ready to be released to the trade community at large.

NEXT STEPS

- Once the program office has finalized the Working Group's product, CTPAT will brief CBP's leadership and discuss what changes to the criteria are a priority for implementation and how that implementation plan would look over the next several years. (September/October 2017)

- Once CBP has drafted an implementation plan, CBP and the COAC members would engage trade members on the proposed criteria and draft implementation timeline.

- A road map for implementation needs to be developed before sending out the new criteria to a wider audience. A road map outlining a phased approach to implementation would relieve concerns that CTPAT members may have about CBP moving too fast.

- CBP provided an update to the membership at large during the CTPAT conference in Detroit which the last week of August 2017. This topic was part of the Director's remarks during the

general session and it was also covered at one of the eight workshops delivered during the conference.

WATCH OUT FOR/IF ASKED

- Since this work is on-going and still considered pre-decisional, members of the working group were asked to sign a non-disclosure agreement with CBP.

BACKGROUND

- A COAC Working Group under the COAC's Global Supply Chain Subcommittee was created in April 2016 to address the program's criteria update.

- The working group is comprised of six teams, with each team addressing a specific set of requirements or issues proposed by CBP. The first step of this project was the discussions by the 6 teams of the original drafts submitted by CBP. This was followed by two meetings in Washington DC, and six webinars following those meetings. The issues discussed by the teams included:

  - ✓ Security Measures to Counter Agricultural Pests and Diseases / Personnel Issues
  - ✓ Cybersecurity Issues
  - ✓ Non-IT Security Technology
  - ✓ Prevention of Money Laundering and Terrorism Financing Issues / Risk
  - ✓ High Security Seals and Highway Carrier Issues
  - ✓ Security Management and Administration

Prepared by: (b) (6), (b) (7)(C), OFO, (b) (6), (b) (7)(C))
Date: August 28, 2017

Office of Field Operations
Cargo and Conveyance Security
Ocean Container Malfunctions
September 6, 2017

Action Required: Informational Only

Issue: Ocean carriers are asserting that they are being issued penalties for discharging malfunctioning or damaged containers in a U.S. port that were loaded from a previous U.S. port. The malfunctioning containers are being discharged for repair with the intent of reloading upon completion of repair.

Executive Summary:
In 2014, CBP issued a policy agreement with ocean carriers regarding vessels that experience container malfunctions (i.e. refrigerated container's cooling unit fails). The policy was intended to be limited to premature discharge of containers to address malfunctions or mechanical issues that could not be repaired on board the vessel. Nevertheless, a violation of 46 U.S.C. 55102 (Jones Act) occurs when merchandise is laden at one domestic point and unladen at a different domestic point.

Background:
In an effort to minimize the impact these situations may pose on the trade, CBP's current agreement with ocean carriers allows for full mitigation of penalties issued due to the discharge of the unforeseen malfunction of laden containers at a previous US port.

- Mitigation must be approved by the Cargo and Conveyance Security (CCS) Branch
- The discharge must be the result of an emergency
- Carrier must provide the port director with advance notification of discharge prior to the vessel's arrival to the port of intended discharge
- The Port Director of the port of intended discharge must approve the request
- The discharge must not have been discovered by CBP prior to the carrier's advance notification

Current Status:
CBP reviews requests for discharge of malfunctioning containers on a case-by-case basis. CCS works closely with the ports to ensure proper mitigation in each instance.

PARTNER GOVERNMENT AGENCY DATA AND MISSION CREEP

TALKING POINTS:

- CBP is in full agreement with the trade community on the need to guard against mission creep in the Single Window, and has worked continuously with the International Trade Data System (ITDS) Board of Directors and the Border Interagency Executive Council (BIEC) to ensure that appropriate measures are in place to mitigate against it.
- However, it should be noted that what is sometimes viewed as mission/data creep is actually the result of an agency's enhanced ability to enforce its public safety and/or trade enforcement mission as a result of participation in the Single Window.
  - The Single Window provides agencies with access to data electronically in real-time, as well as with a platform to communicate efficiently with other agencies and with CBP.
  - This enhances their ability to identify harmful and violative shipments before entering the country in a way that was not possible prior to the full implementation of Single Window.

WATCH OUT FOR/IF ASKED:

- What safeguards does ACE have in place to guard against mission creep?
  - As the lead agency for Single Window implementation, CBP has sought to restrict the data elements required in the PGAs' message sets to only those that are required for entry into the United States.
  - CBP has also taken concrete steps to limit agencies' access to only data associated with products over which they have legal jurisdiction.
  - An example of this is the implementation of Harmonized Tariff Schedule (HTS) code "filters" that restrict agencies' access to data associated with HTS codes that correspond to products that they regulate.

BACKGROUND:

- In the context of ACE and the Single Window, the terms "mission creep" and "data creep" are essentially synonymous. It refers to the potential, enabled by an agency's access to electronic data that were once submitted in paper form as well as an expanded access to other data in ACE, for an agency to gain access to data not strictly under its regulatory jurisdiction.
- In the beginning stages of the Single Window effort, then Deputy Assistant Secretary [redacted] warned against data creep occurring as a negative consequence of agencies gaining expanding access to data through ACE, often in real-time. His concern was that such expanded access could negatively impact the movement of commerce due to an increase in entry review times by multiple agencies, and an increase in the number of shipment holds for closer scrutiny and/or examination.
- The trade community has vocalized that agencies should not expand their PGA message sets to include information that is not required at release and which is presently collected by agencies upon request or for various purposes. The Commercial Customs Operations Advisory Committee (COAC) has recommended that CBP work through the BIEC and ITDS in the oversight of the PGA ACE pilots with the intent of preventing data creep and maintaining alignment with the agencies' current regulatory authority.
- Recently, the BIEC has been working closely with the Office of Management and Budget to develop a process that ensures that agencies avoid data creep in any new PGA Message set requirements.

Prepared by: [redacted], OT/ICD/PGA Branch, [redacted]
Date: Thursday, August 31, 2017

ACE Performance & Outages

TALKING POINTS:

- **Recent ACE Issues**
  - ACE experienced multiple outages in early August, from August 2nd to August 10th, as a result of issues with the power supplies on the ACE servers and external network connectivity issues. As a result, CBP is working a series of short and long-term technology solutions to help reduce/eliminate and mitigate impacts of future ACE outages especially in time-sensitive areas such as land border/truck processing.
  - With respect to the issues we encountered with ACE system availability on August 2nd, our assessment indicates the issue was caused by a hardware failure and was not the result of a cybersecurity event or other malicious activity.
  - The ACE hardware issue was related to the power supplies on both the primary and backup ACE servers. Despite having hardware redundancy, the precise circumstances of the failure hindered CBP's ability to get ACE operational on the backup server and caused most ACE users to experience significant impact for almost a full day. CBP ports reverted to established "downtime" procedures for situations such as this.
  - As part of post incident actions, our Office of Information and Technology is acquiring hardware to provide *additional* redundancy, to proactively ensure we do not have a recurrence of the issues experienced the week of July 31st.
  - To help mitigate "downtime" operations in especially time sensitive areas such as land border/truck processing, OIT is working to establish capabilities that will allow OFO personnel to continue operating if the ACE Portal is unavailable.
  - In addition to addressing technology, CBP is working with the Commercial Customs Operations Advisory Committee (COAC) to establish a joint working group focused on industry input on downtime procedures, which will enable us to incorporate industry impacts and needs into our communication process.
  - We appreciated the support of port personnel and our trade stakeholders as we worked through these critical issues.

WATCH OUT FOR/IF ASKED

- **What are CBP's downtime procedures for ACE?**
  - In the event of an ACE system slow down or outage, CBP has procedures in place to address system issues and communicate with users just as we've had with ACS. Port downtime or workaround procedures will be implemented as determined by the Office of Field Operations, and guidance to the trade community will be communicated via the Cargo Systems Messaging Service (CSMS). Filers should continue to work with the local port office regarding the movement of goods.

Prepared by: (b) (6), (b) (7)(C), Director, Communications & Training Trade Transformation Office, Office of Trade, (b) (6), (b) (7)(C)

Date: Thursday, August 31, 2017

Office of Field Operations
Cargo and Conveyance Security
Automation of Maritime Forms
September 5, 2017

Action Required: Informational Only

Issue: U.S. Customs and Border Protection (CBP), Office of Field Operations (OFO), Cargo and Conveyance Security (CCS) has begun the process of automating maritime entrance and clearance forms. This effort is in competition with ongoing forms automation projects being conducted by Admissibility and Passenger Program (APP) and Agriculture Program and Trade Liaison (APTL), all of which have an overreach in the maritime environment. Prioritization between these projects need to be established.

Executive Summary:
A framework has been established to facilitate a simplified submission of vessel documentation using the Automated Commercial Environment (ACE) Secure Data Portal. The ACE Portal will provide the trade access to pre-populated data transmitted to CBP systems, effectively eliminating the need for duplicate transmissions of the same data.

Automation of maritime entrance and clearance paper forms, in conjunction with APP and APTL efforts, will provide a single electronic information system in the (b) (7)(E) to collect, organize, preserve and retrieve maritime entrance and clearance data. The realization of this goal will effect single common operating picture and realize true efficiencies and cost savings on all maritime-related processes.

On October 25, 2015, C1 participated in a Trade day event with the World Shipping Council and identified vessel forms automation as a high priority for their members. As a result of the meeting, C1 pledged to move forward on the automation of maritime forms.

Background:
Traditionally, ports manually process all entrance and clearance maritime forms – paper forms are hand-delivered, mailed or faxed to ports for processing or an officer reports to the carrier's location. The automation of maritime forms will modernize CBP operations by allowing for immediate entrance and clearance of vessel, whereby reducing processing time and the cost of doing business for CBP and the Trade.

- The required forms for the entrance and clearance of maritime vessels are:
  - CBP Form 3171 – Application- Permit-Special License Unlading-Lading-Overtime Services
  - CBP Form 1300 – Vessel Entrance or Clearance Statement
  - CBP Form 1303 – Ship's Stores Declaration
  - CBP Form 1304 – Crew's Effect Declaration
  - CBP Form 5129 – Crew Member's Declaration

Current Status:

- TASPD provided a Level of Effort for automation of all forms as follows:
  - Requirements Timeline:
    - Gather workflow requirements with all stakeholders – Approximately 1 month
    - Specify Trade Electric Data Format with Pilot Trade Participants – Approximately 2-3 months (dependency will be on the Trade)
  - Development Timeline:
    - Develop Standard Trade Electronic Data Format – Approximately 6 months
    - Develop User Interface Screens – Approximately 6 months
      - Develop the Vessel Management System functions in (b) (7)(E) Import Cargo Vessel Risk List
      - Develop new user interface screens for new forms/workflows in the (b) (7)(E) Import Cargo Vessel Risk List system
  - Develop Reports for all Stakeholder – approximately 1 month
- TASPD provided a cost estimate of (b) (5) for automation of all forms (see attached).
- All forms are expected to fall under one electronic filing from the Trade and the IT side will populate the individual forms for all CBP end-users.
- A short-term solution for populating vessel documents in the Document Image System has completed. This will ultimately provide access to vessel documents for review via (b) (7)(E) prior to vessel arrival.
- A working group has been formed to include the World Shipping Council, select ocean carrier representatives, Office of Trade ACE Business Office, OIT TASPD, (b) (7)(E) CCS, Coast Guard and selected New Orleans Field Office personnel. Weekly meetings have been scheduled to begin November 3, 2015.

Approved/Date: _____ **Disapproved/Date:** _____

Needs Discussion/Date: _____ **Modify/Date:** _____

From:	(b) (6), (b) (7)(C)
To:	CBP COMMISSIONER SCHEDULER; HAYES, BRADLEY F
Subject:	XD Hayes - A/L
Start:	Thursday, September 28, 2017 12:00:00 AM
End:	Saturday, September 30, 2017 12:00:00 AM

(b) (6), (b) (7)(C)

Subject: XD Hayes/DXD [redacted] - CBP Port Tour
Location: Memphis, TN

Start: Wed 9/20/2017 12:00 AM
End: Sat 9/23/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: CBP COMMISSIONER SCHEDULER

Categories: Out of Office

(b) (6), (b) (7)(C)

Subject: (A) C1 Confirmation Hearing
Location: Hill

Start: Tue 10/24/2017 9:00 AM
End: Tue 10/24/2017 10:00 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Webinars

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject:	AAR Transborder Committee Meeting - Meet & Greet with Executive Director Hayes
Start:	Friday, October 27, 2017 7:30:00 AM
End:	Friday, October 27, 2017 8:30:00 AM
Location:	AAR Building - 10th floor offices at 425 3rd Street, SW. Washington DC

Greetings, (10/25/17 update),

(b) (6), (b) (7)(XD Hayes, and Director (b) (6), (b) (7)(C will meet AAR representative in the lobby of the AAR building around 8:15-8:25am.

This will be held on the 10th floor not 9th floor as in my original invite.

Thank you,

(b) (6), (b) (7)(C

(b) (6), (b) (7)(C)

Subject:	A/L
Start:	Mon 10/2/2017 7:00 AM
End:	Mon 10/2/2017 1:00 PM
Show Time As:	Out of Office
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Personal

(b) (6), (b) (7)(C)

Subject:	A/L
Start:	Fri 10/6/2017 7:00 AM
End:	Fri 10/6/2017 4:00 PM
Show Time As:	Out of Office
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Personal

(b) (6), (b) (7)(C)

Subject:	Block
Start:	Tue 10/31/2017 10:30 AM
End:	Tue 10/31/2017 11:00 AM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Personal

(b) (6), (b) (7)(C)

Subject: Block

Start: Tue 10/17/2017 11:00 AM
End: Tue 10/17/2017 12:00 PM

Recurrence: (none)

Organizer: (b) (6), (b) (7)(C)

Categories: Personal

(b) (6), (b) (7)(C)

Subject:	Block
Start:	Tue 10/31/2017 10:30 AM
End:	Tue 10/31/2017 11:00 AM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Personal

(b) (6), (b) (7)(C)

Subject: Bradley/[redacted]
Location: Sterling, VA

Start: Wed 11/1/2017 12:00 AM
End: Thu 11/2/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject:	C1
Location:	Boston, MA
Start:	Wed 11/1/2017 12:00 AM
End:	Fri 11/3/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	C1-C2 Meetings

(b) (6), (b) (7)(C)

Subject:	C2
Location:	San Diego, CA
Start:	Thu 10/26/2017 12:00 AM
End:	Fri 10/27/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	C1-C2 Meetings

From: (b) (6), (b) (7)(C) on behalf of (b) (6), (b) (7)(C)
To: HAYES, BRADLEY F
Subject: Call with Customs
Start: Thursday, October 5, 2017 2:15:00 PM
End: Thursday, October 5, 2017 3:00:00 PM
Location: WebEx

-- Do not delete or change any of the following text. --
* Meeting Number: (b) (7)(E)
* Meeting Password

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(b) (6), (b) (7)(C)

Subject: Call with [redacted]
Location: [redacted] to call DHS cell

Start: Tue 10/17/2017 4:30 PM
End: Tue 10/17/2017 5:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F

Categories: Calls

(b) (6), (b) (7)(C)

Subject: Catch-up w/(b) (6), (b) (7)(C)
Location: (b) (7)(E)

Start: Mon 10/2/2017 7:00 AM
End: Mon 10/2/2017 8:00 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Categories: Calls

Discuss ECTS and other general OTR matters and pending items.

(b) (6), (b) (7)(C)

Subject:	CLOSED: Columbus Day
Start:	Mon 10/8/2018 7:00 AM
End:	Mon 10/8/2018 4:00 PM
Show Time As:	Out of Office
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Reminder

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject: COAC 1USG Subcommittee Monthly Call - October 2017
Start: Tuesday, October 24, 2017 1:00:00 PM
End: Tuesday, October 24, 2017 2:00:00 PM
Location: (b) (7)(E)

Greetings,

Our next monthly subcommittee call will be on Tuesday October 24th at 2pm (ET).

Thank you,
(b) (6), (b) (7)

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: COAC Admin Call
Start: Wednesday, October 25, 2017 2:00:00 PM
End: Wednesday, October 25, 2017 3:00:00 PM
Location: (b) (7)(E)
Attachments: RECOMMENDATIONS TO DATE-OCT23.xlsx
Tab 03 Agenda - COAC Meeting.docx

Note: Please try to attend as this will the last collective gathering before the COAC meeting on Nov. 14th

AGENDA:
-COAC Public Meeting Agenda
-Specific issues/topics for pre-meeting with CBP leadership & Commissioner
-COAC Members Report to Congress
-COAC Executive Summary
-COAC Meeting (11/14/17) Logistics, questions, etc.
-Updates

<<RECOMMENDATIONS TO DATE-OCT23.xlsx>>

<<Tab 03 Agenda - COAC Meeting.docx>>

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010083	Fully implemented	We have announced mandatory dates for remaining entry types:July 23, 2016: Mandatory filing of ACE electronic entries and entry summaries for remaining entry types, specifically those entry types involving quota merchandise.August 27 2016: Mandatory use of ACE for Protests.October 1 2016: Mandatory use of ACE for all remaining electronic portions of the CBP cargo process: Duty Deferrals, Statements, Reconciliation, Drawback and Liquidation. We continue to work with the PGAs and will announce any pilot updates and other relevant dates as soon possible.	1 US Govt	We recommend that as soon as possible, CBP announce the mandatory ACE filing dates for any Partner Government Agencies (PGA) or entry types for which mandatory filing dates have not yet been announced.
010084	Fully implemented	CBP has already approached the Partner Government Agency (PGAs) members of the Border Interagency Executive Council (BIEC) about extending the BIEC beyond the Executive Order's ITDS Single Window delivery date of December 2016, and the PGAs have all agreed that this is a desired way forward. (status as of 9/30/2016).	1 US Govt	We recommend that the Border Interagency Executive Council (BIEC), established under Executive Order 13659 and recognized by the World Customs Organization as a best-in-class border management approach, be permanently established with a continued focus on cross-agency collaborataion with the goal of promoting economic competetiveness through enhanced trade facilitation and enforcement.
010099	Fully implemented	CBP COAC 1USG Subcommittee launched a Fish & Wildlife Service Working Group in January 2017. To date (July 19th) the working group has met 20 times and is developing recommendations to be considered by the COAC during the August 23, 2017 public meeting.	1 US Govt	In the spirit of streamlining America's Imports and Exports and coordinated border management, COAC recommends that CBP work with the Fish & Wildlife Service (FWS) to minimize data creep in the FWS PGA message set and increase process coordination. Data not used for admissibility decisions before, including forms that were kept in broker files but rarely requested by the PGA, should not be used for that purpose now. The agency should collect this data post-entry, if necessary, and it should be based on risk management principles in order to not impede the entry process. COAC further recommends that CBP work with FWS to minimize the number of HTS codes that are flagged and limit the flags to those HTS codes that truly have a high likelihood of covering goods that are subject to the agency's requirements. In addition, CBP should work with FWS to align their disclaim process with that of other agencies and reinstate the FW1 flag. Finally, CBP should work with FWS to maintain the Non-Designated Port Exemption Permit (DPEP) or develop another way to ascertain the admissibility of goods while allowing regulated cargo to flow through all US ports of entry. COAC recommends CBP share these recommendations with the Border Interagency Executive Council (BIEC).
010100	Under consideration	(T) Director [redacted] reported that a lot of discussions with Mexico have happened over the past several years. Manifest Harmonization is a project being addressed under the 21st Century border initiatives with Mexico. Mexico copied most of CBP import manifest requirements for their Export manifest. Now Mexico is working with Director [redacted] group to mirror their import requirements with CBP's export manifest requirements. The discussion with Canada/CBSA started early on but there has been changes in CBSA leadership. There have been recent discussions and CBSA has agreed to further discuss. Next call is scheduled for late July 2017.	1 US Govt	COAC recommends CBP continue the detailed work with the U.S., Canada and Mexico, and to the greatest extent possible, harmonize all data elements being required by the countries for import and export manifests, and ensure that all data elements are in accordance with the WCO SAFE Framework. It is also recommended that all three participating countries formalize the process of extracting the data they are authorized to access from a single source, thereby requiring the carrier to only submit one manifest transaction for both import and export purposes.
010101	Under consideration	(T) [redacted] from CCS/OFO reported that discussions with CBSA are ongoing. There have been extensive discussions with Mexico. CBP has the materials that CBSA provided to carriers, so this is a starting point with them. PI with SAT UC with CBSA	1 US Govt	As the U.S. implements export manifest requirements for all modes, COAC recommends that CBP work with the U.S., Canada and Mexico to harmonize, where possible, the data required for U.S. export with Canada's import manifest and Mexico's not-yet-developed import manifest, and synchronize the timing requirements for filing.
010102	Under consideration	(T) Director [redacted] reported that CBP had discussions with both CBSA and SAT regarding advance data requirements but neither country/agency has come forward to commit to further working on requirements in this area of advance manifest requirements (ACAS) or Importer Security Filings (ISF). CBP is planning to bring this issue up in the call scheduled for late July 2017 and then soon after have a call with both CBSA and SAT to further discuss.	1 US Govt	For advance security filing, manifest, and cargo release, COAC recommends CBP work with the three countries to place the relevant filing requirement on the party most qualified to do so. Qualified parties are those most likely to have the best information and who can be held accountable to the various governments if the data is incorrect or false. For advance security filings similar to ACAS and PACT, COAC recommends CBP work with Canada and Mexico to ensure these filings are made by the party who issued the lowest level transport bill, or in the absence of the ability to regulate that party, by the carrier. For shipment-level information, COAC recommends CBP work with Canada and Mexico to ensure manifest filings are made by the party who issued the transport bill or in the absence of the power to regulate that party, by the carrier. Transport information should be provided by the carrier, as the carrier is the only party who can identify with certainty which shipments have been loaded onto a conveyance.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010103	Under consideration	(T) Director (b) (6), (b) tated this is related to both recommendations 101 and 102. CBP is still trying to harmonize the data elements related to the manifest. This is still under discussion with both CBSA/SAT	1 US Govt	When identifying common data elements used by the U.S., Canada, and Mexico, COAC recommends the use of a standard naming convention aligned with the WCO Data Model III for standardized Customs and other border control agency import and export message. Using minimal common data elements to achieve an effective risk management solution should be the goal. Furthermore, when CBP is analyzing advance data and all message sets for the North America Single Window, COAC recommends the WCO Data Model III should be used as a basis to build any future data and message sets among the U.S., Canada, and Mexico.
010104	Under consideration	(T) Director (b) (6), (b) stated this is related to recommendation to 102 and is still under consideration by the 2 governments Canada and Mexico to determine if they will adopt advance data requirements. Further input is needed from Directo (b) (6) Office of Trade/Trade Policy and Programs given that this recommendation is for CBP to identify agencies (from all 3 governments) which have release/hold authority and prioritize harmonization efforts in those areas. The PGA discussions are still pending. COAC realizes that this is a complex recommendation and a long term goal.	1 US Govt	COAC recommends CBP work with all three nations' government agencies who have authority over imported products to meet and harmonize their individual requirements to collect advanced data to make determinations in advance as to whether cargo should be released upon arrival, examined, or held for further research and testing. COAC also recommends CBP work with Canada and Mexico to identify agencies which have release/hold authority and prioritize harmonization efforts. COAC recommends CBP work with the other government agencies to examine all permits and licenses required for import and export to determine any redundancies or areas where there are similar requirements and harmonize where possible.
010105	Partially implemented	(T) Director (b) (6), (b) eported that we continue to work with Mexico. Last week (July 10th) received information from SAT on some new initiatives related to the 21st Century Border related to cargo pre-inspection. Secretary Kelly and Secretary Meade met with Mexican officials two weeks ago and one of the areas they agreed upon is cargo pre-inspection here in the United States which will allow Mexican authorities to be stationed at U.S. airports (similar to how it works in Laredo). We continue to work with electronic manifesting under the Beyond the Border (CBSA/CBP) regarding truck crossings. CBP OFO are currently working with Rules and Regulations area on how best we can create the new regulations in this area. CBP has also done some work with CBSA on the in-transit pilots. Currently CBP is automated our side but CBSA is not yet automated in this area. Hopefully at some point in the future CBSA will start work on their electronic infrastructure and this effort might be further advanced and automated. IP with SAT IP with CBSA	1 US Govt	COAC recommends CBP review work completed to date on both the U.S.-Canada Beyond the Border initiative as well as the U.S.-Mexico High Level Economic Dialogue and 21st Century Border Management initiatives. CBP should leverage work completed specific to border operations by various Partner Government Agencies (PGAs) and Other Government Departments (OGDs) relevant to North American trade. COAC recommends CBP fully engage with Canada and Mexico to finalize and implement initiatives such as data harmonization, integrated cargo security strategy, and true mutual recognition of trusted trader partners.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010106	Under consideration	(T) Director (b) (6), (b reported that this recommendation is related to recommendations 102 and 104. CBP is continuing discussions in this area with Canada and Mexico.	1 US Govt	COAC recommends CBP work with Canada and Mexico to identify how each country defines advance security and admissibility data. This should provide a general overview to include modes impacted, time frames to submit, the responsible party who can present and/or submit advance security and admissibility data as well as a current and future end state for each country. To the extent possible under national legislation, these same data elements should be used for admissibility requirements across borders when filed as a unified entry/release including both advance security and admissibility data elements. COAC further recommends CBP work with Canada and Mexico to develop uniform advance manifest data elements in both the truck and rail modes of transport to allow sharing of manifest data unilaterally across each border. To the extent possible under national legislation, the uniform advance manifest data elements in each mode should be used for admissibility purposes when accompanied by the required submissions for each country's entry/release process and export reporting requirements. As the data required for these modes of transport expands beyond harmonized manifest elements, COAC further recommends CBP develop a tri-lateral program for standardized advance security data elements that can also be used as a unified filing similar to how ISF operates for ocean in today's U.S. environment to provide for a unified, simplified security data and entry process (security filing, cargo release, and entry summary).
010107	Under consideration	(T) Director (b) (6), (b reported that this effort is being addressed by one of the NA Trilateral working groups.	1 US Govt	Where possible, COAC recommends CBP work with PGAs/OGDs in the U.S., Canada and Mexico to accept globally recognized product identifiers, such as G-TIN, when submitted by an importer or exporter to describe the imported or exported product. Because these codes are more specific and more descriptive of the product, the codes should be preferred over other types of identifiers used by specific agencies.
010108	Under consideration	(T) Director (b) (6), (b reported that CBP is coordinating discussions in this area among the NA Trilateral working groups.	1 US Govt	To streamline the requirements for importing and exporting and to assist all three countries' government agencies with oversight over imported and exported products, COAC recommends CBP work with the U.S., Canada and Mexico to begin the process of harmonizing their PGA/OGD data and their definitions of each data element.
010109	Under consideration	(T) Director (b) (6), (b stated that we had the discussions on "single filing" and it focused on who would be the responsible (the filer) and which government would have responsibility to send it to all interested government parties. These discussions still need to take place with the governments	1 US Govt	COAC recommends CBP work with the U.S., Canada and Mexico to align, where possible, the data elements required for export filings into a single data set and single filing to benefit importers and/or exporters as well as the various regulatory agencies.
010110	Under consideration	(T) Director (b) (6), (b reported that we will be having further conversations with CBP Chief Counsel and Regulations and Rulings. CBP does not recognize sub-house bills. This has to be addressed by CBP s legal counsel prior to moving forward to include this with the work of the North America Single Window	1 US Govt	COAC recommends CBP work with Canada and Mexico so the single window data set accommodates the most specific shipment references available. All modes of transportation may transport consolidated shipments of cargo; therefore, the single window data set should accommodate simple bills of lading, master bills of lading, house bills of lading and sub-house bills of lading even though each mode of transportation may use different terminology.
010111	Under consideration	(T) Director (b) (6), (b eported that work is currently being addressed within CBP and after things are resolved then we can take this issue to the other 2 countries. Right now, US, Canada and Mexico all have different value thresholds for de minimis	1 US Govt	Anticipating a rapid growth of e-commerce in the next few years, COAC recommends CBP consider the WCO guidelines as they evolve, and encourage the three nations to examine their current processes for e-commerce including entering and screening low value importations, not just to facilitate trade, but also to have adequate screening processes to ensure the health and safety of the citizens of the three countries. COAC recognizes that each country may establish a different value threshold for goods allowed under the de minimis, but screening by PGAs and CBP for health and safety should be similar.
010244	Fully implemented	A PGA Message Set – Cargo universe already exists in ACE that allows users to bring in data elements that are transmitted through the PGA Message Set. All PGAs have access to the entry/entry summary header data. Additionally, the bulk of PGA data is captured in the message set. As an example, data elements that can be brought in from the PG05 Message Set which covers much of Fish and Wildlife, includes: - Scientific Genus Name - Scientific Species Code - Scientific Species Name - Scientific Sub Species Name The data in this universe has data elements available for reporting for the following PG Message Sets submitted by trade: PG01, PG02, PG04, PG05, PG06, PG07, PG08, PG10, PG13, PG14, PG17, PG18, PG19, PG20, PG21, PG22, PG23, PG23, PG24, PG25, PG26, PG27, PG28, PG29, PG30, PG31, PG32, PG33, PG34, PG35, PG60, PG50, PG51, PG5, OI	1 US Govt	ACE: Related: COAC recommends expanding reporting capabilities in ACE to accomodate and include the Partner Government Agency (PGA) data elements transmitted in the corresponding PGA message set.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010245	Consideration Pending	CBP has conducted analysis on the requirements needed to implement this recommendation. Major redesign of the Account structure would be required. At this time, there are no plans to implement this recommendation.	1 US Govt	COAC recommends modifying the ACE account structure to provide ACE participants with visibility to and reporting on all transactions where they are listed as an "entity" to the transaction, including as Forign Supplier Verification Programs (FSVP) importer, consignee, etc.
010246	Under consideration	The ABI Query for Foreign Currency Rates will remain in ACS until ACS is no longer available. In parallel, currency rate calculation information is also posted onwww.cbp.gov/ace. At this time, Foreign Currency Rates functionality has not been identified as a funded priority. (TTO; 9/21/17)	1 US Govt	To ensure uniformity and accuracy of foreign currency conversions the COAC recommends that CBP provide currency tables in ACE/ABI, consistent with the objective to transition all legacy ACS functionality into ACE/ABI.
010247	Under consideration	CBP is working with the COAC to establish a joint working group focused on industry input on downtime procedures, which will enable us to incorporate industry impacts and needs into our communication process. (TTO; 9/21/17)	1 US Govt	COAC recommends that CBP work with the 1USG subcommittee to review, develop, and draft ACE disaster recovery and national downtime procedures.
010248	Consideration Pending		1 US Govt	Regarding the interim pilot, the COAC recommends that CBP work with Fish and Wildlife to:Include small, medium and large importers as part of the pilot.Exclude type 06 entries (FTS- Foreign Trade Zone weekly withdrawals) from the interim pilot.Engage the COAC and trade the opportunity to provide recommendations, as needed, in regards to policies ad procedures prior to the publication of the revised Implementation Guide. Once the pilot begins, engage the COAC and trade to evaluate the pilot and provide feedback for long term solutions.
010249	Consideration Pending		1 US Govt	Regarding Outreach and Education, the COAC recommends that CBP partner with Fish and Wildlife to increase its overall outreach and education with the trade by:Further integrating FWS into the Centers of Exellence and Expertise. The Centers have much knowledge about the importers that are managed within the CEE. Increased collaboration between the CEEs and FWS could allow better targeting and resolution by FWS.Requesting FWS host additional webinars to the trade on the upcoming interim pilot and other information pertinent to the trade.Inviting FWS to attend other industry conferences and provide updates as part of the actual sessions at these confernces.INviting FWS to participate in "trade days" at the ports of entry to disseminate information.Requesting FWS host webinar and training sessions communicating requirements to overseas companies that export to the United States.Requesting FWS to further enhance and simplify their website, adding links to provide key information to importers, Customs brokers and any trading partners who bring goods subject to Fish and Wildlife into the United States, e.g,., fact sheets and Frequently Asked Questions (FAQs).
010250	Consideration Pending		1 US Govt	The COAC recommends CBP work with the Fish and Wildlife Service to adopt the same "Hold Intact" concept used by the Food and Drug Administration (FDA) and as outlined by CBP under 19 CFR 141.113 (c), (d). This would allow importers to obtain a conditional release from CBP to move cargo from the port of entry to another location of the importer's choosing and hold the cargo intact until it is fully released by FWS or hold only those items designated by FWS that need to be held.
010251	Consideration Pending		1 US Govt	The COAC understands that FWS is part of the Convention on International Trade in Endangered Species and Wild Fauna and Flora (CITES) committee. As such the COAC recommends that CBP encourage the FWS to participate in the CITES electronic permitting exchange and requests a report, when able, on its efforts to implement this electronic process in the United States. This would include implementing electronic permit standards and norms in order to issue and receive CITES permits generated through an electronic permit information exchange with participating countries.
010252	Consideration Pending		1 US Govt	The COAC understands that the Fish & Wildlife Service (FWS) is currently conducting a port study in relation to the Designated Port Exception Permit process. The COAC recommends that FWS provide updates to the COAC FWS working group, as they are able, on the status, results and next steps of the port study.The COAC recommends that CBP work with FWS to continue to look for options to support the current Designated Port Exception Permit Process.
010253	Consideration Pending		1 US Govt	The current Harmonized Tariff System is not clear enough to determine whether a commodity meets FWS exemptions. Currently a large number of the HTS numbers flag for Fish & Wildlife (FWS). The purpose of this recommendation is to have fewer tariff numbers flagged for FWS and still allow FWS to collect necessary information. The COAC recommends partnering with FWS to request further tariff number break-outs from the appropriate parties at the International Trade Commission and CBP to address the following areas:Seperating domesticated specimens from non-domesticated specimensDetermining shellfish/fishery product for human or animal consumptionSeperating animal from non-animal productThe FWS working group has developed a white paper with further recommendations on tariff number break-outs.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010254	Consideration Pending		1 US Govt	The COAC has a concern surrounding the number of HTS numbers flagged for FWS. The recommendation to further break-out HTS numbers is an effort to partner with FWS to find ways to comply with FWS' requirements, but also reduce the number of HTS numbers flagged for FWS. The COAC recommends that in the interim, until such time as the previous recommendation is adopted, CBP work with FWS to explore flagging only those HTS numbers which require a response, and are in direct proportion to FWS' high risk HTS numbers.
010255	Consideration Pending		1 US Govt	The COAC recommends that CBP work with FWS to create a "Compliant Trader" program for importers. FWS, together with the trade, would determine the conditions for entering and remaining in the program. This program would allow FWS to focus on importers and commodities that truely pose a risk versus those parties who have demonstrated they are a "Compliant Traders." One of the reasons for this program would be for the trade to work with FWS on how the trade can provide proof under the Y/N scenarios without providing additional data elements when disclaiming a product from filing form 3-177.Example: Specifically under the "N" scenario where additional data is required to provide proof of claim, if an importer is deemed to be a "Compliant Trader," they would not need to provide the additional data elements as they have already satisfied the proof of claim under entering the "Compliant Trader" program.Example: The trade recommends that FWS adopt a registry process similar to the registry process piloted by the Consumer Product Safety Commission (CPSC). This process would be made available to those importers deemed to be a Compliant Trader. This registry would allow the Compliant Importer who imports recurring SKUs into the U.S., a "registration" number from FWS that could be applied to subsequent shipments of the exact same SKU filed in ACE subject to FWS. This would mean that FWS has the ability to pull up the original informaton on file for the SKU and apply it to subsequent SKUs on entries imported with the same SKU. The "registration" number would be provided by the trade on all subsequent FWS filings through ACE when importing that SKU. The COAC recommends that the current FWS working group scope out this process with FWS during the interim pilot. This process could possibly be utilized by other Partner Government Agencies (PGAs). In addition the COAC recommends that FWS work together with CBP to align the "Compliant Trader" program with other Trusted Trader Programs.
010256	Consideration Pending		1 US Govt	The COAC has a concern surrounding the burden of proof for an exemption, specifically in relation to animal species and the requirement of additional data elements under the "N" scenarios where the importer claims the product is exempt from the 3-177 form. As a result, the COAC recommends CBP partner with FWS to utilize the one letter disclaimer code that indicates the product contains certain domesticated species, as provided for in 50 CFR 14.4.The COAC encourages FWS to adopt the one letter disclaimer code to be used in the Interim Pilot as part of the final implementation.If FWS determines that the domesticated disclaimer code will not be part of the final implementation, the COAC recommends FWS support its need to obtain the genus and species information on certain domesticated species by issuing a notice of proposed rulemaking to amend 50 CFR.
010098	Partially implemented	CBP started development on Export Training program but is waiting for funding stream approval prior to continuing.	Exports	COAC recommends that CBP Headquarters (HQ), with COAC and Partner Government Agency (PGA) input, should devevlop and provide training in the short term and on a periodic basis to local CBP officials responsible for enforcing export laws and requirements. Such training should address CBP as well as PGA regulations (e.g., Census, BIS, DDTC, OFAC, etc.) and data requirements as relevant to differnt commodities and should lead to CBP standard operating proceedures (SOPs) for processing export cargo in a uniform and efficient manner nationally.
010132	Under consideration	Per Director (b) (6), (b) (7)(C) uly 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	COAC recommends the development of a detailed plan for implementing the PDF pilot based on the proposal developed by the WG and we respectfully request that CBP engage with the PDF Working Group to develop and launch that pilot in the next six months both in the air and ocean modes.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010168	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data element "Name of Exporter": The exporter is not a party that is captured by transportation documents or carrier manifests.Therefore, it is recommended that CBP change the name of this data element name to "shipper name". Additionally, the US definition of shipper is not in line with the WCO definition for the equivalent data element "consignor", nor with the Canadian definition of "shipper", both of which designate the proper party to be that which is shown on the bill of lading / shipping document / transport contract.COAC recommend that CBP change its definition of shipper name to "the name of the party shipping the goods as shown on the Bill of Lading (BOL)/shipping document." This recommendation applies to the manifest systems, import and export, for all modes of transport.Furthermore, because truck BOLs are not standardized, COAC recommend that CBP provide guidance regarding which of the potential fields on a truck BOL contains the proper party to be submitted as the shipper element.
010169	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	As the next step of the process, COAC **recommend that CBP clearly delineate and define all truck export manifest data elements such that they are suitable for determining IT requirements, and develop a comprehensive explanatory spreadsheet of the US export manifest data elements that also references them to the import manifest data elements of Canada and Mexico.**
010170	Under consideration	Per Director (b) (6), (b) (7)(C) uly 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	It is understood that CBP may wish to allow or encourage – and potentially in the future even require – the submission of additional data elements. However, it is problematic when CBP makes provision for such new elements by expanding the definition of an existing data element, instead of creating a new data element with its own clear definition. One example is the shipper data element, the definition of which has been proposed to include "an identification number that will be a unique number to be assigned by CBP upon the implementation of the Automated Commercial Environment". However, a carrier is unlikely to find this future CBP identification number in the shipper name field of the transport document. Similarly, with the data element "Cargo Description", along with "detailed description of the cargo", CBP has also included in the definition the 6-digit level of the Harmonized Tariff Schedule. But a plain language description of the goods and an HTS classification are two different things. We believe that this "definition expansion practice" leads to a lack of clarity in data element definitions, is a hindrance to international harmonization, and is impractical with regard to IT programming and cargo documentation practices. We therefore recommend that, as a standard future practice, if CBP wishes to provide filers the option of transmitting additional information, that this information be delineated as new, clearly-defined data elements. This recommendation applies to the manifest systems, import and export, for all modes of transport.With regard to specific truck manifest data elements, we recommend that CBP remove 1) the identification number item from the definition of shipper and 2) the HTS reference from the definition of cargo description, and instead include them as a separate, new, optional data element to be provided in new, separate fields of a message.
010171	Under consideration	Per Director (b) (6), (b) (7)(C) uly 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data element of "consignee", the carrier has information on only one party: that who is listed on a transportation bill as the consignee.We therefore recommend that CBP delete the truck export data elements "ultimate consignee" and "intermediate consignee", and replace these with a single data element: "consignee". We further recommend that this "consignee" data element should be defined in alignment with the WCO SAFE Framework and Canada e-manifest definitions of "consignee" as the name of the party to whom the cargo/goods are being "shipped to" or "consigned" as shown on the Bill of Lading or shipping document. This recommendation applies to the manifest systems, import and export, for all modes of transport.Similar to "shipper" above, because truck BOLs are not standardized, we recommend that CBP provide guidance regarding which of the potential fields on a truck BOL contains the proper party to be submitted as the consignee element.
010172	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data element "Name and Address of the Notify Party", CBP has defined this as "the name and address of the party to be notified as specified in the carrier's/freight forwarder's contract of carriage or commercial sales." The carrier, however, does not have access to commercial information.COAC therefore recommended that CBP remove any reference to commercial sales documentation from the definition. Furthermore, customers do not always provide a notify party, therefore this data element should be designated as "conditional", with further delineation needed regarding when it is mandatory.

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010173	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data elements "Port or Place of Unloading" and "Place where the cargo was accepted", COAC recommend that CBP define these in alignment with similar Canada CBSA e-manifest data elements, and make them conditional, to be required only when these places differ from the information provided in the consignee field for place of unloading, or the shipper field for place where the cargo was accepted.
010174	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data element carrier code, we recommend that CBP coordinate closely with CBSA to ensure that a system of "look-up" tables are in place for both manifest systems in order to translate between US and Canadian carrier codes.
010175	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data element "Trip number or Unique Consignment Number", we recommend that these be listed as two separate data elements, with the definitions aligned to those found in the Canada e-manifest system.
010176	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data element cargo quantity, it is understood that CBP wants the lowest level piece count, and that carriers should employ due diligence to transmit accurate data in this regard. However, it is sometimes impossible for a carrier to determine whether or not the piece count provided to it by a shipper is accurate. Therefore we recommend that, as per the Trade Act, CBP ensures that the policy interpretation of this element provides that carriers should be able to reasonably depend upon the information provided to it by shippers, and that CBP direct any enforcement actions toward shippers who are providing inaccurate information to carriers.
010177	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to Hazmat, we recommend 1) that CBP align with the Canadian designation of the UN number as the required Dangerous Goods Code element, unless no UN # exists for the commodity involved, and 2) that the data element Chemical Abstract Service ID Number be eliminated or made optional.
010178	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data element AES ITN or AES Filing Exemption Code, we recommend that all of the possible citations utilizing the expected codes should be provided for review.
010179	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to the data elements "license code", "export control classification number", and "License or Permit Number", we note that all of these are commodity elements, not related to the transport contract that is the basis of the manifest. We also note that the Automated Export System should already capture all of these data fields attached to an ITN, therefore to also require them on the manifest would be duplicative.COAC therefore recommend that CBP remove these elements from the truck manifest data element list, and that the issuance of an ITN be used as a "one-stop shop" for validation of these and any similar commodity-related data elements. This recommendation applies to the export manifest systems for all modes of transport.
010180	Under consideration	Per Director (b) (6), (b) (7)(C) uly 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to data elements related to split shipments, COAC recommend that CBP undertake an evaluation to determine whether the government has a compelling interest in carriers providing detailed split information, such as number of pieces on a given conveyance, on the export manifest. This recommendation applies also applies to the rail and air export manifest systems.
010181	Under consideration	Per Director (b) (6), (b) (7)(C) July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	With regard to promoting seamless intermodal transport, the Canadian highway e-manifest system includes a field in which the filer can provide an ocean bill of lading number. The US truck data element list does not include this field. We also note that ocean-to-truck is not the only possible intermodal transfer; particularly across the northern border, air-to-truck (and vice-versa) transfers are standard practice. COAC therefore recommend that CBP include a data field for the provision of a bill of lading identifier from another mode of transport in all of its export manifest systems, including air, ocean, rail and truck, to provide a mechanism to link together information for the same shipment that has been filed in different systems under different bill numbers.

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010182	Under consideration	Per Director [redacted] July 18th, 2017 Export Subcommittee Call - He Reported that the "Flying Trucks" is not currently under his full jurisdiction but that this recommendation is under consideration. He is working with the appropriate area within CBP regarding this particular recommendation. CBP will try to incorporate this recommendation into the pilot.	Exports	The current process by which conventional carrier air shipments exported from the US by truck are reported to customs today is inefficient and burdensome. Known as "flying trucks", these are trucks that operate under air carrier flight numbers and carry shipments travelling under an air waybill, including shipments that have entered the United States by air and are being exported to Canada by truck, and those that originate in the United States and are exported by truck, and are then transferred onto an aircraft in Canada for export to a third country. As the automated truck manifest is developed, we recommend that CBP develop an airline/truck dual-filing, dual-manifest approach, in which 1) air carriers – via the Air Export Manifest System – provide CBP with data on the house and master bills departing on an airline flight-number-identified truck, and 2) truckers – via the Truck Export Manifest System – provide CBP with the required truck specific data elements, so that 3) CBP can link the two data submissions together behind the scenes.
010183	Under consideration	Per Director [redacted] July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	Express air shipments moving multimodal (ground-to-air and air-to-ground) on trucks across the Northern and Southern Borders, commonly referred to as "Flying Trucks", are still required to stop at the border to present paper in-bond documents. This includes shipments exporting from an FTZ. The current manual processes result in inefficiencies and service delays. There are a number of disparities/gaps in functionality today, such asAir Manifest-originated in-bonds can be closed in QP/WP, but QP-originated in-bonds cannot be closed in Air Manifest, and most carriers and many forwarders use only Air Manifest.For shipments moving entirely by air, Air Manifest can be used to electronically arrive and close all in-bonds, but this electronic capability disappears once a shipment moves to a different mode. The same "full-electronic" capability should exist in all modes of transportation, including inter-modal moves. To automate in-bond processes, full and robust ACE functionality must be adopted to open, arrive (e.g., transmit an ASN 3 message) and close/export (e.g. ASN 7 message) all transportation in-bonds, including those for shipments moving inter-modally. We therefore recommend that functionality be incorporated into in Air (import) Manifest, QP/WP and the new export manifest systems (air and truck) so that all in-bonds, regardless of the modal or functional (e.g., ABI versus manifest) ACE system in which they were originated, can be electronically arrived and exported. The new functionality must include the ability to create - in the manifest system - electronic in-bonds for export shipments originating from an FTZ, and the ability to use both CBP 4-digit port codes or three-letter airport codes in all ACE applications to enable creation and arrival/export of in-bonds.
010184	Under consideration	Per Director [redacted] July 18th, 2017 Export Subcommittee Call - He Reported that all Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Exports	Keeping in mind CBP's need to conduct adequate pre-departure manifest targeting for export shipments, we recommend that CBP do all possible to preserve existing benefits for trusted traders as the truck export manifest system is developed. In particular, we recommend that account-based programs be leveraged to preserve the exemption for pre-departure manifesting for trusted trader participants in the Canadian Customs Self Assessment program, and that similar benefits be provided for participants in the Operadora Economica Autorizada (OEA) program for Mexico's trusted traders across the southern border.
010122	Consideration Pending		Global Supply Chain	Minimum Security Criteria (Minimum Security Criteria) Purpose: The C-TPAT program is a voluntary program with a specific purpose of achieving the highest level of supply chain security and facilitating legitimate trade. As such, COAC recommends that CBP maintain the focus of the program on supply chain security and additional Minimum Security Criteria should be focused on minimizing risks in the supply chain. The COAC recognizes the need of the Minimum Security Criteria to be periodically reviewed and updated as global security threats shift and evolve, the underlying goals of the C-TPAT program should be maintained.
010123	Consideration Pending		Global Supply Chain	**Additional Feedback:** COAC commends CBP for taking steps to update Minimum Security Criteria as this process facilitated a productive interactive dialogue leading to a framework for the future of C-TPAT. In light of the fact that the Minimum Security Criteria will have a significant operational and financial impact on partners, the COAC recommends that CBP reach out to C-TPAT participants giving them 90 days to comment on the proposed new Minimum Security Criteria and allow CBP to integrate feedback. Given the proposed substantial changes to the program, the current process warrants additional outreach to C-TPAT participants.
010124	Consideration Pending		Global Supply Chain	**Benefits:** COAC recommends that CBP work with the COAC working group to review and update program benefits and assist in establishing metrics. The goals are to facilitate trade, secure the supply chain, and maintain and encourage increased participation. To achieve these goals, it is necessary to find ways to offset the program costs.

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010125	Consideration Pending		Global Supply Chain	**Cost-Benefit Analysis:** In conjunction with developing the Minimum Security Criteria, COAC recommends that CBP work with C-TPAT participants to develop an analysis of the cost and benefits.
010126	Consideration Pending		Global Supply Chain	**Staged Implementation:** Since the C-TPAT program's creation in 2001, and with current participation of over 11,000 companies, the existing Minimum Security Criteria have been widely adopted and institutionalized in business practices. As such, COAC recommends that CBP conduct a pilot phase of the new criteria to evaluate the operational feasibility. In addition, CBP should allow sufficient time for business to implement the new Minimum Security Criteria once they are finalized.
010127	Consideration Pending		Global Supply Chain	**Eliminating Redundancy:** COAC recommends that prior to finalization and implementation of new Minimum Security Criteria, the Minimum Security Criteria should be reviewed in their totality to streamline requirements, remove potential redundancies with existing Minimum Security Criteria or any overlap with existing laws and regulations, and focus both CBP and Trade resources on areas of highest risk.
010128	Consideration Pending		Global Supply Chain	**International Obligations:** The COAC recommends that CBP engage with international trade partners to ensure that any new requirements align with Authorized Economic Operator (AEO) standards to meet mutual recognition obligations.
010129	Consideration Pending		Global Supply Chain	**Outreach:** COAC recommends that CBP provide training and reference materials on the new Minimum Security Criteria to ensure C-TPAT participants understand the objectives, risk, and requirements of each new Minimum Security Criteria well in advance of implementation.
010130	Consideration Pending		Global Supply Chain	**Uniformity & Transparency:** COAC recommends that CBP's plan include the development and issuance of updated guidance to both C-TPAT partners and CBP including a transparent and uniform Tier 3 / best practices and validation process.
010131	Consideration Pending		Global Supply Chain	**Supply Chain Entities:** In light of recent security threats, CBP should consider expanding C-TPAT participation to include other entities in the international supply chain currently ineligible for participation, e.g., domestic entities such as drayage carriers, rail carriers and warehouses
010257	Consideration Pending		Global Supply Chain	COAC recommends CBP begin a Proof of Concept Pipeline Pilot to allow Pipeline Operators to utilize a Monthly 7512 batch reporting process. CBP to consult with the Pipeline Working Group to develop the parameters of the Pilot and bonding requirements and potential expansion.
010001	Consideration Pending		TERC	COAC recommends that CBP utilize CSMS messaging to advise or inform the trade of emerging compliance risks that will initiate enforcement activity as well as changes in port operation. This includes port pipelines and notifications from Centers of Excellence and Expertise to be provided via CSMS message as the trade migrates to more centralized processes. In addition, CBP should also place all CSMS messages in a single searchable location, via CBP.gov.
010002	Under consideration	CBP currently provides notice to ISA participants. There are no plans to further expand to other importers.	TERC	COAC recognizes that CBP's trade enforcement vision strives to focus on more substantial enforcement areas and not just taking a "parking ticket" approach for minor non-compliance (e.g., Option 1 or other liquidated damages claims of a few hundred dollars), especially non-repetitive and clerical errors involving both imports and exports. Similar to ISF and other new, phased-in enforcement or policy regimes, CBP should provide at least 30-days notice to the trade in order to allow ample time to comply. This policy further supports CBP resource allocation decisions for application to the more substantial, fraudulent and egregious violators.
010003	Consideration Pending	CBP will issue a reminder memo outlining the policy timelines for issuing liquidated damages claims as stated in the SAMEPH	TERC	COAC recommends that CBP provide specific deadlines for issuing liquidated damage claims similar to ISF so claims do not pile up unnecessarily due to any potential delays in issuing them. Liquidated damages are meant to be punitive in nature and allow the violator time to correct and rectify any problems. If violators are held to paying or petitioning liquidated damage claims within 60 days of issuance, CBP should also have guidelines to issue claims on a timely basis (e.g. 60 days) to avoid unnecessary hardship on the trade.
010004	Consideration Pending		TERC	COAC recommends that CBP review and update its Mitigation guidelines, in light of technology advances, trusted trader programs, and inter-agency enforcement partnerships to provide a transparent and uniform application of CBP's mitigation policy. Particularly in cases of less egregious violations, CBP should enforce and mitigate on more of an account-based, as opposed to transactional approach. This also encompasses COAC's prior recommendation to review the FDA Redelivery Mitigation Guidelines. COAC recommends that TERC create a Working Group to assist CBP with addressing this recommendation within the next three to six months.

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010005	Consideration Pending	Information on the first two bullets is available by RSS feed. AD/CVD statistics are included in AD/CVD update newsletters posted on CBP.gov.	TERC	COAC recommends that CBP utilize CSMS messaging and/or RSS feeds to more actively push out links to AD/CVD enforcement information, such as:AD/CVD enforcement updates issued monthly or as available on CBP.gov.The final disposition of 19 U.S.C. §1592(a) penalty cases for civil violations and Department of Justice criminal claims filed under the False Claims Act as reported on CBP.govYear-end enforcement statistics on AD/CVD that breaks down enforcement efforts by commodity, country, etc. on an annual fiscal year basis (see IPR Annual Seizure Report as an example).
010006	Consideration Pending	This duplicates information that is already publicly available in multiple sources. AD/CVD Orders are already published in the Federal Register by the Commerce Department. Subscriptions to the Federal Register are available via RSS feed or email, to a search term, a section, an agency or a daily feed of all documents. In addition, all Commerce AD/CVD messages on new AD/CVD Orders are already available to the trade in ACE and the AD/CVD Search database on CBP.gov. AD/CVD messages are searchable by message type in both systems to identify new AD/CVD Order messages, and the AD/CVD Search database includes a "View Most Recent AD/CVD Messages" function to access new messages on AD/CVD Orders.	TERC	COAC recommends that CBP should also utilize CSMS messaging and/or RSS feeds to provide a web link to advise the trade of new AD/CVD Orders. This represents an important stage in the AD/CVD investigation when all entries are suspended for liquidation and cash deposits must be secured.
010007	Consideration Pending		TERC	COAC recommends that the Centers collaborate based on their industry expertise to conduct outreach via webinars so the trade can be fully informed of AD/CVD orders among the various Centers' industry sectors and to increase informed compliance for the trade.
010008	Fully implemented	Implemented	TERC	COAC recommends that CBP establish RSS feeds from the AD/CVD page of its website to allow the trade to receive real-time notifications of any updates made to the site.
010009	Fully implemented	Implemented and posted on CBP.gov.	TERC	COAC recommends that CBP should provide an updated document to the trade that provides clear definition of what is meant by terminated vs. inactive AD/CVD cases as identified in the customs broker outreach that was conducted.
010010	Fully implemented	CBP conducted briefings with AD/CVD Working Group on EAPA process and regulations. Decision Memoranda for EAPA investigations are posted on the EAPA website onwww.cbp.gov	TERC	In accordance with Section 432 of HR 644, COAC recommends that CBP consult with COAC to further assess its legal ability to provide a public summary of AD/CVD investigations under the Enforce and Protect Act of 2015 to balance the need for trade enforcement transparency and support informed compliance for the trade.
010011	Consideration Pending	The AD/CVD Working Group has completed its review and provided its input to CBP.	TERC	COAC recommends that the AD/CVD Working Group conduct a final review of CBP's AD/CVD Web Page to ensure it hosts links to all other government websites where AD/CVD information can be found. The AD/CVD web page is already robust and this review should help complete this pending recommendation.
010012	Consideration Pending		TERC	COAC recommends that CBP conduct outreach via appropriate means so that the trade can be better informed of the e-allegations tool and how it facilitates and enhances CBP processes in identifying and enforcing IPR related issues, concerns, and allegations.
010085	Fully implemented	CBP plays in integral role in IPR Center. CBP has filled the the Deputy Director position and the staff positions at the IPR Center. In its role as a key member of the IPR Center, CBP will work with the IPR Working Group as it considers other approaches to developing an IPR Known Importer program with the IPR Center.	TERC	After extensive exploration and discussion, the COAC recommends that the Known Importer Program initiative cannot be managed uniformly by all trade associations to pilot and/or implement the program at such time. As a result, the COAC recommends that the IPR Working Group continue to consider other approaches to developing a Known IPR Program with the National IPR Center and work together to co-create the program.
010086	Fully implemented	CBP provided the IPR Working Group information on using CBP s e-Allegations system as a way to report IPR-related trade violations, in addition to IPR Center's "Report IP Theft" button. CBP also informed the working group of its efforts to promote the use of e-Allegations by the trade community and the public. CBP recently launched it's "Truth Behind Counterfeits" IPR public awareness campaign at six airports across the country. The campaign includes a new webpapge (www.cbp.gov/fakegoodsrealdangers) which contains information on the dangers of counterfeit goods and the importance of the shopping from reputable sources. The webpage also includes information on using e-Allegations to provide CBP information about IPR-violations.	TERC	COAC recommends that the National IPR Center partner with the IPR Working Group and various Trade Associations to promote the "Report IP Theft" campaign and encourage real-time reporting of IPR violations through a newly established 800 Hotline.
010087	Partially implemented	Partially Implemented- Members of the IPR Working Group took great interest in the formation of the COAC e-commerce working group. CBP encouraged the IPR working group participants to inform their industry members to use CBP s e-Allegations system to provide CBP information on IPR-related trade violations.	TERC	COAC recommends that CBP investigate partnering with eCommerce stakeholders to develop an automated process for their on-line customers to complete a survey if they feel the shipment of product they received is not legitimate along with the opportunity to submit an allegation through the "Report IP Theft" Button.
010088	Partially implemented	CBP discussed with the working group members its continued efforts to identify and interdict countefeits through trade special operations focused on problem areas.	TERC	COAC recommends that CBP should consult with the IPRWG to determine how to better facilitate cargo that arrives as "blanks" without a logo or trademark to distinguish the brand at the time of arrival to reduce resources CBP is expending on unnecessary seizures. The IPRWG should consider how this could be automated to manage known parties or entities to the transaction within the ACE Portal.

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010089	Partially implemented	Partially Implemented-The Office of Trade continues to work closely with the Centers on industry roundtables and other engagement with the trade community. Through these coordinated efforts, best practics and information on successes are exchanged.	TERC	COAC recommends that CBP take advantage of certain IPR best practices established by the Centers of Excellence and Expertise (Centers) to conduct webinars internally and allow Centers to gain knowledge of these successes, inform the trade of these successes, and inform industries of CBP's efforts through these webinars and CSMS messaging.
010090	Fully implemented	TRLED hosted its first workshop with the trade during FY 17 and it was a resounding success, with more requested. TRLED has also done outreach to the trade at the CIT Judicial conference, 2016 East and 2017 West Coast Symposiums, and on numerous other occasions. Further, our decisions are posted on the EAPA website onwww.cbp.gov in order to provide insight to the trade on the basis for our determination and this will also inform as to what constitutes "evasion."	TERC	To ensure the definition of evasion as defined by the ENFORCE Act is fully understood by the trade, COAC recommends that CBP conduct more public outreach to educate the trade on ENFORCE proceedings.
010091	Consideration Pending	Parties must file their allegations through our web portal, much like e-allgations. https://eallegations.cbp.gov/EAPAForm/Allegation_EAPA This web portal includes the necessary information required in an allegation and also includes the certifications that must be acknowleged before an EAPA allegation will be properly "received." The website also includes this cautionary language regarding fraud and abuse of the site.	TERC	To meet ENFORCE statutory requirements, COAC recommends that CBP be provided with the appropriate resources to establish and maintain an on-line reporting tool similar but distinct from the current eAllegation process on CBP.gov. The on-line reporting tool should include guidance on the ramifications for submitting false claims and/or information to CBP and require all parties in an ENFORCE proceeding to provide signed certifications of the accuracy of the submitted information.
010092	Consideration Pending	It is unclear what this is requesting. We apply the legal standards for initiation as found in the statute and regulations. This is demonstrated by our decision to not intiate the first EAPA allegation we received. See Notice of Non-Initiation of Investigation as to NEXTracker, EAPA Case No. 15134 (Oct. 17, 2016) (available athttps://www.cbp.gov/sites/default/files/assets/documents/2016-Dec/EAPA%2015134%20Wheatland%20Tube.pdf).	TERC	COAC recommends that CBP provide transparency for all parties to an ENFORCE proceeding, and put procedures in place as fully allowed by ENFORCE statute that mitigate the risk of unwarranted damage to the reputation of innocent parties who have acted properly under the law.
010093	Fully implemented	CBP worked with the AD/CVD Working Group to publicize steel seminars and provide steel AD/CVD compliance information.	TERC	The AD/CVD Working Group reviewed CBP's web page and recent AD/CVD Brochure. COAC further recommends that CBP work with the AD/CVD Working Group to help disseminate this information to new and existing importers through various trade associations, which can also provide yearly updates to provide more education and outreach about the potential consequences of circumvention. The messaging should raise awareness of the compliance requirements associated with merchandise subject to AD/CVD.
010094	Consideration Pending		TERC	In addition, COAC recommends that CBP consider using the new data elements they will collect under the New 5106 regulations, (importer contact name and email address) to make new importers aware of the compliance requirements and risks associated with merchandise subject to AD/CVD as well as other PTIs and informed compliance tools.
010095	Consideration Pending		TERC	**Activity Code 1 Single Transaction Bonds (STBs):** COAC recommends that CBP seek to clarify and streamline the current bond formula if subject to Partner Government Agency (PGA) requirements so the trade can fully automate compliance within ACE at the HTS and line level, and CBP can more easily conduct sufficiency reviews. Such guidance should include clarifying which PGAs with hold authority are subject to bonding requirements for three times the value, and that this higher bond formula does not include PGAs that are disclaimed in ACE.
010096	Consideration Pending	IN - PROCESS	TERC	**Activity Code 1 Continuous Bonds:** COAC recommends that the current Reviewers and Analytical Bond Formula are sufficient to protect the revenue and satisfy certain PTIs provided that CBP's Centers of Excellence and Expertise continue to detect trends prior to liquidation or through audit and "adjust" continuous bonds when there is any outstanding debt that has not been paid or protested and jeopardizes revenue. However, these continuous bond formulas are insufficient for Anti-Dumping and Countervailing Duty (AD/CVD) as addressed in Recommendation #14. **AD/CVD Duties:** COAC recognizes the challenges of a retrospective system in the U.S. and continues to support recommendation 12025 from the 12th Term of COAC that would provide a prospective system for collection of AD/CVD cash deposits. Because the revenue is not adequately protected when there is a retrospective change in the AD/CVD cash deposit that is posted at time of entry, COAC recommends that CBP leverage the current policy for "Use of Single Transaction Bonds as Additional Security for Anti-Dumping and Countervailing (AD/CVD)." COAC further recommends that CBP amend this current policy to revise the statement to "return the bond" to "liquidate the entry to exhaust remaining liability or exposure" and include this policy in the new bond directive for full transparency to the trade.

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010097	Consideration Pending		TERC	**Liquidated Damages:** COAC recognizes that continuous bond formulas do not currently contemplate any inclusion of liquidated damages. The COAC recommends that CBP fully consider past history of liquidated damage claims and patterns before factoring these into any continuous bond formulas and consult with the Bond Working Group if and when such data is available to review and consider. Based on the current draft directive, COAC recommends that CBP better define how liquidated damages would be factored into any continuous bond formulas and should not include those liquidated damages that have been satisfactorily paid or petitioned by an otherwise compliant bond principal to resolve the matter. COAC also recommends that the Analytical Bond Formula can be used to contemplate liquidated damages paid by the surety to adjust bond amounts if such claims advance to a delinquent status.
010112	Partially implemented		TERC	COAC recommends CBP develop a forced labor mapping process similar to what was created for the Enforce and Protect Act (EAPA) for anti-dumping and countervailing duty (AD/CVD). While the process should focus on CBP roles and responsibilities, it should also include other government requirements, including those of the U.S. Department of State, U.S. Department of Labor, U.S. Immigration and Customs Enforcement (DHS-ICE), and additional relevant Partner Government Agencies (PGA), and Other Government Agencies (OGA). The mapping process should identify pain points and potential recommendations for resolving them.
010113	Partially implemented		TERC	COAC recommends CBP conduct a series of webinars to educate all stakeholders including Civil Society Organizations (CSOs), importers, customs brokers, etc. about forced labor laws and relevant issues to increase awareness and compliance. These webinars should include the following perspectives: a) Industry specific webinars with CBP's Centers of Excellence and Expertise (CBP Centers) b) Efforts by the trade industry to address forced labor laws by industry/sector c) CSO efforts to help the trade industry identify forced labor within the supply chain d) Joint trade industry and CSO efforts to address forced labor
010114	Fully implemented		TERC	COAC recommends several updates to CBP technology used to communicate forced labor updates, including: a) CBP should promote the trade.enforcement@cbp.dhs.gov email address for stakeholders to submit forced labor questions and develop an automated auto reply process. b) CBP should use these questions to update a Frequently Asked Questions document on a quarterly basis and post the updates to cbp.gov. c) CBP should implement the feedback provided to the forced labor page and supporting documents on cbp.gov in order to provide the trade with a clearer understanding of forced labor laws and processes. CBP should also provide more meaningful tools to clarify how importers can comply with forced labor laws. The Forced Labor Working Group has provided updates to various aspects of the forced labor page on cbp.gov for CBP's consideration in Appendix A. d) CBP should clarify their ability to self-initiate allegations. e) CBP should modify the CSMS messaging fields to allow selection of "Trade Policy Updates" on forced labor and RSS feeds when the forced labor page on cbp.gov is updated (similar to the COAC recommendations made for AD/CVD).
010115	Fully implemented		TERC	COAC recommends CBP add new forced labor questions to the existing COAC survey to gauge the trade industry's knowledge of these issues, and share the survey results with the trade industry. The Forced Labor Working Group has provided sample questions for CBP's consideration in Appendix B.
010116	Under consideration		TERC	COAC recommends CBP develop a catalog of available resources that have been developed to address forced labor. The catalog should be organized by Government, CSO, and Business resources. The Forced Labor Working Group has provided a sample Resource Catalog for CBP's consideration in Appendix C.
010117	Under consideration		TERC	COAC recommends CBP-HQ work through the CBP Centers to develop referral resources on forced labor for industry-specific sectors where applicable, and publish these resources on cbp.gov.
010118	Under consideration		TERC	COAC recommends the CBP Commissioner leverage the resources of the appropriate CBP Center, which has knowledge of the industry and is responsible for managing importer accounts, when making an allegation assessment or the decision to issue, revoke, or modify a withhold release order (WRO).

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010119	Partially implemented		TERC	COAC recommends the CBP Centers engage in ongoing outreach and bi-directional education with all stakeholders active in preventing the importation of goods made with forced labor, including the importing community, PGAs, OGAs, CSOs, and other non-government organizations (NGOs). CBP-HQ and the Centers should also invite CSO and NGO representatives to take part in industry outreach efforts.
010120	Partially implemented		TERC	COAC recommends CBP modernize the current forced labor regulations in 19 C.F.R. 12.42-44 and provide for a public comment period. In addition to updating the regulations to remove the consumptive demand provision, CBP should consider the following updates: a) In regards to Proof of Admissibility requirements per 19 CFR 12.43, rely less on reference to specific documents that are obsolete or may become so in the future. b) Currently, forced labor regulations are silent on when CBP must respond to a WRO. COAC recommends CBP update the regulations so they are similar to existing procedures, policies and directives for detention of merchandise, which CBP is required to follow in order to make a final determination within a specified timeframe. CBP should establish an appropriate timeframe to respond to an importer's proof of admissibility as a result of a WRO, and this timeframe should be incorporated into the revision of the regulations.
010121	Partially implemented		TERC	COAC recommends CBP work with key stakeholders to develop and publish an Informed Compliance Publication (ICP) on Forced Labor. The Forced Labor ICP should include a detailed process for stakeholders (both CSOs and the trade industry) to understand how the current forced labor process works from CBP's perspective. In order for the trade industry to become strategic leaders in the field, the ICP should also include resources and guidance from CBP and other PGAs for industry to follow. The Forced Labor Working Group has provided a suggested outline and resources to include in the ICP for CBP's consideration in Appendix D.
010258	Partially implemented	CBP has been coordinating with COAC working groups during the development of the EO recommendations and will continue to do so as implementation plans are developed.	TERC	COAC recommends that CBP continue to engage with the TERC Subcommittee and underlying working groups to collaborate prior to implementing any policy and/or statutory changes required by the Presidential Executive Order on Enhanced Collection and Enforcement of AD/CVD and Violation of Trade and Customs Laws, especially in the areas of heightened enforcement and increased bonding that could have a substantial impact on the trade.
010259	Under consideration	This is a new recommendation that is currently being worked on with the AD/CVD Working Group.	TERC	COAC recommends that CBP work with the Department of Commerce to develop educational papers and best practices for handling critical circumstances and AD/CVD entries that have a 0% deposit rate at the time of entry. The AD/CVD Working Group also provided various updates to CBP's FAQ document and recommends incorporating some of these newer educational tools into the FAQ.
010014	Under consideration	Due to statutory language, the agenc proposed, in its proposed NPRM for Part 11 to retina "national" permit and transition away from district permis.	Trade Mod	Replace "district permit" and "national permit" with "the permit" or "permit" to better reflect the transition to a single permit framework that operates at the national level within the customs territory of the United States. Part 111
010015	Under consideration	Due to statutory language, the agency proposed, in its proposed NPRM for Part 111 to retain a "national" permit and transition away from district permits.	Trade Mod	Implement COAC recommendation 15057 to require brokers to have a single permit that allows them to have sufficient authority to conduct customs business at the national level within the customs territory of the United States. §111.2
010016	Under consideration	CPB will identify district permitted brokers who do not have a national permit and consider the means for an effective transition process for those brokers.	Trade Mod	Prepare for the transition to a single permit by asking CBP to identify brokers that currently do not have a National Permit and work with them to properly and effectively transition to a single permit that operates at a national level. §111.2
010017	Under consideration	In the proposed NPRM, CBP proposed to eliminate permit waivers.	Trade Mod	Eliminate the process for brokers to receive permit waivers as they will not be required under a single permit operating at the national level. §111.19
010018	Under consideration	In its proposed NPRM, CBP presposed to requrie brokers to provide this evidence in the application for a national permit, similar to the process now required to obrtain a district permit	Trade Mod	Require brokers to provide satisfactory evidence of how he/she/the entity intends to exercise responsible supervision and control ("RSC") to obtain a permit which includes, but is not limited to, a plan outlining the use of the ten (10) factors, list of physical offices, name and title of the licensed broker qualifying the permit; the list of other licensed brokers providing supervision and a list of employees conducting customs business. §111.19
010019	Under consideration	BMB has submitted a GIF to ACE/TTO for program scheduling	Trade Mod	Make enhancements to ACE for the broker to identify the name and primary point of contact associated with the broker's permit. §111.19

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010020	Under consideration	In its proposed NPRM, CBP proposed to update the 10 or more non-limiting factors	Trade Mod	Update the 10 factors, as appropriate, under responsible supervision and control ("RSC") to better align with brokers' current business practices; specifically clarify language to:Factor 4: CBP initiated reject rate resulting from entries or entry summaries expressed as a percentage of the broker's overall business for the various customs transactions.Factor 5: The maintenance of current electronic or other media editions of CBP Regulations, the Harmonized Tariff Schedule of the United States, and CBP issuancesFactor 6: The availability of an adequate number of individually licensed brokers for necessary consultation with the broker's employees engaged in customs business.Factor 7: The frequency of supervisory contact (whether physical or virtual) of an individually licensed broker to another office that does not have a resident individually licensed broker.Factor 8: The frequency of audits and reviews conducted under the supervision of an individually licensed broker of the customs transactions handled by employees of the broker and evidence of corrective action taken as a result of the audits and reviews.Factor 9: The extent to which the individual who qualifies the permit is engaged in the customs business of the brokerage firm (removal of "district" and "national" permit language). §111.1
010021	Under consideration	An updated broker best practices policy document will be issued pursuant to the publication of the NPRM. Exact process outlining houw to train, instruct, etc will not be provided. Each business should be free to structure their firm and processes to meet the requriemtns of Customs business that meets their business model.	Trade Mod	Provide guidance concerning the ten (10) factors demonstrating responsible supervision and control. Specifically, CBP should set forth best practices in a policy document, preferably in the Broker Handbook, including examples of how a broker, among other things, should: properly train employees; issue appropriate written instructions, guidelines and internal controls; maintain an adequate ratio of employees to a licensed broker based on factors such as the volume, type, diversity of business and commodities a broker handles etc.; engage in supervisory contact; and audit and review operations, etc.
010022	Fully implemented	The October 2017 exam delivery is scheduled to be in electronic format. Exam results for the first delivery should run aroun 3-4 weeks instead of 7-8 weeks and shorted with the second delivery and thereafter.	Trade Mod	Pursue a Notice of Proposed Rule Making (NPRM) at once to enable CBP to administer an electronic exam format in calendar year 2017. In the long term, automate the exam, the process for notifying examinees of their exam results and the appeal process. §111.13
010023	Consideration Pending	CBP does not own the sites where the exam is delivered and will not at this time provide for a 2nd monitor enabling simultaneous exam and tariff availability	Trade Mod	Explore further enhancements to the broker exam such as automated access to resources like the Harmonized Tariff Schedule (HTS) and Explanatory Notes. §111.13
010024	Fully implemented	The exam delivery date is the 4th Wednesday i/o 4th Monday in October and April. CBP agrees to investigate "on demand" exams in the "long term".	Trade Mod	Conduct the examination on the fourth Monday in April and fourth Monday in October to enhance applicant participation and CBP exam proctoring. In the long term, explore conducting a broker exam that can be taken 'on-demand' rather than conducted twice a year. §111.13
010025	Fully implemented	All may submit questions for vetting for customs exam on cbp.gov/trade/brokers	Trade Mod	Explore having the broker industry (e.g., NCBFAA) assist in developing broker exam questions in conjunction with CBP.
010026	Under consideration	Brokerages wanting to maintain duplicate recrods may do so at their option. CBP's proposed NPRM for Part 111 ensure that one copy is maintained within the Customs territory of the U.S.	Trade Mod	Duplicate records stored in non-customs territory of the United States must be available and retrievable by the broker upon request by CBP and parties as addressed in §111.24. §111.21
010027	Under consideration	CBP's proposed NPRM for Part 111 inclused this language.	Trade Mod	Require brokers to provide CBP with the contact information of the individual who is the designated contact in §111.21(c) as well as how and by whom the records are stored. This information is to be provided with the application of a new permit and through the triennial process. §111.23
010028	Consideration Pending	CBP continues to review the limitaion of the definition and may not provide a definition in 19 CFR 111.1	Trade Mod	Define "confidential business information" as including data, information or records that concern or relate to the production, sales, shipment, purchase, expenditures, payment, warehousing, inventory management or other information of commercial value or significance unless such information is otherwise available within the public domain.§111.1, 111.24
010029	Consideration Pending	CBP continues to investigate but notes that importers' privacy requires protection. Past rulings have provided for specific information sharing appropriate to business needs. Brokers may share information that is in the public domain and any informaiton agreed upon between the importer and the Broker.	Trade Mod	In addition to the current exceptions for sureties and duly accredited CBP or other U.S. officers or agents, enable the broker to disclose confidential business information to third parties to facilitate the movement of merchandise, perform security screenings or reviews, for collection purposes, to address any claim or potential claim against him/herself from the importer, or otherwise to conduct business within the broker's scope of services consistent with its power of attorney. §111.24
010030	Consideration Pending	CPB may investigate revisions to 19 CFR 163 once proposed changes to Part 111 are finalized through the rulemaking process.	Trade Mod	Consider any necessary revisions to 19 CFR §163 in accordance §111.21, §111.23 and §111.24 recommendations.
010031	Fully implemented	ACE enhancements already accomodate electronic employee reporting. Under Consideration is Streamlining the number of reporting data points is under consideration in the NPRM	Trade Mod	Streamline the employee reporting process through electronic submission and limit the required data elements to the employee name, social security number, date of birth, and current home address. §111.28
010032	Under consideration	CBP ACE requires the repoting of terminatied employees. BMB is concernd that liminted reporting with reduce the control of felons in the brokerages. CBP's proposed NPRM contemplated reporting timeline standarization.	Trade Mod	Eliminate the requirement for a broker to report terminated employees; require the broker to, at a minimum, to report employees involved in customs business, but allow the broker to report all employees if necessary; and modify the employee reporting timeframe requirements to harmonize reporting timelines and to allow for flexibility in reporting frequency. §111.28
010033	Under consideration	CBP has submitted an ACE - GIF for evaluation and scheduling.	Trade Mod	Make enhancements to ACE that can better facilitate the electronic reporting of broker employee information (to include the system electronically determining if the broker is reporting new or terminated employees) and other broker-related functions.

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010034	Under consideration	CBP has submitted an ACE - GIF for evaluation and scheduling.	Trade Mod	Review the information included in the triennial reporting process and identify ways to better facilitate and satisfy reporting requirements for the information (e.g., maintaining current information on the ACE portal).
010035	Consideration Pending	CBP is considering the necessity of changes to its regulation in this regard. The proposed NPRM addresses some aspects of direct interaction between the importer and the broker.	Trade Mod	In all cases, the broker shall follow the importer's documented instructions regarding customs business to include the transmission of bills for services, copies of the entry releases and summaries, and other documentation or data filed on the importer's behalf. Ensure that importers to directly interact with the broker and provide guidance on processing merchandise. §111.36 (a)
010036	Consideration Pending	CBP's proposed NPRM would require obtaining the POA directly from the importer and not through an intermediary.	Trade Mod	Implement COAC recommendation 13023 regarding obtaining a power of attorney directly from the importer. Recommend CBP implement immediately to meet requirements in the Trade Facilitation and Trade Enforcement Act of 2016 until it can be promulgated in regulation. §111.36 (a)
010037	Consideration Pending	CBP allows the compensation of the freight forwarder for business referrals and is reviewing conditions.	Trade Mod	Allow brokers to compensate freight forwarders for referring brokerage business without the conditions currently stated in the regulations. §111.36(c)
010038	Consideration Pending	CBP's proposed NPRM contemplaste consolidation all stated fees into 111.96.	Trade Mod	Remove specific fee dollar amounts and reference a single source (i.e. CBP.gov, policy directive, etc.) for specific information on the fees and their schedule where all broker-related fees can be posted in order for CBP to have greater flexibility in changing fee amounts, if needed. §111.96
010039	Consideration Pending	CBP agrees that fees that are not limited by statute should cover CBP's costs.	Trade Mod	Increase the permit fee to offset CBP's administrative costs. §111.96
010040	Fully implemented	The fee is increased to match cost with the June 30 2017 Final Rule and active with the Oct 2017 exam	Trade Mod	Increase the exam fee to offset CBP's costs for administering an electronic exam. §111.13
010041	Under consideration	CBP is investigating the expansion of payment options for fees	Trade Mod	Expand payment options for brokers and partners for broker-related fees to Pay.gov.
010042	Consideration Pending	Revised CBPF 5106 data elements are under review. CBP will consider ACE enhancements as a post core functionality.	Trade Mod	Implement COAC recommendations 13024, 13061, and 13062 regarding updates to CBP Form 5106 data elements, limiting additional information from companies in good standing, and collecting such information as practical via ACE. Proposed new section §111.43
010043	Consideration Pending	CBPF 5106 required data elements are currently under evaluation. Broker vetting of importer and non-resident importer may be addressed by proposed regulations in 19 CFR 141 and the Power of Attorney.	Trade Mod	Require customs brokers to collect appropriate and accurate data for the CBP Form 5106 as practical, available and necessary for a broker to conduct due diligence on, and verify the identity of, an importer including a foreign national. Proposed new section §111.43
010044	Consideration Pending	CBP may generate an ACE GIF as a post core functionality and its investigating the roles of the parties related to that. CBP is investigating a process enabling broker's access to relevant Federal agency information for vetting importer identities and contemplates that this proposal will be addressed in an NPRM amending 19 CFR 141 to reflect the requiremtns of TFTEA 116.	Trade Mod	Enhance ACE capabilities to enable importers to provide the remainder of CBP Form 5106 data at the importer's, as opposed to the broker's, disposal and also to enable customs brokers to review information maintained by relevant Federal agencies for purposes of verifying the identities of importers. Proposed new section §111.43
010045	Consideration Pending	To implement TFTEA 116 CBP is working on a proposed NPRM: CBP contemplates proposing reasonable steps to verify open source datea on an importer. Exact points are under evaluation. CBP contemplates proposing regulation that would reflect the reqruiements of TFTEA Section 116, such that brokers would be requried to maintain recrods according to appropriate recordkeeping stands. CBP finds BKIP is not sufficient to meent the needs of TFTEA 116 and expects a proposed NPRM related to TFTEA 116 will align to 19 CFR 141.	Trade Mod	In order to implement section 116 of the Trade Facilitation and Trade Enforcement Act of 2016:To verify the authenticity of such information the customs broker will take reasonable steps, for instance by reviewing publically available open source information regarding the importer's business and as appropriate, by reviewing the physical address of the importer particularly in the case of small or privately held companies and/or for individuals.In cases where the review calls into question the authenticity of the information, the broker will conduct a further review inquiry, as reasonable and practical, to identify the importer. A customs broker shall maintain the records of the information collected to verify the identity of the importer consistent with appropriate recordkeeping guidelines.CBP should consider the manner in which the current Broker Known Importer Program (BKIP) could satisfy the broker's responsibility to vet an importer's identity and authenticity. Proposed new section §111.43
010046	Consideration Pending	CBP continues to review the need for requring CE and the equitability of unrestricted qualifications on CE.	Trade Mod	Pursuant to CBP's authority under 19 U.S.C. §1641(f), enabling it to prescribe rules or regulations it considers necessary to protect importers and the U.S. revenue, implement COAC recommendation 13010 requiring licensed brokers to have a minimum of 40 hours of continuing education during their triennial reporting period. However, allow flexibility in qualifying continuing education credits with no restrictions/requirements on accredited continuing education. Proposed new section.
010047	Consideration Pending	CBP coninutes to review the need for requireing CE and the equitability of this recommendation.	Trade Mod	As a policy recommendation, require a broker with a voluntarily suspended license to have a triennial period's worth of continuing education completed as a prerequisite to re-activate his/her suspended license. Also, recommend that CBP institute a waiver for this requirement upon a showing of good cause.
010048	Consideration Pending	CBP is evaluating a centralized Broker Managemetn office with dedicated field staff reporting to HQ	Trade Mod	Institute a Broker Management office reporting to CBP HQ, with full-time, dedicated personnel on a national level, with each broker assigned to one team for management purposes.
010049	Under consideration	CBP's proposed Part 111 NPRM would indicate that U.S. customs business must be conducted wthin the customs territory of the United States.	Trade Mod	Ensure customs business, as performed by a Customs Broker, may only be conducted within the customs territory of the United States with the issuance of a permit. §111.19

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010050	Under consideration	CBP's proposed Part 111 NPRM would indicate that broker records may be electronic and a set must be maintained within U.S. Customs territory. See recommendation 26.	Trade Mod	Require electronic customs records be stored in an electronic format within the customs territory of the United States. The records must be available and retrievable by the broker upon request by CBP to the parties addressed in §111.24. Duplicate records may be stored in non-customs territory of the United States. §111.21(a) and §111.23(b).
010051	Consideration Pending		Trade Mod	U.S. Customs and Border Protection Headquarters (CBP HQ) plays a vital role in promoting uniform practices across all ports of entry. The CBP Centers of Excellence and Expertise (Centers) should communicate and collaborate with HQ, and with one another, to ensure the consistent and uniform application of business rules, directives, processes and policies that affect trade.
010052	Consideration Pending		Trade Mod	To the extent practicable, CBP should share reports and findings (e.g., The National Center for Risk and Economic Analysis of Terrorism Events (CREATE report)) including performance measurements and metrics regarding the efficiencies, costs for participants, and best practices of the Centers as a result of employing risk management and account-based processing principles to enhance uniform decision-making. At least on an annual basis CBP should offer a questionnaire to Center accounts to obtain industry input to gauge such progress and report such findings to the Trade. (The University of Virginia C-TPAT study is a good example.)
010053	Consideration Pending		Trade Mod	CBP HQ should provide consistent, clear messaging regarding the status and intended length of the Centers test as well as benefits provided to such "participating accounts." The Centers should also provide or, at least serve as a reference point for, information on CBP partnership programs (Customs – Trade Partnership Against Terrorism (C-TPAT) or Importer Self-Assessment (ISA)), including the benefits of those programs internal and external to the Centers to encourage participation.
010054	Consideration Pending		Trade Mod	CBP shall provide each Center with its own webpage embedded in CBP.gov. The webpage would provide a collection of existing and current industry based information, decisions and publications in consultation with COAC (e.g., Informed Compliance Publications, Customs Rulings On-Line Search System (CROSS) rulings and decisions, and educational information) -- this would pull and consolidate from existing resources already on CBP.gov to make the information more manageable by industry. Additionally, CBP HQ shall interface with PGAs to obtain their industry-related links to be placed onto the Center webpages.
010055	Consideration Pending		Trade Mod	Centers shall collaborate with the trade to request and obtain industry focused information to create and further develop industry guidance through new or updated Informed Compliance Publications or other means.
010056	Consideration Pending		Trade Mod	The Centers should share information to assist the trade in achieving compliance in the CBP priority trade issues that often result in enforcement actions such as Antidumping and Countervailing Duty (AD/CVD), Intellectual Property Rights (IPR), Free Trade Agreements (FTAs), etc.
010057	Consideration Pending		Trade Mod	Each Center should conduct webinars and participate at CBP and industry outreach events for the trade to introduce center staff, resources, and other benefits of being a managed account.
010058	Consideration Pending		Trade Mod	Some of the webinars that the Centers provide should be geared specifically to small and medium sized entities with limited resources that may not have the staff or capacity to participate in a partnership program.
010059	Consideration Pending		Trade Mod	CBP and the Trade should utilize a single automated platform enabling Automated Commercial Environment (ACE) account holders and the Port, Centers, and other areas of CBP to communicate, as well as to submit and access information, regarding binding rulings, protests, and internal advice, including status notifications once binding rulings are submitted and in the queue for processing (e.g., ruling under review, additional information required, referral to HQ, etc.).
010060	Consideration Pending		Trade Mod	National Import Specialists (NIS) should report to the Center chain of command, as COAC believes that this will enhance CBP's internal/external communication, knowledge and education; facilitate responsiveness, and provide more uniform, account-based services.
010061	Consideration Pending		Trade Mod	Because of the critical role customs brokers play nationally in the entry and release of merchandise, CBP should encourage the Centers to align entry specialists in a manner that provides a consistent approach to broker management on a national level.
010062	Consideration Pending		Trade Mod	There shall be a higher level of service as well as outreach for partner accounts (ISA or C-TPAT) including enhanced communication, accessibility and responsiveness (including updates and trends to increase or maintain compliance) with their National Account Manager (NAM) or other Center representative. While the Centers should grant the highest levels of service to ISA accounts, the Centers still should provide enhanced levels of service to C-TPAT and Center "participating" (testing) accounts.

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010063	Consideration Pending		Trade Mod	Centers and NAMs should maintain, and as practicable, increase messaging internally to achieve collaboration and facilitation between trusted partners (ISA and C-TPAT).
010064	Consideration Pending		Trade Mod	The C-TPAT office should assess the feasibility of developing an organizational structure that mirrors the industry specific Centers concept that enables the respective industries to work with dedicated Supply Chain Security Specialists (SCSS), in coordination with NAMs and/or Center representatives to provide enhanced benefits to C-TPAT accounts.
010065	Consideration Pending		Trade Mod	When requested by a trusted partner (ISA and/or C-TPAT) Fines Penalties & Forfeitures (FP&F) shall request formal input from the Centers when a petition is filed involving seizures, penalties or liquidated damage claims. This would enable the Center to provide input to the mitigation process, promoting uniformity for all trusted partners.
010066	Under consideration	CBP and the PGAs have agreed to collaborate within the BIEC to pursue strategies of "risk segmentation" to work towards the ultimate goal of "streamlining" the import process. CPSC and FDA have been collaborating with CBP, and NMFS more recently issued an FRN seeking public comments for a "trusted trader" program. The ITDS single window system is just being fully implemented and the BIEC is still addressing post-core needs, so these efforts will remain a longer term goal. NMFS has not yet implemented their new seafood import monitoring program (SIMP), which is scheduled for January 2018. SIMP will be foundational for a risk management program such as a "trusted trader" program and must go through a primary business cycle before a trusted trader program can be developed.	Trade Mod	CBP should work with PGAs and the Trade to establish shared trusted partner/trader programs, e.g., C-TPAT + ISA + Partner Government Agencies (PGA) requirements (referenceTrade Facilitation and Trade Enforcement Act (TFTEA) Act of 2015, Section 101) and leverage the sharing of redundant data applicable to common import requirements. The Centers should provide industry expertise to encourage the development of uniform account- based requirements. CBP should pilot such shared trusted partner/trader programs with one to two PGAs at a time, prioritized based on Center and importer feedback.CBP, with the support of the Centers, should solicit input from the PGAs and Trade regarding trusted partner/trader program benefits.
010067	Under consideration	CBP will continue to work with the PGAs to more fully develop the appropriate operations, procedures, and policies to achieve more coordinated and efficient examination procedures. The BIEC has pushed for the development of improved hold/release messaging that can clarify PGA-specific hold activities, and we hope to leverage these capabilities to generate efficiencies. CBP will be leveraging the BIEC External Engagement Committee to further integrate private sector and interagency engagement to collaborate further to streamline the USG single window.	Trade Mod	CBP and PGAs should consider together with the Trade whether there may be ways to offer benefits to trusted partners (e.g., expedited entry, screening and release; reduced examination -- except when associated with a risk such as security, health, etc.; expedited processing (e.g., sampling, analysis, etc.). Particularly for trusted partners (C-TPAT or ISA), the Centers should provide problem resolution contacts and work with the Ports to grant the importer "preferred location designation" to provide flexibility in the exam location, where practicable, in the event cargo must be held for exam or review. Trusted partners should also receive expanded permission to use electronic and/or blanket certifications/authorizations over transactional/paper requirements.
010068	Consideration Pending		Trade Mod	Once "trusted trader" has been defined, the trusted trader benefits should include additional, increased levels of service that will be provided by the Centers beyond those provided to trusted partners, as available and applicable.
010069	Consideration Pending		Trade Mod	A formal line of communication should be established between port officials and the Centers to utilize their industry expertise to facilitate FTZ release issues and to enhance uniformity on FTZ issues, in general, at an account level. Centers shall assist with FTZ-related questions for their respective industry, and provide a means to escalate matters if necessary and appropriate to Office of Field Operations – Headquarters (OFO-HQ) when the port is unable to resolve the issue locally.
010070	Consideration Pending	TPP would agree that when practicable a single automated platform that enables more efficient communication between all systems and stakeholders should be utilized.	Trade Mod	OFO-HQ should conduct more training and outreach with each port of entry that has an active zone to ensure consistent knowledge in FTZ management and compliance. Such training and outreach should also include Center industry experts.
010071	Consideration Pending		Trade Mod	FTZ zone audits should be shared with Centers to provide industry expertise and input as appropriate.
010072	Consideration Pending	TRLED will put forth a request to PMC.	Trade Mod	CBP and the Trade should utilize a single automated platform enabling ACE account holders and the Port, Centers and FP&F to communicate on enforcement issues such as seizure, penalty or liquidated damage claims, particularly those involving trusted partners (ISA and/or C-TPAT).
010073	Consideration Pending		Trade Mod	CBP should develop protocols whereby the Centers should serve as a resource, and be called upon for their expertise as necessary, by Port officials for industry-focused as well as account-based knowledge for local release decisions.
010074	Consideration Pending		Trade Mod	Because the drawback process is industry focused, account based and involves post release processing CBP should evaluate with input from the trade whether to integrate Drawback with Centers once automation is deployed.
010075	Consideration Pending	Reconciliation will be deployed in ACE in February 2018. CBP will deliver Train the Trainer sessions in January to field staff, who will in turn provide instructor lead training through February, just ahead of the deployment. Training will build on previoulsy delivered reconciliation training courses and resources. (TTO; 9/21/17)	Trade Mod	COAC supports CBP's efforts to manage Reconciliation within the Centers, to include appropriate training, the timing of which should coincide with ending of the current Automated Commercial System (ACS) Reconciliation Prototype as it completes its transition to processing in ACE by the end of 2016.

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010076	Consideration Pending	A comprehensive implementationof ACE-ITDS was recently achieved in January 2017, and CBP is still working to implement one last Agency (FWS). The Trade is also still working to more fully develop their filing capabilities. ACE-ITDS was only recently implemented on a comprehensive basis, and the U.S. Government as well as the Trade continues to develop and refine their systems and processes are still being developed; thus, the suggested study would be premature.	Trade Mod	Consistent with the One United States Government At the Border (1USG) initiative and implementation of International Trade Data System (ITDS), CBP should work together with participating government agencies (PGAs) through the Border Interagency Executive Council (BIEC), in consultation with the Trade, to conduct a study/report that evaluates the operational and financial impact on commerce and the U.S. economy resulting from the PGAs working with the Centers in applying account and risk management to their respective roles in import clearance. Newly available ACE data may provide objective basis to analysis.
010077	Consideration Pending	The PGA Branch within the Interagency Collaboration Division of OT coordinates communications between the PGAs and the Centers, and the PGA Branch plays a primary role in conducting the BIEC and also coordinates any significant issues with the Centers and the Field in general. The PGA Branch also works closely with the CTAC, which is also within the Interagency Collaboration Division, to coordinate PGA tactical operations with the Field. There are currently 12 PGAs in the CTAC (i.e. the Commercial Targeting and Analysis Center). Thus, the Interagency Collaboration Division continues to work through these component Branches to integrate PGA communications and operations.	Trade Mod	CBP should work though the BIEC to establish the appropriate level of support and resources from each PGA to act as liaisons to the Centers as appropriate to the industry, on an operational basis.
010078	Consideration Pending	Working-level contact between the PGAs and the Centers is maintained on a regular and routine basis through the CTAC. PGA policy issues are address through the PGA Branch. Both offices are within the Interagency Collaboration Division and work closely together. The PGA Branch is the primary support for the BIEC and the conduit for PGA communications to the Centers and also collaborates at a tactical level thorugh the CTAC.	Trade Mod	CBP Center Directors, in coordination with CBP HQ, should have a formal input protocol to the BIEC regarding PGA challenges, new products/technologies, and data issues and to request outreach/support. CBP should establish periodic (e.g., quarterly) working level meetings between Center staff and the PGA(s) to which they are aligned (together with accounts that share the Center/PGA interaction). These working level groups should have access to provide feedback/recommendations to the BIEC.
010079	Consideration Pending	The Interagency Collaboration Division (ICD) within the Office of Trade coordinates with the PGAs on signficant issues through its PGA Branch (policy) and the CTAC (tactical operations). ICD continues to further integrate with the Centers as they continue to evolve.	Trade Mod	In coordination with the Center and PGA subject matter experts, CBP should develop and maintain a matrix of PGA-related areas to identify and address national systemic issues pertaining to an industry.
010080	Consideration Pending	CBP continues to develop standard protocols for ACE-ITDS and operational coordination regarding the protocols is a priority.	Trade Mod	CBP should work with PGAs to evaluate standard protocols for handling 'pending/conditional release' products, (i.e., CBP has released but PGA has not), particularly with an account-based focus.
010081	Consideration Pending	TRLED will put forth a request to PMC.	Trade Mod	CBP should develop a paperless process for issuing 5955A penalty notices and electronic means for filing penalty, seizure and liquidated damages petitions similar to the eRulings and/or ACE Protest Module to search and receive timely updates.
010082	Consideration Pending		Trade Mod	CBP should provide FTZ and bonded facility security recommendations consistent with C-TPAT guidelines.
010133	Consideration Pending		Trade Mod	**Leverage Advances from Prior Free Trade Agreements (FTAs):** COAC recommends that CBP work with the appropriate U.S. government stakeholders and the private sector to review the text of more recent trade agreements to adopt modernized provisions, particularly in the areas of simplified rules of origin, importer self-certification, trade facilitation, enforcement, supply chain security, and non-tariff trade barriers.
010134	Under consideration	Dir. [redacted] Current Term Export Recommendations are under consideration at this time (except Rec # 98). The remaining are all what we are testing for the pilot and may have been put into play and others will be used as evalauation yardstick and make determinations based on this evaluation.	Trade Mod	**Continuity in Trade Preferences:** NAFTA currently benefits U.S. exporters, U.S. importers, and consumers and it should continue to maintain trade preferences that provide a significant positive economic impact to U.S. workers and the long-term investments of our companies. COAC recommends CBP work with the appropriate U.S. government stakeholders and the private sector to ensure there is a continuity of trade preferences, that tariffs not increase and non-tariff barriers continue to be reduced, and that positive U.S. trade and investment persists with our NAFTA partners.
010135	Partially implemented	While the Office of the U.S. Trade Representative leads negotiations for the United States, CBP, in coordination with trade experts across DHS and other agencies, provides experts and supports the NAFTA negotiations. CBP has engaged with the private sector in these efforts, e.g., through the public hearings for the NAFTA negotiation and various International trade advisory committees (ITACs).	Trade Mod	**Consistency in Implementation:** In order to improve the consistency of NAFTA treatment to the same goods within the NAFTA region, COAC recommends that CBP work with Canada and Mexico to establish standardization in NAFTA trade preference qualification and consistent enforcement.
010136	Partially implemented	While the Office of the U.S. Trade Representative leads negotiations for the United States, CBP, in coordination with trade experts across DHS and other agencies, provides experts and supports the NAFTA negotiations. CBP has engaged with the private sector in these efforts, e.g., through the public hearings for the NAFTA negotiation and various International trade advisory committees (ITACs).	Trade Mod	**North American Single Window:** In another effort to simplify trade for all businesses, particularly small and medium sized businesses, the COAC recommends CBP work with Canada and Mexico to collaborate on cross border data sharing and data harmonization, remove or modernize unnecessary regulatory barriers within the North American Region through the use of a single window. (See COAC recommendations from the 1 USG subcommittee's North American Single Window Alignment working group delivered at the November 17, 2016 COAC meeting)

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010137	Partially implemented	While the Office of the U.S. Trade Representative leads negotiations for the United States, CBP, in coordination with trade experts across DHS and other agencies, provides experts and supports the NAFTA negotiations.	Trade Mod	**Regulatory Cooperation:** For products that are subject to partner government agency regulations, COAC recommends that CBP work with U.S. partner government agencies in the U.S. as well as Canada and Mexico to streamline and harmonize those regulations to create alignment in regards to documentation and data requirements, inspections, and enforcement in order to facilitate cross border trade within the NAFTA region for those regulated commodities.
010138	Partially implemented	The Interagency Collaboration Division (ICD) has intitiated an effort through the BIEC to harmonize foreign entity reporting with the PGAs and have also reached out to Canada and Mexico and the WCO to also begin harmonizing that reporting within the North American Region as well as internationally.	Trade Mod	**E-Commerce and Innovation:** COAC recommends that CBP work with the appropriate U.S. government stakeholders and the private sector to ensure that NAFTA or other FTA reflects the need for modernization of regulations impacting the e-Commerce business model, including areas of admissibility, targeting, and partner government agency regulations. The goal would be to streamline regulatory requirements and improve enforcement.
010139	Partially implemented	CBP continues to focus efforts on streamlining and harmonizing U.S. reporting requirements and must make more progress in this area before we can begin to try to harmonize interagency requirements across the respective agencies of Mexico and Canada.	Trade Mod	**De Minimis Harmonization and U.S. Export Facilitation:** COAC recommends that CBP work with Canada and Mexico to achieve a commercially significant *de minimis* level, which reflects the modern reality of online commerce. The U.S. has a *de minimis* value of $800, which is the value at which companies pay no duties or tariffs. Canada has a *de minimis* value of $20, and Mexico is $50
010140	Consideration Pending		Trade Mod	**Express Delivery Services (EDS):** Since NAFTA was established, the U.S. has negotiated numerous FTAs with other countries. Newer agreements include provisions to harmonize the clearance and movement of goods in the EDS industry. COAC recommends that CBP work with U.S. government stakeholders to ensure NAFTA includes modern provisions with specific focus on the facilitation and streamlining of EDS shipments.
010141	Partially implemented	While the Office of the U.S. Trade Representative leads negotiations for the United States, CBP, in coordination with trade experts across DHS and other agencies, provides experts and supports the NAFTA negotiations., including areas related to customs and trade facilitation.	Trade Mod	**Beyond the WTO Trade Facilitation Agreement (TFA):** In many areas, NAFTA countries have gone beyond the TFA, and we should use this opportunity to promote regional competitiveness. COAC recommends CBP work with Canada and Mexico to utilize prior FTAs trade facilitation chapters as a baseline to create a higher standard to support how modern borders should operate in the NAFTA region.
010142	Under consideration	OT has developed a prototype and high-level requirements. Rev Mod is seeking more detailed requirements from OT, and is working to clarify whether this is part of Rev Mod's scope of work.	Trade Mod	**Duty, taxes and fees:** The COAC recommends that CBP consolidates port specific daily and monthly formal entry statements, to one monthly statement, inclusive of all statements from all ports of entry nationwide.
010143	Under consideration	As of July, Rev Mod is working with Office of the Chief Counsel (OCC) to evaluate which fees currently paid by cash/check could be paid electronically, and whether a test notice would be necessary for such electronic payments. Potential fees, duties and taxes are under evaluation as of July 2017.	Trade Mod	**Duty, taxes and fees, single entry and post entry reconciliation via 28s, 29s, PSCs, liquidated damages, rate advances and supplemental duty payments at liquidation:** The COAC recommends that any form of payment currently processed manually such as duties, taxes and fees, single entries, reconciliation (NAFTA or Value), post entry adjustments via 28s, 29s, post summary corrections, liquidated damages, rate advances, and supplemental duty payments at liquidation, and/or voluntary tenders should be automated and available via ACE ABI, ACE AMS, the ACE Portal and Pay.gov. This payment process should anticipate importers as individuals, corporations as filers, brokers as filers and Surety when paying on behalf of the importer and/or bond principal.
010144	Consideration Pending	Ongoing - Rev Mod is working with OCC and OT Rulings and Regulations (R&R) on a bi-weekly basis to review the potential impact of Rev Mod's technology demonstrators/pilots on regulations associated with fee collections. Rev Mod is planning to publish a Test Notice for fees to be collected on the technology demonstrator known as Mobile Collections and Receipt (MCR).	Trade Mod	**All Fees:** The COAC recommends that CBP regulations be updated to accept electronic payments.
010145	Consideration Pending	April 2017 - Met with Broker Management Office (BMO) to discuss this recommendation. The BMO is open to the idea, but first needs to determine if all Broker Fees should be moved online, and, if so, to which platform before making further progress on this recommendation.	Trade Mod	**Broker Fees:** The COAC recommends that individuals or companies who hold Customs Broker Licenses be able to make payments through ACE for all brokerage related fees. This would include individual license holders, employers paying on behalf of the individual, and the company to pay fees on their own behalf through ACE or ACE portal, singly or combined.
010146	Consideration Pending	June 2017- The OT team has some ideas related to Express Consignment that they would like to share with Rev Mod based on one of their initiatives. As Rev Mod finalizes its scope of work, follow-up conversations may be pending.	Trade Mod	**Informal Entries:** The COAC recommends that CBP create the ability for express consignment operators' brokers to pay duties, taxes, and fees electronically for daily consolidated informal entry filings, replacing manual check payments. See Great Idea Form (GIF) titled "Consolidated Informal Entry Summary (Courier Entries)."
010147	Consideration Pending	Office of Finnance Revenue Modernization says N/A.	Trade Mod	**Truck Crossing Fee:** The COAC recommends that CBP requires that all carriers submit an eManifest through ACE prior to crossing. In addition, the Working Group recommends that an ACE application allows for the set-up of a deposit account to be linked to an eManifest so pre-payments may be automatically debited from the account based on the eManifest. Users should be able to view the detail and history of their financial transactions in the common ACE platform.
010148	Consideration Pending	Spring 2017 - OFO is currently researching the RFID technology, and is in the process of evaluating feasibility. Rev Mod will follow up at regular intervals.	Trade Mod	**Truck Crossing Fee:** The COAC recommends that CBP leverage the RFID technology, including on FAST cards, to collect single entry payments.

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010149	Consideration Pending	Revenue Modernization reported N/A	Trade Mod	**Truck Crossing Fee:** The COAC recommends that truck carriers have the ability to view a detail and history of their DTOPS-related transactions via access through the ACE portal, including all transactions associated with payments based on eManifest.
010150	Consideration Pending	OFO would like to expand their mobile phone technology to allow customers to pay more fees on an application rather than at a kiosk. OFO is tracking a project zone request related to this from the Buffalo port of entry.	Trade Mod	**Truck Crossing Fee / APHIS/ CBP User Fee / Tonnage:** The COAC recommends that CBP create a smart phone app to provide a more efficient way of pre-paying fees, to reduce lines at the border. Carriers, couriers or travelers could show their receipts on their smart phones at primary inspection sites, decreasing border processing times.
010151	Consideration Pending	June 2017 - The OT team had a few ideas related to Express Consignment that they wish to share with Rev Mod based on one of their initiatives underway. Rev Mod will follow-up after further progress is made on Recommendation #1.	Trade Mod	**Express Consignment Fee (Low Value Shipment Fee):** The COAC recommends that since shipment manifests contain the breakdown of cargo by entry type and payment, it could be used to bill express consignment couriers for their express consignment fees, rather than the fee being self-reported. Alternatively, couriers could use a pre-paid account in ACE portal to pay for Express Consignment Fees.
010152	Under consideration	July 2017- Rev Mod is defining functional requirements to automate payments online, and identifying fees for piloting e-payment options.	Trade Mod	**Ocean Fees:** The COAC recommends that CBP consider providing an incentive for ship agents and/or carriers to move toward e-payments. If it is a current regulatory option to allow for payment by cash and/or check, there should be an incentive provision for e-payment on line. This should be in the form of an allowance for the ship agent / payer to be granted 48 hours following the vessel's arrival to make payment if done via one of the approved e-payment methods.
010153	Partially implemented	August 2017- Rev Mod and the Office of Finance, Revenue Division recently updated the overtime application to reflect the requirement to gather the fully burdened labor rate as required by a new law. The application now automatically calculates that new rate, provides additional billing data and provides faster billing for the Trade. Although no additional changes to the assessment are currently being considered, more exploration of this topic may be necessary.	Trade Mod	**Overtime Reimbursable Fee:** The COAC understands the current complexity of the calculation of overtime fees as well as the difficulty to calculate these at the time the service is provided. The COAC recommends that the regulations be changed to simplify the current process and allow a more flexible method of overtime assessment, which would meet both CBP and Trade requirements. This would eliminate a significant amount of work for CBP in calculating the overtime required, and for industry who would be able to determine the due amount based on a defined rate, facilitating ease of payment. At such time as the regulation/s could be changed for the overtime calculation, it is recommended that payment of overtime be added to the fees collected via the Mobile Collection Receipts (MCR) application.
010154	Consideration Pending	Revenue Modernization reported N/A	Trade Mod	**PGA Fees:** The COAC recommends that CBP, through ACE single window, create the ability for fees associated with Partner Government Agencies (PGA) processing services be automated (i.e., Fish and Wildlife (F&W) overtime clearance fees and USDA annual permits).
010155	Fully implemented	RR has been able to hire 8 attorneys over the course of 10 months in order to enable us to meet the trade and other crititical priorities; however, additional resources have been requested.	Trade Mod	COAC recommends that in light of the foreseeable, imminent shifts in U.S. trade and border policy, CBP should ensure that R&R possesses the necessary resources to maintain trade and other critical subject matter priorities despite other issues that may become of significant concern. COAC also feels this is necessary due to the Administration's mandate to eliminate two regulations for every one regulation that the Government issues.
010156	Fully implemented	The classification branch has been divided into three branches with temporary branch chiefs assigned to two branches; vacancies for two longer term branch chiefs have have been announced, and the selection process is pending.	Trade Mod	In order to expedite and facilitate the review and approval of rulings and decisions, COAC recommends CBP and R&R undertake a review of its work process and organizational structure to optimize its resources particularly to ensure that it operates at a sufficient supervisor to attorney ratio. The ratio should be a key consideration in the organization of R&R. For instance the Tariff Classification and Marking Branch has one supervisor for nineteen (19) employees and presently covers subject matter that four branches previously handled.
010157	Partially implemented	RR is planning publication of such a checklist as well as a webinar to discuss the checklist.	Trade Mod	COAC recommends that until the rulings submission process is fully automated, R&R should provide a template and/or checklist to the Trade to help ensure ruling requests and protests include all vital information needed for R&Rs deliberation.
010158	Partially implemented	RR is planning a webinar to discuss best practices.	Trade Mod	COAC recommends that R&R conduct outreach, as resources permit, at association events and via webinars to clarify the type of information and best practices the Trade should consider when requesting a ruling or decision.
010159	Fully implemented	Substantially implemented - all NCSD NISs (and their assistants) are aligned with the Centers in order to make maximum use of their expertise and to promote uniformity in their decision making. Certain RR attorneys have likewise been strategically aligned with certain Centers; RR will continue to evaluate the need for further alignments. In addition, RR is taking steps such as Center visits, training sessions and other means to enhance communications with the Centers, and will continue such efforts.	Trade Mod	To enhance consistency and uniform decision making, COAC recommends that R&R take steps to ensure robust internal communication between R&R and the Centers to convey significant, pending R&R matters, using to the extent possible, electronic means.
010160	Fully implemented	Partially Implemented; Further Implementation Ongoing - RR has participated in textile training offered by NC State in 2016 and 2017, and the 2017 CompTIA Bidirectional Forum on high tech products. Additonal bi-directional training is planned.	Trade Mod	COAC recommends, as is specified in the Trade Facilitation and Trade Enforcement Act (TFTEA), that CBP should encourage bi-directional training that enhances R&R subject matter expertise. CBP should support and encourage greater participation of R&R attorneys in training programs that are provided to Centers and/or Port personnel. R&R attorneys should also take advantage of training offered by universities, trade associations or other institutions.

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010161	Under consideration	Under consideration - One RR attorney has been placed in a TDY at a port in the regulatory audit office. The result will be reviewed.	Trade Mod	In order to enhance and/or facilitate R&R technical expertise and greater exposure to operational matters, R&R should consider placing R&R attorneys, on a temporary duty basis, in the Centers and/or ports. This should enable R&R to be more interactive with the Centers and/or ports, and could be done on a virtual basis, provided that the necessary electronic environment between R&R and Centers and/or ports is made available.
010162	Under consideration	Under consideration - RR plans to engage with OFO on an appropriate mechanism.	Trade Mod	COAC recommends, to assist in alleviating the backlog of rulings, that R&R consider offering a new option for the protestant to request an expedited sixty (60) day Application for Further Review (AFR) decision that would not result in a written published decision by R&R but would merely instruct the Center to grant or deny the protest. The use of this process would be at R&R's discretion and would be considered for future as well as pending AFRs.
010163	Under consideration	Under consideration - Training for the NCSD in this area is planned.	Trade Mod	COAC recommends that in order to expedite the issuance of substitution drawback rulings under the Trade Facilitation and Trade Enforcement Act (TFTEA), R&R should leverage the expertise of the National Commodity Specialist Division (NCSD) as appropriate.
010164	Under consideration	Under consideration - RR is upgrading RRTS, its internal case tracking system, to streamline the process of receiving and issuing decisions. AFRs are currently received electronically.	Trade Mod	COAC recommends that CBP and R&R devote resources to develop an automated process/system for the submission, processing and dissemination of all types of ruling requests and decisions.
010165	Partially implemented	RR is working on upgrading RRTS, its internal tracking system, with a view to eventually incorporating these features into one system. Currently the inquiring party is electronically notified of case received, case assigned, and is notified of awaiting information, if information is requested from the inquiring party. Courtesy copies of rulings are provided via email. RR is evaluating the feasibility of receiving internal advice requests via ACE. Protest review requests are already received in this fashion.	Trade Mod	COAC recommends that CBP provide funding for R&R to develop a web based, end to end case management system. This system should contain functionality that, at a minimum: receives the submission of ruling requests, creates records of such inquiries, enables the submitting party to check status and receive major milestones of case processing, records and disseminates and publishes the ruling or decision once the ruling or decision is final. In the interim R&R should notify the inquiring party of major milestones including: case received, case assigned, awaiting information, in process, and decision rendered. Leveraging current document imaging functionality, R&R should provide a mechanism to receive ruling requests electronically via email and once the decision or ruling is rendered, email a copy to the inquiring party.
010166	Under consideration	Under consideration - RR is engaged with OIT to examine what enhancements could be made available given current budgetary constraints.	Trade Mod	COAC recommends that R&R, in conjunction with OIT, research what enhancements could be made to the CROSS system search and notification/alert features, as commercially permissible.
010167	Consideration Pending	Consideration pending - This matter should be pending consideration by the mitigation guidelines working group.	Trade Mod	COAC recommends that its proposed Mitigation Guidelines Working Group address with R&R whether the pendency of a response to a prospective ruling request affects a determination as to whether the submitter exercised reasonable care.
010185	Consideration Pending	This is an OT/OFO function. INA has promoted publications via its work in the WCO, but the primary function rests with OT and OFO as both the generators of the material and subject matter experts therein. In addition, the primary role for the publication of information rests outside of CBP in the form of OMB (OIRA).	Trade Mod	A. Publication and Availability of Information 1. COAC recommends that CBP work with customs administrations to implement publication, access, and availability of information to provide transparency and to encourage that such information is available in English to include making the HTS and relevant customs and trade laws and regulations available on-line. While some countries have made significant strides in trade facilitation efforts, there is still a lack of publication of all fees and charges, and information that relates to customs and trade issues remains unavailable.
010186	Consideration Pending	iNA does not maintain the CBP website for this information. We note that the website has a wealth of information that is available to the entirety of the public and is in plain language, thus making it accessbile not only to the trade, but also the everyday person who interacts with the agency.	Trade Mod	A.Publication and Availability of Information 2. COACrecommends that customs administrations should readily update the trade community with current laws and regulations by way of public websites and other appropriate social media. This should include appropriate contact information on specific issues related to customs and trade. Such information should be presented in a very practical and easy to understand manner or guide to traders. For instance, CBP s informed compliance publications and cargo systems message service (CSMS) provide critical legal and operational information in a very comprehensive, clear and current manner, which increase the trade community s understanding and compliance.
010187	Consideration Pending	The United States has 14 FTAs with 20 countries. Of a typical FTA s 20+ chapters, United States Customs and Border Protection (CBP) directly administers FTA chapters on "Trade in Goods," "Rules of Origin and Customs Procedures," and others. Although not the primary agency, CBP is also involved in the administration of other chapters such as, "Agriculture and Sanitary/Phytosanitary Measures," Government Procurement" and "Intellectual Property Rights". Still other chapters, such as those on labor, finance and dispute settlement are outside of the scope of the agency. CBP publishes information on the chapters for which it has primary authority. CBP considers its primary audience to be importers, exporters, CHBs and manufacturers. By publishing this information, CBP seeks to inform the trade community of their responsibilities and to help them comply with Agreement requirements.	Trade Mod	COACrecommends that in cases where a free trade agreement (FTA) is in place with the U.S., CBP should ensure publication of import, export and transit information consistent with FTA requirements.

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010188	Consideration Pending		Trade Mod	B. Opportunityto Comment 4. COACrecommends that CBP should encourage all customs administrations to adopt a standardized formal process initiated by the government to provide opportunities for the trade to comment on new laws or regulations impacting trade. The proposed introduction or amendment of laws and regulations should be approached as a consultative process accepting input through direct formal comments from companies, individuals, trade associations and most importantly industry advisory committees. Such committees are critical in an international trade environment in which technology and trade cycles continue to accelerate. These types of committees should operate on a continuing basis to ensure that the private sector has an official venue to engage directly with the national government in advocacy efforts, and that the government can count on a trusted group of experts on which to count for input on proposed regulatory changes and other policy initiatives.
010189	Consideration Pending	CBP publishes information on the chapters for which it has primary authority. CBP considers its primary audience to be importers, exporters, CHBs and manufacturers. By publishing this information, CBP seeks to inform the trade community of their responsibilities and to help them comply with Agreement requirements.	Trade Mod	5.COACrecommends that CBP should encourage customs administrations to adopt as a best practice for a comment period, a minimum sixty (60) day comment period with a delayed effective date of sixty (60) days at a minimum, and an additional thirty (30) to sixty (60) days when the intricacy and impact of the change requires additional time. Further, when the changes relate to system and/or automated changes an additional sixty (60) to ninety (90) days should be required to program, test, and implement.
010190	Consideration Pending		Trade Mod	6. CBP should encourage customs administrations to develop a formal established commercial advisory committee comprised of members of the trade similar to the COAC and WCO Private Sector Consultative Group. Members should represent stakeholders of different sizes, involved with various commodities and playing divergent roles within the supply chain and have an impact on customs or trade matters
010191	Consideration Pending	This is an article 2 responsibility that primarily belongs to OT as the holder of TFA and OTR as the implementing office of Article 2. INA will promote when appropriate.	Trade Mod	C - Advanced Rulings 7. COAC recommends that CBP should encourage customs administrations to prioritize the implementation of an advanced rulings program, including import classification, valuation, trade preference and entry related issues. As a best practice, CBP should encourage that rulings and decisions are published electronically as is the case with the U.S. CROSS rulings system. Databases such as CROSS are searchable, up to date, and include ruling modifications and/or revocations, providing guidance to the trade community, essential to compliant business decisions
010192	Consideration Pending		Trade Mod	8. COAC recommends, with regard to obtaining rulings, that the process to obtain such decisions should be transparent and consistent to simplify the process and allow for interested parties to file for a ruling. As a best practice, CBP should point towards the U.S. advance rulings program. Further, the ruling itself should provide enough information about the product and justification or rationale on how the customs administration reached the determination, to allow the interested parties to understand the underlying reasoning. The rulings programs should endeavor to include transparent timeframes for ruling issuance that keep in mind business needs.
010193	Consideration Pending		Trade Mod	D. Procedures for Appeal or Review 9. COAC recommends that CBP should advocate and share with customs administrations the U.S. best practices of administrative review and judicial appeals that include clear and transparent procedures, stipulated timeframes, etc. in trade and customs matters with uniform implementation throughout a country's territory. Access to appeal and reviews should be adequate to ensure due process. For instance, customs regulations provide for the issuance and publication of internal advice and protest review decisions that provide guidance on current, ongoing and/or past transactions that enable the trade community to receive formal clarification and guidance on critical customs and trade issues.
010194	Consideration Pending		Trade Mod	10. COAC recommends that CBP share its best practices before the WTO Trade Facilitation Committee regarding advance rulings, internal advice decisions, protests and other appeal processes and procedures with the objective of establishing a global model for obtaining customs decisions that would standardize processes and procedures. It is extraordinarily burdensome and costly for multinational companies to put in place the resources that are necessary to adapt, respond to and generally manage multiple and differing decision-making procedures, including review or appellate processes.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010195	Consideration Pending		Trade Mod	E. Other Measures to Enhance Impartiality, Non-Discrimination and Transparency 11. COAC recommends that CBP encourage customs administrations to develop cohesive measures that would minimize risk and promote transparency in the process for release of detained goods, particularly about perishable goods. As a best practice CBP should encourage the laws, regulations and policy permitting the receipt and review of advance data and alerts on such shipments to facilitate decision-making by customs administrations as well as by the trade prior to and post arrival.
010196	Consideration Pending		Trade Mod	12. COAC recommends that CBP should encourage customs administrations to consider and weigh the results of private accredited labs, even when the results contradict the ones from government labs.
010197	Consideration Pending		Trade Mod	E. Other Measures to Enhance Impartiality, Non-Discrimination and Transparency 13. COAC recommends that CBP encourage customs administrations to improve transparency and consistency in fees, other customs charges, liquidated damages and penalties, making them easy to find and understand, particularly penalties for more egregious violations that could result in higher monetary amounts.
010198	Consideration Pending		Trade Mod	14. COAC further recommends that CBP should encourage customs administrations to no longer require the consularization of documents, and certificates establishing articles of free sale or merchantability. Rather, CBP should encourage the use of commercial documents kept in the ordinary course of business, which are necessary for the transaction itself.
010199	Consideration Pending		Trade Mod	15. COAC recommends that fees should be proportionate to services rendered. For instance, CBP should encourage customs administrations not to assess both a value added tax (VAT) and customs fee on the same transaction.
010200	Consideration Pending		Trade Mod	16. COAC recommends that penalty regimes should be clear, understandable and not overly complex and penalties should be proportionate to the violation. Different frameworks should exist for civil versus criminal penalties. Customs administrations should recognize distinct levels of culpability as opposed to merely fraud or strict liability for any infraction especially in cases of minor breaches or clerical error. Mitigation guidelines should be transparent and easily accessible to provide for penalty resolution at amounts lower than the initial assessment. Voluntary prior disclosures should be a mitigating factor to any penalty assessment. Where bonding systems exist, customs administrations should consider issuing liquidated damages claims for breach of bond conditions in lieu of civil monetary penalties for more common entry, inbond or warehouse related violations.
010201	Consideration Pending	INA promotes these efforts, but needs to have the subject matter offices responsible for these elements to provide the positions of their respective offices to promote global standards.	Trade Mod	G. Release and Clearance of Goods 17. COAC recommends that CBP work with customs administrations to Simplify procedures to reduce average clearance times;Publish predictable time frames for cargo release decisions;Introduce pre-arrival processing of import documentation;Accept electronic payments for duties, taxes and fees; andPromote release of goods prior to final determination and payment of customs duties.
010202	Consideration Pending	INA does this already via SAFE and APEC work. E-payment is ongoing, and is under the auspices of OT.	Trade Mod	18.COAC recommends that CBP share best practices with customs administrations on pre-arrival processing, e-payment, clearance and release, simplified procedures, as well as relevant risk management and audit techniques.
010203	Consideration Pending	INA does this for certain operational offices proactively, as well as brings requests from the global community to the operational offices. "Global community" includes private sector entities and international forums (APEC, WCO). Examples of specific areas in which CBP has contributed its best practices include the WCO SAFE Framework, ICAO/WCO air cargo security frameworks, and WCO TFA Advisory program.	Trade Mod	19. COAC recommends that CBP should encourage customs administrations to leverage a risk management methodology to target high-risk shipments for inspection or document requirements, decrease overall inspections to improve border efficiency, and focus post-clearance audit procedures on a risk based selective sampling methodology.
010204	Consideration Pending		Trade Mod	20. COAC recommends that CBP encourage customs administrations to establish guarantees (customs bonds) to secure entry, inbond/transit, and warehousing as well as duty payment obligations and to ensure that bond amounts for security are commensurate with duty and tax risk. Furthermore, customs administrations should use bonds to provide for immediate release of cargo prior to final duty payment and other product conformity determinations, as well as to secure other obligations, including redelivery of goods. Most countries require the payment of duties, taxes and fees as well as admissibility decisions and inspection of cargo at the time of entry, which causes delays in the importation of cargo.
010205	Fully implemented	INA presented on the new eBond procedures at the WCO IT Conferences in Dakar, Senegal and Tbilisi, Georgia.This is a function currently being taken on by OIT.	Trade Mod	21. COAC recommends that CBP encourage and share best practices with other customs administrations on developing a customs electronic bond or "ebond" system. In the U.S., customs bonds can be filed electronically in an efficient and timely manner, which assures CBP that the import obligation is secured before an entry is made. While some countries do have a customs bond system, it is paper intensive.

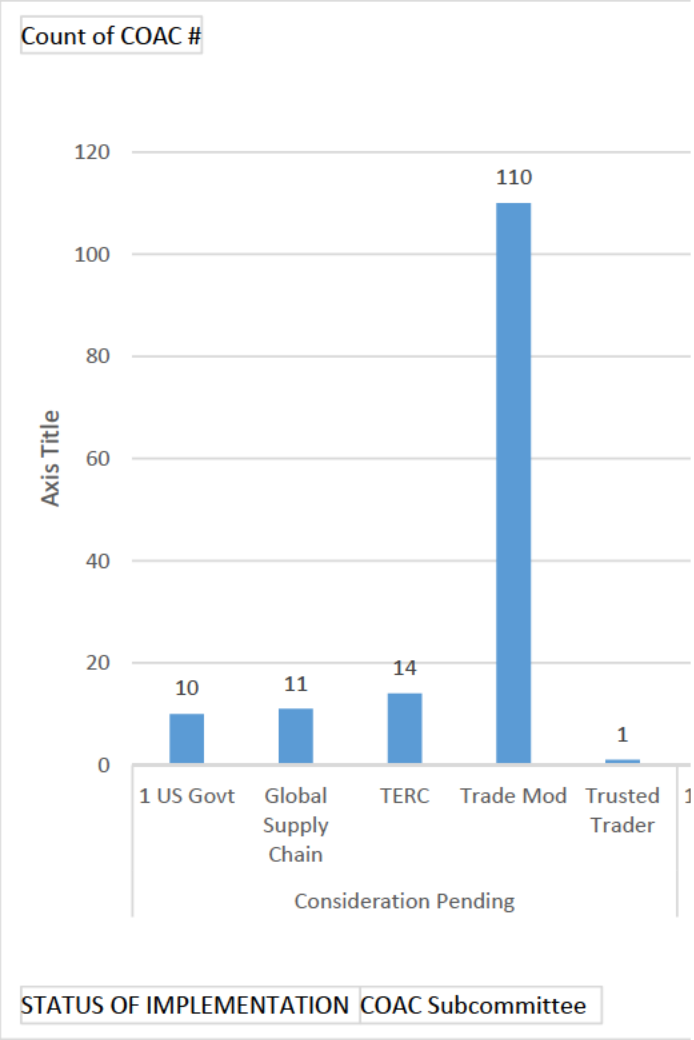
COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010206	Consideration Pending		Trade Mod	COAC recommends the CBP should encourage customs administrations to simplify the border process for small and medium sized businesses by achieving a commercially significant de minimis level, which reflects inflation and the modern reality of online commerce.
010207	Consideration Pending	This is a primary function of OT, as it is the business owner of ACE. However, INA does, promote US SW approach bilaterally and abroad. INA leads the WCO's working group that addresses these issues, and partners with OIT as well. INA has presented SW progress to the Trade Support Network and WCO.	Trade Mod	COAC recommends that CBP share with customs administrations best practices regarding the creation and implementation of the single-window particularly in the way it facilitates trade and enhances cargo clearance.
010208	Consideration Pending		Trade Mod	COAC recommends that CBP encourage authorized economic operator (AEO) programs that prioritize participation in new programs for traders as opposed to excluding non-participants from participation in certain programs altogether and that AEO should be accessible, functional, and meaningful for companies of all sizes. Further, CBP should work with customs administrations to establish more mutual recognition agreements (MRAs) so that such traders can limit costs and gain benefits from such programs globally in a way that does not hinder, but encourages participation. Further, CBP should hold other customs administrations accountable for such appropriate and consistent implementation COAC recommends continued cooperation among customs administrations as they develop their AEO programs with an aim towards mutual recognition of certifications and benefits.
010209	Partially implemented	CBP has provided briefings on the BIEC as a best practice to the WCO and several other countries and will continue to advise other customs administrations on the merits of establishing interagency entities that can collaborate in the development of respective single window systems. Though INA sits on the NCTF, OT leads this effort for CBP. USTR chairs the NCTF. INA has promoted the NCTF approach to the international community via the WCO.	Trade Mod	COAC recommends that CBP work with other customs administrations to establish within each country a national interagency entity that encourages cooperation and coordination among all government agencies with border cargo clearance responsibilities. As a best practice of interagency border cooperation and coordination CBP should reference the U.S. Border Interagency Executive Council (BIEC) that has enabled partner government agencies (PGAs) administering import and export laws, regulations and policies to collaborate with each other, CBP and the trade community on an ongoing basis.
010210	Fully implemented	INA does this on a continuous basis.	Trade Mod	COAC recommends that CBP work through the WCO to promote a concept of a coordinated border management to be built on partnerships with other government agencies with border control responsibilities as outlined in the WCO Framework of Standards to Secure and Facilitate Global Trade.
010211	Consideration Pending		Trade Mod	COAC recommends that CBP encourages non-U.S. customs administrations to promote the establishment of an in-bond process and to engage industry in the development of a domestic process. Any resulting in-bond program must be multi-modal and applicable to all commodities and to the extent practicable, an automated process.
010212	Consideration Pending	OFO is responsible for developing the ATA Carnet. The US has yet to take a position on eATA Carnet.	Trade Mod	COAC recommends that CBP urge customs administrations in countries, which have yet to already do so, to: promote becoming part of the ATA Carnet System; secure broadest scope of coverage possible; and promote prompt action and implementation at respective domestic levels. The COAC encourages all customs administration to support full automation of the ATA Carnet system. The global gold standard for temporary admissions is the international ATA Carnet system, under the auspices of the World Customs Organization. ATA Carnets, commonly known as “Merchandise Passports”, are tools of trade facilitation, which simplify customs procedures for the temporary importation (admission) of various types of goods. ATA Carnets are the perfect tool for exporters to move their goods internationally, allowing goods to enter the customs jurisdiction of parties to the system – duty and tax free for a period of one year.
010213	Consideration Pending	This appears to be a duplicate recommendation. INA continues to fulfill this by promoting CBP's risk management approach in international fora and on a bilateral basis through its negotiations of CMAAs and, when requested, non-binding arrangements on behalf of other CBP Offices. OFO develops the electronic data requirements (with the assistance of COAC); OT drafts the regulations that underly these requirements. OIT designs the processes that result in the dematerialization of advance information.	Trade Mod	COAC recommends that coupled with the development of robust risk-based systems, CBP should work with customs administrations in conjunction with the WCO to reduce, simplify and standardize the number of documents and data elements required for import and export of goods. CBP should work with customs administrations to avoid the current practice of duplication of electronic documents and paper copy requirements. COAC recognizes that some countries have regulatory provisions to accept electronic transmissions, yet have not implemented these practices or they have adopted practices requiring paper documents and signatures of the same document. Further, CBP should work with customs administrations on capacity building, electronic data exchange, and automation of border processes to lessen the burden connected with formalities in import/export operations. Specifically, we encourage CBP to work with customs administrations to achieve a uniform data collection process with the goal of reducing the paper documents and duplication.

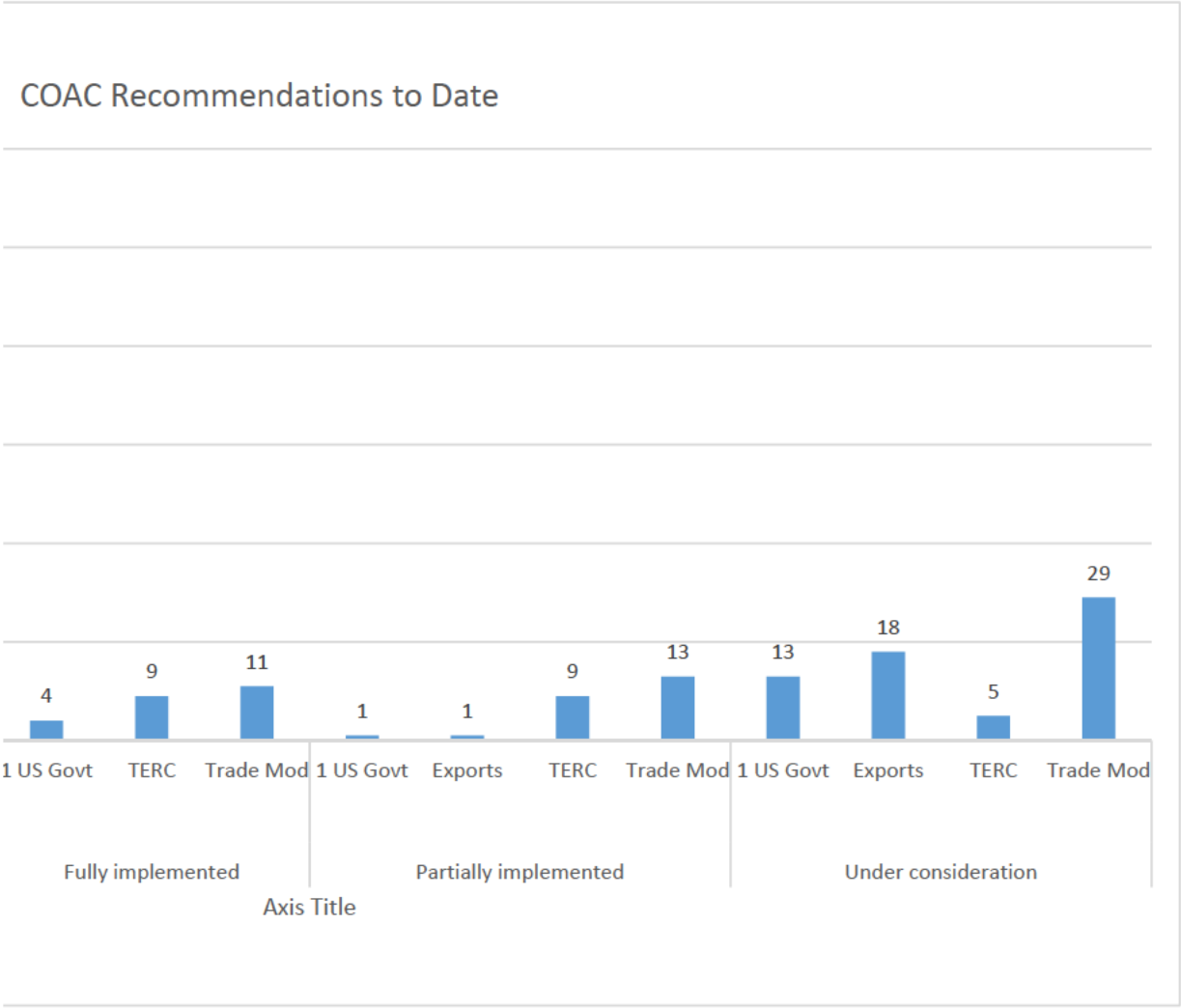
COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010214	Consideration Pending		Trade Mod	COAC recommends that CBP work with customs administrations to reduce the incidence of signatures on import, export, and transit documents. When signatures are required, customs administrations should accept copies of the document along with the signature. CBP also should encourage acceptance of electronic signed documents in lieu of paper including for domestic transit. Further, customs administrations should not require documents to follow or travel with the goods upon release and should eliminate such requirements and automate the process. Documentary requirements should not impede lawful transshipment of goods. CBP should encourage customs administrations to avoid increased requests for documentation in addition to commercial invoices as "proof of purchase" for shipments of physical goods.
010215	Consideration Pending		Trade Mod	COAC recommends that CBP encourage customs administrations to adopt, in a uniform manner, an informal (consolidated) entry process for lower value shipments. COAC recognizes that in the express environment some countries do not provides for such processes.
010216	Consideration Pending		Trade Mod	COAC recommends that CBP encourage customs administrations and partner government agencies to develop the necessary internal expertise to diminish and where practicable eliminate reliance on pre-shipment inspection and/or third-party verification practices that cause unnecessary cargo delays and additional costs to traders.
010217	Consideration Pending		Trade Mod	COAC recommends that CBP share its best practices for bringing goods into compliance, specifically through a process that allows companies to import merchandise into secure, bonded areas, e.g. bonded warehouses and/or free trade zones, to bring merchandise into conformity with product labeling or other admissibility requirements.
010218	Consideration Pending		Trade Mod	COAC recommends that CBP encourage customs administrations to administer an international labeling standard. Currently labeling requirements are country specific and some requirements are so specific that they require specialized labeling procedures to occur as a separate process after the initial product manufacture and packaging thereby creating extra cost, time and potential issues in the supply chain.
010219	Consideration Pending		Trade Mod	COAC recommends that CBP encourage customs administrations to adopt, as practicable, more uniform and transparent procedures and processes among various ports and districts. In many cases port specific practices exist that hinder the flow and clearance of lawful commerce. Furthermore, internal customs ports and/or administrative offices should utilize consistent versions of customs automated systems to promote transparency and uniformity to traders.
010220	Consideration Pending		Trade Mod	COAC recommends that to the extent practicable, CBP should encourage customs administrations not to restrict clearance and/or inspection of certain classes of merchandise to specific ports of entry or geographic locations. Further, customs administrations should leverage technology where possible to allow for centralized clearance and inspection capability for all commodities.
010221	Consideration Pending		Trade Mod	COAC recommends that CBP encourage customs administrations to evaluate and consider programs that increase uniformity and create further efficiencies to apply common customs procedures at all ports of entry. As a best practice, the U.S. has centralized post-release procedures under CBP's Centers of Excellence and Expertise (CEEs) that have dramatically improved efficiencies and standardized processes for U.S. importers. Further, the Remote Location Filing (RLF) program in the U.S. allows for electronic remote filing for release at all ports of entry, no longer confining transmissions and filings to local or regional ports.
010222	Consideration Pending		Trade Mod	COAC recommends CBP encourage countries not to impose unnecessary fees for the movement of in-transit goods including those relating specifically to instruments of international trade.
010223	Consideration Pending		Trade Mod	COAC recommends that CBP encourage customs administrations to promote compliance through outreach such as webinars, symposiums and to develop informed compliance publications. Additionally, CBP should encourage customs administrations to share information about organizational structure, including contact information of government officials.
010224	Consideration Pending		Trade Mod	COAC recommends that the sharing of import and/or entry information should be consistent with the purposes of ensuring effective customs control and "data discipline" over the exchange of such information, particularly the release of proprietary information.
010225	Consideration Pending		Trade Mod	COAC recommends that CBP encourage other customs administrations to expand public private partnerships with national trade facilitation committees including the Global Alliance for Trade Facilitation and others.
010226	Consideration Pending		Trade Mod	COAC recommends that CBP work with the Asia/APEC region, including China, Indonesia, Vietnam and the Philippines to encourage more transparent and streamlined processes and procedures involving phytosanitary certifications and/or requirements that often unreasonably delay clearance.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010227	Partially implemented	INA promotes these efforts globally--it does not simply focus on one region of the world.	Trade Mod	COAC recommends that CBP encourage other customs administrations to develop processes that enable the free flow of goods, such as standardized customs data and expanded hours of full operation at border crossings, to greatly expand intra-Africa trade. This will help reduce the cost of intra-Africa distribution which is beneficial in attracting new businesses. Customs improvements will also allow companies to better implement business models which are based on reliable delivery networks including guaranteed and time-definite deliveries.
010228	Consideration Pending		Trade Mod	COAC recommends that CBP consult with other customs administrations to identify and share best practices on enforcing anti-dumping and countervailing duty (AD/CVD) laws and regulations including the benefits of a worldwide, uniform system for calculating and assessing AD/CVD margins on a prospective basis during all aspects of the investigation including administrative reviews.
010229	Partially implemented	PR enforcement falls under the responsibility of OT. INA has developed IPR workshops in APEC in which OT has served as SME.	Trade Mod	COAC recommends that CBP share best practices with other customs administrations to operate under a heightened level of IPR enforcement and implement IPR reforms within their legal structures to effectively emphasize deterrents such as civil, administrative and criminal penalties. For instance, as a best practice CBP should share its National IPR Center model that provides a focused resource to strengthen and improve IPR enforcement and prevent illicit activity. The National IPR Center and its Report IP Theft campaign also has encouraged open collaboration to develop intelligence by industry sector leading to increased IPR seizures.
010230	Consideration Pending	This mater relates to exports and Asian engagements and would be more appropriate for INA or DOC.	Trade Mod	COAC recommends, in light of the U.S. withdrawal from the Trans Pacific Partnership, that CBP maintain continued engagement with Asian customs administrations to promote U.S. exports and jobs.
010231	Under consideration	CBP has created a PGA working group under the BIEC to collaborate in the development of policies and procedures for de-minimus filings and will endeavor to promote a "level playing field" across the filing requirements.	Trade Mod	Filing Partner Government Agency Data (231-233) In order to promote a level playing field and not impair the flow of legitimate commerce, COAC recommends that CBP, in conjunction with the Partner Government Agencies (PGAs), should adopt policies or requirements that generally would not limit, encourage or require Section 321 filings to a certain class or group of service providers.
010232	Under consideration	CBP has proposed a small, meduim and large solution in ACE for section 321 solutions which aslo addresses PGA requirements.	Trade Mod	The COAC recommends CBP provide Section 321 filing capability in ACE for ACE filers and that automated solutions, including the ability to file PGA data, should be available in ABI.
010233	Consideration Pending	CBP continues to work to develop a technical solution that will fulfill these needs.	Trade Mod	The COAC recommends CBP provide Section 321 filing cability in ACE for ACE filers and that automated solutions, including the ability to file PGA data, should be available in AMS.
010234	Consideration Pending		Trade Mod	Data Elements: COAC recommends that CBP should collaborate with the Trade to ensure that shipments released using Section 321 subject to Partner Government Agency (PGA) review have the necessary data elements/data sets required for CBP and the PGA to release cargo consistent with the risk and targeting standards aligned with the agencies missions, and to safeguard public health and saftey of the American consumer.
010235	Consideration Pending		Trade Mod	COAC recommends that CBP in conjunction with the Partner Government Agencies (PGAs) clarity publicly to the Trade whether a merchandise description only or alternatively an HTSUS number is recommended or required for Section 321 importations. Additionally, should CBP and the PGAs recommend or require an HTSUS number it should clarify the circumstances where an HTSUS is recommended or required, e.g., in all cases, in cases of revenue or fees, or when required by PGAs for admissibility determinations, and prior to arriving at this determination consult COAC.
010236	Consideration Pending		Trade Mod	Process to determine Section 321 eligibilty: COAC recommends that CBP should collaborate with the Trade to ensure they have an adequate process in place, and/or an automated solution to determine if a shipment is subject to PGA admissibility requirements or not, and if its is in fact eligible for Section 321 clearance.
010237	Consideration Pending	CBP will coordinated with the PGAs through the BIEC to encourage all of the PGAs to more fully communicate their postions on deminimus.	Trade Mod	Guidance and Collaboration between Government and Trade: (237-241) COAC recommends that CBP work with the partner government agencies (PGAs) to encourage each PGA, who has not yet done so at the time of these recommendations, to clarify publicly to the Trade whether Section 321 imports require a data set as they do for entry types 01 or 11 for cargo release. If the PGA will not require the submission of PGA data for such shipments, exempting Section 321 importations from PGA review, then the COAC recommends that they state this policy in writing. COAC recommends that CBP engage the Border Interagency Executive Council (BIEC) for additional outreach and coordination efforts to obtain such clarification.

COAC #	STATUS OF IMPLEMENTATION	U.S. CUSTOMS & BORDER PROTECTION COMMENTS	COAC Subcommittee	COAC RECOMMENDATIONS
010238	Consideration Pending	CBP agrees with this recommendation and will continue to work with trade to resolve this issue	Trade Mod	COAC recommends that CBP and Government agencies that currently require payment of duties or fees, e.g., antidumping and countervailing duties, or fees on entries, clarify publcly to the Trade whether for Section 321 imports, they also will require such duties and fees, or consider them exempt on Section 321 importations.
010239	Consideration Pending		Trade Mod	COAC recommends further, if CBP and/or the PGAs, determine certain data elemnts for admissibility or revenue/fees are required for Section 321 importations CBP should establish filing requirements. In such a case, CBP should arrive at these requirements, including data elements, in collaboration with the Trade, including the COAC and the Trade Support Network (TSN) to ensure minimal effect on costs and efficiencies to process Section 321 importations.
010240	Consideration Pending	CBP agrees with this recommendation and will continue to work with trade to educate and inform the trade community to improve all descriptions provided to CBP	Trade Mod	COAC recommends that CBP and the Trade continue to work on ways to better educate and inform the trade community to improve descriptions of merchandise provided on commercial and shipping documents, including manifests, to filers of Section 321 transactions.
010241	Consideration Pending	E-Commerce branch is compiling Section 321 volume data by port of entry and identifying current staffing levels at locations of high-volume shipments.	Trade Mod	COAC recommends that the work load staffing model that CBP currently utilizes to identify the level of officials needed to facilitate and manage the flow of legitimate cargo, include a review and determination of the additional volume of shipments that are being imported under the Section 321 limit of $800 currently in the statute. This will ensure that CBP address the new and different flows of commerce enabled under the statute in an efficient and comprehensive manner.
010242	Consideration Pending	OT/TPP will defer to OT/R&R for a legal definition for related parties	Trade Mod	Responsible party for enforcement and trusted party for facilitation benefits: (242-243) Rather than identifying a particular party that categorically should be liable or responsible for the appropriate and accurate filing of Section 321 imports, CBP should clarify publicly to the Trade existing laws and regulations such as those relating to risk-based cargo release, product admissibility, manifesting cargo, intellectual property, commercial negligence/fraud, etc. that provide CBP wil the ability to hold various parties responsible for the accuracy of such transactions. The COAC recommends that CBP should also consider those parties who have the primary financial gain due to the sale of the goods and/or knowledge about the nature of manufacture, country of origin, or admissibility of the product or goods. Further the COAC recommends a continued dialogue on this issue with CBP and the Trade including this COAC working group.
010243	Consideration Pending		Trade Mod	CBP should consider, in conjunction with the PGAs, providing benefits to trusted partners involved with Section 321 importations as already is the case for cargo release/entry. In particular, CBP should consider expedited processing and less targeting due to minimal risk associated with such transactions when there is additional processing or screening performed. CBP should leverage COAC as a resource in future discussions on this topic.
010013	Consideration Pending		Trusted Trader	COAC recommends CBP focus Trusted Trader strategic and tactical objectives on developing compelling benefits for voluntary participation in Trusted Trader Programs, and should outweigh the cost of participation. These benefits are essential for the advancement of Trusted Trader Programs and must be articulated in specific facilitation metrics. Benefits must be aligned with section 101 of HR 644 on Improving Partnership Programs.

Row Labels	Count of COAC #
Consideration Pending	**146**
1 US Govt	10
Global Supply Chain	11
TERC	14
Trade Mod	110
Trusted Trader	1
Fully implemented	**24**
1 US Govt	4
TERC	9
Trade Mod	11
Partially implemented	**24**
1 US Govt	1
Exports	1
TERC	9
Trade Mod	13
Under consideration	**65**
1 US Govt	13
Exports	18
TERC	5
Trade Mod	29
Grand Total	**259**




COAC Recommendations to Date
4
9
11
1
1
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13
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18
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29
1 US Govt
TERC
Trade Mod
1 US Govt
Exports
TERC
Trade Mod
1 US Govt
Exports
TERC
Trade Mod
Fully implemented
Partially implemented
Under consideration
Axis Title

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: COAC Export Subcommittee - Monthly Call - October 2017 (New date: Monday October 23rd) (Reduced to 30 minutes)
Start: Monday, October 23, 2017 2:00:00 PM
End: Monday, October 23, 2017 2:30:00 PM
Location: (b) (7)(E)

Greetings,
Per the request of (b) (6) we will only hold a 30 minute subcommittee call on Monday followed by a 30 minute discussion between the COAC Manifest WG and the TSN members regarding the AES codes. If you plan to be on both calls no need to re-dial in at 3:30pm. We will be using the same conference line.

Thank you,
(b) (6), (b) (7)(C

Greetings, (10/13/2017)
Due to a conflict for both (b) (6) and I we will need to change the date of this subcommittee meeting to Monday October 23rd at 3pm -4pm.

This call will immediately follow the Export Manifest Working Group call on that date.

Thank you,

(b) (6), (b) (7)(C)

Greetings,

Please save the date for Thursday October 26th at 3pm-4pm for our monthly COAC Export Subcommittee call.

I will send out additional meeting details closer to the meeting date.

Thank you,

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)

To: (b) (6), (b) (7)(C)

BRENDA BROCKMAN; Owen, Todd C (FAC OFO); (b) (6), (b) (7)(C) LANDFRIED, PHIL A; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Kolbe, Kathryn; (b) (6), (b) (7)(C) HAYES, BRADLEY F

Cc: (b) (6), (b) (7)(C)

Subject: COAC Public Meeting **Updated** Briefing Materials Attached

Start: Wednesday, October 3, 2018 12:00:00 PM

End: Wednesday, October 3, 2018 4:00:00 PM

Location: The Dirksen Senate Office Building, Room SD-G50

Attachments:
Agenda - COAC Meeting.docx
EXTERNAL ONLY-Schedule of Events 10-3-18.doc
15th Term COAC SC and WG-PROPOSED.pptx
(b) (6), (b) (7)(C)
TERC Subcommittee Executive Summary.docx
COAC October 2018 ADCVD Issue Paper External.pdf
COAC October 2018 IPR External.pdf
COAC October 2018 Risk Based Bonding External.pdf
COAC October 2018 Forced Labor External.pdf
COAC Trade Mod Trade Executive Summary - October 2018.docx
COAC October 2018 e-commerce Issue Paper External.pdf
COAC October 2018 IPR External.pdf
TERC Subcommittee Executive Summary.docx
COAC October 2018 IPR External.pdf
COAC October 2018 ADCVD Issue Paper External.pdf
COAC October 2018 Risk Based Bonding External.pdf
COAC October 2018 Forced Labor External.pdf
COAC Trade Mod Trade Executive Summary - October 2018.docx
COAC October 2018 e-commerce Issue Paper External.pdf
COAC October 2018 Deminimis External.pdf
COAC October 2018 Regulatory Reform External.pdf
COAC October 2018 Pt 146 FTZ External.pdf
Tab 08 A Trade Mod FTZ WG Recommendations.docx
Global Supply Chain Trade Executive Summary-Oct 3 2018.docx
COAC External IP-Emerging Technologies.pdf
COAC October 18 Update Pipeline WG External.pdf
COAC October 18 Update Inbond WG External_.pdf
Trusted Trader -Executive Summary.docx
COAC External Issue Paper CTPAT MSC.pdf
COAC October 208 Trade Compliance .pdf
COAC October 2018 Export Manifest External_.pdf

October 3, 2018 from 1pm – 5pm

Meeting Location: The Dirksen Senate Office Building
50 Constitution Ave NE
Room SD-G50
Washington, DC 20002

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<<COAC October 2018 Forced Labor External.pdf>> <<COAC Trade Mod Trade Executive Summary - October 2018.docx>> <<COAC October 2018 e-commerce Issue Paper External.pdf>> <<COAC October 2018 IPR External.pdf>> <<Tab 08 A Trade Mod FTZ WG Recommendations.docx>> <<COAC October 2018 Pt 146 FTZ External.pdf>> <<COAC October 2018 Regulatory Reform External.pdf>> <<COAC October 2018 Deminimis External.pdf>> <<COAC October 2018 e-commerce Issue Paper External.pdf>> <<COAC Trade Mod Trade Executive Summary - October 2018.docx>> <<COAC October 2018 Forced Labor External.pdf>> <<COAC October 2018 Risk Based Bonding External.pdf>> <<COAC October 2018 ADCVD Issue Paper External.pdf>> <<COAC October 2018 IPR External.pdf>> <<TERC Subcommittee Executive Summary.docx>> <<COAC October 2018 Export Manifest External_.pdf>> <<COAC October 208 Trade Compliance .pdf>> <<COAC External Issue Paper CTPAT MSC.pdf>> <<Trusted Trader -Executive Summary.docx>> <<COAC October 18 Update Inbond WG External_.pdf>> <<COAC October 18 Update Pipeline WG External.pdf>> <<COAC External IP-Emerging Technologies.pdf>> <<Global Supply Chain Trade Executive Summary-Oct 3 2018.docx>>

Commercial Customs Operations Advisory Committee
U.S. Customs and Border Protection
(COAC)

The Dirksen Senate Office Building
50 Constitution Ave NE
Room SD-G50
Washington, DC 20002

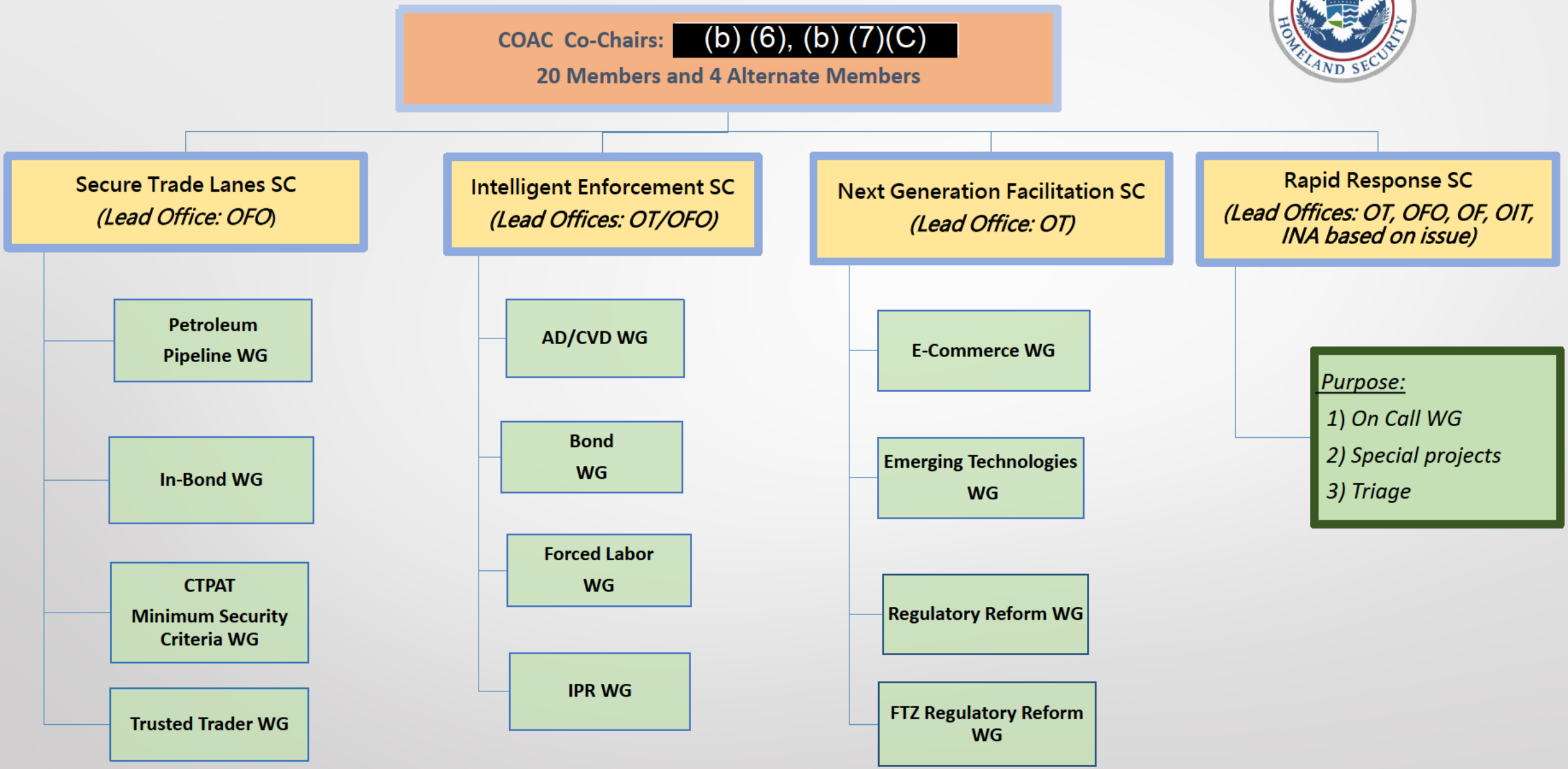
October 3, 2018
1:00 p.m. – 5:00 p.m.

1:00 p.m..	**Opening Remarks** CBP: Commissioner Kevin McAleenan Treasury: (b) (6), (b) (7)(C), Deputy Assistant Secretary Tax, Trade and Tariff Policy, Department of the Treasury DHS: (b) (6), (b) (7)(C), Assistant Secretary ICE: (b) (6), (b) (7)(C), Acting Deputy Executive Assistant Director COAC: (b) (6), (b) (7)(C) Trade Co-Chair, Member Trade Co-Chair, Member
1:30	**The Designated Federal Officer** will announce how the COAC subcommittees will be re-organized to align with CBP's trade strategic priorities; and outline how the current and future COAC activities will be structured within each subcommittee. CBP: Bradley Hayes, Executive Director, Trade Relations (b) (6), (b) (7)(C), Deputy Executive Director, Trade Relations

2:00 p.m.	**The Trade Enforcement & Revenue Collection (TERC) Subcommittee** will provide necessary updates from the Anti-Dumping and Countervailing Duty, Bond, Forced Labor and Intellectual Property Rights Working Groups. CBP: (b) (6), (b) (7)(C), Executive Director, Trade Remedy Law Enforcement, Office of Trade COAC: (b) (6), (b) (7)(C), Member (b) (6), (b) (7)(C), Member
2:30 p.m.	**Public Comment Period**
2:40p.m.	**The COAC Trade Modernization subcommittee** will discuss the E-Commerce working group's progress in addressing CBP's strategic plan regarding e-commerce threats and opportunities to both the government and trade and in light of the World Customs Organization's global framework. The Regulatory Reform working group will provide an overview of work accomplished in reviewing the regulations contained in Title 19 of the Code of Federal Regulations to reduce regulatory burdens and costs. The Foreign Trade Zone working group will present recommendations regarding the updating of 19 CFR 146, the Foreign Trade Zone Regulations. They will also discuss a proposed revision to 19 CFR 146 that began in 2015 and referred to the work group for further input. CBP: (b) (6), (b) (7)(C), Executive Director, Trade Policy & Programs Office of Trade (b) (6), (b) (7)(C), Director, Cargo Security & Control, Office of Field Operations (b) (6), (b) (7)(C), Senior Advisor, Regulations and Rulings, Office of Trade COAC: (b) (6), (b) (7)(C), Member
3:10 p.m.	**Public Comment Period**

3:20 p.m.	**The Global Supply Chain Subcommittee** will provide a status update on the following work group activities: the piloting of Automated Commercial System (ACE) to electronically report and manage petroleum moving in-bond via pipeline; Emerging Technologies Working Group's NAFTA/CAFTA, and Intellectual Property Rights Blockchain Proof of Concept Projects; and activities of the In-bond Working Group's review of the draft Automated In-Bond Business Process Document, as well as potential automation, visibility, system issues and policy/regulatory updates. CBP: (b) (6), (b) (7)(C), Executive Director, Cargo & Conveyance Security, Office of Field Operations (b) (6), (b) (7)(C), Director, Cargo Security & Control, Office of Field Operations COAC: (b) (6), (b) (7)(C) Member Member Member
3:50 p.m.	**Public Comment Period**
4:00 p.m.	**The Trusted Trader Subcommittee** will present an update from the CTPAT Minimum Security Criteria work and socialization period. The subcommittee will also provide an update on the Forced Labor Strategy for CTPAT Trade Compliance and the CBP lead will report on the progress of the Trusted Trader Pilot. CBP: (b) (6), (b) (7)(C), Executive Director, Cargo & Conveyance Security (b) (6), (b) (7)(C), Director, CTPAT Partnership Programs Office of Field Operations COAC: (b) (6), (b) (7)(C), Member (b) (6), (b) (7)(C), Member
4:30 p.m.	**Public Comment Period**
4:40 p.m.	**Closing Remarks and Adjourn**

Proposed: 15th Term COAC – Subcommittee Re-Org



Legend: SC-Subcommittee, WG- Work Group, OT-Office of Trade, OFO- Office of Field Operations, OIT-Office of Information Technology, OF-Office of Finance, INA-International Affairs

Prepared by: CBP/Trade Relations/Office of the Commissioner

Date: August 2018

Commercial Customs Operations Advisory Committee (COAC)
Emerging Technologies

September 2018

U.S. Customs and Border Protection

Directorate/Office
Emerging Technologies Working Group
September 2018

Action Required:
Information only, no action requested.

Background:

The COAC Emerging Technologies Working Group has been exploring functional viability of using blockchain technology to improve and streamline manual processes for U.S. Customs and Border Protection. CBP has designed a proof of concept for using a decentralized ledger or "blockchain", specifically to track Entry Summary data and supporting documents in a digital, tamperproof, and auditable manner.

The proof of concept is intended to enable the Trade Community to store Entry Summary data and supporting documentation on their own systems while providing an auditable proof of existence with limited access to CBP. Success of this concept will 1) increase transparency of NAFTA/CAFTA eligibility results and supporting documentation between all relevant USG agencies, individual importers and their respective supply chains 2) reduce overall operational costs (increase rate of processing, reduce shipping preparation and printing costs, enable further automation).

Issues/Next Steps:

CBP is currently testing the proof of concept that will evaluate whether employing Blockchain technology will provide compelling operational benefits and cost savings to both the U.S. CBP and the Trade Community. Portions of the NAFTA / CAFTA import process, specifically verification of intellectual property and relationships between licensees and licensors, have been identified as good candidates for improvement if a transition to a more digitized, decentralized system is undertaken.

Upcoming milestones – CBP is conducting integration testing to prove compatability of a blockchain platform with multiple partner systems.

Submitted by: (b) (6), (b) (7)(C), ES/OIT, (b) (6), (b) (7)(C)
Date: September 18, 2018

Commercial Customs Operations Advisory Committee (COAC)
(Trusted Trader Sub-committee/CTPAT MSC Work Group)

September 2018

U.S. Customs and Border Protection

Action Required:

- CBP continues to make great progress in its work with the COAC's Trusted Trader Subcommittee in updating CTPAT's minimum security criteria (MSC).

- As agreed upon with the COAC, CTPAT started the 90-day MSC socialization process in August. In late July, CTPAT emailed Members outlining the key elements of the outreach strategy – including an electronic form for members to provide their feedback, and workbooks for each of the CTPAT entities that contained the draft MSC.

- Weekly workshops are currently being held at each field office through October 2018 to discuss the draft MSC and gather feedback.

- The new MSC was a prominent topic of the recent CTPAT conference held on September 12 and 13, 2018. A workshop provided more details of what to expect from the update.

- Most concerns voiced at the workshops revolved around providing ample time for Members to learn and implement the new criteria before its use is mandated. Additional requests centered on needing help with training.

- CTPAT assured Members it will provide training and give them sufficient time to learn and adopt the new MSC before its final implementation.

Background:

- The program's security criteria has never been updated; it requires review and updating to ensure it reflects the current supply chain environment, CBP's mission, global threats, and experience gained from validations.

- In April 2016, the Global Supply Chain Subcommittee formed a COAC Working Group (WG) to address the program's criteria update. The WG now resides under the Trusted Trader Subcommittee.

- The WG was comprised of about 50 individuals representing the entire spectrum of the supply chain. There were 31 members from the trade with 10 from COAC.

- The WG was divided into six teams, with each team addressing a specific set of requirements or issues proposed by CBP. The issues discussed by the teams included the following:
  - Security Measures to Counter Agricultural Pests and Diseases/Personnel Issues;
  - Cybersecurity Issues;
  - Non-IT Security Technology;
  - Prevention of Money Laundering and Terrorism Financing Issues/Risk;
  - High Security Seals and Highway Carrier Issues; and
  - Security Management and Administration.

- The WG had numerous discussions, webinars, and two face-to-face meetings.

Next Steps:

- Further refinements/changes will be made to the draft MSC based on the feedback as well as providing the basis for an FAQ.

- Once finalized, the updated MSC will be posted on the CTPAT webpage.

- CTPAT will continue to develop training materials on the new MSC, and begin providing training to its membership prior to implementing the updated MSC.

- Based on guidance from the trade and COAC, CTPAT plans to implement the new MSC incrementally throughout 2019.

- The program has recommended that Members first implement those requirements that deal with cybersecurity, conveyance security, and seal security. This decision was based on the importance of the criteria in these categories and the level of effort to implement them.

- Members will not be expected to adhere to the new security standards until early 2020.

Submitted by: (b) (6), (b) (7)(C), OFO
Date: Wednesday, September 19, 2018

Commercial Customs Operations Advisory Committee (COAC)
In-bond Working Group

October 3, 2018

U.S. Customs and
Border Protection

Office of Field Operations, Cargo and Conveyance Security
In-bond Working Group
October 3, 2018

Action Required:

- Informational Only

Background:

- The in-bond regulatory package was published on September 28, 2017. After discussions with Trade Groups, implementation of the regulations was pushed back 6 months;
    - July 2, 2018 – Paper CBP Form 7512 will no longer be accepted for input into ACE; Electronic filing will be responsibility of the Trade;
    - Shipments arriving in the U.S. by air will not require electronic reporting until air in-bond regulations are rewritten
- The working group met on February 22-23, 2018 and discussed issues affecting implementation.
    - Air carriers have raised concerns that CBP manifest systems do not allow for reporting of in-bond arrivals and exportations at a land border or seaport. CBP acknowledges this as an issue.
    - Air carriers have identified high costs and long timeframes to implement the ABI QP/WP alternative to manifest for reporting arrival and export as it was not originally a business requirements. They have requested an additional delay of 18 to 24 months in the rule implementation. CBP acknowledges the issue but does not agree with the timeframe.
    - Truck carriers have identified issues with the reporting of export and arrival of in-bonds due to a lack of visibility for carriers that are not the bonded party in ACE truck manifest. CBP acknowledges the issue.
    - Participants in all trade modes have identified an issue in visibility via ACE reports. They do not allow visibility for bond obligation against their IR number only via a SCAC code. When the bond is extended to another carrier (or utilized by another carrier) there is not visibility to allow for oversight of arrival and export notifications. CBP acknowledges the issue.
- As part of the consultation with the trade through the working group, CBP determined that the initial implementation dates needed to be extended further.
- For the remaining regulatory changes, additional extensions were granted moving much of the implementation back to February 4, 2019.
    - Electronic reporting of all transactions will be mandatory and ACE edits will be turned on.
    - In-bond shipments originating in a mode other than air will still be allowed to be arrivived on paper until that date.
    - Electronic arriving and export filers will be allowed 2 additional days to report without penalty.
    - The implementation of the 6-digit HTS requirement for description of in-bond shipments is being suspended to allow for a full review of the requirement and its implications on trade.

- CBP is working to identify technical solutions to some of the problems identified by trade partners and continue to identify existing solutions available. CBP is also working on enhancing reports both generally and for in-bond reporting to allow better visibility into in-bond usage;
- The Office of Field Operations issued an in-bond Business Process document to assist filers and CBP with in-bond questions. This will be a living document that will be updated as solutions evolve and issues emerge.

Issue:

- By utilizing both CBP Subject Matter Experts and a varied group of industry experts, this workgroup is being established to identify CBP and trade issues with in-bond automation, operational requirements and regulatory framework.
- One goal is to identify current best practices and existing requirements that provide the most efficient utilization of resources and provide the best security for both revenue protection and national interests.
  Current regulatory requirements will also be discussed in an effort to provide feedback to the regulatory reform efforts of COAC and CBP.

Next Steps:

- Continue with working group calls focused on identifying technical fixes and business process improvements.
- Discuss legal liability issues to include clear guidance in the in-bond business process document.
- Identify potential regulatory changes including the movement of air in-bond into the same requirements as other modes of transportation.

Submitted by: (b) (6), (b) (7)(C), Director Cargo Security and Controls OFO/CCS
Date: September 21, 2018

Commercial Customs Operations Advisory Committee (COAC)
Pipeline Working Group

October 3, 2018

U.S. Customs and
Border Protection

Office of Field Operations, Cargo and Conveyance Security
Pipeline Working Group
October 3, 2018

Action Required:

- Informational Only

Background:

- CBP has collaborated with pipeline industry stakeholders at the national level for several years to address the pipeline industry's concerns over a lack of consistency in reporting requirements for pipeline crude oil and natural gas pipeline importations, movements, and processing procedures;
- An internal working group was established made up of various CBP components to identify a framework for the development of regulations, national policy and automation to address pipeline uniformity issues for pipeline shipments.
- The framework was established based on CBP business practices and regulations for other modes of transportation to facilitate training, processes and automation development.
- In addition to the normally scheduled working group calls, CBP hosted a face-to-face meeting of the group in Washington DC on June 15-16, 2017.
    - CBP discussed different models that could be applied to pipeline importations that would provide a Bill of Lading number for carrier identification, a bond to cover movement without entry and a link to entries, FTZ admissions and exports to provide CBP system automated traceability and auditing enhancement.
    - The models discussed included a bonded warehouse model and an in-bond model.
    - After discussion, the working group is moving to create a pilot/test utilizing automated in-bond generation.
- The working group has agreed to a test of the functionality in principle and completed a walkthrough of test functionality with CBP and trade participants. The walkthrough will help establish automated procedures, test messaging, timeframes, and refine SOPs needed for a pilot process.
- CBP has agreed that OFO will establish single points of contact for participants regardless of crossing location to enhance standardization and facilitation. This is not using the Center for port business but establishing a parallel process for this limited exception where CBP is not usually physically present to observe or control the physical movement of these shipments over several days/weeks.

Issue:

- By utilizing both operational and center Subject Matter Experts and a varied group of industry experts, this workgroup has established that by leveraging existing processes and reimagining their utilization, new processes can be efficiently and inexpensively developed and implemented.
- The work of this group has advanced the efforts to automate all aspects of CBP work and will contribute to the goal of account based processing with improved risk management through CBP auditability of process for low risk, high value industries like petroleum.

Next Steps:

- Utilizing the results of the walkthrough and proof of concept, establish a business process for use by any pipeline operator.
- Recommend that the official workgroup be sunset and the technical work be moved to the ACE MMM working group for implementation.
- Any identified regulatory changes from the MMM group should be referred to the Regulatory Reform workgroup for work towards crafting the appropriate regulations with the appropriate subject matter experts.

Submitted by: (b) (6), (b) (7)(C), Director Cargo Security and Controls OFO/CCS
Date: September 21, 2018

Commercial Customs Operations Advisory Committee (COAC)
(Trusted Trader Sub-committee/Trusted Trader Program)

September 2018

U.S. Customs and Border Protection

Action Required:

- U.S. Customs and Border Protection (CBP) continues to work with the Commercial Customs Operations Advisory Committee's (COAC) Trusted Trader Subcommittee on the Trusted Trader Framework Strategy which guides CBP's implementation of the Trusted Trader Program. The Framework is based on the foundation of a "continuum of activity;" a consistent level of engagement between trade and regulatory government partners that demonstrate the highest level of commitment to practice, security, compliance, and partnership within the global supply chain.

- Trusted Trader is an integration of the CTPAT and Importer Self-Assessment (ISA) Programs into one consolidated program that includes both supply chain security and trade compliance. The program is being implemented via the Trusted Trader Pilot Program, announced in 2014.

- CBP established the pilot with a phased approach. Phase I (June 2014 - June 2016) entailed the development of internal guidance, vetting and validation of the nine pilot participants; and concluded with the issuance of the Trusted Trader Validation Report and formal acceptance of seven pilot participants as Trusted Traders.

- CBP has been closely engaged with the pilot participants through bi-weekly conference calls and has been working to evaluate the impact of the program incentives via operational metrics developed in coordination with pilot participants.

- CBP has developed a catalogue of proposed benefits to help improve and standardize incentive delivery as the pilot transitions to an operational program.

- CBP is currently in Phase II of the pilot, which launched in June 2016. The focuses of this phase are to evaluate the current incentives with pilot partners to complete the development of the CTPAT Portal to accommodate Trade Compliance in addition to supply chain security. The pilot participants will begin testing the Trade Compliance Portal October, 2018.

- Further, CBP will create and test user profiles for the National Account Managers (NAMs) and Trade Compliance staff, and develop automated application and re-validation processes for the Trade Compliance Program.

- Phase III of the pilot will begin October FY 19. CBP will operationalize Trade Compliance and begin the transition of the seven Trusted Trader Pilot members. Current ISA members will be transitioned into Trade Compliance and the Trade Compliance Portal once the program and portal are operational.

- CBP, the Trusted Trader Subcommittee members and the Trusted Trader Pilot participants met in Long Beach January 17-18, 2018. Key outcomes of the meetings were prioritization of program benefits and a discussion on COAC recommendations as they pertained to

CTPAT, and ISA process re-engineering. Eight program benefits were prioritized based on their feasibility of implementation and impact to industry:

1) CTPAT portal development for Trade Compliance;
2) Reconciliation;
3) Penalty Mitigation/Offset;
4) Expedited Rulings;
5) Release of Goods/Post Release Exams;
6) CTPAT Defender (Identity Theft Program
7) Exemption from random NIIs;
8) Automation of Confidential Manifest requests.

- The Trusted Trader Subcommittee members agreed that they would assist with all benefit development involving PGAs.

- The Trusted Trader Subcommittee proposed the establishment of the Trade Compliance Working Group to achieve greater visibility and to socialize upcoming changes due to the implementation of Trade Compliance. The working group will be an opportunity to keep the trade informed of the development of CTPAT Trade Compliance.

- The Trusted Trader Subcommittee has been working with the Forced Labor Working Group to develop the Trusted Trader Strategy to include forced labor.

BACKGROUND

- During the period April 2016 to July 2016, the Trusted Trade Subcommittee held two meetings as a full committee. At the meetings, the work of the Subcommittee focused on finalizing the Trusted Trader Strategy document that outlines the future vison of an enhanced Trusted Trader Program. The Trusted Trader Framework Strategy was released at the July 2016 COAC meeting.

- COAC's Trusted Trader Subcommittee recommended CBP focus Trusted Trader strategic and tactical objectives on developing compelling benefits for voluntary participation in Trusted Trader Programs, and these benefits should outweigh the cost of participation. These benefits are essential for the advancement of Trusted Trader Programs and must be articulated in specific facilitation metrics. Benefits must be aligned with Section 101 of HR 644 on Improving Partnership Programs.

- In June 2018, the Trusted Trader Subcommittee proposed the development of a Trade Compliance Working Group to socialize CTPAT Trade Compliance to the trade.

Submitted by: (b) (6), (b) (7)(C), OFO
Date: Wednesday, September 19, 2018

Commercial Customs Operations Advisory Committee (COAC)
Government Issue Paper: Antidumping & Countervailing Duties

September 2018

U.S. Customs and Border Protection

OT/Trade Policy & Programs
Antidumping and Countervailing Duties
September 18, 2018

Action Required: Informational

Background:

- Antidumping and countervailing duty (AD/CVD) enforcement is a priority for U.S. Customs and Border Protection (CBP).
- CBP enforces over 462 AD/CVD orders on imported goods. CBP employs significant national assets from across the agency to target AD/CVD evasion, including import trade trend and valuation analysis, the use of targeted reviews and audits to address high-risk cases, lab testing, and special operations.
- The Commercial Customs Operations Advisory Committee (COAC) Trade Enforcement and Revenue Collection (TERC) subcommittee formed the AD/CVD working group to generate advice and develop recommendations specific to AD/CVD. The AD/CVD working group consists of COAC members and nonmembers providing diverse perspectives on AD/CVD issues. Members of the working group include importers, customs brokers, sureties, U.S. manufacturers, lawyers, as well as participants from the Department of Commerce and Immigration and Customs Enforcement, Homeland Security Investigations.
- CBP's partnerships enhance the enforcement of AD/CVD. CBP partners with domestic industries and partner government agencies, including U.S. Immigration and Customs Enforcement, Homeland Security Investigations (ICE HSI) and the U.S. Department of Commerce (Commerce), to enforce AD/CVD laws.
- CBP also strives to be as transparent as possible as disclosure laws allow, and regularly posts AD/CVD information on CBP.gov.

Issue:

- CBP is committed to enforcing AD/CVD laws, identifying and penalizing those who would try to evade those laws, and vigorously pursuing amounts owed to the United States.

Current Status:

- Based on a COAC recommendation, CBP reviewed the AD/CVD entry summary rejection policy with the AD/CVD Working Group extending the reject period for AD/CVD entries. After careful analysis, CBP issued CSMS # 18-000301 Modification of Timeframes to Reject Entry Summaries which extended the time period for rejecting AD/CVD entry summaries (with supervisory approval) from 90 days to 300 days.
- As recommended by COAC, the AD/CVD Division published an AD/CVD FAQ document on CBP.gov.
- CBP initiated discussions with the COAC AD/CVD Working Group on the accurate reporting of manufacturer identification codes (MIDs) on AD/CVD entries.
- CBP engaged the AD/CVD working group in discussions regarding recent Section 232 trade remedy notifications and questions/concerns.
- The AD/CVD Division recently published the 2018 summer edition of the AD/CVD newsletter, which is available on CBP.gov. This newsletter provides an additional avenue by which CBP can provide information to and engage with the trade community.
- The AD/CVD Division had an exhibit at the 2018 CBP Trade Symposium held on August 14-15, 2018, in Atlanta, Georgia. The exhibit allowed the AD/CVD Division to communicate CBP's role in AD/CVD enforcement, as well as to reinforce CBP's interaction with the trade community.

Next Steps:

- CBP will continue to engage with the AD/CVD working group to address any questions/concerns surrounding current and new trade remedies.

- CBP continues to partner with the AD/CVD Working Group to provide increased visibility for the trade on the steel seminars taught by the U.S. steel industry at CBP ports of entry. The last seminar took place on September 11-13 in Portland, Oregon.

Date: September 18, 2018

Commercial Customs Operations Advisory Committee (COAC)
Government Issue Paper: Section 321

September 2018

U.S. Customs and Border Protection

Office of Trade/Trade Policy and Programs
Section 321

Action Required: Informational

Background:

- Section 321, De Minimis is the process by which cargo can be imported by one person on one day and as cited in 19 CFR 10.151. The value of the imported cargo may be free of duties and taxes. All existing processes and restrictions for these shipments remain the same. Only the increase in value from $200 to $800 has changed as required by Trade Facilitation and Trade Enforcement Act (TFTEA) (Pub. L. 114-125). The increase in the de minimis value is intended to streamline and facilitate the movement low value shipments. The conditions are:
    - The shipment must be imported by one person on one day;
    - The importer must provide evidence of the value by an oral declaration or the bill of lading (or other document filed as the entry) or a manifest listing each bill of lading;
    - Consolidated shipments addressed to one (ultimate) consignee shall be treated as one importation;
    - No alcoholic beverage, perfume containing alcohol (except where the aggregate fair retail value in the country of shipment of all merchandise contained in the shipment does not exceed $5), cigars, or cigarettes shall be exempted from the payment of duty and tax under these provisions;
    - The exemption to entry will not be allowed in the case of any merchandise of a class or kind provided for in any absolute or tariff-rate quota, whether the quota is open or closed. In the case of merchandise of a class or kind provided for in a tariff-rate quota, the merchandise is subject to the rate of duty in effect on the date of entry
- One of the provisions of the TFTEA was to establish a 15-day mandatory implementation of the increase in the De Minimis value exemption (Section 321). This provision was implemented timely on March 10, 2016.
- CBP published an interim final rule on August 26, 2016, conforming the amount of the exemption in the regulations to the statutory amount, as well as amending certain regulatory provisions that set forth exceptions to the applicability of the exemption for certain shipments. CBP issued that document as an interim rule, effective immediately upon publication, and provided opportunity for public comment.
- CBP has issued policy guidance regarding Section 321 procedures to the field.
- A COAC Section 321 working group meeting was held on August 2-3, 2017, to discuss future recommendations. Those recommendation were presented to CBP at the COAC committee meeting on August 23, 2017. The common solution for addressing Section 321 was the idea of automating de minimis shipments in the Automated Commercial Environment (ACE).
- CBP and the trade community have advocated for an electronic method for entry submission for de minimis shipments.

Issue:

- To brief and discuss with external stakeholders the CBP automated solution for Section 321.

Current Status:

- CBP announced in May 2018, the identification and approval of funding to address key initiatives for ACE development, including Section 321. Planning and development for Section 321 is tentatively scheduled to begin in the fall of 2018.
- The initiative includes the development of an section 321 entry solution in ACE. An entry type 86 will be developed and will provide filing capabilities through Automated Broker Interface; accommodate entries that include partner government agency data, include the 10-digit Harmonized Tariff Schedule (HTS) data requirement; and expedite clearance of compliant de minimis shipments into the United States.
- CBP set up a working group under the Trade Support Network to validate the high-level Section 321 requirements, as established with COAC.

Next Steps:

- Continued internal and external stakeholder engagement will be needed throughout to include the development and deployment process.
- Initial kick-off meeting of the Section 321 working group occurred September 20, 2018. Additional meetings will be scheduled thoughout the development cycle.

Submitted by: (b) (6), (b) (7)(C)
Date: September 12, 2018

Commercial Customs Operations Advisory Committee (COAC)

Government Issue Paper: Trade Modernization Subcommittee E-Commerce Working Group

September 2018

U.S. Customs and Border Protection

Trade Policy & Programs /Office of Trade
Trade Modernization Subcommittee/E-Commerce Working Group
September 2018

Action Required: Informational

Background:

- In early 2017, the Commercial Customs Operations Advisory Committee (COAC) formed an E-Commerce Working Group (ECOM) under the Trade Modernization Subcommittee. The working group consists of companies representing various industries, sectors, and small business interests.
- CBP released its E-Commerce Strategy to the public on March 6, 2018. The strategy is available on CBP.gov.
- In June 2018, the working group reconvened, after a hiatus, to discuss ongoing e-commerce work, focusing on international trade standards, small business education outreach, data exchange, compliance enforcement, and understanding the changes e-commerce has on CBP processing. This work will support CBP enforcement and its ability to adapt to evolving e-commerce challenges. The work will also focus on public outreach and compliance.
- CBP continues its active engagement at the World Customs Organization (WCO) on the topic of e-commerce. The United States provided substantial comments to the World Customs Organization draft Cross Border E-Commerce Framework of Standards, and supporting documents, and attended working group meetings in April 2018, and June 2018. The U.S. worked with COAC, industry, and through the interagency process to collect feedback.
- In response to a request from Senator Wyden during Executive Assistant Commissioner (EAC) Smith's March 6, 2018 hearing before the Senate Finance Committee, CBP provided the Committee with recommendations on the types of authorities that would help CBP address e-commerce, IPR, and import safety challenges.
- The third phase of the "The Truth Behind Counterfeits," IPR awareness campaign ran at six airports from June 25 to August 18, 2018, and several online travel sites. One of the ads specifically aligns with e-commerce. See https://www.cbp.gov/FakeGoodsRealDangers.

Issue:

- CBP has updated its webpage on CBP.gov, with the goal of better interacting with stakeholders, small businesses, and new importers.
- After the July WCO Policy meetings, the WCO agreed to extend its e-commerce working group for another year to develop a package around the WCO Cross Border E-Commerce Framework of Standards. The U.S. took a co-leadership role in coordinating work on definitions and technical specifications, and participated in three additional groups of work (i.e. Flow Charts and Data Elements, E-Commerce Business Models, and Revenue Collection Models)
- CBP will continue to consult the COAC as work continues at the WCO throughout the year.

Next Steps:

- CBP is working with the Department of Homeland Security (DHS), COAC and the interagency to provide additional comments to the WCO on the ongoing cross border e-commerce framework package, and to prepare for the October 2018 WCO meetings. CBP will continue to consult the COAC to prepare for these meetings.
- The COAC E-Commerce working group will continue developing supply chain mappings representative of E-Commerce flows and recommendations for CBP on e-commerce.
- CBP is continuing to work through the interagency process with fellow partner government agencies on the implementation of the E-Commerce Strategy, and ongoing e-commerce work.

Submitted by: (b) (6), (b) (7)(C), Acting Director, IPR & E-Commerce Division, Trade Policy & Programs, Office of Trade,
(b) (6), (b) (7)(C)
Date: September 17, 2018

Submitted by: (b) (6), (b) (7)(C), Acting Director, IPR & E-Commerce Division, Trade Policy & Programs, Office of Trade,
(b) (6), (b) (7)(C)
Date: September 17, 2018

Commercial Customs Operations Advisory Committee (COAC)

Government Issue Paper: Trade Modernization Subcommittee E-Commerce Working Group

September 2018

U.S. Customs and Border Protection

Trade Policy & Programs /Office of Trade
Trade Modernization Subcommittee/E-Commerce Working Group
September 2018

Action Required: Informational

Background:

- In early 2017, the Commercial Customs Operations Advisory Committee (COAC) formed an E-Commerce Working Group (ECOM) under the Trade Modernization Subcommittee. The working group consists of companies representing various industries, sectors, and small business interests.
- CBP released its E-Commerce Strategy to the public on March 6, 2018. The strategy is available on CBP.gov.
- In June 2018, the working group reconvened, after a hiatus, to discuss ongoing e-commerce work, focusing on international trade standards, small business education outreach, data exchange, compliance enforcement, and understanding the changes e-commerce has on CBP processing. This work will support CBP enforcement and its ability to adapt to evolving e-commerce challenges. The work will also focus on public outreach and compliance.
- CBP continues its active engagement at the World Customs Organization (WCO) on the topic of e-commerce. The United States provided substantial comments to the World Customs Organization draft Cross Border E-Commerce Framework of Standards, and supporting documents, and attended working group meetings in April 2018, and June 2018. The U.S. worked with COAC, industry, and through the interagency process to collect feedback.
- In response to a request from Senator Wyden during Executive Assistant Commissioner (EAC) Smith's March 6, 2018 hearing before the Senate Finance Committee, CBP provided the Committee with recommendations on the types of authorities that would help CBP address e-commerce, IPR, and import safety challenges.
- The third phase of the "The Truth Behind Counterfeits," IPR awareness campaign ran at six airports from June 25 to August 18, 2018, and several online travel sites. One of the ads specifically aligns with e-commerce. See https://www.cbp.gov/FakeGoodsRealDangers.

Issue:

- CBP has updated its webpage on CBP.gov, with the goal of better interacting with stakeholders, small businesses, and new importers.
- After the July WCO Policy meetings, the WCO agreed to extend its e-commerce working group for another year to develop a package around the WCO Cross Border E-Commerce Framework of Standards. The U.S. took a co-leadership role in coordinating work on definitions and technical specifications, and participated in three additional groups of work (i.e. Flow Charts and Data Elements, E-Commerce Business Models, and Revenue Collection Models)
- CBP will continue to consult the COAC as work continues at the WCO throughout the year.

Next Steps:

- CBP is working with the Department of Homeland Security (DHS), COAC and the interagency to provide additional comments to the WCO on the ongoing cross border e-commerce framework package, and to prepare for the October 2018 WCO meetings. CBP will continue to consult the COAC to prepare for these meetings.
- The COAC E-Commerce working group will continue developing supply chain mappings representative of E-Commerce flows and recommendations for CBP on e-commerce.
- CBP is continuing to work through the interagency process with fellow partner government agencies on the implementation of the E-Commerce Strategy, and ongoing e-commerce work.

Submitted by: (b) (6), (b) (7)(C), Acting Director, IPR & E-Commerce Division, Trade Policy & Programs, Office of Trade,
(b) (6), (b) (7)(C)
Date: September 17, 2018

Submitted by: (b) (6), (b) (7)(C), Acting Director, IPR & E-Commerce Division, Trade Policy & Programs, Office of Trade,
(b) (6), (b) (7)(C)
Date: September 17, 2018

Commercial Customs Operations Advisory Committee (COAC)
Export Manifest Working Group

October 3, 2018

U.S. Customs and
Border Protection

Office of Field Operations, Cargo and Conveyance Security
Pipeline Working Group
October 3, 2018

Action Required:

- Informational Only

Background:

- The Trade Act of 2002 requires the electronic submission of the export manifest data in all modes of transportation, from the party with the most accurate information.
- The parties maybe carriers, freight forwarders, or indirect air carriers. Additionally, CBP is allowing service providers and software developers to participate in the pilots.
- In 2015 CBP announced in the Federal Register the three export manifest pilots for air, ocean, and rail manifests. Due to OMB rules only 9 participants were allowed to initially were allowed in each pilot. In 2017 the pilot was expanded to all potential users.
- Due to technical difficulties and the need to determine operational guidance, the growth of the export manifest pilot has been slow.
- The pilots for ocean, air and rail have been opened to all parties from the original limit of 9. In addition, the time frame for the pilots have been extended to allow for growth.

Issue:

- CBP is committed to establishing a process for the submission of advance electronic manifest information for exporting carriers.
- The Office of Field Operations is finalizing a Business Process Document for export manifest based on input from the CBP Commercial Operations Advisory Committtee and other working groups both business and technical.
- The Business Process Document will include guidance in the following areas:
    - Data Elements - COAC recommendations have been largely accepted for mandatory, conditional and optional data elements and their definitions. New data elements have been agreed upon and implemented including the exemption and exception codes recommended by COAC.
    - Data Submission Process and Timeframes – CBP has agreed to the progressive filing concepts provided by COAC for incremental filing based upon ownership of data. For example house bill filers will submit independently of master bills and conveyance departure information. House bill submissions are expected as early as possible but should be filed no less than 4 hours prior to departure. At this time, CBP will allow for shorter timeframes prior to departure for the remaining filers in order to evaluate the appropriate filing timelines that fit with business models.
    - Targeting Protocols – CBP will work to provide a more national targeting process assigned to the early filing of export manifest (similar to ACAS and ISF) to allow for better segregation of higher risk shipments. CBP and filers have reached agreement that this will be the primary method but that some local targeting will still be required as information develops or based on local knowledge. CBP will work to engage local targeters in the national targeting effort for export manifest.

- Examination Protocols – CBP will test multiple examination protocols for this effort including:
  - Port of Export examinations (as currently performed)
  - Trade selection of examination site based on designation of examination ports from CBP.
  - Requests from trade to perform examinations in trade selected ports to examine goods at the lowest possible cost prior to consolidation.
- Operational Guidance – This includes the provisions to better identify in-bond exports and the benefits accruing to electronic filers for port and date of export issues that have lead to penalties for many exporters.

- In addition to the Business Process Document, CBP has been working on a strawman for regulatory changes to mandate advance electronic export manifest for ocean, rail and air.
-

Submitted by: (b) (6), (b) (7)(C), Director Cargo Security and Controls OFO/CCS
Date: September 21, 2018

Commercial Customs Operations Advisory Committee (COAC)
Trade Enforcement /Revenue Subcommittee / Forced Labor Work Group

October 2018

U.S. Customs and Border Protection

Trade Remedy Law Enforcement /Office of Trade
Forced Labor Work Group

Action Required:

- Informational

Background:

- 19 U.S.C. § 1307 prohibits the importation of goods, made wholly or in part, with convict, indentured or forced labor (including forced child labor); the law contained a loophole, however, if the goods were needed to meet U.S. consumptive demands.
- In the first quarter, the Forced Labor Work Group (FLWG) focused on recommendation #010289 made at the November 2017 COAC meeting:
    - "COAC appreciates CBPs efforts to implement the Forced Labor Working Group's (FLWG's) prior recommendations, especially the recent issuance of an updated Informed Compliance Publication. As CBP continues to self-initiate and enforce forced labor allegations, COAC recommends that CBP seek additional feedback from the FLWG on how CBP Form 28 Requests for Information (CBPF 28 requests) are being handled uniformly at all centers of excellence and expertise. For example, some requests are more akin to an audit of an importer's entire supply chain and sourcing factors rather than a request for information related to one set of transactions and/or supplier. Instructions must be clear so importers know how to properly and timely respond to CBPF 28 requests."
    - The FLWG discussion revolved around providing CBP with additional feedback on how some of the questions currently being asked could be worded to ensure a better response from the trade.
- During the last quarter, FLWG focused on the seven recommendations.
    - COAC recommended several updates to CBP technology used to communicate forced labor updates.
    - CBP strives to update cbp.gov with current and relevant information related to forced labor. CBP has activated RSS feeds for the forced labor page on cbp.gov. The forced labor page is the primary means of communicating changes in the forced labor arena and has added publications on Due Diligence, Responsible Business Conduct, and a detailed trade advisory on the implementation of the Countering America's Adversaries Through Sanctions Act. CBP has determined the use of the CSMS messaging system would not be feasible for forced labor policy issues, rather the CBP Forced Labor landing page updates through RSS feeds should be subscribed to by the public. Any questions the trade may have concerning forced labor may be addressed to the trade.enforcement@cbp.dhs.gov mailbox. The trade community may report forced labor allegations through the eAllegations portal and/or through the mailbox ICE.ForcedLabor@ice.dhs.gov. CBP regards investigative processes as confidential information not to be discussed with the public. COAC recommended CBP add new forced labor questions to the existing COAC survey to gauge the trade industry's knowledge of these issues, and share the survey results with the trade industry.

        - Forced Labor questions have been provided to CBP Office of Trade Relations (OTR) for inclusion to the COAC Survey to gauge the trade and industry's knowledge of forced labor issues and due diligence.
    - COAC recommended the CBP Commissioner leverage the resources of the appropriate CBP Center, which has knowledge of the industry and is responsible for managing importer accounts, when making an allegation assessment or the decision to issue, revoke, or modify a withhold release order (WRO).
        - The appropriate Center is engaged when CBP considers action on a WRO.
    - COAC recommended CBP work with key stakeholders to develop and publish an Informed Compliance Publication (ICP) on Forced Labor.
        - CBP has updated the ICP on Reasonable Care to include a section on Forced Labor.
    - COAC recommended that CBP continue to actively engage with the DHS Interagency Group as a best practice for cross-agency collaboration to improve forced labor enforcement and facilitation.
        - CBP remains actively engaged with the DHS Interagency Group to foster cross-agency collaboration to improve forced labor enforcement and facilitation. Currently, the DHS working group will remain a U.S. Government interagency body. The working group may reach out to COAC as needed, if feedback is needed from non-government stakeholders.
    - COAC recommended that CBP conduct additional outreach using a variety of methods.
        - CBP participated in the American Association of Exporters and Importers conference in Baltimore, Maryland, in June 2018. Additionally, CBP has determined the effective use of limited resources by utilizing local Trade Days, which are CBP-sponsored events at targeted ports that provide outreach and access to local companies and stakeholders.
        - EAC Smith conducted a questions and answer session on the Turkmenistan cotton WRO with key industry stakeholders, including COAC members. On August 23, CBP, the Department of Labor, the Department of State, and a representative from a Civil Society Organization conducted a stakeholder outreach webinar to answer questions provided by the COAC.
    - CBP recommended that CBP continue to have the FLWG act as a standing forum of subject matter experts that can be called together by CBP when any forced labor issues arise to solicit feedback and advice from the trade and all stakeholders within the FLWG.
        - CBP remains engaged with the COAC FLWG to solicit feedback and advice from the trade and other stakeholders.

Issue:

- CBP is developing a forced labor allegation application, with a simplified process for submitting forced labor allegations to CBP through the eAllegations portal.
- The Forced Labor Divison is engaging with CBP's Office of International Affairs at earlier stages of the investigation.

- The Forced Labor Division is conducting onsite and remote training soliciting leads for enforcement, and educating the trade on forced labor and due diligence.

Next Steps:

- The FLWG continues to act as a standing forum of subject matter experts that can be called together by CBP when any Forced Labor issues arise to solicit feedback and advice from the trade.
- Continue review of communications outreach and discussion of using survey to measure the level of awareness and engagement by importers and brokers regarding forced labor.
- This COAC working group is comprised of trade members and civil society organizations (CSO). CBP is participating with its partner government agencies in a CSO work group to capitalize on this group's expertise.

Submitted by: (b) (6), (b) (7)(C), Office of Trade, Trade Remedy Law Enforcement Directorate,
(b) (6), (b) (7)(C)

Date: September 14, 2018

Commercial Customs Operations Advisory Committee (COAC)

Government Issue Paper: Intellectual Property Rights (IPR)

September 2018

U.S. Customs and Border Protection

INTELLECTUAL PROPERTY RIGHTS (IPR)

Action Required: Informational

Background:

- The Commercial Customs Operations Advisory Committee (COAC), through the Trade Enforcement and Revenue Collection Subcommittee (TERC) Intellectual Property Rights Working Group (IPRWG), provides advice and recommendations on improving intellectual property rights (IPR) enforcement.
- At the July 27, 2016, quarterly meeting, the COAC made four recommendations to collaboratively address current challenges in IPR enforcement. CBP continues to work within the IPRWG to explore and work through the recommendations:
  (1) that the IPRWG continue to consider other approaches to developing a known IPR supply chain program that includes working with the National IPR Center to extend Trade Association participants to promote the "Report IP Theft" campaign and encourage real-time reporting of IPR violations through a newly established 800 Hotline.
  (2) that CBP investigate partnering with e-commerce stakeholders to develop an automated process for their on-line customers to complete a survey if they feel the shipment of a product they received is not legitimate along with the opportunity to submit an allegation through the Report IP Theft Button. COAC also recommends that CBP establish an e-commerce working group to further explore this and other pressing e-commerce issues.
  (3) that CBP should consult with the IPRWG to determine how to better facilitate cargo that arrives as "blanks" without a logo or trademark to distinguish the brand at the time of arrival to reduce resources CBP is expending on unnecessary seizures. The IPRWG should consider how this could be automated to manage known parties or entities to the transaction within the ACE Portal.
  (4) that CBP take advantage of certain IPR best practices established by the Centers of Excellence and Expertise (Centers) to conduct webinars internally to allow Centers to gain knowledge of these successes, inform the trade of these successes, and inform industries of CBP's efforts through these webinars and CSMS messages.
- The IPRWG expanded discussion to include the voluntary abandonment pilot program, the IPR Public Awareness Campaign, e-commerce, and Executive Order 13785. The IPRWG is also discussing IPR-related topics and mandates in Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA), including provisions requiring the drafting of regulations.
- CBP officially concluded the pilot phase of the IPR Voluntary Abandonment pilot program in February 2018.
- On March 6, 2018, CBP issued its E-Commerce Strategy, which focuses on creating a more agile CBP that can adapt to challenges in the e-commerce environment.
- In response to a request from Senator Wyden during EAC Smith's March 6, 2018 hearing before the Senate Finance Committee, CBP provided the Committee with recommendations on the types of authorities that would help CBP address e-commerce, IPR, and import safety challenges.
- The third phase of the "The Truth Behind Counterfeits," IPR awareness campaign ran at six airports from June 25 to August 18, 2018, and several online travel sites, potentially reaching an estimated 88 million travelers.

Issues and Next Steps:

- The working group members are interested in further briefings and discussions on the implementation of Executive Order 13785 and the E-Commerce Strategic Plan.

Prepared by: (b) (6), (b) (7)(C), Acting Director IPR & E-Commerce Division, Office of Trade, (b) (6), (b) (7)(C)
Date: September 17, 2018

- CBP and the IPRWG members have identified potential areas of interest for future partnership. The topics include IPR enforcement regarding small packages, bi-directional conversation on IPR threats, recordation, destruction, and IPR supply chain cooperation.
- Through the IPRWG, CBP solicited stakeholder input to develop the response for Senator Wyden on additional authorities required to effectively enforce IPR and import safety laws.
- CBP is developing a blockchain proof of concept to test the potential use of blockchain in the IPR environment.
- CBP solicited volunteers for the IPR blockchain proof of concept, and will hold technical scoping meetings once the volunteers are finalized.
- CBP will provide further briefings with IPRWG members on the implementation of Executive Order 13785, the E-Commerce Strategy, and additional authorities required to effectively enforce IPR laws.

Prepared by: (b) (6), (b) (7)(C), Acting Director IPR & E-Commerce Division, Office of Trade, (b) (6), (b) (7)(C)
Date: September 17, 2018

Commercial Customs Operations Advisory Committee (COAC)
(Part 146 – FTZ Regulatory Reform Working Group)

(October 3, 2018)

U.S. Customs and
Border Protection

Office of Field Operations, Cargo and Conveyance Security
Part 146 (FTZ) Regulatory Reform Working Group
October 3, 2018

Action Required:

- Informational Only

Background:

- CBP and COAC identified a need for a Regulatory Reform Working Group to work on modernizing regulations consistent with Modernization Act requirements, updated automation of process and current efforts to reduce the scope and size of regulations undertaken by the Administration.
- Previous efforts with the FTZ industry in 2015 had led to a draft set of regulations that needed additional updating and revision that established a head start for this effort. As a result, COAC created a separate group to focus on Part 146 of the regulations.
- The Working Group was established in Spring 2018 and several teams were established to evaluate and provide recommendations for different portions of the revised regulations. These teams met via conference call several times and completed their initial assessments early in July 2018.
- The full Working Group met on July 18-19, 2018 in a face to face session to bring all of the recommended language to the table for consensus discussion and to additionally develop a set of COAC recommendations
- Additional work is being done on various sections to finalize the recommended language and a set of COAC recommendations are being developed for the September 2018 meeting at the earliest.

Issue:

- By utilizing both CBP Subject Matter Experts and a varied group of industry experts, this workgroup was established to identify and draft recommendations that will allow for modernization of Title 19, Part 146 (Foreign Trade Zones).
- The goal is to provide streamlined and modernized regulations that provide for full automation, more efficient processes and reduced transactional oversight based on risk.
- While the work product of this group will include draft regulatory language provided by the trade partners, the final authority for regulatory text will remain with CBP.

Next Steps:

- Continue to finalize language and provide recommendations for COAC at the September 2018 meeting.
- Finalize a proposed regulatory draft with the work group to allow for CBP to begin the regulation writing process

Submitted by: (b) (6), (b) (7)(C), Director Cargo Security and Controls OFO/CCS
Date: September, 2018

Commercial Customs Operations Advisory Committee (COAC)

Trade Modernization Subcommittee,
Regulatory Reform Working Group

October 2018

U.S. Customs and
Border Protection

Office of Trade, Regulations and Rulings
Regulatory Reform Working Group

Action Required:

- The Regulatory Reform Working Group (RRWG) formed in February 2018 to address Executive Order 13771, *Reducing Regulation and Controlling Regulatory Costs*.
- The goals of the RRWG are to provide high-level recommendations to COAC on trade processes and their supporting regulations that still need to be modernized, even after the deployment of core ACE. The RRWG will also provide a prioritized list of regulations to help CBP focus and begin regulatory initiatives that will produce the most cost savings for both the public and private sectors.
- The RRWG is comprised of representatives from COAC, other industry experts, and staff from Office of Field Operations, Office of Trade, and Office of Chief Counsel.
- The group used as its starting point the comments received on a *Federal Register* Notice published in September 2017 soliciting suggestions for regulatory reform.
- The group is working through all of Title 19 of the Code of Federal Regulations, titled Customs Duties, to identify CBP regulations that are outdated, obsolete, require paper-based processes, or make little operational sense in a modern business environment.
- The group meets approximately monthly, with three teams conducting more detailed activities outside the main calls.
- The RRWG met in-person in April 2018 for an intense deep dive into major sections of the regulations, and is finalizing the deep dives by the end of September 2018.

Background:

- Current deregulatory efforts that have been made public through the DHS Unified Agenda include:
  - The modernization of customs broker regulations
  - I-418 process modernization in vessel environment (the I-418 is a passenger and crew list, and CBP is able to obtain this information from the Coast Guard rather than gathering it separately)
  - Updating the regulations to specify ports with a Vessel Repair Unit (New Orleans is the sole remaining site; the other ports will be removed from the list)
- Additional deregulatory efforts that are not yet public include:
  - Revenue modernization
  - Modernizing the vessel arrival process to be automated and streamlined
  - Updating the regulations to account for eBond functionality in ACE
  - Free Trade Zone modernization (also a COAC working group)
  - Advance Electronic Data for international mail
  - Export manifest modernization
  - Changes to the in-bond process (also a COAC working group)
  - Bonded warehouse modernization
  - Liquidation process modernization
  - Updating regulations for ACE functionality

Next Steps:

- Next steps will be to consolidate findings, to begin the effort to prioritize regulations that are promising candidates for modernization, and to draft COAC recommendations.
- The RRWG's aim is to present its recommendations at the December 2018 COAC meeting.

Submitted by: (b) (6), (b) (7)(C)
Date: September 12, 2018

Commercial Customs Operations Advisory Committee (COAC)
Trade Enforcement /Revenue Subcommittee / Bond Work Group

July 2018

U.S. Customs and Border Protection

Trade Remedy Law Enforcement /Office of Trade
Bond Work Group
July 17, 2018

Action Required:

- Informational

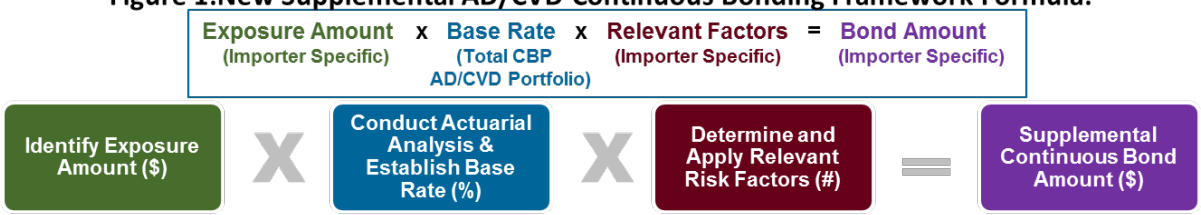
Background:

- Section 115 of the Trade Facilitation and Trade Enforcement Act (TFTEA) requires CBP to develop importer risk assessment guidelines to adjust bond amounts.
- Validated Customs-Trade Partnership Against Terrorism (C-TPAT) Tier 2 and Tier 3 participants are excluded from this requirement.
- Statistically valid risk-based bonding scheme development began in July 2016 in response to two Government Accountability Office (GAO) recommendations.
- The Court of International Trade (CIT) has been clear in past rulings that adjustments to bond amounts must be based on an actual assessment of the importer's likelihood / ability to pay and not just raised because there is the mere possibility that deposit rates could change.
- 9.1 million records of Anti-Dumping/Countervailing Duty (AD/CVD) modeling data has been standardized, merged, and loaded into the programming software.
- CBP will continuously refine and update risk-based models releasing sequential versions as additional datasets are loaded, with each version of the model to be statistically valid so as to limit litigation risk.
- Long-term enhancements will leverage social network analysis, spatial analysis, and interactive modeling to further segment risk.
- CBP has been developing a risk-based bonding framework initially for AD/CVD entries that is statistically-based and uses actuarial science.

Issue:

- Risk-based bonding was initiated by CBP in response to three items that call on CBP to develop and apply risk assessments to improve collections:
    - TFTEA, Section 115 (February 2016)
    - GAO Report (August 2016) - *AD/CVD: CBP Action Needed to Reduce Duty Processing Errors and Mitigate Nonpayment Risk*
    - Executive Order 13785 (March 2017) - *Establishing Enhanced Collection and Enforcement of AD/CVD and Violations of Trade and Customs Laws*
- The proposed supplemental continuous bond will be required when an importer begins to file entries subject to AD/CVD.
- The new working draft version of the bond formula is built on insurance concepts and actuarial science (see Figure 1).

Figure 1:New Supplemental AD/CVD Continuous Bonding Framework Formula:



- CBP conducted tabletop exercises with four sureties from the COAC Trade Enforcement and Revenue Committee's Bond working group to capture their feedback.
- Three items discussed/reviewed with the working group:
    - The bond formula: Exposure rate * Base Rate * Relevant Factors = Bond Amount;
    - Guidelines around the supplemental continuous bond; and
    - Recommendations on how to make the framework operationally feasible.
- CBP will develop and publish guidance for the sureties and CBP on using the bond formula and move forward toward implementation.
- Sureties and the broader trade community will continue to play an important role throughout this process and CBP is grateful for their continued collaboration.

Next Steps:

- Develop criteria for bond framework implementation.
- Review of draft guidelines for supplemental continuous bond.
- Identify CBP automation requirements.

Submitted **by:** (b) (6), (b) (7)(C) Office of Trade, Trade Remedy Law Enforcement Directorate, (b) (6), (b) (7)(C)

Date: August 18, 2018

Commercial Customs Operations Advisory Committee (COAC)

Trade Modernization Subcommittee – Executive Summary

October 3, 2018

CUSTOMS COMMERCIAL OPERATIONS ADVISORY COMMITTEE

Trade Modernization Subcommittee
Executive Summary – Trade Progress Report
October 2018

Background

The Trade Modernization Subcommittee (Subcommittee) is pleased to have incorporated the expertise of the new appointees to the 15th COAC. The Subcommittee's objective is to enhance a public/private partnership through a shared strategic vision to enhance predictability, transparency and efficiency relevant in today's progressive trade environment that strengthens U.S. businesses as well as our economy.

14th Term Chairpeople

(b) (6), (b) (7)(C) [redacted]	VP Regulatory Affairs and Compliance, FedEx Trade Networks
	Senior Member, Sandler, Travis & Rosenberg, P.A.

Active Working Groups

1. E-Commerce

This working group has been meeting to focus on broad e-commerce issues and policy set forth in its Statement of Work, which includes:

i.) how the changes in e-commerce are affecting each segment of the business, the current and future challenges to each segment of the industry and through a supply chain process flow exercise to identify the needs of industry and CBP considering new supply chain models and changes.

ii.) how the trade and CBP can adequately address the growth of e-commerce, while understanding and addressing partnership opportunities and enforcement needs.

iii.) how the industry and CBP can enhance facilitation, outreach and education and impact e-commerce on an international basis to address the opportunities and challenges domestically and internationally throughout the supply chain.

Stakeholders from all critical verticals (e.g., customs brokers, carriers, express couriers, importers, suppliers and e-commerce platforms) are engaged in these discussions to focus on challenges and opportunities from the public, private and international/WCO perspective.

Most recently, the working group has embarked upon a detailed review of the various e-commerce trade flows via all transportation modes to better ascertain how e-commerce is impacting the movement of cargo and the roles of the parties. Once the working group

identifies all the critical nodes of the cargo flows it will consider how the e-commerce strategic goals should align with each one. Further, the working group will provide feedback as to best practices for e-commerce internationally from both a policy and operational perspective.

2. **Regulatory Reform**

This working group has been actively meeting, once in person and through numerous calls, through three teams to review Title 19 Code of Federal Regulations to work with CBP to address Executive Order 13771, "Reducing Regulation and Controlling Regulatory Costs," and Executive Order 13777, "Enforcing the Regulatory Reform Agenda," that the President issued in early 2017.

The working group is identifying regulations and requirements appropriate for modification or repeal to achieve savings of time and money for the trade community. The working group includes stakeholders from the various segements of the supply chain that the regulations impact to maximize the number of identifiable regulations and requirements and, hence, achieve cost savings.

At this stage the working group has identified numerous areas for deregulation and/or modernization. Some of these include: entry, liquidation, financial/accounting, conditionally free articles, special classes of merchandise, air commerce, administrative rulings, protests and fines, penalties and forfeitures. Specific recommendations are forthcoming.

3. **Foreign Trade Zone Modernization**

This working group has been actively meeting, once in person and through numerous calls, through three teams to conduct an in-depth review of 19 C.F.R. Part 146 regulating foreign trade zones. The objective is to find ways to modernize and update the FTZ regulations to align them with the commercial realities in utilizing such facilities and the integral role they play in international trade. Stakeholders, representing FTZs, importers, exporters, brokers, sureties, attorneys and consultants have been actively participating.

The recommendations are intended to address: regulatory reform, outdated regulations, trade remedies, zone activation process, ACE policy, direct delivery, production equipment, bonding, the FTZ manual, section 321 de minimis, PGAs, CBP Form 216, penalties and liquidated damages and suspension.

Conclusion

We appreciate the dedication of the numerous officials from CBP Headquarters and the field as well as members from the trade community representing all the links of the global supply chain operating throughout the U.S. for their input on these numerous trade modernization initiatives. We look forward to CBP's further implementation of the Subcommittee's recommendations and future suggestions ahead in the 15th COAC.

U.S. CUSTOMS AND BORDER PROTECTION

Commercial Customs Operations Advisory Committee (COAC)

Schedule of Events

Dirksen Senate Office Building
50 Constitution Ave NE
Room SD-G50
Washington, DC 20002

October 3, 2018

1:00 p.m. – 5:00 p.m. **COAC Public Meeting** (*Registered participants only*)
Dirksen Senate Office Building
50 Constitution Ave NE
Room SD-G50
Washington, DC 20002

Government Officials

1. Kevin McAleenan, Commissioner, CBP
2. (b) (6), (b) (7)(C) Deputy Assistant Secretary, Treasury Department
3. (b) (6), (b) (7)(C) Assistant Secretary, DHS
4. (b) (6), (b) (7)(C) Acting Deputy Executive Assistant Director, ICE
5. Todd Owen, Executive Assistant Commissioner, CBP
6. Brenda Smith, Executive Assistant Commissioner, CBP
7. (b) (6), (b) (7)(C) Assistant Commissioner, CBP
8. (b) (6), (b) (7)(C) Executive Director, CBP
9. (b) (6), (b) (7)(C) Executive Director, CBP
10. (b) (6), (b) (7)(C) Executive Director, CBP
11. Bradley Hayes, Executive Director, CBP
12. (b) (6), (b) (7)(C) Deputy Executive Director, CBP
13. (b) (6), (b) (7)(C) Director, CBP

COAC Members

1. (b) (6), (b) (7)(C)
2. [redacted]

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COAC Alternate Members

21.
22. (b) (6), (b) (7)(C)
23.
24.

Point of Contact:
(b) (6), (b) (7)(C)
Trade Relations, Office of the Commissioner
U.S. Customs and Border Protection
(b) (6), (b) (7)(C)

Commercial Customs Operations Advisory Committee (COAC)

Global Supply Chain Subcommittee – Executive Summary

October 3, 2018

CUSTOMS COMMITTEE ON COMMERCIAL OPERATIONS
Global Supply Chain Subcommittee
Executive Summary – Trade Progress Report
October 3, 2018

I. Background

The Advisory Committee on Commercial Operations of Customs and Border Protection (COAC) determined to carry on the work from the 14th Term COAC Global Supply Chain Subcommittee.

Mission Statement:
Advance priorities that promote trade facilitation, global customs modernization and global supply chain security, to enhance the competitiveness of our American businesses.

Trade Co-Chairs: (b) (6), (b) (7)(C)

Government Co-Chairs: (b) (6), (b) (7)(C)

Members: (b) (6), (b) (7)(C).

II. Summary of Work

COAC Global Supply Chain Subcommittee

Pipeline Working Group
The Global Supply Chain Subcommittee will present the status of a proof of concept effort that is testing the utilization of existing Automated Commercial Environment (ACE) in-bond automation in the pipeline mode of transportation. Meetings will continue in order to further analyze the results of the effort. The results will be used to establish a business process for use by pipeline operators.

Emerging Technologies Working Group
There will be a discussion on the progress of Emerging Technologies Working Group. This will include the development of a Proof of Concept program using blockchain technology. There have been a number of full day in person meetings and many conference calls to utilize blockchain technologies for the submission of NAFTA and CAFTA certificates of origin. Integration testing that has taken place between September 10th and the 28th has been successful. In the next quarter results from the proof of concept program will analyzed in order or ascertain the viability of using blockchain technology.

In-bond Working Group

There will also be an update on issues that were identified at the 2 day face to face meeting at the Beauregard Facility, on the 22nd and 23rd February, 2018, relative to Trade concerns with the current In-bond rule changes made within the scope of the "Changes to the In-Bond Process" final rule published in the Federal Register on September 28, 2017. The Working Group identified a number of recommendations that will be presented at the forthcoming public COAC meeting to be held in DC on the 3rd October 2018. A number of areas of concern were raised including the requirement to report the Harmonized Tariff System of the United States (HTSUS) numbers for all In-bond moves, the suppression of release information prior to physical arrival of cargo at In-bond destination, (identified by FIRMS code), especially in relation to truck power shortages. Additional topics included the receipt of written proof of exports, diversions, air and cross border requirements as well as the lack of visibility within ACE reports, of the obligation of in-bond for shipments by bond holders, especially where a bond is obligated by another carrier.

Trade Modernization Subcommittee - FTZ Working Group Recommendations - July 19, 2018

Introduction

Foreign-Trade Zones (FTZ) are secure areas under U.S. Customs and Border Protection (CBP) supervision that are generally considered outside CBP territory upon activation. Located in or near CBP ports of entry, they are the United States' version of what are known internationally as free-trade zones.

Authority for establishing these facilities is granted by the Foreign-Trade Zones Board under the Foreign-Trade Zones Act of 1934, as amended (19 U.S.C. 81a-81u). The Foreign-Trade Zones Act is administered through two sets of regulations, the FTZ Regulations (15 CFR Part 400) and CBP Regulations (19 CFR Part 146).

Foreign and domestic merchandise may be moved into zones for operations, not otherwise prohibited by law, including storage, exhibition, assembly, manufacturing, and processing. Foreign-trade zone sites are subject to the laws and regulations of the United States as well as those of the states and communities in which they are located.

Under zone procedures, the usual formal CBP entry procedures and payments of duties are not required on the foreign merchandise unless and until it enters CBP territory for domestic consumption, at which point the importer generally has the choice of paying duties at the rate of either the original foreign materials or the finished product. Domestic goods moved into the zone for export may be considered exported upon admission to the zone for purposes of excise tax rebates and drawback.

Role of CBP

CBP is responsible for the transfer of merchandise into and out of the FTZ and for matters involving the collection of revenue. The Office of Regulations and Rulings at CBP Headquarters provides legal interpretations of the applicable statute, CBP Regulations and procedures.

The Port Director of CBP, in whose port a zone is located, is charged with overseeing zone activity as the local representative of the Foreign-Trade Zones Board. He or she controls the admission of merchandise into the zone, the handling and disposition of merchandise in the zone, and the removal of merchandise from the zone. In addition to the Foreign-Trade Zones Act, he or she enforces all laws normally enforced by CBP that are relevant to foreign-trade zones.

Zones are supervised by FTZ Coordinators (i.e., CBP Officers, Import Specialists, Entry Specialists or Agricultural Specialists, etc.) through compliance reviews and visits; the security of the zone must meet certain requirements.

COAC FTZ Working Group

With over 230 general purpose zones and nearly 400 subzones in the United States, the FTZ industry is vital to the U.S. economy and provides many benefits to U.S. companies in order to help maintain and grow American jobs and associated U.S. investment through Customs duty mitigation strategies. With the modernization of the Automated Commercial Environment (ACE), CBP recognized the need to establish a COAC FTZ Working Group (WG) under the Trade Modernization Subcommittee. The goal of the FTZ WG is to collaborate on a regulatory

rewrite of 19 CFR 146, modernize policies, and consider technology solutions in ACE to create a paperless and auditable environment for FTZ operations.

In accordance with the COAC charter, the FTZ WG was established on March 14, 2018, and has over 40 members representing all trade sectors including U.S. manufacturers, general purpose zones, subzones, importers, exporters, customs brokers, attorneys, FTZ consultants, sureties, and various trade associations including the National Association of Foreign Trade Zones (NAFTZ) and the National Customs Brokers and Forwarders of America (NCBFAA). The FTZ WG also includes representation from the FTZ Board on behalf of the Department of Commerce (DOC) and CBP's Office of Trade Relations (OTR), Office of Trade (OT), Regulations and Rulings Directorate, and Office of Field Operations (OFO).

To tackle the monumental task of a regulatory rewrite for 19 CFR 146, the FTZ WG established three (3) teams each participating in weekly conference calls from March through July. Team 1 reviewed Subpart A-B, Team 2 Subparts C-E, and Team 3 Subparts F-G. The entire FTZ WG also had monthly calls and in-person meetings on July 18-19. During this meeting, the FTZ WG developed the below recommendations as well as a red-lined version of 19 CFR 146 that began in 2015 and culminated in a regulatory draft package that shall become a formal part of these COAC recommendations.

Modernization of Language

1) **Regulatory Reform:** As outlined in the red-lined version of 19 CFR 146 to support these recommendations, COAC recommends that CBP modernize and streamline FTZ Regulations to:
    - conform with the FTZ Board regulations modified in 2012 and reference FTZ board production authority scope of approval and restrictions;
    - reflect a paperless environment in ACE;
    - eliminate and/or automate certain forms, seals, and processes that are antiquated;
    - distinguish authority of CBP Centers of Excellence and Expertise for post entry work;
    - revise to meet the new in-bond regulations implemented in 2018;
    - update and move all definitions to Subpart A to provide a central location for clarity;
    - reorder regulatory sections to provide clarity and logical order of content;
    - clarify language concerning valuation and quantity reporting;
    - modify the five (5) day removal rule

2) **Update Regulations:** As outlined in the red-lined version of 19 CFR 146 in support of these recommendations, COAC recommends that CBP draft language for:
    - "Zone Status Changes" in 19 CFR 146.12(e).
    - "Voluntary Cessation of Zone Activities" in Subpart C
    - Free Trade Agreements with Duty Deferral restrictions (create 19 CFR 145.64 for NAFTA and 19 CFR 145.65 for U.S. Chile).
    - Expanded language for 19 CFR 146.15 to distinguish dutiable status of the goods or consider consolidating with Subpart E.
    - Title transfer in an FTZ.
    - Temporary removal provisions.

3) **Trade Remedies:** COAC recommends that CBP adopt changes to 19 CFR 146.13 and throughout 19 CFR 146 as applicable to include regulatory language that merchandise subject to Anti-Dumping/Countervailing Duties (AD/CVD) and trade remedies such as Section 201, 232, and 301 must be as admitted in Privileged Foreign Status. The regulatory changes should clarify that any applicable AD/CVD duties would apply regardless of the processing conducted in the FTZ, but as applicable trade remedy duties may not apply based on the FTZ processing. However, in all cases the rate of duty in force on the date of removal from the FTZ would apply. Further, CBP should provide clarification regarding the appropriate country of origin for duty purposes due to Census' requirement, inconsistent with CBP origin determinations, to report the country of origin based on the foreign status merchandise and in cases of components from more than one country, the country with the greatest aggregate value.

4) **Zone Activation Process:** COAC recommends that CBP revise 19CFR146.6 to provide a more formal and streamlined process for the zone application, denial and appeal process so activations are handled in a timely and uniform manner.

5) **ACE Policy:** As FTZ admissions fully migrate to ACE, the regulations should be updated to clarify the different admission types, the timing associated with each, and the specific data elements required in ACE, including the same for regular and weekly entries.

Policy Changes

6) **Direct Delivery:** COAC recommends that CBP develop and publicly disseminate a risk assessment methodology that is both company-based and product-based to allow CBP to establish known parameters for approvals and also allow related parties to FTZ Operator firms to qualify for direct delivery. COAC also recommends that 19 CFR 146.39 be updated to require the ACE data elements for CBP Form 214 as outlined in the ACE CATAIR.

7) **Production Equipment:** COAC recommends that CBP create a new admission type or flag in ACE for Production Equipment and modify the regulations at 19 CFR 146.16 to accommodate this revised process and any applicable requirements within the FTZ Manual.

8) **FTZ Bonding:** COAC recommends that CBP review how the FTZ bond amount (Activity Code 4) is determined with the COAC Bond Working Group to ensure it contemplates the custodial obligation of an FTZ based on duty of average inventory rather than value within the FTZ. This review should ensure the FTZ bond amounts are sufficient to protect the revenue of the U.S. and calculated in a uniform manner to avoid unnecessary hardship on the trade. COAC further recommends that CBP modernize the FTZ regulations to align with the eBond environment implemented in January 2015.

9) **FTZ Manual:** In support of the final regulatory and policy changes made to 19 CFR 146, COAC recommends that CBP modernize and streamline the FTZ Manual to ensure it aligns with all regulatory reform, policy changes, and automation capabilities.

10) **Section 321 De Minimis:** In light of recent CBP rulings restricting section 321 de minimis shipments through FTZs and the increasing flow of such shipments from warehouses abroad located in Mexico and Canada, COAC recommends that CBP consult with COAC to

examine the economic impact such restrictions are having on the domestic FTZ industry and the efficacy of a regulatory or statutory change to enable such operations to occur in the U.S.

PGA Capabilities and Collaboration

11) **Partner Government Agencies (PGA):** COAC recommends that CBP incorporate into the regulatory rewrite of 19 CFR 146 any reference to PGA jurisdiction where CBP has enforcement authority to hold or detain merchandise. COAC also recommends that CBP engage with the Border Interagency Executive Council (BIEC) to solidify PGA Policy to incorporate into the regulatory rewrite for admissions.

Technology and Automation Solutions

12) **CBP Form 216 and Exceptions:** COAC recommends that CBP create functionality in ACE that provides a mechanism to electronically report CBF Form 216 and all exceptions for overages, shortages, destructions, etc.

FTZ Enforcement

13) **Penalties and Liquidated Damages:** COAC recommends that CBP modify 19 CFR 146.81 to clarify and reference potential for liquidated damages under 19 CFR 113.73 and penalties under 19 USC 1592 for clearer transparency to the trade.

14) **Suspension:** COAC recommends that CBP modify 19 CFR 146.82 to provide an opportunity to appeal to the Office of Field Operations (OFO) at CBP Headquarters to be consistent with OFO's review of any cause for suspension.

Commercial Customs Operations Advisory Committee (COAC)

Trade Enforcement and Revenue Collection (TERC) Subcommittee – Executive Summary

October 03, 2018

COAC

COMMERCIAL CUSTOMS OPERATIONS ADVISORY COMMITTEE

Commercial Customs Operations Advisory Committee
(COAC)

October 2018

Report of the Work of the COAC
Subcommittee on Trade Enforcement and Revenue Collection (TERC)

Co-Chairs
(b) (6), (b) (7)(C) - Avalon Risk Management
(b) (6), (b) (7)(C) - Microsoft Corporation

Background
During the first quarterly meeting of the 14th Term of COAC held on April 24, 2015, it was decided that topics from the 13th Term of the Trade Enforcement and Revenue Collection (TERC) Subcommittee would continue to be worked on in the 14th Term. This includes the Anti-Dumping and Countervailing Duty (AD/CVD), Bonds, and Intellectual Property Rights (IPR) Working Groups. The Regulatory Audit Working Group that was established in the 13th Term continues to be on hiatus until further notice from U.S. Customs & Border Protection (CBP). In July 2016, a new Forced Labor Working Group (FLWG) was also established. All subcommittee objectives and scope are consistent with the official charter of COAC.

Summary of Work
Since launching the TERC Subcommittee in April 2015, four (4) Working Groups have been operating. The AD/CVD, Bond, Forced Labor, and IPR Working Groups consist of COAC and non-COAC members representing over 100 different stakeholders from the trade including importers, domestic industry, U.S. manufacturers, brand holders, customs brokers, sureties, attorneys, ABI vendors, carriers, consultants, various trade associations as well as participants from CBP and other Partner Government Agencies (PGAs).

Since the last COAC meeting on August 1, 2018, the TERC Subcommittee held one conference call to review the activity of all the active working groups as follows:

AD/CVD Working Group
Since August 1, 2018, the AD/CVD Working Group held one conference call to review and discuss the following emerging issues:

- **AD/CVD FAQ:** The AD/CVD WG provided prior recommendations to update the FAQ and was able to provide collaborative input into the draft. The WG reviewed the final product and was very pleased that CBP and Commerce took the time to address the members' input. The new FAQ provides a great resource of information and all links to other websites are consolidated in one location. This was a great COAC product and team effort.
- **MID**: CBP asked the AD/CVD WG about Manufacturer ID (MIDs) that are used for AD/CVD. The current MID system has many challenges that were discussed and CBP would like to continue this dialogue with the WG.

- Looking forward to the 15th term, the AD/CVD WG will continue to act as a standing forum of subject matter experts that can be called together by CBP when any AD/CVD issues and new emerging issues arise to solicit feedback and advice from the trade. The members thank CBP and Commerce for their collaborative partnership.

Bond Working Group

Since August 1, 2018, the Bond Working Group (BWG) held two conference calls to discuss the bond sufficiency issues that have resulted from the increase in tariffs for Section 201, 232, and now 301. CBP has revised its bond sufficiency letters to encourage importers to not only look at the prior 12 months of history, but to project the bond amount needed going forward to ensure the bond remains sufficient in accordance with current continuous bond formulas. The BWG is eager to hear updates from CBP on the development of the AD/CVD Supplemental Bond and looks forward to further discussions on these topics with the 15th term of COAC fully operational.

Forced Labor Working Group

Since August 1, 2018, the Forced Labor Working Group (FLWG) held two conference calls to discuss CBP's framework for a Forced Labor Trusted Trader Program. Both calls had robust discussion on how a Trusted Trader Program for Forced Labor could operate. The COAC Trusted Trader Working Group will continue to seek input as necessary, and CBP is eager to put the program in place for those companies that may qualify under the Trade Compliance portion of the Trusted Trader Program. Looking forward, the FLWG will review outstanding COAC recommendations, develop a strong outreach plan, and review the Forced Labor regulations for updates once again.

Intellectual Property Rights Working Group

Since August 1, 2018, the Intellectual Property Rights Working Group (IPRWG) held two conference calls to discuss the proposed blockchain proof of concept and to solicit participants to test out the feasibility of a blockchain based solution. The Small Package team held a conference call and is developing some proposals for recommendations that will be reviewed by the entire IPRWG before submission to the full COAC. The IPRWG will be scheduling calls to discuss and develop recommendations for the five key issues CBP asked the WG to address:

1. **Developing Partnership in Small Package Arena to Aid in Enforcement.** The current Abandonment Pilot recommended by the 13th term of COAC was a success and considered cost effective alternative to CBP seizures. The IPRWG continues to discuss other alternatives to seizures that can be as effective as the Abandonment Program, now that the pilot has ended, and guidance has been provided by CBP to the ports.
2. **Mitigating Costs of Destruction.** In line with the Abandonment Program, the IPRWG discussed additional ideas for the destruction of cargo as an alternative to seizures. These discussions continue in response to TFTEA and the Executive Order on Alternatives to Seizure and Information Sharing with CBP.
3. **eRecordation System in Automation.** The IPRWG received an overview from CBP's Office of Ruling and Regulations (ORR) on the eRecordation system that allows importers to register their brand with CBP. The IPRWG was asked to provide feedback on any additional improvements that can be made to the eRecordation system or process.

4. **Bi-directional Conversations on Threats in IPR Space with Centers of Excellence & Expertise (Centers) and the Trade.** The IPRWG feels the roundtable discussions each CBP Center hosts is extremely helpful to collaborate on combating IPR Threats by industry. Other ideas discussed by the IPRWG were to have trade participants included on educational seminars, training and outreach
5. **Revisit the IPR Known Importer Program.** The IPRWG discussed how Blockchain could be utilized to facilitate this program. Additional research is needed and will be discussed in future calls.

The IPRWG will continue to act as a standing forum of subject matter experts that can be called together by CBP when any IPR issues arise to solicit feedback and advice from the trade.

Commercial Customs Operations Advisory Committee (COAC)

Trusted Trader Subcommittee – Executive Summary

October 3, 2018

Commercial Customs Operations Advisory Committee
(COAC)

October 2018

Report of the Work of the COAC
Subcommittee on Trusted Trader Program

Co-Chairs
(b) (6), (b) (7)(C) **- Costco Wholesale Corporation**
(b) (6), (b) (7)(C) **– OOCL (USA) Inc.**

1. Background:

At the April 24, 2015, COAC meeting, the first quarterly meeting of the 14th Term Commercial Operations Advisory Committee (COAC), it was decided that topics from the 13th Term Trusted Trader subcommittee would continue to be worked on in the 14th Term. The Trusted Trader Subcommittee objectives and scope are consistent with the official charter of COAC.

2. Objectives and Statement of Work:

It is expected that, during the lifespan of this Subcommittee, the focus will be on providing advice and recommendations in one or more of the following areas, and reviewing the scope and capability of meeting both national and international criteria through Trusted Trader Programs including:

- CTPAT Trade Compliance
- CTPAT Security
- AEO Programs

After engaging in full deliberation and discussion, the Subcommittee shall advise the COAC of any advice or recommendations related to any CBP Trusted Trader Program. Specifically, the Subcommittee is expected to help CBP develop an enhanced CBP Trusted Trader Program and to continue to advise CBP on CTPAT issues. By developing a program that includes both trade compliance and supply chain security, CBP is moving CTPAT towards a true AEO program, thus creating an opportunity to both amend its current mutual recognition agreements (MRAs) and enhance its future MRAs by including trade compliance criteria and offering corresponding incentives for participants.

3. Summary of Work:

Since the last COAC public meeting on August 1, 2018, the Trusted Trader Subcommittee held one conference call as a full committee. The subcommittee was briefed on the testing of the new Trade Compliance Portal, the transition of Importer Self-Assessment participants into the new CTPAT Trade Compliance program, the socialization of the draft Trusted Trader framework for

Forced Labor, and discussed the plan for creating a Trusted Trader working group under the proposed COAC subcommittee structure for the 15th term. The Subcommittee was briefed on the status of the CTPAT Minimum Security Criteria (MSC) and the socialization status to provide visibility to the trade on the new MSC and the opportunity to offer feedback.

For the CTPAT MSC, the subcommittee completed work with CBP and the six working groups, refining and addressing the new and the improved recommended MSC, including input from CBP Field office personnel and the CBP HQ team, based on additional reviews in November 2017, and January 2018. CBP developed new workbooks, by specific trade entity, (during the COAC hiatus) providing visibility to the new and enhanced criteria – and in particular the two new areas added to CTPAT covering cybersecurity and agriculture, to allow better visibility and to encourage input and feedback on the proposed changes from the wider CTPAT membership. The workbooks and registry are completed – but still subject to review – which will take place now after the completion of the COAC hiatus and resumption of the COAC 15th Term. Outreach sessions and the recent CTPAT conference in Orlando on 12th / 13th September, provided additional opportunity to further communicate and invite comment on the direction, changes and potential implantation plans for the introduction of these new requirements. We are pleased that the resumption of term 15 will allow continued development of this important project on CTPAT to enhance and improve the MSC, and allow better capability to leverage interoperability of CTPAT with other countries.

4. Next Steps:

It is anticipated that the Subcommittee will form a Trusted Trader working group to engage additional subject matter expertise, socialize the program and seek additional industry input and feedback on the development and implementation of the program. The finalized scope of work will be forthcoming; however, it is anticipated that the COAC working group will focus on the following:

- Develop a proposed strategic interagency partnership engagement approach to Trusted Traders.
- Propose methods to receive and process Industry recommended Trusted Trader - Trade Compliance benefits for consideration including the ability to evaluate, prioritize, and vet recommended benefits within the Trusted Trader Framework.
- Develop metrics that evaluate and mutually quantify benefit effectiveness for industry and government.
- Further development of the Trade Compliance program.

With the resumption of the COAC 15th term now in place, further development and refinement of the MSC will continue through outreach sessions, with a plan to complete the feedback loop by the end of October 2018. This will then allow final review on the MSC – additional communication to trade, the development of a cost-benefit analysis for the new MSC, and a comprehensive implementation and communication plan, including any new benefits that will be offered to program participants.

The phased approach for the new / enhanced MSC will be managed on the degree of importance impacting the global supply chain and perceived security risk, with the plan to apply in 4 phases as below:

- Phase 1 – Cybersecurity, seal security, and conveyance security
- Phase 2 – Security training & threat awareness, business partner requirements and risk assessment
- Phase 3 – Security vision & responsibility, physical security, and physical access security
- Phase 4 – Agriculture security, personnel security and procedural security

For the working group as a whole, there is longer term work still to be done to solidify the future direction in line with the developed Trusted Trader Framework strategy document. More specifically, with regard to developing the program as it relates to exporters with export benefits, the potential inclusion of partner government agencies, as well as achieving international interoperability. Equally the forward intent will be to ensure a robust security initiative with the ability for ongoing improvements and refinements as potential threats continue to apply within the global supply chain. We look forward to the continued excellent partnership with CBP to develop these initiatives fully and ensure effective implementation of the new agreed MSC, and are encouraged by the excellent work conducted by CBP on the workbooks prior to the resumption of the COAC 15th Term.

In line with the agreed direction, the Trusted Trader Subcommittee has and will continue to focus on the objectives as stated in the statement of work: providing advice and recommendations on the enhanced Trusted Trader program, including CTPAT MSC, to encompass both trade compliance and supply chain security, and to review the scope and capability of meeting both national and international criteria.

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(b) (6), (b) (7)(C)

Subject: COAC 1USG Subcommittee Monthly Call - October 2017
Location: (b) (7)(E)

Start: Tue 10/24/2017 1:00 PM
End: Tue 10/24/2017 2:00 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Tentatively accepted

Organizer: (b) (6), (b) (7)(C)
Required Attendees: (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C) (CTR); TRADE EVENTS; TRADE RELATIONS

Categories: Calls

Greetings,

Our next monthly subcommittee call will be on Tuesday October 24th at 2pm (ET).

Thank you,
(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject:	COAC Reception
Location:	Omni Hotel Rooftop Terrace: 675 L Street
Start:	Wed 8/23/2017 6:00 PM
End:	Wed 8/23/2017 9:00 PM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	COAC

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C); HAYES, BRADLEY F
Subject:	CONECT remarks
Start:	Wednesday, October 11, 2017 12:00:00 PM
End:	Wednesday, October 11, 2017 12:30:00 PM
Location:	Conference # (b) (7)(E)

Good morning:

A conference call has been scheduled to discuss C1's remarks for the Coalition of New England Companies for Trade (CONECT) conference. C1 will give the keynote luncheon address on Thursday, November 2, 2017 from
12:35 p.m. – 1:45 p.m. at the Biltmore Hotel, 11 Dorrance Street, Providence, RI 02903.

The remarks should include the following topics.

CBP staffing at the ports;
CBP priorities for the Trusted Trader Program;
De minimis - how CBP is screening E-commerce entering under de minimis; and
Trade facilitation initiatives to balance the enforcement focus.

Sincerely,

(b) (6), (b) (7)(C), MBA
Program Manager
Office of Trade Relations
Office of the Commissioner
U.S. Customs and Border Protection
1300 Pennsylvania Avenue, NW Suite 3.5A
Washington, DC 20229

Office #: (b) (6), (b) (7)(C)
Cell #: (b) (6), (b) (7)(C)
E-mail: (b) (6), (b) (7)(C)

From: CBP COMMISSIONER SCHEDULER

To: SMITH, BRENDA BROCKMAN; (b) (6), (b) (7)(C)
Owen, Todd C (EAC OFO); (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) HAYES, BRADLEY F; LADOWICZ, JOHN P;

Cc: (b) (6), (b) (7)(C)

Subject: Confirmation Prep 2: Trade Deep Dive

Start: Sunday, October 22, 2017 12:00:00 PM

End: Sunday, October 22, 2017 2:30:00 PM

Location: National Targeting Center - 22330 Glenn Drive Sterling, VA

Attachments: Visitor Entry Instructions.pdf
(b) (7)(E)
SCANNED HEARING BINDER.pdf

NOTE(s):
* Attire: Casual
* Hearing Binder Attached
* Directions and Entrance Instructions attached

<<SCANNED HEARING BINDER.pdf>> (b) (7)(E) <<Visitor Entry Instructions.pdf>>

From:	CBP COMMISSIONER SCHEDULER
To:	[redacted] (b) (6), (b) (7)(C) HAYES, BRADLEY F; LADOWICZ, JOHN P; [redacted] (b) (6), (b) (7)(C)
Subject:	Confirmation Prep
Start:	Monday, October 23, 2017 3:00:00 PM
End:	Monday, October 23, 2017 4:00:00 PM
Location:	Commissioner"s Small Conference Room

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) AYES, BRADLEY F (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C) ENFORCEMENT PROGRAMS DIVISION; (b) (6), (b) (7)(C)
Subject: Confirmed: US/Canada Trucking Issue (Update: Reference Materials Added to invite)
Start: Wednesday, October 25, 2017 7:30:00 AM
End: Wednesday, October 25, 2017 8:30:00 AM
Location: OTR Conference Room - 3.5A -24 or via Conference Line: (b) (7)(E)
Attachments: NAFTA Chapeau Memo PLCY FINAL.DOC
(b) (5)
Importance: High

Greetings (10/25/2017)

Background from Dentons representatives:

We are indeed working at the behest of the Canadian Trucking Association - but hand in hand WITH the American Trucking Association. The two Associations are very entwined. Our client is CTA.

Biographies of the 2 representatives that we are meeting with this morning:
https://www.dentons.com/en(b) (6), (b) (7)(C)

https://www.dentons.com/en/whats-different-about-dentons/connecting-you-to-talented-lawyers-around-the-globe/news/2013/july/dentons-adds-(b) (6), (b) (7)(C) -former-director-for-house-majority-leader-cantor

(b) (5)

Information provided by (b) (6), (b) (7)(C), CBP

Thank you for sending this along, I'd note that the issue re: repositioning empty trailers is a long standing and somewhat controversial issue (despite being described in the paper as a "hiccup"). Others can chime in, but if I recall the issue specifically turns on an interpretation of the NAFTA transport operator provision (8 CFR 214.2(b)(4)) which CBP and DHS have interpreted as prohibiting foreign truck drivers entering the United States under B-1 Visas (business visitors) from performing movements of empty trailers that are considered cabotage (point to point within the United States). I would also note more broadly that immigration/temp entry issues in the NAFTA renegotiation are quite controversial as Congress does not like that these temporary entry provisions were included in trade agreements to begin with. Further, in the course of NAFTA renegotiations, DHS has taken a very hard line position in requesting that USTR remove all temporary entry related provisions (including those already in NAFTA 1.0) from the new agreement (see attached for a memo from DHS leadership to USTR laying out this position). Given this, I think we need to be in listening mode for these meetings, and I would stay away from a substantive discussion of reinterpreting the operative NAFTA language given that we don't know what the NAFTA 2.0 outcome will look like. Just my 2 cents, I can be available all day on Monday or Tuesday and most of the day Wednesday and Thursday, and would be happy to participate. Thanks so much!

<<NAFTA Chapeau Memo PLCY FINAL.DOC>>
Thank you,
(b) (6), (b) (7)

The date has been confirmed for a meeting on Wednesday October 25th at 11am on the North America Trucking Issue.

I will provide more details by updating the invite as I receive them.

Thank you,

(b) (6), (b) (7)

U.S. Department of Homeland Security
Washington, DC 20528

August 31, 2017

FROM: (b) (6), (b) (7)(C)
Assistant Secretary for
Border, Immigration, and Trade
Office of Policy

SUBJECT: **Regarding North American Free Trade Agreement Renegotiations**

Summary: The Department of Homeland Security (DHS) opposes the inclusion of immigration provisions in the North American Free Trade Agreement (NAFTA) that may create legal obstacles to DHS' administration of U.S. immigration laws. In addition, DHS will not concur with the inclusion of immigration provisions in NAFTA that are contrary to Presidential and Congressional intent.

Background: The existing NAFTA includes provisions governing temporary entry for business persons. NAFTA, as implemented by Congress, established a new employment-based visa program (the "Treaty National" or "TN" visa program) solely for nationals of NAFTA Parties working in certain skilled occupations.

The TN program is uncapped and includes none of the U.S. worker protections Congress has included for other temporary worker programs (such as a requirement that employers advertise the position or pay the workers the prevailing wage). In FY15, TN visa holders from Canada and Mexico transited the U.S. border 787,180 times. TN visa-holders may hold such desirable positions as: Hotel Manager; Land Surveyor; Lawyer; Engineer; and Pharmacist.

Analysis: Existing NAFTA requires Parties to grant temporary entry to business visitors from other Parties "provided that the business person otherwise complies with *existing immigration measures* applicable to temporary entry…." This provision has been legally interpreted and applied to mean that DHS cannot impose more restrictive immigration regulations on Canadian and Mexican citizens traveling to the United States for business than existed at the time NAFTA was effected in 1994. It therefore constrains DHS authority to regulate the business visitor visa program even if priorities and equities change. It is also widely interpreted to deprive Congress of the ability to make new laws that conflict with NAFTA's provisions relating to the B, L, and E visa programs.

Retaining TN provisions in NAFTA appears contrary to the President's intent in Executive Order 13788 ("Buy American and Hire American"), in which he stated that, "to create higher wages and employment rates for workers in the United States, and to protect their economic interests, it shall be the policy of the executive branch to rigorously enforce and administer the laws governing entry into the United States of workers from abroad…." The TN visa program in particular allows tens of thousands of skilled Canadian and Mexican workers each year to enter the U.S. labor

market and compete with U.S. workers, but without any labor protections – such as a recruitment and prevailing wage requirement – for U.S. workers. For this reason, DHS cannot concur with the retention of TN visas in the new NAFTA.

Including or adding immigration provisions in NAFTA is contrary to Congressional intent. In July 2003, bipartisan leadership of the House Judiciary Committee urged the U.S. Trade Representative (USTR) to "in the strongest possible terms to never again agree to negotiate immigration provisions in bilateral or multilateral free trade agreements." The U.S. Senate later unanimously passed a resolution stating that "(1) trade agreements are not the appropriate vehicle for enacting immigration-related laws or modifying current immigration policy; and (2) future trade agreements to which the United States is a party and the legislation implementing the agreements should not contain immigration-related provisions." In March 2012, bipartisan leadership of the House Judiciary Committee again repeated its opposition to the inclusion of immigration in trade agreements. In April 2015, Senate Judiciary Chairman Grassley and Senate Finance Committee Chairman Hatch wrote USTR asking that USTR never negotiate any provision in a trade agreement "which requires changes to U.S. immigration law, regulations, policy, or practice." For this reason, DHS cannot concur with the inclusion of immigration provisions in NAFTA.

It should also be noted that, in 2016, Congress amended current trade promotion authority (TPA) for the Executive Branch, which authorizes "fast track" procedures for consideration of trade agreements in Congress. As part of this legislation, Congress amended the trade negotiating objectives of the United States to include an objective that trade agreements should not require "changes to immigration laws . . . or obligate the United States to grant access or expand access to visas issued under section 101(a)(15) [of the Immigration and Nationality Act]."

(b) (6), (b) (7)(C)

Subject: CoS Touchbase: Sunday Prep Session(s)
Location: 4.4A, Small Conference Room

Start: Fri 10/20/2017 8:00 AM
End: Fri 10/20/2017 8:30 AM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: (b) (6), (b) (7)(C)

Conference: (b) (7)(E)
Participant Code: (b) (7)(E)
Moderator Code ([redacted]): (b) (7)(E)

DRAFT Agendas for Sunday:

<<Agenda Border Security Prep Session.docx>> <<Trade Session Agenda.docx>>

U.S. Customs and Border Protection

AGENDA

Confirmation Prep 2: Border Security Deep Dive

Sunday, October 22, 2017

11:00 AM

I. Brief Introduction **(OCA)**

II. Likely Topics of Questions by Members

a. CBP Opioid Strategy
   - i. Overview of CBP Strategy **(OS)**
   - ii. Update on OFO Efforts to Interdict Heroin/Fentanyl **(OFO)**
   - iii. Update on JFK USPS Pilot (MOU + LAX Expansion) **(OFO)**

b. Privacy Concerns
   - i. Update on E-search Directive and FY17 Stats **(OFO/OCC)**
   - ii. Discuss Concerns w/ Use of Facial Recognition Technology **(OFO/OCC)**
     1. Overview of Existing Authorities Re USCs and LPRs **(OCC)**
     2. Overview of Privacy Group Engagements **(OFO)**

c. Newark Allegations
   - i. Brief Update **(OPR/OCC)**
   - ii. Sexual Harassment Policies/Reporting Mechanisms **(OPR)**

d. Enforcement/Transparency
   - i. Update on Body Worn Camera Technology Rollout **(OS)**
   - ii. CBP Enforcement Actions at Sensitive Locations **(USBP)**
     1. Overview of (b) (6), (b) (7)(C) Case **(USBP)**
   - iii. Detainment of DACA Recipients at Checkpoints **(USBP)**
   - iv. Asylum Claims at San Ysidro/Otay/Laredo **(OFO/OCC)**

e. Border Wall System
   - i. Discuss Total Cost/Implementation Plan Questions **(USBP/OFAM)**
   - ii. Member Interest in Increased Use of Border Technology **(USBP/AMO)**

f. Executive Order/Enhanced Vetting
   - i. Overview of TRO/ **(OCC)**
   - ii. Discussion on Enhanced and Social Media Vetting **(OFO)**

g. Hiring/Staffing
   - i. Overview of Latest Process Improvements
     1. Poly Waivers/Criminal Investigator Hiring **(HRM/OPR)**
   - ii. Discussion on Port of Entry Staffing Shortages **(HRM/OFO)**

U.S. Customs and Border Protection

AGENDA

Confirmation Prep: Trade Issues Deep Dive

Prep Date TBD

Time TBD

I. Brief Introduction

II. Likely Topics of Questions by Members

a. Prioritization of CBP Trade Mission
   i. Balancing trade facilitation, enforcement and border security missions
   ii. Working with Treasury on revenue policy oversight

b. Intellectual Property Rights
   i. Abandonment Program/Seizure Data to Rights Holders
   ii. Seven Day Rule
   iii. Wedding/Prom Dresses Described as "gifts" from China

c. Antidumping/Countervailing Duty
   i. Enforce and Protect Act Implementation
   ii. Distribution of CDSOA Interest
   iii. Overall Effectiveness of Collection/Retrospective Policy

d. Drawback Simplification
   i. Status of TFTEA Drawback Simplification NPRM, contingency plan
   ii. Automation of Drawback in ACE

e. Trade Modernization
   i. ACE Outage
   ii. Role in NAFTA discussions

f. Forced Labor/Consumptive Demand
   i. North Korea
   ii. Stricter Enforcement (i.e. self-initiation)
   iii. Due Process Concerns

g. Other Trade Issues
   i. De Minimus Threshold Increase
   ii. Jones Act (Hurricane Waivers and Ruling Revocation)
   iii. Lacey Act/Wildlife Trafficking
   iv. Status of TFTEA Regulations and Reports to Congress

III. Closeout Discussion and Summarize any Follow up Items

(b) (6), (b) (7)(C)

Subject: [redacted] - A/L 8:00-10:00 / [redacted] A/L 8:30-12:00

Start: Fri 10/20/2017 12:00 AM
End: Sat 10/21/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject:	[redacted] - S/L 1:00-3:00pm
Start:	Tue 10/24/2017 12:00 AM
End:	Wed 10/25/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Personal

(b) (6), (b) (7)(C)

Subject: DCA -> LAX (United 1462 & 1060)
Location: Hotel: Hilton at 5711 W Century Blvd, Los Angeles, CA 90045

Start: Tue 10/10/2017 2:40 PM
End: Tue 10/10/2017 10:02 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

Flight Washington, DC (DCA) to Chicago, IL (ORD)

United 1462

Departure: 03:40 PM
Seat: 11C (Confirmed) Change Seat
Ronald Reagan National Arpt (DCA)
Terminal: B

Duration: 2 hours, 9 minutes
Nonstop

Arrival: 04:49 PM
O'Hare Intl Arpt (ORD)
Terminal: 1

Confirmation: PWYERY
Status: Confirmed
Air Frequent Flyer Number: UA-KA938015

Flight Chicago, IL (ORD) to Los Angeles, CA (LAX)

United 1060

Departure: 05:30 PM
Seat: 11C (Confirmed) Change Seat
O'Hare Intl Arpt (ORD)
Terminal: 1

Duration: 4 hours, 32 minutes
Nonstop

Arrival: 08:02 PM
Los Angeles Intl (LAX)
Terminal: 7

Confirmation: PWYERY
Status: Confirmed
Air Frequent Flyer Number: UA-KA938015

Hilton Los Angeles Airport

5711 W Century Blvd
Los Angeles, California, 90045
US
310-410-4000

Checking In: Tue Oct 10
Room 1, Days 2, Guests 1

Checking Out: Thu Oct 12

Confirmation: 3385366532
Status: **Confirmed**

Frequent Guest Number: 253975949

Additional Information

Daily Rate: $173.00 USD

Total Rate: $346.00 USD

Room Details

Room Description: RoomDescriptionCodeA03GPO

Special Instructions: Nonsmoking

Cancellation Policy

Cancellation Fees may apply
Must Cancel By 4 Pm

Hertz Car Rental at: Los Angeles US (LAX)

Ct

Pick-up at: Los Angeles US (LAX)

Pick Up: 08:02 PM *Tue Oct 10*
Pick-up at: Los Angeles US (LAX)

Number of Cars: 1

Return: 01:15 PM *Sat Oct 14*
Returning to: Los Angeles US (LAX)

Confirmation: H4370572391GOLD
Status: **Confirmed**

Frequent Guest Number: XXXXXX5130

Rate Code: TMD3

Additional Details

Please book all transportation, lodging, and car rental reservations through Concur Travel to comply with CBP Travel Policy.

Rate: $46.39 USD daily rate, unlimited miles

Total Rate: $272.25 USD

Corporate Discount: 2081410

Rental Details

Compact / Car / Automatic transmission / Air conditioning

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C); HAYES, BRADLEY F
Subject:	Discuss ECTS Status / Action Items
Start:	Wednesday, October 4, 2017 6:30:00 AM
End:	Wednesday, October 4, 2017 7:30:00 AM
Location:	Panera Bread: 5926 Kingstowne Towne Center, Alexandria, VA

(b) (6), (b) (7)(C)

Subject: Discuss EAA Concerns w/XD (b) (6), (b) (7)(C)
Location: RRB, Room 3.5A

Start: Thu 10/5/2017 12:30 PM
End: Thu 10/5/2017 1:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C); OTRConferenceRoomCalendar; TRADE EVENTS
Resources: (b) (6), (b) (7)(C)

Categories: Internal CBP Meeting

From: (b) (6), (b) (7)(C)
Sent: Sunday, August 6, 2017 6:59 PM
To: (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: Welcome to CBP

Bradley,

It was a great pleasure to meet you last week and to discuss some of the issues on the express industry's agenda. I look forward to working with you, and I am confident you will find EAA to be one of the best partners CBP has for dealing with the common challenges we face to improve both security and trade facilitation.

The email below, which I sent to (b) (6), (and Todd Owen earlier this year, explains the problem we are having with CBP Ag. We shelved this issue temporarily due to all the work CBP needed to do incident to the new Administration taking office, but I believe it is time now to work on it. It is one of the issues we will want to discuss for the meeting we would like to hold with you Sep 5.

Looking forward to seeing you again soon. Please do not hesitate to reach out to me if I ever can help your work in any way.

Warm regards,

(b) (6), (b) (7

From: (b) (6), (b) (7)(C)
Sent: Wednesday, February 1, 2017 11:15 PM
To: (b) (6), (b) (7)(C)
Subject: FW: Ag-inspector holds

(b) (6), (b

Here is the recent message to Todd on ag-holds that I mentioned today. This is a really serious problem and we need to find a solution.

I know OFO is swamped right now with "travel ban" so I am not pushing Todd on this, but I would like to get together with him soon.

Thanks,

[redacted]

From: [redacted]
Sent: Thursday, January 26, 2017 1:48 PM
To: [redacted]
Cc: Kevin McAleenan [redacted]
Subject: Ag-inspector holds

Hi Todd,

To continue our ongoing dialogue about the problem of excessive and unnecessary holds by ag-inspectors, I am sending you the attached spreadsheets from two of my members. One shows the ag-holds for a 30 day period from late November to late December, the other for a two week period in December.

The data reveals the inefficiency of the targeting process clearly:

Nov/Dec	7757 holds (avg 258/day)	48 denied entry (avg <2/day)	.6% denied entry
Two weeks in Dec	2578 holds (avg 184/day)	43 denied entry (avg 3/day)	1.7% denied entry

Another thing that stands out in this data is the large number of holds on shipments with no obvious ag-relationship. The EAA member who submitted the 30 day sample had a very experienced analyst go over the list to determine which shipments were non-ag. He determined 937 shipments, or 12%, were not ag-related. I am struck by the number of books and calendars that were put on hold, and the very large number of items of clothing. It appears that the word "cotton" can trigger an ag-hold, even when these shipments are clearly described as articles of cotton clothing.

Another striking feature of these lists is that the descriptions of the goods cannot be reasonably defined as "vague". The descriptions on the whole are actually quite specific. There are a small percentage listed as "gifts", and this number is very likely higher than normal given that the samples were taken for a period just before Christmas. In many cases the "gifts" are further described with more details. So I hope this data can lay to rest, once and for all, that "vague descriptions of the goods" is not the problem that is causing this inordinately large number of holds on fully compliant products. Clearly some other reason is driving the excessive holds.

This data provides a good basis for us to have another meeting to discuss how we can solve these problems. Eliminating the holds on non-ag products would be a useful place to start, as we cannot understand the justification for stopping such a large number of those shipments, which is more than would occur just from spot checking. So we are asking you to identify a date in the near future when we can come in and have another discussion with you.

Todd, this is a genuine problem, it is not going to go away, and we need your help to solve it. The excessive ag-holds are costing time, effort, and money – both ours and yours – for no apparent value, given the miniscule number of denied entries in the express environment.

I am looking forward to hearing from you, and to getting together, soon.

Many thanks,

(b) (6), (b) (7

[redacted]

(b) (6), (b) (7)(C)

Subject:	Discuss ECTS Agenda w/EAC Smith
Location:	RRB – 3.2C-30
Start:	Mon 10/30/2017 10:00 AM
End:	Mon 10/30/2017 10:15 AM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Internal CBP Meeting

(b) (6), (b) (7)(C)

Subject:	Drop car for repairs
Location:	6791 Commercial Drive; Springfield VA 22151
Start:	Mon 10/30/2017 8:00 AM
End:	Mon 10/30/2017 8:30 AM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Personal

From: (b) (6), (b) (7)(C)

To: SMITH, BRENDA BROCKMAN; [redacted] (b) (6), (b) (7)(C) [redacted] Owen, Todd C (EAC OFO) [redacted] (b) (6), (b) (7)(C) [redacted] ; Kolbe, Kathryn; (b) (6), (b) (7)(C) HAYES, BRADLEY F; [redacted] (b) (6), (b) (7)(C)

Cc: [redacted] (b) (6), (b) (7)(C) [redacted]

Subject: EAC/AC Pre-Brief for ACE ESC (Slide Deck Attached)

Start: Thursday, October 26, 2017 9:00:00 AM

End: Thursday, October 26, 2017 9:30:00 AM

Location: RRB 3.5F, Large Conference Room / [redacted] (b) (7)(E)

Attachments: ACE ESC 10-19-2017 - EAC Pre-Brief.pptx

Toll Free Dial In: (b) (7)(E)
Participant Code: (b) (7)(E)
Host Code: (b) (7)(E) [redacted]
Meeting facilitator will dial in using the host code.

<<ACE ESC 10-19-2017 - EAC Pre-Brief.pptx>>
Thank you,

(b) (6), (b) (7)(C)

Communications Lead
Supporting the Cargo Systems
Program Directorate (CSPD)
(b) (6), (b) (7)(C) [redacted]

Homeland Security

Automated Commercial Environment (ACE)
ACE Executive Steering Committee

October 31, 2017

Agenda

- ACE Program Status
- Trade Readiness - Deployment G
- Remediation Plan Action Items
- ACE Collections and Debt Management
- ACE Cost and Scope Progress
- ACE Issues and Risks

ACE Program Status

Homeland Security

Overall Program Health

Financials

Due to the delay of the final deployment the program breached the APB Acquisition Cost Threshold.

- To mitigate the unplanned de-coupling costs, the program has identified FY18 appropriated budget funds from Disaster Recovery to cover the costs. Disaster Recover costs are expected to be lower than originally planned.
- The program has not identified funding for the Collections re-plan, the revenue management business case (anticipated in March 2018) will identify the funding requirements.

Performance

- **ACE Availability** - Criteria is based on 365 day rolling Inherent Availability (Ai). Threshold 97%, Actual 98.74% (as of September 2017).
- **ACE Electronic Processing of Import and Export Documents** Threshold 85%, Actual 100% (as of September 2017).
- **ACE as Single Window** - Threshold 100%, Actual 100% (as of September 2017).
- **ACE Targeting and Selectivity** - Threshold 99.999%, Actual 99.890% (as of September 2017), 99.917% (as of August 2017).

Schedule

Due to the delay of the final deployment the program breached the APB schedule thresholds for development.

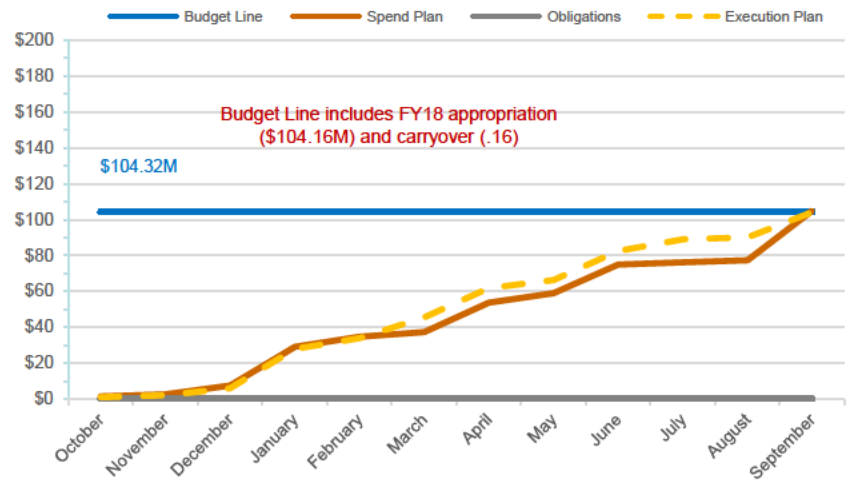
Deployment G Phased Approach:

- Release 2 – September 16, 2017 – Successfully Deployed
- Release 3 – December 9, 2017
- Release 4 – February 24, 2018

ACE development remains on schedule to meet the legislative mandate for TFTEA Drawback in February 2018, however the NPRM is still pending approval by Treasury.

The business process that determines the path forward for Collections and ACS will be finalized late February 2018.

Financial Summary



ACE Accomplishments / Events and Milestones

Date	Milestones
09/16/17	ACE Dep G-Release 2 Successfully Deployed (10/7/17 - G2 Reports Deployment)
10/18/17	DUSM Approved ACE Remediation Plan
10/25/17	CBP Portfolio Review
11/16/17	ABI Router Retired from Mainframe
12/06/17	Deployment G - Release 3 - PRR
12/08/17	Deployment G - Release 3 - ADE-2C
12/09/17	ACE Deployment G - Release 3 / e214 FTZ / MID Retired from the Mainframe (12/16/2017 - G3 Reports Deployment)
01/11/18	FWS to CERT (Pilot 03/01/18, PROD 05/01/18)
01/15/18	Truck EMH and ACE Trade Profiles Phase 1 Retired from Mainframe
02/21/18	Deployment G - Release 4 - PRR
02/23/18	Deployment G - Release 4 - ADE - 2C
02/24/18	ACE Deployment G - Release 4 (03/17/2018 - G4 Reports Deployment)
03/15/18	Revenue Management Business Case Finalized

Trade Readiness - Deployment G (as of 10/18/17)

Homeland Security

Vendor Readiness (TTO)

- Over half of the 40 identified software vendors have successfully completed testing for Statements and MID Create.
- 69% of the 26 identified software vendors for e214/FTZ are either in CERT testing or have successfully completed testing.

Filer Readiness (OTR)

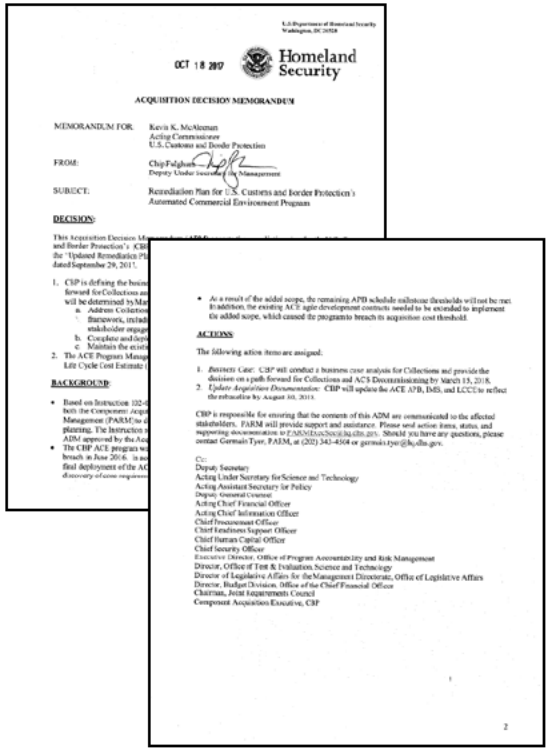
- 15 brokers, NCBFAA, AAEI and NAFTZ contacted.
- No issues identified with testing.
- Filer request for ability to do end-to-end testing of statement filing in CERT, which is not feasible.
- Filer request for updated process/policy document that includes process changes for each of the capabilities being deployed.

Trade Testing and Readiness for Deployment G

	Dec 9, 2017 Deployment / Release 3			Feb 24, 2018 Deployment / Release 4			
	Statements	E214	MID Create	Core Drawback	TFTEA Drawback	Recon	TIB/ Liquidation
Total Vendors	40	26	40	25	25	40	40
# Vendors in CERT	2	7	2	4	NA	5	5
# Vendors Ready	21	11	20	9	NA	9	13
% Vendors Ready	53%	42%	50%	36%	TBD	23%	33%
# Filers Associated with Ready Vendors	2,014	1,349	1,884	TBD	TBD	TBD	1,219
# Total Filers in Known Universe (FY17)	2,503	2,503	2,503	420	420	231	2,503
% Filers Associated with Ready Vendors	80%	54%	75%	TBD	TBD	TBD	49%

Remediation Plan Action Items

Homeland Security



U.S. Department of Homeland Security
Washington, DC 20528

OCT 18 2017

Homeland Security

ACQUISITION DECISION MEMORANDUM

MEMORANDUM FOR: Kevin K. McAleenan
Acting Commissioner
U.S. Customs and Border Protection

FROM: Chip Fulghum
Deputy Under Secretary for Management

SUBJECT: Remediation Plan for U.S. Customs and Border Protection's Automated Commercial Environment Program

DECISION:

This Acquisition Decision Memorandum [illegible] and Border Protection's (CBP) [illegible] the "Updated Remediation Plan" [illegible] dated September 29, 2017.

1. CBP is defining the business [illegible] forward for Collections and [illegible] will be determined by March [illegible]
   a. Address Collections [illegible] framework, including [illegible] stakeholder engagement;
   b. Complete and deploy [illegible]
   c. Maintain the existing [illegible]
2. The ACE Program Management [illegible] Life Cycle Cost Estimate [illegible]

BACKGROUND:

- Based on Instruction 102-01 [illegible] both the Component Acquisition [illegible] Management (PARM) to [illegible] planning. The Instruction [illegible] ADM approved by the Acquisition [illegible]
- The CBP ACE program was [illegible] breach in June 2016. In [illegible] final deployment of the ACE [illegible] discovery of cost requirements [illegible]

- As a result of the added scope, the remaining APB schedule milestone thresholds will not be met. In addition, the existing ACE agile development contracts needed to be extended to implement the added scope, which caused the program to breach its acquisition cost threshold.

ACTIONS:

The following action items are assigned.

1. *Business Case:* CBP will conduct a business case analysis for Collections and provide the decision on a path forward for Collections and ACS Decommissioning by March 15, 2018.
2. *Update Acquisition Documentation:* CBP will update the ACE APB, IMS, and LCCE to reflect the rebaseline by August 30, 2018.

CBP is responsible for ensuring that the contents of this ADM are communicated to the affected stakeholders. PARM will provide support and assistance. Please send action items, status, and supporting documentation to PARMDecisions@hq.dhs.gov. Should you have any questions, please contact Germain Tyer, PARM, at (202) 343-4504 or germain.tyer@hq.dhs.gov.

Cc:
Deputy Secretary
Acting Under Secretary for Science and Technology
Acting Assistant Secretary for Policy
Deputy General Counsel
Acting Chief Financial Officer
Acting Chief Information Officer
Chief Procurement Officer
Chief Readiness Support Officer
Chief Human Capital Officer
Chief Security Officer
Executive Director, Office of Program Accountability and Risk Management
Director, Office of Test & Evaluation, Science and Technology
Director of Legislative Affairs for the Management Directorate, Office of Legislative Affairs
Director, Budget Division, Office of the Chief Financial Officer
Chairman, Joint Requirements Council
Component Acquisition Executive, CBP

2

On September 29, 2017 ACE provided a remediation plan to the Deputy Under Secretary for Management (DUSM). On October 18, 2017 the DUSM acknowledged ACE's remediation plan, and provided the following Action Items:

1. *Business Case:* CBP will conduct a business case analysis for Collections and provide the decision on a path forward for Collections and ACS De-commissioning by March 15, 2018. The business case will focus on the following options:
   a. Address Collections as a program initiative separate from ACE utilizing an Agile framework, including established product and capability owners and sufficient stakeholder engagement;
   b. Complete and deploy Collections as part of ACE;
   c. Maintain the existing ACS Collections on the Mainframe or Mainframe alternative.
2. *Update Acquisition Documentation:* CBP will update the ACE Acquisition Program Baseline, Integrated Master Schedule, and the Life Cycle Cost Estimate to reflect the re-baseline by August 30, 2018.

ACE Collections and Debt Management

Homeland Security

INVESTMENT ANALYSIS OFFICE

Original Scope

- In July 2017, Enterprise Services (ES) Executive Assistant Commissioner (EAC) tasked IAO/Grant Thornton to assist the Office of Finance (OF) Revenue Division, Office of Information and Technology (OIT) Cargo Systems Program Directorate (CSPD), and the Office of Trade (OT) Trade Transformation Office (TTO) to document comprehensively CBP Collections and Debt Management requirements to ensure the de-coupling effort was successful and to develop a concept of operations and a business case to discuss the future state of CBP revenue management post-February 2018. A summary of the core work products is below (project plan updates and reporting are on-going).

Task #	Tasks	Description	Expected Outcomes
1	Document Revenue Management Current Operations	Document all Collections and Debt Management As-Is processes and requirements to include business and technical functionalities. Prioritize ACE de-coupling requirements and processes to include business and technical functionalities. In particular, document core Statement ACH and Lockbox processes and requirements that encompass approximately 90% of collections transactions that require no manual intervention.	• Develop comprehensive as-is process maps and requirements that encompass all Revenue Division collections and debt management end-to-end functions. • Provide CBP with a product that it can leverage to build all necessary capabilities in a future IT system. • Identify any gaps or business requirements that were not previously included in user stories and developed as part of the decoupling effort. • Reduce decoupling risks by ensuring transactions will seamlessly flow from ACE to ACS and CBP will effectively collect duties, taxes, and fees.
2	Revenue Management Concept of Operations	Identify/document To-Be processes and requirements for future Revenue Management functions.	• Provide To-Be requirements outlining desired business and technical improvements to existing operations. • Develop plan for integration with Revenue Modernization effort.
3	Revenue Management Business Case	Long-term IT investment strategy and alternatives analysis for the future of CBP's Revenue Management processes.	• Provide options (pros/cons) for an IT platform to migrate existing ACS functionalities. • Recommend path of IT development efforts the agency should take post-February 2018.

Status

- OF and OIT are currently discussing this approach to ensure that it synchronizes with ACE deployment.

ACE Collections and Debt Management

Homeland Security

INVESTMENT ANALYSIS OFFICE

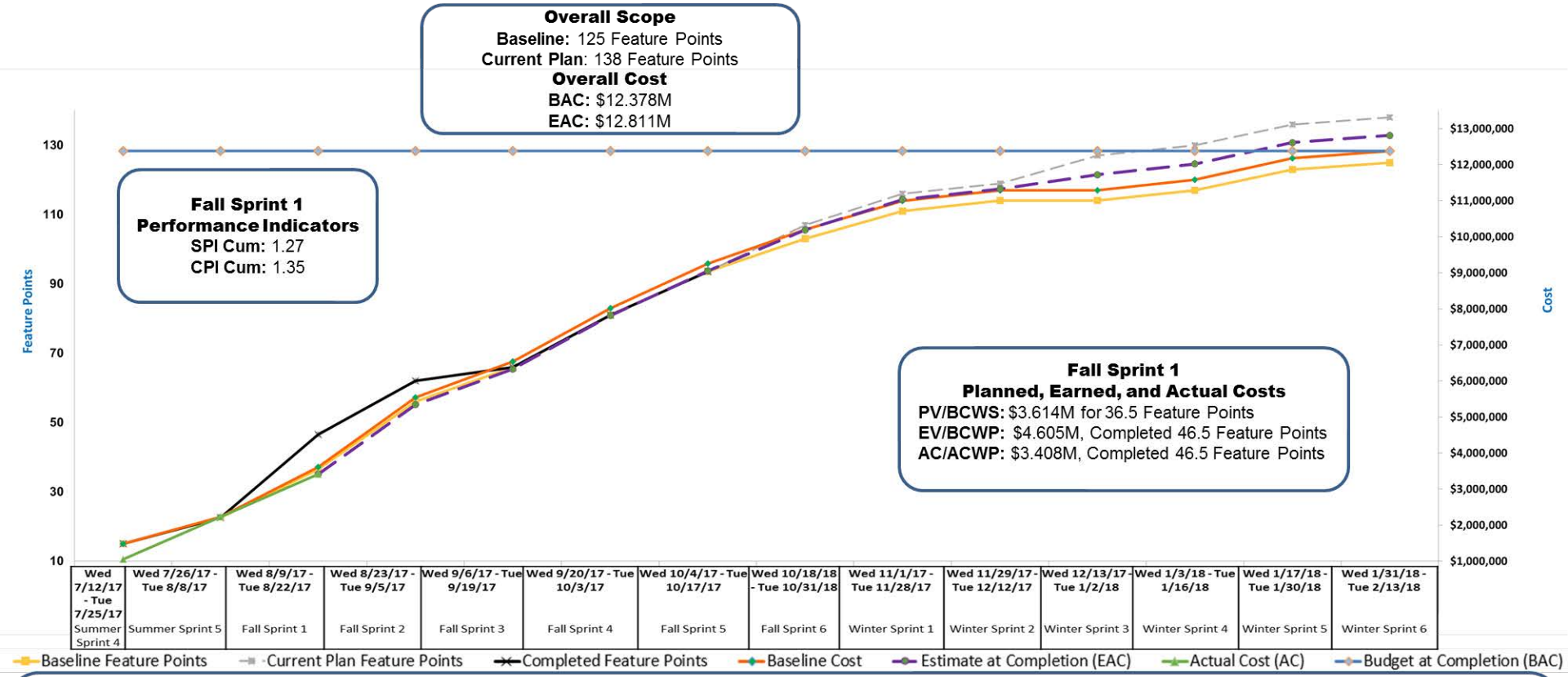
The following is the approach and high-level timetable to documenting the "As-Is" of ACS Collections and Debt Management processes.

July 15, 2017 – March 1, 2018

Step 1: Conduct Research	Step 2: Interview SMEs	Step 3: Map Processes	Step 4: Validate Processes	Step 5: Align Processes
Identify existing business and technical processes	***Interview revenue management stakeholders***	***Document business and technical processes***	***Confirm business and technical process maps***	***Integrate technical and business processes***
• Conduct ACS background research on SharePoint and CBP Confluence sites • Review existing RevMod materials • Catalog relevant documents identified	• Interview Office of Finance SMEs • Interview Office of Information and Technology SMEs • Document revenue management process steps	• Review ACS programs and legacy revenue management materials • Review OF revenue management materials • Develop initial process maps and narratives	• Review documentation with SMEs • Revise process maps and steps • Capture additional documentation	• Align ACS programs and revenue management processes • Confirm ACS and business process alignment • Integrate ACS technical references • Present current state revenue management roadmap • Identify gaps

ACE Cost and Scope Progress

Homeland Security



BAC: Budget at Completion: This is the baseline budget for the effort, based on the contract values. This is a budgeted amount that is not intended to be breached.
PV/BCWS: Planned Value/Budgeted Cost of Work Scheduled: This is the breakdown of the budget by sprint. Adds up to the BAC.
EV/BCWP: Earned Value/Budgeted Cost of Work Performed: This is the earned value of the work completed.
AC/ACWP: Actual Cost/Actual Cost of Work Performed: How much the work actually cost for a given period of time. This is gathered from invoices.
EAC: Estimate at Completion: This is how much we estimate the deployment will cost based on actuals and the BCWS from the remaining sprints.
CPI: Cost Performance Index: This tells whether or not the effort is above or below the baseline cost. Greater than or equal to 1 for CPI is favorable, less than 1 is unfavorable.
SPI: Schedule Performance Index: This tells whether or not the effort is ahead or behind the baseline cost. Greater than or equal to 1 for SPI is favorable, less than 1 is unfavorable.

ACE Issues and Risks

Homeland Security

Issues	Mitigation Strategy
There is no Disaster Recovery Plan in place for ACE.	Disaster Recovery plan was issued in September 2017 for legacy ACE and OIT is now executing the plan. The plan for new ACE is in development.
The TFTEA NPRM was not posted as planned on August 31, 2017, delaying the comment period, adjudication, and posting of the final rule which is required by February 2018 in order to meet the legislative mandate. Draft officially delivered to Treasury for its review and approval on July 2017.	On September 29, 2017, CBP posted the draft CATAIR to provide trade advance notification of possible coding changes. CBP and Treasury are developing a plan B (policy guidance) in the event that the final rule is not published in February 2018.
There are no current OIT/CSPD existing contract vehicles for PGA enhancements. The program planned to utilize the DHS FLASH contract, which was cancelled.	The program is working a BPA which is anticipated to be awarded in summer FY18. The interim solution is to utilize a Digital Services capability to award 8a contracts as needed.
ACS and Collections Business Process case is currently being defined for Collections. Once a defined and documented business process is established, the ACS and Collections path forward will be determined.	ACE program is working with the CFO and OIT to develop a plan for Collections and ACS decommissioning. A Revenue Management Business Case will be completed by February 2018 which will provide the path forward for Collections. The Resource Allocation Plan (RAP) for FY2020-2024 to be completed by March 2018.

Risks	Mitigation Strategy
If new TFTEA Drawback requirements are added to increase scope, then the development effort may extend and the go-live date of February 2018 will be in jeopardy.	If a new requirement is required, XD approval is required, determine if requirement can be added, add to post release or switched with another requirement. New CATAIR will be published by end of October of 2017.

Back-Up Slide(s)

ACE Trade-Off for De-Coupling

Homeland Security

Affordability Trade-offs	
Additional funding for De-coupling Requirement	**$16,272,899**
Disaster Recovery LCCE - Requirement	$22,846,288
Actual need for Disaster Recovery (FY18 Spend Plan)	$2,975,000
Difference	**$19,871,288**
Disaster Recovery Savings Minus De-Coupling Requirement	**$3,598,389**

Total FY18 ACE Funds Available	Current FY18 Spend Plan Requirements	FY18 Affordability
$104,315,829	$104,236,690	**$79,139**

De-coupling Element	FY17	FY18	FY18 Revised	Need By	Comment(s)
Software Development					
CSRA (thru 12/23/17)	$10,758,525			N/A	Provide SW development for the base period for SW development for Decoupling and deployment of Post Release. **This is the base period, the contract has been obligated using FY17 ACE funding.**
6 Day Work Week		$2,219,825	$1,570,758	1st Qtr FY18	Provide 6 day work week for the SW development for Decoupling and deployment of Post Release through 12/23/17. **This contract is in place and funding can immediately be placed on the contract as long it is fully funded.**
7 Additional Resources			$670,080	1st Qtr FY18	Provide 7 additional resources for the SW development for Decoupling and deployment of Post Release through 12/23/17. **This contract is in place and funding can immediately be placed on the contract as long it is fully funded.**
CSRA (12/24/17 - 03/23/18)	$6,609,761			N/A	Provide SW development for option 1A for SW development for Decoupling and deployment of Post Release and provide O&M support for option 1B to include one month of hypercare after February deployment.
6 Day Work Week		$1,364,977	$1,076,783.00	1st Qtr FY18	Provide 6 day work week from 12/24/17 - 03/23/18
7 Additional Resources			$529,995.00	1st Qtr FY18	Provide 7 additional resources for the SW development for Decoupling and deployment of Post Release from 12/24/14 - 03/23/18.
Software Maintenance					
CSRA (03/24/18 - 07/23/18)		$9,087,109	$8,296,060	Jan/Feb 2018	Provide 4 months to transition to all O&M sustainment activities to Cambridge. Includes an overall reduction in some work effort plus 7 additonal resources needed for decoupling. **This contract is in place and funding can immediately be placed on it.**
Cambridge 6 Day Work Week		$677,223	$677,223		**This contract is in place and funding can immediately be placed on it.**
OT&E Greendart (currently funded thru 1/31/18)	$269,227	$354,663	$354,663	Jan-18	Begin OT&E in May, and complete final test report in July. **The current contract has been obligated using FY17 ACE funding through 1/31/18. This contract requires an extension from 2/1/2018-07/31/2018.**
SME Travel (thru 2/18)		$75,000	$75,000	1st Qtr FY18	Provides travel for SME s in the decoupling working. **Costs will be incurred through February 2018 for 1 FTE.**
Training ManTech Bridge (7/18 - 12/18)		$1,522,337	$1,522,337	3rd Qtr FY18	Provides support to complete work that has been delayed in order for this team to concentrate on the training development/prep to support the Deployment G Sept/Dec/Feb deployments with changes and new capabilities (TFTEA drawback, e-214). A bridge is necessary to update posted ACE training materials with changes, develop on-line help and/or video tutorials to replace TTT/ILT materials for deployed capabilities, and to continue working with FLETC to incorporate ACE training into BIST/BEST and CBPO training. **This contract is expected to be awarded in July, 2018**
Business Analyst Support Favortech Starts 2/18		$1,500,000	$1,500,000	Jan-18	Provide business analyst support to the Product and Capability owner. **The current contract has been obligated using FY17 ACE funding through.**
Totals	**$17,637,513**	**$16,801,134**	**$16,272,899**		
Total Decoupling Costs	**$33,910,412.00**				

Homeland Security

From:	SMITH, BRENDA BROCKMAN
To:	(b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject:	East Coast Trade Symposium Agenda
Start:	Thursday, October 19, 2017 1:30:00 PM
End:	Thursday, October 19, 2017 1:45:00 PM
Location:	(b) (7)(E)

Access number: (b) (7)(E)
Participant code
Moderator code:

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C) ; HAYES, BRADLEY F
Cc:	TRADE EVENTS
Subject:	ECTS Topical Solicitation
Start:	Monday, October 2, 2017 1:00:00 PM
End:	Monday, October 2, 2017 2:00:00 PM
Location:	(b) (7)(E)

Test…

Save the date

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject: Emerging Technologies Working Group
Start: Tuesday, October 31, 2017 2:30:00 PM
End: Tuesday, October 31, 2017 3:30:00 PM
Location: Teleconference - (b) (7)(E)
Attachments: Untitled.msg
Untitled.msg

---

http://dhs.adobeconnect.com/emergingtechnologies/

Conference Line 8017: (b) (7)(E)
Participant Code 8017:

From: (b) (6), (b) (7)(C)

To: (b) (6), (b) (7)(C)
HAYES, BRADLEY F; (b) (6), (b) (7)(C)

Subject: Emerging Technologies workshop Govt Leads follow-up

Start: Thursday, October 26, 2017 3:00:00 PM

End: Thursday, October 26, 2017 3:30:00 PM

Location: Teleconference: (b) (7)(E)

This is a quick meeting to discuss next steps/outcomes of the in person meeting prior to the next workshop meeting scheduled for Oct 31.

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject: Expeditors International Visit to CBP
Start: Tuesday, October 10, 2017 8:00:00 AM
End: Tuesday, October 10, 2017 9:00:00 AM
Location: RRB: 1300 Pennsylvania Ave, Room 3.5A, Washington, DC 20229
Attachments: REAL-ID-Acceptable-Identification.pdf

PLEASE DO NOT FORWARD INVITE. If you are not able to attend, or would like to add someone to this meeting, please send names and email addresses to (b) (6), (b) (7)(C). Thank you!

Please check in at the 14th street entrance with a U.S. government-issued ID. Have security call (b) (6), (b) (7)(C) for an escort. If you are not a U.S. citizen, please notify (b) (6), (b) (7)(C) immediately.

In further compliance with the REAL ID Act of 2005, effective immediately, U.S. Customs and Border Protection is prohibited from accepting driver's licenses and identification cards from the following states for accessing CBP properties: American Samoa, Minnesota, Illinois, Missouri, New Mexico, and Washington. Visitors to CBP properties from the aforementioned states will need to provide an alternate form of identification (e.g., US Passport, US Passport Card).

<<REAL-ID-Acceptable-Identification.pdf>>
From: (b) (6), (b) (7)(C)
Sent: Wednesday, August 30, 2017 9:25:26 PM
To: HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: Expeditors International Visit to CBP HQ
Bradley Hayes
Executive Director
Office of Trade Relations

Dear Mr. Hayes,
My name is (b) (6), (b) (7)(C) and I represent Expeditors International of Seattle Washington. Over the past four years, Expeditors has visited Washington DC three or four times a year to discuss ACE implementation with CBP, DHS, Treasury, USAID, FDA, APHIS, EPA, NTSHA, CPSC and the Fish and Wildlife Service. Expeditors' visits to CBP Headquarters usually included meetings with the Commissioner or Deputy Commissioner, the Executive Assistant Commissioners for OFO and Trade, the Assistant Commissioner for International Affairs and the Office of Trade Relations. I and (b) (6), (b) (7)(C), Expeditors Senior Vice President for Global Customs, and (b) (6), (b) (7)(C), Expeditors Director of Customs for the Americas, plan to be in DC the week of October 8, 2017 and would very much like to meet with you and (b) (6), (b) (7)(C). You meet (b) (6), (b) (7)(C) last week at the COAC Meeting in San Diego. I will get back to you in the near future to fix a day and time that will hopefully work for you to meet with us. We sincerely appreciate your attention to this matter. All the very best, (b) (6), (b

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Tue 10/10/2017 12:00 AM
End: Wed 10/11/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: [redacted] - A/L / [redacted] S/L

Start: Mon 10/30/2017 12:00 AM
End: Tue 10/31/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

From: (b) (6), (b) (7)(C) on behalf of (b) (6), (b) (7)(C)
To: <ATTENDEE LIST UNAVAILABLE>
Subject: FW: ACE & NASW Session - I.E.Canada"s Fall Summit
Start: Thursday, October 19, 2017 7:45:00 AM
End: Thursday, October 19, 2017 9:15:00 AM
Location: Courtyard by Marriott, 90 Biscayne Cres, Brampton ON

From: (b) (6), (b) (7)(C)
Sent: Thursday, October 12, 2017 11:56:21 PM
To: (b) (6), (b) (7)(C)
Subject: ACE & NASW Session - I.E.Canada's Fall Summit
When: Thursday, October 19, 2017 1:45 PM-3:15 PM.
Where: Courtyard by Marriott, 90 Biscayne Cres, Brampton ON

(b) (6), (b) (7)(C) please pass calendar invite along to (b) (6), (b) (7)(C).

From: (b) (6), (b) (7)(C) on behalf of (b) (6), (b) (7)(C)
To: <ATTENDEE LIST UNAVAILABLE>
Subject: FW: CCEs & Trusted Traders, Rev Mod, EAPA Session - I.E.Canada"s Fall Summit
Start: Thursday, October 19, 2017 9:45:00 AM
End: Thursday, October 19, 2017 11:00:00 AM
Location: Courtyard by Marriott, 90 Biscayne Cres, Brampton ON

From: (b) (6), (b) (7)(C)
Sent: Thursday, October 12, 2017 11:58:20 PM
To: (b) (6), (b) (7)(C)
Subject: CCEs & Trusted Traders, Rev Mod, EAPA Session - I.E.Canada's Fall Summit
When: Thursday, October 19, 2017 3:45 PM-5:00 PM.
Where: Courtyard by Marriott, 90 Biscayne Cres, Brampton ON

(b) (6), (b) (7) please pass calendar invite along to (b) (6), and (b) (6), (b

(b) (6), (b) (7)(C)

Subject: FW: Happy Hour Farewell to (b) (6), (b) (7)(C)
Location: Millie's - 4866 Massachusetts Ave NW

Start: Wed 10/25/2017 4:15 PM
End: Wed 10/25/2017 6:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Duke.Scheduler

Categories: External Meeting

-----Original Appointment-----
From: Duke.Scheduler
Sent: Tuesday, October 24, 2017 9:53 AM
To: (b) (6), (b) (7)(C)

CALEENAN, KEVIN K; (b) (6), (b) (7)(C)
Cissna, Francis; (b) (6), (b) (7)(C)

Cc: Wolf, Chad
Subject: Happy Hour Farewell to (b) (6), (b) (7)(C)
When: Wednesday, October 25, 2017 5:15 PM-7:00 PM (UTC-05:00) Eastern Time (US & Canada).
Where: Millie's - 4866 Massachusetts Ave NW

Please join us for a Happy Hour Farewell to (b) (6), (b) (7)(C). Please feel free to forward this invitation to anyone we may have missed.

5:15 pm
Wednesday, October 25

Millie's
4866 Massachusetts Ave NW
Washington, D.C. 20016

http://milliesdc.com/

(b) (6), (b) (7)(C)

Subject: Grab Lunch

Start: Wed 10/25/2017 10:30 AM
End: Wed 10/25/2017 11:00 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

From: CBP COMMISSIONER SCHEDULER
To: LADOWICZ, JOHN P; HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject: Hearing Follow Up
Start: Wednesday, October 25, 2017 3:30:00 PM
End: Wednesday, October 25, 2017 4:00:00 PM
Location: Commissioner"s Small Conference Room

(b) (6), (b) (7)(C)

Subject: I E Canada

Start: Thu 10/19/2017 7:00 AM
End: Thu 10/19/2017 4:00 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

2017 Fall International Tra...

i|e|canada 85 YEARS | ANS 1932 - 2017

Canadian Association of Importers and Exporters

Association canadienne des importateurs et exportateurs

October 18 & 19, 2017

2017 Fall International Trade Summit

Courtyard Brampton Marriott
90 Biscayne Crescent
Brampton, ON

Agenda for Wednesday October 18, 2017

7:30 am **Registration—Continental Breakfast**

8:30 am **Welcome & Opening Remarks**

[redacted], President, I.E.Canada

9:00 am ***CBSA Commercial Vision: Looking Over The Horizon at Our New Reality***

Moderator: [redacted], President, I.E.Canada

[redacted], Director, Programs Branch, Canada Border Services Agency (CBSA)

10:30 am **Refreshment Break**

11:00 am **CBSA Commerical Vision (cont'd)**

12:00 pm **Networking Luncheon**

1:00 pm ***TITLE TBD***

Moderator: [redacted], President, I.E.Canada

[redacted], Chief Trade Negotiator European Union, Global Affairs Canada

[redacted], Chief Air Negotiator/Director General, Global Affairs Canada

2:30 pm **Refreshment Break**

2:45 pm ***Importers' Money and How It Is Handled: ARL***

Moderator: [redacted], President, I.E.Canada

[redacted], Director General and Agency Comptroller, Comptrollership Branch, CBSA

4:00 pm **End of Day 1**

Agenda for Thursday Oct 19, 2017

7:30 am **Registration—Continental Breakfast**

8:30 am

Welcome & Opening Remarks

[redacted], President, I.E.Canada

8:45 am **US CBP**

Moderator: [redacted], I.E.Canada

10:15 am **Refreshment Break**

10:45 am **US CBP Session Cont'd**

12:00 pm **TBD**

1:30 pm **Closing Remarks**

[redacted], President, I.E.Canada

(b) (6), (b) (7)(C)

Subject: IAD -> Toronto (United 6271)
Location: Hotel: Marriott Courtyard at 90 Biscayne Crescent Brampton, Ontario L6W 4S1 Canada (Confirmation: 81579172)

Start: Wed 10/18/2017 7:16 AM
End: Wed 10/18/2017 8:42 AM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

DEPART	**Wed, Oct 18** – Washington, DC to Toronto, ON , Canada			
Wed, Oct 18	08:16a IAD → 09:42a YYZ	1h 26m	United 6271 Canadair Regional Jet 700	
RETURN	**Fri, Oct 20** – Toronto, ON , Canada to Washington, DC			
Fri, Oct 20	07:30p YYZ → 08:52p IAD	1h 22m	United 6103 Canadair Regional Jet 700	

Please review your reservation details and keep for your records.

Courtyard Toronto Brampton

90 Biscayne Crescent Brampton, Ontario L6W 4S1 Canada

+1-905-455-9000

Hotel Website Map & Directions
Plan Your Stay

Reservation Confirmation: 81579172

For MR BRADLEY HAYES

CHECK-IN DATE **Wednesday, October 18, 2017**
CHECK-IN TIME **03:00 PM**

GOLD ELITE

CHECK-OUT DATE
Friday, October 20, 2017
CHECK-OUT TIME **12:00 PM**

Modify your reservation

Cancel your reservation

Dear MR BRADLEY HAYES,

We are pleased to confirm your reservation at the Courtyard Toronto Brampton. Below is a summary of your booking and room information. We look forward to welcoming you and providing an environment that makes it easy for you to work and relax.

Warm regards,
Courtyard Toronto Brampton

Enhance Your Stay

Up to 35% off base rates

Plus earn up to 5,000 Marriott Rewards Points

Introducing Marriott Moments

Thousands of Travel Experiences Await You

Explore Now

Dining In or On-the-Go

Breakfast and beverage options at The Bistro®

The Perfect Travel Companion™

Check in and make requests. Chat anytime.

Download our app

Room Details

ROOM TYPE

Guest room, 1 King

NUMBER OF ROOMS	1
GUESTS PER ROOM	1 Adult
GUARANTEED METHOD	Credit Card Guarantee, Visa

Summary of Charges

RATES, TAXES & FEES ARE PER ROOM, PER NIGHT (CAD)

Wednesday, October 18, 2017-Friday, October 20, 2017	**2 nights**	**139.00 CAD**
I.E CANADA IMPORTS		
ESTIMATED GOVERNMENT TAXES & FEES		**18.07 CAD**
Total for stay (for all rooms)		**314.14 CAD**

Other Charges

- Complimentary off-site parking
- Complimentary on-site parking
- Ample additional parking located at the hotel

Modify or cancel your reservation

Book Another Reservation

Rate and Cancellation Details

RATE GUARANTEE LIMITATION(S)

- Changes in taxes or fees implemented after booking will affect the total room price.
- Please note that a change in the length or dates of your reservation may result in a rate change.

ADDITIONAL INFORMATION

- The Responsible Tourist and Traveler
  A practical guide to help you make your trip an enriching experience

Your Rewards Information

REWARDS LEVEL	REWARDS NUMBER
GOLD ELITE	**XXXXX4754**

View your account

REWARDS BENEFITS

As a Gold Elite member, you can enjoy the following benefits during your stay (may vary by property):

- Complimentary Room Upgrade (Based on availability, at time of check-in)
- 25% Bonus on your Marriott Rewards Points

- Guaranteed Room Type

Learn More

Need trip inspiration?

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Message Us

Contact Us

Call 1-800-321-2211 in the US and Canada

Elsewhere, call our worldwide telephone numbers.

Additional Reservation Information available

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If you would prefer to opt out of such emails from Marriott International, Marriott Rewards or The Ritz-Carlton Rewards, **you may do so here**. In addition, you may unsubscribe from The Ritz-Carlton email community **here**.

Please note: Should you unsubscribe from promotional email, we will continue to send messages for transactions such as reservation confirmation, point redemption, etc.

Confirmation Authenticity

We're sending you this confirmation notice electronically for your convenience. Marriott keeps an official record of all electronic reservations. We honor our official record only and will disregard any alterations to this confirmation that may have been made after we sent it to you.

If you have received this email in error, **please let us know**.

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(b) (6), (b) (7)(C)

Subject: Internal OTR Prep: WESCCON/Trade Roundtable
Location: Bradley's Office

Start: Tue 10/10/2017 7:00 AM
End: Tue 10/10/2017 7:30 AM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Categories: OTR Staff-Only

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) HAYES, BRADLEY F (b) (6), (b) (7)(C)
Subject: ISWG Industry Engagement Internal Call
Start: Monday, October 23, 2017 2:30:00 PM
End: Monday, October 23, 2017 3:00:00 PM
Location: (b) (7)(E)

From: (b) (6), (b) (7)(C)
Sent: Thursday, October 19, 2017 4:55 PM
To: (b) (6), (b) (7)(C)
Cc (b) (6), (b) (7)(C)
Subject: ISWG Industry Engagement

Hi (b) (6), (

As promised (and a day early!) is a draft proposal for engagement with the private sector. If you wouldn't mind, would like some feedback/revisions by next Wednesday to review and then route to the Group by next Friday. Thank you in advance.

(b) (5)

Look forward to your input. Thanks again,

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) [redacted] HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject: ISP Implementation Phase 8 - Rollout Kickoff Meeting
Start: Thursday, October 12, 2017 2:30:00 PM
End: Thursday, October 12, 2017 3:30:00 PM
Location: Conference Line: (b) (7)(E) ---- Participant Code: (b) (7)(E)
Attachments: Muster Material ISP docx2__clean.docx
Muster Material ISP docx2__clean.docx
ISP announcement 11717.docx
ISP_flyer_.pdf
Introduction+to+ISP_USCBP-2.pptx

<<Introduction+to+ISP_USCBP-2.pptx>> <<Muster Material ISP docx2 _ clean.docx>> <<ISP announcement 11717.docx>> <<ISP_flyer_.pdf>>
Hello,

My deepest apologies for the delay in our last phase rollout.

Again, thank you all for agreeing to participate as program office points of contact for this Employee Assistance Program effort. This meeting will be aimed at locations identified in the Phase 8 implementation plan below. At this meeting, you will be provided and overview of the ISP, how to effectively market this effort in your local area, and an explanation of the phased approach to implementation of the program.

To participate in this meeting via Adobe Connect please use this link: https://share.dhs.gov/r166l2n9y30/. Please forward this invite as needed. Thank you!!!

Phase 8

(b) (7)(E)

Total # Employees

(b) (6), (b) (7)(C), LICSW, CEAP, WL-CP
Chief, Workforce Support Branch
Workforce Support, Resiliency and Engagement Division
Office of Human Resources Management
U.S. Customs and Border Protection
Phone: (b) (6), (b) (7)(C)
Mobile: (b) (6), (b) (7)(C)

Employee Assistance and WorkLife Program
24/7, 365 Days a Year
1-800-755-7002
Website: https://espyr.com/
Login Password: (b) (7)(E)

Your feedback is important to us! Click here <https://survey.max.gov/238941> to let us know how we're doing.

INTERACTIVE SCREENING PROGRAM

AMERICAN FOUNDATION FOR SUICIDE PREVENTION

AMERICAN FOUNDATION FOR
Suicide Prevention

PROGRAM AIMS

- Facilitate a connection between individuals and counselors to promote mental health service engagement
- Reduce barriers to care

UNDOCUMENTED & UNTREATED MENTAL HEALTH CONCERNS

- **1 in 4** adults suffer from depression, substance abuse, or another mental disorder

- **Only 1 in 5** of those struggling with mental health concerns seeks the support they need.

BARRIERS TO SEEKING MENTAL HEALTH SERVICES

- Fear of being judged or stigmatized
- Fear of sanctions for disclosing suicidal thoughts or behaviors
- Negative attitudes or personal stigma about mental illness and treatment
- Lack of motivation and sense of helplessness (as part of the illness)
- Not knowing where to go or who to seek out
- Too overwhelmed to take the necessary steps

ECOURAGE ENGAGEMENT BY REDUCING BARRIERS

- Developed in 2001 by the American Foundation for Suicide Prevention (AFSP)
- Proactively reach individuals who are not currently engaged in mental health services
- Web-based platform to facilitate connection between individuals and counselors
- Encourages service engagement by

ISP PROCESS

CONNECTION & ENGAGEMENT

ISP Process

- **Connection**: First time users' create a self-assigned User ID and password allowing access to the website.
  - Participants' submit a Stress & Depression Questionnaire, that takes less than 10 minutes to complete.

UNIQUE ALGORITHM

- ISP's system is automatically classifying their level of distress, known as tiers.
- The tier level is not known to the participant and simply dictates the time frame for the counselor's response (see Table below)

[redacted]	Counselor Response Time
High (Tier 1A)	24 hours
Moderate – High (Tier 1B)	24 hours
Moderate (Tier 2)	36 hours
Low (Tier 3)	48 hours

CONNECTION

- After submitting the questionnaire, all participants (regardless of their distress level) receive a personalized response from a program counselor.
  - The counselor's response provides participants with real contact, rather than computerized feedback.
  - This personal connection increases the possibility that participants' will further engage in available services.

Stress & Depression Questionnaire

During the last 4 weeks, how often have you been bothered by any of the following?	Not at all	Some of the time	A lot of the time	Most or all of the time
Feeling nervous or worrying a lot		X		
Becoming easily annoyed or irritable			X	
Feeling your life is too stressful		X		
Having arguments or fights		X		
Feeling intensely anxious or having anxiety attacks		X		
Feeling intensely lonely			X	
Feeling intensely angry		X		
Feeling hopeless			X	
Feeling desperate		X		

Response to Questionnaire

Jane Smith, LMFT, CEAP
(123) 456-7890

Hi, my name is Jane Smith. I am part of the independent group of licensed counselors who administer this program for [redacted] Employee Assistance Program (EAP). Our services are completely confidential and no information about any employee we speak with is reported to [redacted].

I have reviewed the Questionnaire you submitted online and I am especially concerned that you have been having suicidal thoughts that have included a plan during the past two weeks. You have indicated there have been arguments, feelings of anxiety & desperation which has left you feeling as if things are out of control. I noticed you referenced something has happened which you actively try to go out of your way to avoid it. How long have you been struggling with these feelings and have you ever shared them with anyone? You indicated there are multiple stressors in your life; are they the reason for the suicidal thoughts or was there something else that has led to these thoughts? It sounds as if you are struggling to get thru the day and I am so glad you decided to reach out for support. I want you to know there are options available and that you don't have to go through this by yourself, so that you can start to feel some relief.

I would like to talk with you and believe I can help. Support is available from a variety of resources. There is my phone number at the top of the page and I am available 7:00am to 3:30pm PST, Monday thru Friday. My department is open 24/7 at 800-111-2222, which can offer immediate support or we can discuss the options on the phone or via this site. If you feel unsafe due to your suicidal thoughts and need immediate support, another option is calling the National Suicide Prevention Lifeline at 800-273-8255 or 911.

I'm especially eager to let you know about available options for confidential treatment for ongoing support. If you decide to call the number listed above, you won't need to identify yourself by name unless you want to. If you get my confidential voicemail, please identify yourself by the username you created for your Questionnaire, and leave a number where I can get back to you.

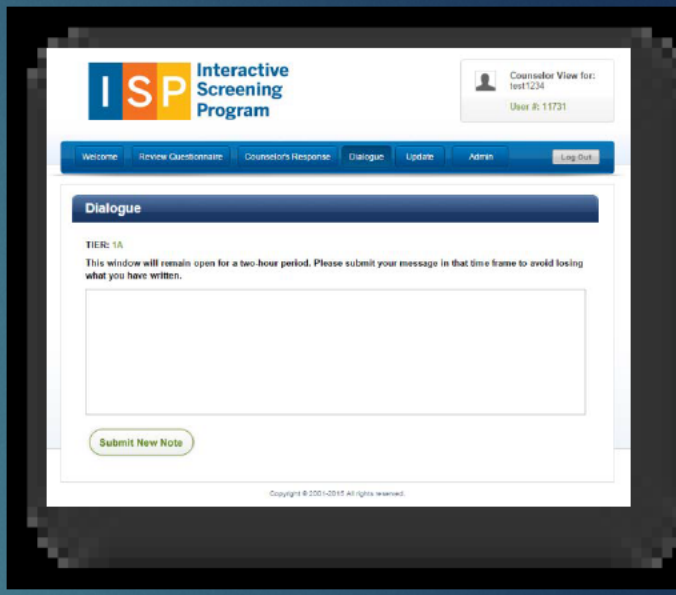
If you prefer, we can continue to exchange messages on this secure website. You can send me a message of any length by clicking on the "Dialogue" button at the top of this page and using the text box on that page. I will respond to you over the website as quickly as I can, usually within 24 hours. Over the weekend or during holiday periods, it may take me a little longer to get back to you. If you provided an email address when you submitted your Questionnaire, you will receive an email notification when i've posted a dialogue response to you. Please be sure to keep a record of your User ID and password so you can log back on to this website to get it.

Please do stay in touch with me one way or another. I think I can be of help and look forward to hearing from you soon.

Jane

ENGAGEMENT

- The counselor's response provides support for the participants' experience and offers them an opportunity to continue to exchange messages online using the site's dialogue feature.
- The dialogues play a critical role in the process of encouraging the participant to seek help by facilitating the resolution of barriers to treatment.
- The dialogues allow the participant to develop a trusting relationship with the counselor, increasing the likelihood that they will meet with the counselor in-person or accept a referral.



Privacy and Anonymity

- Survey can be taken on any computer
- Users create their own user name and password
- Unless the user decides to reveal their identity, their contact with the counselor is completely anonymous
- Email provided by the user is encrypted, and only used to alert survey participant to new messages
  - All communication takes place on the website
  - Users can use any email to receive these alerts
  - Users can elect to not provide an email and to manually check in on the site for new communication from the counselor.

Isp website

- click here to access the ISP website

- Confidential
- Anonymous
- Voluntary

KEY FINDINGS & IMPACT

BEST PRACTICE FOR SUICIDE PREVENTION

AMERICAN FOUNDATION FOR
Suicide Prevention

Key Findings

- 93 individuals registered on the ISP website;
- Of those that registered, **83 (89.2%)** submitted a Questionnaire
  - **69 (83.1%)** of participants logged back in to the ISP website and viewed the Counselors' Response[1]
    - **28 (40.6%)** of participants that viewed the Counselors' Response dialogued with a Counselor[2]
      - **10 (35.7%)** of participants that dialogued with a Counselor requested an appointment or referral[3]

1 National Average: 80%
2 National Average: 30%
3 National Average: 40%

Implementation plan

- Phased approach
  - Geographic locations with approximately the same number of employees
  - Because ISP will require personalized responses, important not to overwhelm vendor with too many completed surveys all at once.
- Each phase approximately two weeks
  - Depending on the level of use in the first two phases and the vendor's ability to handle that response, may be slowed down, or sped up.

Program office role

- Ensure that messages are delivered to employees during each phase
- Distribute marketing materials
- Provide access to the sharepoint site where the marketing materials are available
- Provide technical guidance to those who have questions, and refer comments and questions to HRM.

Steps for Implementation

- Engage with leadership approximately 1 week prior to announcement
  - Brief them about the program, and the phased implementation plan
  - Provide with muster message and request to either present, or have the message conveyed in muster.
  - HRM can participate in these briefings upon request
- Send ISP announcement email to employees identified in Phase 1
- Ensure that printed materials are posted in stations and field offices.

SUMMARY

- ISP reaches individuals who may not be reached through traditional forms of outreach
- By allowing participants to anonymously communicate with counselor about mental health resources, ISP empowers them to take that critical first step toward getting the help and support they need.

ENHANCE YOUR WELL-BEING WITH THE INTERACTIVE SCREENING PROGRAM

The Interactive Screening Program is a completely anonymous web-based way to reach out to the EAP.

Employees and their eligible family members can access a questionnaire that can help them learn more about their own mental wellness.

This questionnaire will take about 10 minutes to complete, and all who participate will receive a personalized response from a counselor who can answer questions, and guide the user with information about support services that are available through the Employee Assistance Program.

1 in 4 lives with mental health problems.

Only 1 in 5 of those with mental health problems seeks treatment.

88% of those reporting moderate to severe levels of distress were not receiving treatment.

Of those who submitted a questionnaire, 73% further engaged with a counselor.

HOW ISP WORKS

CONNECTION
Employees voluntarily complete an anonymous questionnaire to assess their mental health.

ENGAGEMENT
An EAP counselor reviews the questionnaire and engages in an anonymous dialogue via the ISP website.

TREATMENT
The EAP counselor connects the employees to the appropriate EAP service.

The EAP offers employees, their dependent children, and their spouses and domestic partners with up to 12 free and confidential face-to-face counseling sessions each year.

AMERICAN FOUNDATION FOR Suicide Prevention

Counselors are available 24 hours a day, 7 days a week at (800)755-7002.

EAPCWELLNESS.ORG | ESPYR.COM

(PASSWORD: (b) (7)(E))

Muster Topic
Interactive Screening Program

Message:

The Employee Assistance Program (EAP) is now offering the Interactive Screening Program (ISP), a new service designed to help employees and their family members learn more about their own well-being.

- The goal of the ISP is to enhance employee well-being by helping to identify and address stress, anxiety, depression, and other issues that can interfere with work, and social and personal functioning.
- The new service is free, confidential, voluntary, and anonymous.
- The service is accessed through a secure website (https://www.eapcwellness.org).

The ISP is completely anonymous and voluntary.

- Participants create their own User ID, which is the only way responses are identified, thus ensuring complete anonymity throughout the process.
- After creating a User ID, you will be prompted to complete a well-being self-assessment.

The ISP provides users with a personalized response from an EAP counselor with tips for bolstering personal resilience and coping skills.

- An experienced EAP counselor will review your questionnaire and send you a personal response, which will include any professional recommendations for follow-up, over the secure website.
- You will then have an opportunity to exchange confidential online messages with the EAP counselor through the website's anonymous dialogue feature.

Your EAP provides you and your eligible family members with up to 12 free and confidential counseling sessions with a local provider each year.

- Your EAP also provides practical assistance with legal and financial issues, child care issues, elder care issues, and many other work and life concerns.
- You can contact EAP at their toll-free number 24 hours a day, 7 days a week at 800–755–7002
- You can also learn more about benefits available from the EAP by visiting the website at www.espyr.com (password: (b) (7)(E)).

From: (b) (6), (b) (7)(C)

To: (b) (6), (b) (7)(C)

HAYES, BRADLEY F; (b) (6), (b) (7)(C)

	(b) (6), (b) (7)(C)
Subject:	ITDS Regulatory/Information Collection GIF Prioritization Process
Start:	Tuesday, October 3, 2017 2:00:00 PM
End:	Tuesday, October 3, 2017 3:00:00 PM
Location:	Eisenhower Executive Office Building (EEOB), Indian Treaty Room 474 - 1650 Pennsylvania Ave NW; Conference Call in: (b) (7)(E)
Attachments:	2017-10-03_BIEC Mtg-OMB Reg. and GIF Prioritization Process Discussion_F....pdf

Good evening,

Please find attached the slides for our meeting at 3. Please note, while a call in number is provided, this is a very large ceremonial room and we may have difficulty in hearing and responding to callers.

For those unable to join in person, please use the following call in number to join the meeting:

Participant Dial-In: (b) (7)(E)
Access Code (used by host and participants): (b) (7)(E)

****

OMB's Office of Information and Regulatory Affairs (OIRA) invites you to a meeting to provide a full picture of the GIF prioritization process. We understand that CBP has run through the prioritization model with PGAs. However, this is one component of the process. We invite you to an in-person meeting to discuss how the prioritization process fits within the broader regulatory and information collection process as it relates to your agency's compliance with Executive Order 12866 regulatory review procedures and Paperwork Reduction Act (PRA) requirements.

Our goal is to use existing procedures to provide an objective review that considers the outputs of CBP's model and to ensure equity in the prioritization process. We encourage you to bring agency regulatory attorneys (or those familiar with regulatory and PRA processes) to the meeting.

The meeting will be located at the Eisenhower Executive Office Building (EEOB) in the Indian Treaty Room (Room 474). Please limit your agency's participation to 2 people and please provide your clearance information at the following link: (b) (7)(E)

Thank you,

(b) (6), (b) (7)(C) - ITDS Leads
Office of Information and Regulatory Affairs (OIRA)
Office of Management and Budget (OMB)

BORDER INTERAGENCY EXECUTIVE COUNCIL (BIEC)

BIEC Working Level Meeting

Office of Management and Budget – Hosting the ITDS Regulatory and Information Collection GIF Prioritization Process Discussion

October 3, 2017

(b) (5)

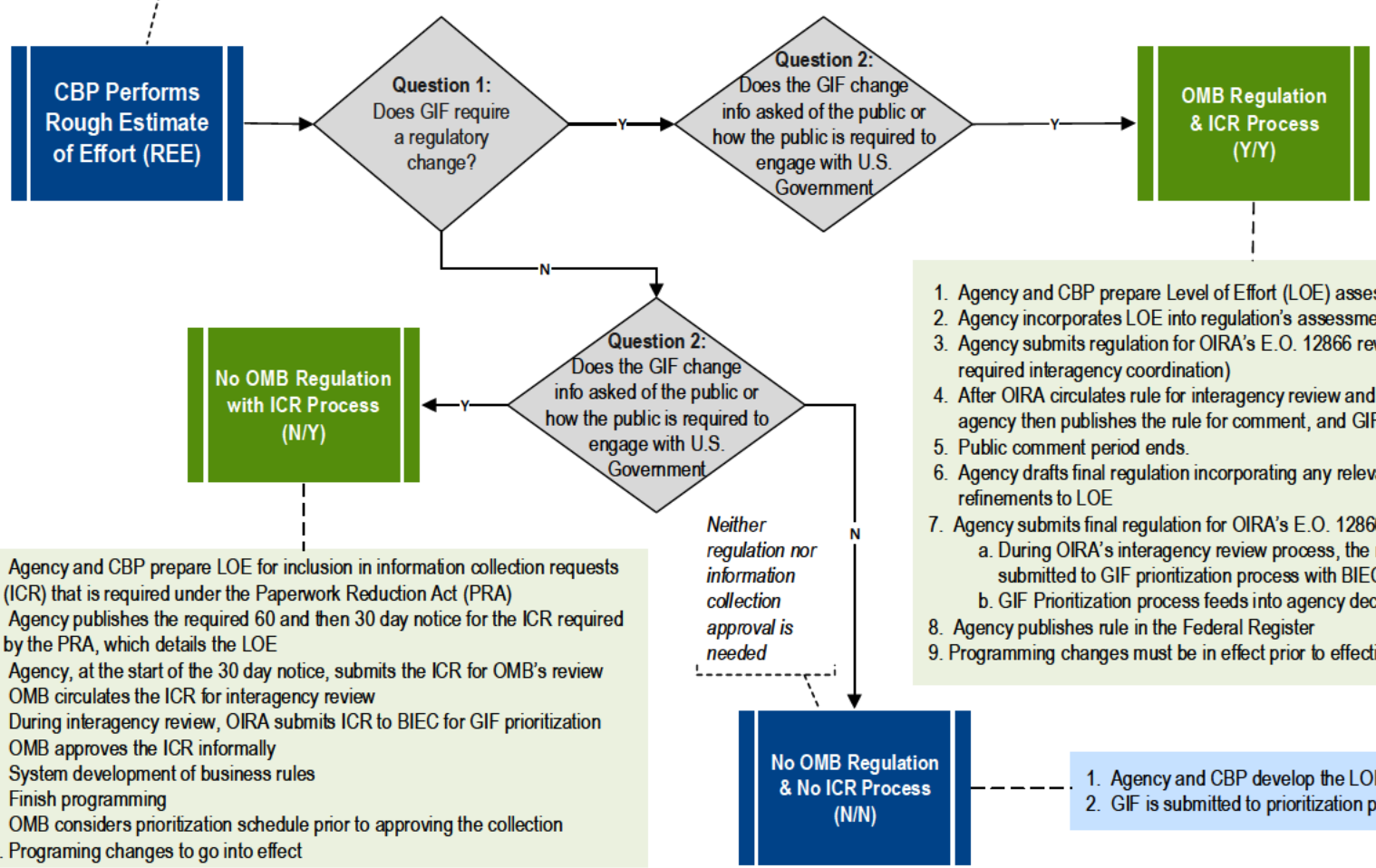
(b) (5)

GIF Prioritization Process – Detailed OMB Regulatory & PRA Process (PAYGO Step 1)

Agencies initiate the GIF Prioritization Process by answering the following two questions, and follow the appropriate process flow:

Question 1: Does the GIF require a regulatory change? (Y/N)

Question 2: Does the GIF change information asked of the public or how the public is required to engage with the U.S. Government (e.g., requires an Information Collection Request (ICR))? (Y/N)



1. Agency and CBP prepare Level of Effort (LOE) assessment
2. Agency incorporates LOE into regulation's assessment of impacts
3. Agency submits regulation for OIRA's E.O. 12866 review (significant due to required interagency coordination)
4. After OIRA circulates rule for interagency review and concludes its review, agency then publishes the rule for comment, and GIF is added to inventory
5. Public comment period ends.
6. Agency drafts final regulation incorporating any relevant public comments and refinements to LOE
7. Agency submits final regulation for OIRA's E.O. 12866 review
   a. During OIRA's interagency review process, the regulation is also submitted to GIF prioritization process with BIEC working level
   b. GIF Prioritization process feeds into agency decision on effective date
8. Agency publishes rule in the Federal Register
9. Programming changes must be in effect prior to effective date of regulation

1. Agency and CBP prepare LOE for inclusion in information collection requests (ICR) that is required under the Paperwork Reduction Act (PRA)
2. Agency publishes the required 60 and then 30 day notice for the ICR required by the PRA, which details the LOE
3. Agency, at the start of the 30 day notice, submits the ICR for OMB's review
4. OMB circulates the ICR for interagency review
5. During interagency review, OIRA submits ICR to BIEC for GIF prioritization
6. OMB approves the ICR informally
7. System development of business rules
8. Finish programming
9. OMB considers prioritization schedule prior to approving the collection
10. Programing changes to go into effect

1. Agency and CBP develop the LOE for the GIF
2. GIF is submitted to prioritization process

Additional OMB Regulatory Process Information for PGAs

- In each of the following three scenarios, the GIF programming change request form will be submitted to the BIEC working level to be prioritized according to a policy priority matrix and interagency agreement.

  1. OMB Regulation and information collection request (ICR) Process (Y,Y)
  2. No OMB Regulation *with* ICR Process (N,Y)
  3. No OMB Regulation and No ICR Process (N,N)

- This is with the understanding that the President's priorities, determined through EO 12866 and PRA process, will ultimately drive the top priorities.
- In the first two scenarios, this prioritization process happens during OIRA interagency review and informs the policy's effective date (regulation) or approval date (ICR).

Additional OMB Regulatory Process Information for PGAs

Centralized Regulatory Review Process under Executive Order 12866

- Coordinated review of agency rulemaking is necessary to ensure that regulations are:
  1. Consistent with applicable law;
  2. The President's priorities;
  3. The Principles of Executive Order 12866; and
  4. Decisions made by one agency do not conflict with the policies or actions taken or planned by another agency (this incorporates the GIF prioritization process)
- To ensure the above EO 12866 requirements are met, as appropriate, OIRA will circulate the ITDS related regulation for interagency and EOP review.

  This includes circulation to the following groups:

  - **Executive Office of the President**
    - ✓ National Economic Council (NEC)
    - ✓ National Security Council (NSC)
    - ✓ Council on Environmental Quality (CEQ)
    - ✓ United States Trade Representative (USTR)
    - ✓ Office of Intergovernmental Affairs
    - ✓ OMB Budget Staff
    - ✓ White House Counsel
  - **Interagency**
    - ✓ PGAs including executive agencies and independent agencies

Information Collection Requirements (ICR) under Paperwork Reduction Act (PRA)

Upon agency's submission of information collection for PRA approval, OIRA, as appropriate, circulates the information collection across EOP and PGAs. OIRA's review and approval timing takes into account the outcome of the GIF prioritization process.

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Thu 10/12/2017 12:00 AM
End: Fri 10/13/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Thu 10/12/2017 12:00 AM
End: Fri 10/13/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) meeting "rally"
Location: RRB 3.5

Start: Fri 10/27/2017 1:00 PM
End: Fri 10/27/2017 1:30 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Organizer: HAYES, BRADLEY F
Required Attendees: (b) (6), (b) (7)(C)

Categories: External Meeting

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Thu 10/26/2017 12:00 AM
End: Tue 10/31/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject: Key points for C1 COAC Speech
Start: Monday, October 30, 2017 1:00:00 PM
End: Monday, October 30, 2017 1:30:00 PM
Location: Bradley"s Office 3.5A

(b) (6), (b) (7)(C)

Subject: LAX -> IAD (United 314 & 344)

Start: Sat 10/14/2017 3:15 PM
End: Sat 10/14/2017 10:01 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

Saturday, October 14, 2017

Flight Los Angeles, CA (LAX) to Denver, CO (DEN)

United 314

Departure: 01:15 PM
Seat: 21C (Confirmed) Change Seat
Los Angeles Intl (LAX)
Terminal: 7
Duration: 2 hours, 19 minutes
Nonstop

Arrival: 04:34 PM
Denver Intl Arpt (DEN)

Confirmation: PWYERY
Status: Confirmed
Air Frequent Flyer Number: UA-KA938015

1 hr, 6 min layover at Denver Intl Arpt (DEN)

Flight Denver, CO (DEN) to Washington, DC (IAD)

United 344

Departure: 05:40 PM
Seat: 12D (Confirmed) Change Seat
Denver Intl Arpt (DEN)
Duration: 3 hours, 21 minutes
Nonstop

Arrival: 11:01 PM
Washington Dulles Intl (IAD)

Confirmation: PWYERY
Status: Confirmed
Air Frequent Flyer Number: UA-KA938015

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
KLEIN, MATTHEW (OPR); (b) (6), (b) (7)(C)
Kolbe, Kathryn
Cc: (b) (6), (b) (7)(C)
HAYES, BRADLEY F
Subject: LOB4 Steering Committee Meeting
Attachments: LOB4 Steering Committee Meeting FINAL 102617.pptx

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Lead Office (b) (6), (b) (7)(C) /Enterprise Effectiveness
Subject LOB4 Steering Committee Meeting
Meeting Date October 26
Meeting Purpose The purpose of this meeting is to:
* Provide transparency for LOB4 FY17 Unfunded Requests
* Provide FY18 C1 Priority Initiatives
* Discuss Milestones and Activities for FY18 Q1 and Q2
Required Materials Presentation slides
Informational or Decisional?
Informational
Participants: LOB4 Portfolio Core Team, Working Group and Steering Committee
Due Date October 24 by 12 PM
DO NOT FORWARD OR COPY THIS INVITATION
If you would like to request someone be added to this appointment - please contact (b) (6), (b) (7)(C).

Conference Bridge: (b) (7)(E)
PIN: (b) (7)(E)

<<LOB4 Steering Committee Meeting FINAL 102617.pptx>>

U.S. Customs and Border Protection

Management and Administration Line of Business 4

Steering Committee Meeting
26 October, 2017

Agenda

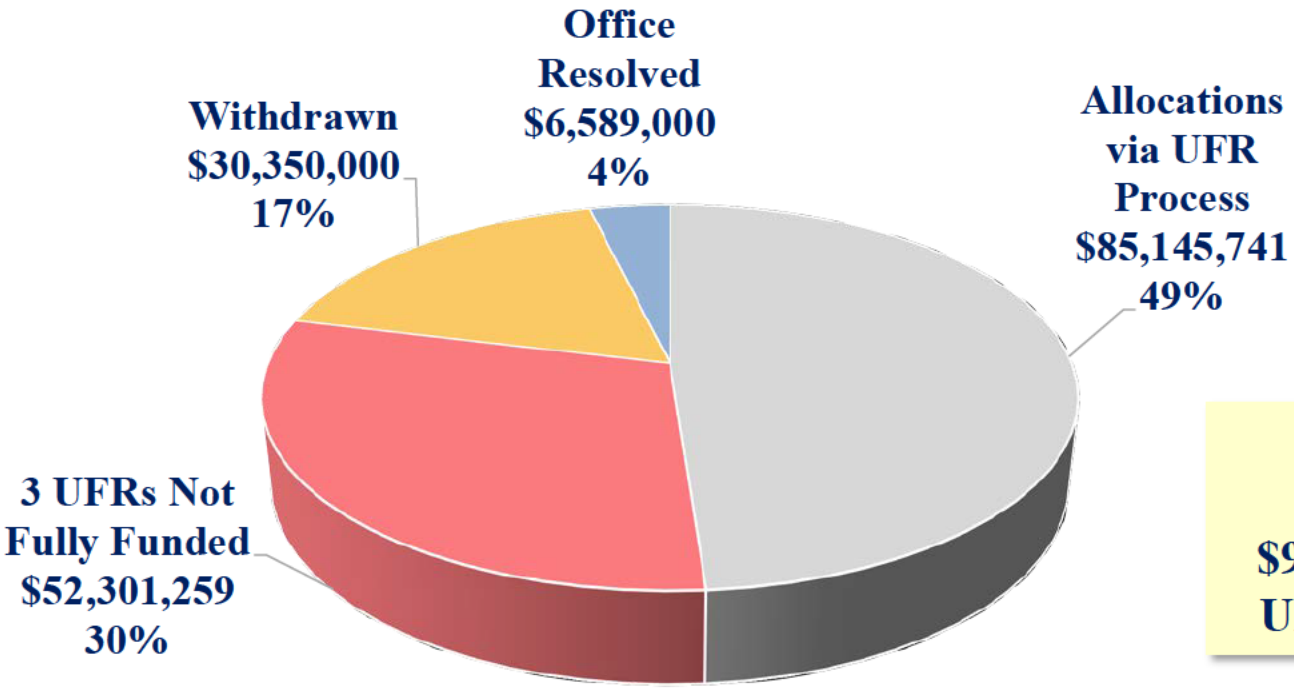
- FY17 Focus Areas and Accomplishments
- FY17 Unfunded Requests (UFR) Process and Results
- FY18 Focus Areas
- FY18 Milestones and Activities
- Office Multi-Year Plan Refresh

FY17 Focus Areas and Accomplishments

- **Understand and Analyze the Portfolio Baseline**
  - Developed Office Multi-Year Plans (MYP)
  - Conducted FY17 Resource Baseline Reviews
- **Strengthen Integration of Planning and Programming**
  - MYPs aligned planning guidance to resource requirements for the FY19-23 RAP
- **Evaluate Tools/Processes to Support Prioritization Efforts**
  - Portfolio assessment conducted in Decision Lens that prioritized 185 different tasks and initiatives across the portfolio based on one standard set of criteria.
- **Create a portfolio-minded and Mission Focused Culture**
  - Created LOB4 Support Structure with dedicated core team, office working group SMEs and a formally chartered LOB4 Steering Committee.
- **FY19-23 RAP**
  - 20 different LOB4 requirement proposals accepted, totaling approximately $1.6B across FY19-23.
- **FY17 Unfunded Requests**
  - $85M additional funding for the portfolio in FY17 to support CBP priorities

U.S. Customs and Border Protection

FY17 Unfunded Requests



35 LOB4 UFRs

14 Fully Funded
3 Partially Funded
13 Office Resolved
5 Withdrawn

$174.4M Requested

$92M (53%) Resolved by UFR Allocation or Office

See Back Up Slides for Detail

- ✓ **April 21:** New UFR Process - Memo from Office of Accountability
- ✓ **May 5:** UFRs Due
- ✓ **May 19 and June 19:** LOB4 Steering Committee Meetings to Discuss UFR Requirements, Impact, Categorization
- ✓ **June 7:** ALC Decision on UFRs for CBP Reprogramming Notification
- ✓ **June 22 – July 11:** 3 LOB Owner UFR SEAMS Meetings
- ✓ **August – September:** Multiple RMC and ALC meetings to prioritize, make decisions, and discuss emerging UFRs

Fiscal Year 2018

FY18 Considerations

Impacts to your Office FY18 Financial and Staffing Plans as a result of:

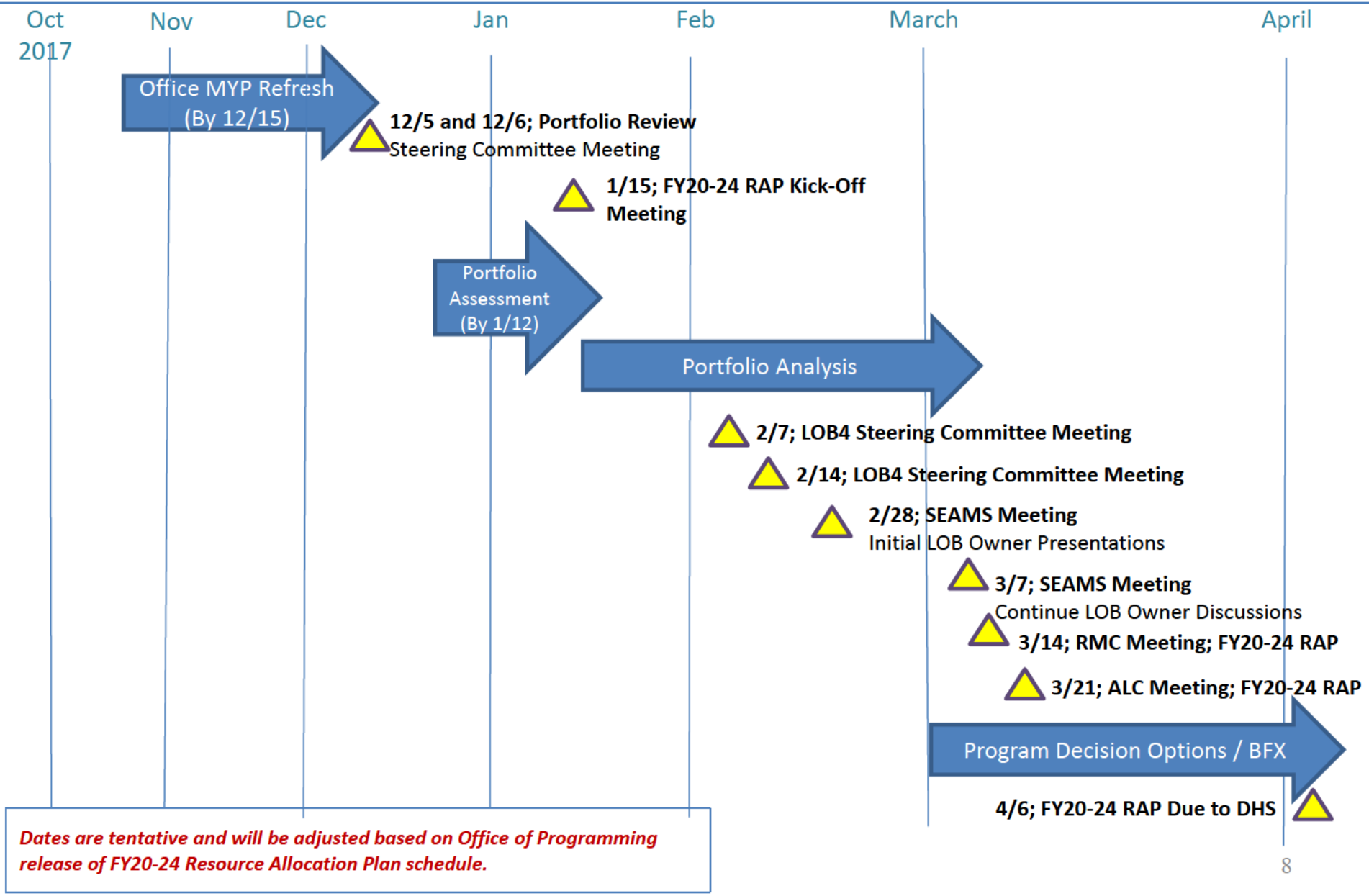
- FY18-22 RAP Decision Memo
- FY18 C1 Priorities
- Deliberate effort to fund priority recurring FY17 UFRs
- Resource Baseline Reviews identified:
  - Office priorities
  - Potential efficiencies
  - End of year execution of funds

FY18 Focus Areas

- **Office MYP Refresh and Annual Portfolio Review**
  - Account for new planning guidance including the executive orders
  - Focus on sharpening requirements, descriptions and outcomes
  - Present MYPs at a portfolio review, allowing a collective and transparent discussion around resourcing priorities and where requirements have dependencies and/or need integration among several offices within LOB4
- **Conduct Portfolio Assessment and Increase Partnership with Operators**
  - Operators (USBP, OFO, AMO, OT) participate in portfolio assessment/prioritization
  - Improving integrated requirements planning for requirements that cross LOBs
- **Strengthen Portfolio Analysis**
  - Improve identification of offsets within the portfolio, with acceptable levels of risk, to fund portfolio priorities.
  - Provide more sophisticated analysis to the steering committee and LOB Owner to aid in decision making and prepare for numerous leadership meetings.

U.S. Customs and Border Protection

Milestones and Activities



Dates are tentative and will be adjusted based on Office of Programming release of FY20-24 Resource Allocation Plan schedule.

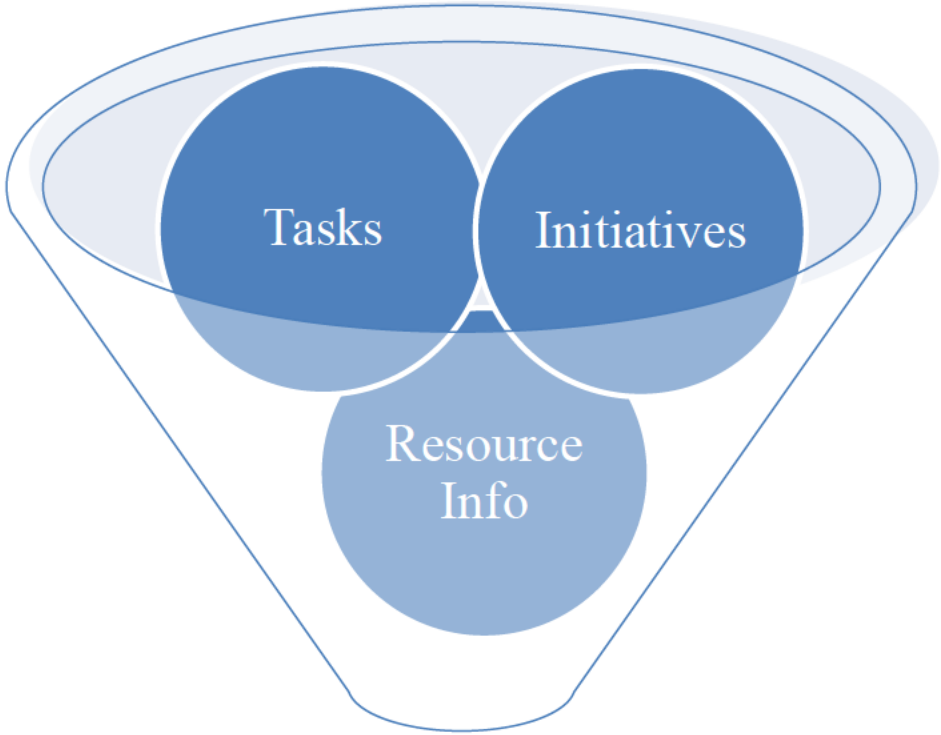
Office Multi-Year Plan Refresh

Office MYPs

Office MYP Tasks, Initiatives and Resource Information are key inputs to portfolio resource decisions.

Understanding the context of all LOB4 office tasks and initiatives allows for more informed Steering Committee discussions.

The Office MYP integrates office capability planning with requirements planning.



Assessment

Prioritization (Areas of Emphasis/De-Emphasis)

Analysis and Recommendations

Resource Decisions

LOB4 Office MYP Refresh

We will strengthen the Office MYPs by:

- Ensuring all requirements are identified thus decreasing ad hoc requirements outside of the formal RAP process.
- Improving task and initiative descriptions and outcomes
- Being prepared to explain why the resources are needed, what is the impact/risk if the resources are not provided, and how these resources will help accomplish the CBP mission (ensuring the requirement is solid, defensible, and justified).
- Providing an honest, subjective evaluation of how well the task or initiative is being performed.

LOB4 Office MYP Refresh

- MYP Refresh Input Considerations:
  - Executive Orders
  - DHS Resource Planning Guidance
  - DHS Specific Strategic Planning Guidance (OCFO, OCPO, OCIO, etc.)
  - CBP Strategic Priority Initiatives
  - FY18 C1 Priorities
  - Office AC Priorities
  - CBP Integrated Planning Guidance
  - CBP Programming Guidance
  - FY18-22 RAP Decisions
  - FY19-23 RAP Decisions
  - FY19 OMB Submission
  - FY17 UFR Submissions and Resolutions
  - LOB4 Resource Baseline Review Meetings

Back Up

U.S. Customs and Border Protection

LOB4 FY17 Unfunded Request Detail

Rank	Office	Name	Status	Requested	Allocated
ALC Decision	OFAM	OFAM Mission Support Facilities Rent Shortfall	Resolved UFR Process	$6,400,000	$6,400,000
CBP Priority	HRM	Recruiting & Hiring	Resolved UFR Process	$42,700,000	$42,700,000
CBP Priority	HRM	Branding, Marketing, and Digital Media	Resolved UFR Process	$8,060,000	$8,060,000
CBP Priority	HRM	Applicant Processing*	Resolved UFR Process	$3,340,000	$3,985,000
8	OIT	Cyber Security Remediation	Resolved UFR Process	$2,315,000	$2,315,000
9	OFAM	NLECC HVAC System Replacement and Facility Recapitalization	Resolved UFR Process	$8,500,000	$8,500,000
13	OIT	Field Infrastructure/End of Life IT Equipment	Resolved UFR Process	$24,200,000	$2,699,021
16	HRM	Medical Surveillance Services (vice Personal Protective Equip)	Resolved UFR Process	$400,000	$400,000
19	OIT	OIT SWB Circuit Upgrade	Office Resolved	$401,000	-
23	OIT	Jane Doe Video Archiving	Resolved UFR Process	$501,000	$501,000
25	OIT	CBP Records Management	Resolved UFR Process	$2,019,000	$2,019,000
26	OF	COSS Transformation Initiative (CTI)	Resolved UFR Process	$30,000,000	$654,720
29	HRM	National Resiliency Task Force	Resolved UFR Process	$225,000	$225,000
33	OFAM	Fleet Management Tool/Telematics	Withdrawn	$26,574,000	-
34	HRM	Employee Assistance Program (EAP)	Office Resolved	$625,000	-
41	OPR	Tucson Access Control CCTV and Intrusion System Upgrade	Office Resolved	$110,000	-
42	OIT	EMail Journaling	Office Resolved	$588,000	-
44	OPR	Yuma Access Control & CCTV Upgrade	Office Resolved	$110,000	-
51	OF	Audit (Internal Controls)	Resolved UFR Process	$1,000,000	$1,000,000

**Allocation includes EOY transfer from OFO and USBP. Does not include internal realignments from HRM.*

Withdrawn	Office Resolved

U.S. Customs and Border Protection

LOB4 FY17 Unfunded Request Detail

Rank	Office	Name	Status	Requested	Allocated
52	OIT	Business Integration Technology Services (BITS)	Withdrawn	$500,000	-
53	OCA	OCA Congressional Staffer Academy	Withdrawn	$26,000	-
55	OIT	Financial Audit Support - IT Controls	Office Resolved	$1,000,000	-
57	EAC/EE	Decision Lens	Office Resolved	$450,000	-
58	HRM	Increasing Drug Testing to 20% of Workforce	Withdrawn	$1,750,000	-
61	HRM	Manpower Modeling and Estimates (RAND)	Office Resolved	$687,000	-
64	OAct	Contractor Support for PPBA, Governance, etc.	Resolved UFR Process	$1,034,000	$1,034,000
Not Ranked	OTD	Basic Training	Resolved UFR Process	$4,700,000	$2,600,000
Not Ranked	OF	Revenue Collection Business Process Mapping	Resolved UFR Process	$1,053,000	$1,053,000
Not Ranked	OIT	Drupal (infrastructure for cbp.gov public facing website)	Resolved UFR Process	$1,000,000	$1,000,000
Not Ranked	HRM	Computer Adaptive Testing for Entrance Examinations	Office Resolved	$1,242,000	-
Not Ranked	OCC	Critical Computer Refresh/Training	Office Resolved	$357,000	-
Not Ranked	HRM	Resiliency Research/Study	Office Resolved	$680,000	-
Not Ranked	OC PDO	Privacy EO Mandate New Information Sharing Requirements	Office Resolved	$60,000	-
Not Ranked	OC PDO	FOIA Division System Development Work with OIT	Office Resolved	$279,000	-
Not Ranked	CAO	Commissioner's Management Staff Data Analytics Contract	Withdrawn	$1,500,000	-

Withdrawn	Office Resolved

(b) (6), (b) (7)(C)

Subject:	Los Angeles
Start:	Wed 10/11/2017 7:00 AM
End:	Wed 10/11/2017 8:00 AM
Show Time As:	Out of Office
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Travel

(b) (6), (b) (7)(C)

Subject:	Los Angeles
Location:	Hotel: Hilton at 5711 W Century Blvd, Los Angeles, CA 90045
Start:	Wed 10/11/2017 9:00 AM
End:	Wed 10/11/2017 7:00 PM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Travel

(b) (6), (b) (7)(C)

Subject: Los Angeles/San Diego
Location: Hotel: Rancho Las Palmas at 41000 Bob Hope Drive, Rancho Mirage, CA 92270 (Confirmation: 40015763957)

Start: Thu 10/12/2017 7:00 AM
End: Thu 10/12/2017 8:00 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

From: (b) (6), (b) (7)(C)
Sent: Monday, September 18, 2017 8:38:19 AM
To: (b) (6), (b) (7)(C)
Cc: HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject: RE: WESCCON Dinner with the Commissioner

Good morning (b) (6), (b) (7)(C)

I hope this message finds you well. I'm writing to follow up on your message below, and confirm that the Commissioner will attend the dinner on Thursday, October 12th, and deliver the luncheon keynote on Friday, October 13th at 1:00 p.m.

Sincerely,

(b) (6), (b) (7)(C), MBA
Program Manager
Office of Trade Relations
Office of the Commissioner
U.S. Customs and Border Protection
1300 Pennsylvania Avenue, NW Suite 3.5A
Washington, DC 20229

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject:	Lunch w/(b) (6), (b) (7)(C)
Start:	Thursday, October 26, 2017 10:30:00 AM
End:	Thursday, October 26, 2017 11:30:00 AM
Location:	The Hamilton: 600 14th St, Washington, DC

OpenTable Reservation Confirmation: 2110469374

Apologies for the continuous changes in this meeting. There are several meetings with our Commissioner that keep moving around. Thank you for your patience!

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - S/L

Start: Mon 10/23/2017 12:00 AM
End: Tue 10/24/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - Training
Location: Harpers Ferry

Start: Fri 10/20/2017 12:00 AM
End: Sat 10/21/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) - Training 8:00-10:00
Location: Harpers Ferry

Start: Fri 10/27/2017 12:00 AM
End: Sat 10/28/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: (b) (6), (b) (7)(C)

Categories: Travel

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L (7:00-12:00pm)

Start: Mon 10/2/2017 12:00 AM
End: Tue 10/3/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C)
Subject:	NAFTA Discussion with (b) (6), (b) (7)(C)
Start:	Monday, October 30, 2017 3:00:00 PM
End:	Monday, October 30, 2017 3:30:00 PM
Location:	(b) (7)(E)

Hi (b) (6),

Bradley is in a meeting until 4pm.

(b) (6), (b) (7)

(b) (6), (b) (7)(C)

Subject: NAFTA 2.0 - 2nd DHS Roundtable - [W/ Updated PwrPt]
Location: DHS HQ - NAC 17-100 // Teleconference DHS Ready Access Toll Free Number: (b) (7)(E)

Start: Wed 10/25/2017 8:30 AM
End: Wed 10/25/2017 10:00 AM

Recurrence: (none)

Meeting Status: Accepted

Organizer: (b) (6), (b) (7)(C)
Required Attendees: (b) (6), (b) (7)(C) SMITH, BRENDA BROCKMAN; (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Cissna, Francis; Owen, Todd C (AC OFO)
Optional Attendees: (b) (6), (b) (7)(C)

Categories: Calls

NAFTA 2nd Roundtable Agen... NAFTA Chapeau Memo - Ch. 16 T... NAFTA 2.0 Renegotiation - ... NAFTA Roundtable Upd...

Good morning –

Please see the final agenda and attachments. We look forward to the telcon tomorrow.

Please alert if you have any questions or need more information

Much obliged,
(b) (6), (b) (7)(C) (Detailee)
U.S. Department of Homeland Security – Office of Policy
Borders, Immigration, and Trade – Trade and Transport Policy
(b) (6), (b) (7)(C)

ISSUE MEMORANDUM
NAFTA RENEGOTIATION AND TSA UNIFORM PROCUREMENT

Issue:

The United States' effort in 2017 to renegotiate the North America Free Trade Agreement (NAFTA) gives rise to an issue that directly implicates Transportation Security Administration (TSA) uniform procurement. Specifically, the renegotiated NAFTA would restrict TSA from procuring uniform items from Mexican or Canadian sources[1], thereby significantly increasing textile procurement costs.

Summary:

The NAFTA is a free trade agreement (FTA) signed by Canada, Mexico, and the United States, creating a trilateral North American trade bloc. The agreement came into force on January 1, 1994. On July 17, 2017, the U.S. Trade Representative (USTR) announced the United States' intention to renegotiate NAFTA. Several rounds of negotiation have proceeded in an effort to conclude the new FTA in early 2018.

On April 18, 2017, President Trump signed Executive Order 13788 ("Buy American and Hire American"), which seeks to encourage U.S.-sourcing of goods and manufactured products procured with federal funds. However, in general terms, the U.S. Government cannot unilaterally impose a domestic procurement requirement, such as the "Buy American, Hire American" restriction, via an executive order that does not comport with existing U.S. international trade obligation, such as in an FTA. Thus, the USTR is seeking to narrow such exceptions in a renegotiated NAFTA, in service of the "Buy American, Hire American" executive order's goals.

This subject is further regulated by U.S. domestic law. For instance, 6 U.S.C. §453b (the "Kissell Amendment"), passed in 2009, requires the U.S. Department of Homeland Security (DHS) to procure textile items related to national security interests, including uniforms and body armor, from American sources.[2] The Kissell Amendment is an extension of the Berry Amendment for the U.S. Department of Defense, which stipulates that all textiles (which impacts uniforms) must be sourced from the United States for national security reasons (protecting the insignias, ensuring sourcing in time of conflict, etc.).

The Kissell Amendment generally restricts DHS from using appropriated funds to buy certain textiles directly related to national security unless those items are domestically sourced.[3]

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[1] Although no TSA uniform items are currently procured from Chile, TSA remains a covered governmental entity under the U.S.-Chile FTA. *See* HSAR 3025.7002-3(a)(3

[2] The Kissell Amendment was originally enacted as Section 604 of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, Title VI, General Provisions.

[3] The Kissell Amendment contains several exceptions to the requirement to procure only domestic covered textile items. *See* 6 U.S.C. § 453b (c)-(g). In addition to the explicit exceptions, and as discussed in more detail herein, the Kissell Amendment must be applied consistent with U.S. obligations under international agreements. *See id.* at (k).

However, the Kissell Amendment also requires that it be implemented "…in a manner consistent with United States obligations under international agreements." 6 U.S.C. § 453b. In other words, DHS cannot impose a domestic sourcing requirement in a uniform procurement unless the component is specifically excluded from the scope of coverage of the FTA's government procurement chapter. The USTR has excluded TSA uniform procurements from all the United States' FTAs post-Kissell, including the revised World Trade Organization Agreement on Government Procurement (WTO GPA).[4]

Nevertheless, under NAFTA as it exists today, TSA cannot exclude any NAFTA party from competing for TSA uniform requirements due to the obligations of this FTA. Consequently, TSA currently procures many of its uniform items from Mexico. In particular, approximately 68% of TSA uniforms items are manufactured in Mexico with the remaining 32% manufactured in the United States. Stated otherwise, from October 2014 to June 2017, the TSA procured $53 million worth of uniforms; of those, $36 million were sourced from Mexico.[5]

As part of the current renegotiation of NAFTA, however, the USTR has sought to exclude TSA uniform procurements from the agreement, which would restrict TSA from continuing to procure uniform items from Mexico when the renegotiated NAFTA enters into force. This step is consistent with TSA textile procurements being carved out of all the United States' post-Kissell FTAs.

Other DHS components also procure many of their uniforms from Mexico through the same sources as TSA. Under the renegotiated NAFTA as proposed by the USTR, these components can continue to procure from Mexico. The USTR is not seeking to exclude other DHS components as all of these components were already included in the scope of government procurement coverage in all of the FTAs post-Kissell (the revised WTO GPA, and with South Korea, Colombia, Panama, etc.).

Barring TSA from continuing its established procurement contracts with Mexican manufacturers would significantly increase TSA's procurement costs. TSA has begun the process of communicating that concern up the procurement and leadership chain in response to the DHS/component NAFTA renegotiation participants' voiced concerns. Specifically, TSA anticipates a significant increase in procurement costs should TSA need to assume a domestic-sourcing restriction for uniforms. A GAO audit that is nearly complete (for textiles) also included the following statement regarding estimates from vendors:

> "…that sourcing solely from the United States would increase the price of items that are currently sourced from foreign countries from 50 to 150 percent of current prices.

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[4] TSA was previously not excluded in NAFTA as part of the Department of Transportation.

[5] Currently, under the DHS Body Armor Strategic Sourcing contract, all items are manufactured within the United States by small businesses. Under the DHS Uniforms Strategic Sourcing contract, approximately 58% (by dollar value) of uniforms purchased are manufactured outside the United States. Specifically, from October 2014 to June 2017, DHS Components ordered approximately $164 million worth of uniforms. Of those, $96 million were from 12 countries outside the United States. There is an average utilization rate of 98% across DHS on the strategically sourced uniforms contract vehicle.

Therefore, DHS could see an increase in costs for the over 50 percent of uniform items currently procured from foreign sources. Additionally, officials stated that the domestic availability of some items, such as footwear, can be difficult. Officials stated that it could take approximately 2 years to find U.S. suppliers for all items currently procured from sources outside the United States…"

TSA has also noted that it is uncertain if there will be an impact to transportation security officer uniform allowances such that collective bargaining rights would be triggered.

DHS and impacted components are monitoring this issue (1) to determine U.S. obligations under the new NAFTA and how these obligations will interact with current U.S. law including the Kissell Amendment and the "Buy American, Hire American" Executive Order, (2) determine how the final negotiated text will affect DHS and component uniform procurement sourcing and costs, and (3) determine budgetary implications for TSA.

Next Steps:

- DHS and component agencies will need to watch the NAFTA renegotiation closely, ensuring leadership is kept informed on this issue as it develops.

References:

- Federal Register Notice "Revision of Department of Homeland Security Acquisition Regulation; Restrictions on Foreign Acquisition" [48 CFR Parts 3025 and 3052 (Docket No. DHS–2009–0081), RIN 1601–AA57, [Federal Register / Vol. 75, No. 110, p. 32676] [2010-06-09]
    - Federal Register notice for the rule DHS promulgated to implement Kissell Amendment —Section 604.
- Homeland Security Acquisition Regulation (PART 3025 FOREIGN ACQUISITION, Subpart 3025.70 - American Recovery and Reinvestment Act Restrictions on Foreign Acquisition).
    - Implements Section 604 (codified at 6 U.S.C. § 453b).

POC's for Additional Information:

(b) (6), (b) (7)(C)

NAFTA RENEGOTIATION – ROUNDTABLE DISCUSSION OF DHS PRIORITIES

25 October 2017, 9:30 a.m. – 11:00 a.m.

Location: DHS HQ, NAC 17-100 and Teleconference
++++
Teleconference DHS Ready Access Toll Free Number: (b) (7)(E)
Access Code: (b) (7)(E)

Context:

Interdepartmental roundtable discussion to brief the progress of the NAFTA 2.0 renegotiations, after four rounds of in-person negotiations with Canadian and Mexican officials. This roundtable meeting will ensure DHS and components are briefed with the current geo-political scope and context, and significant issues affecting DHS and component equities.

Objective:

Roundtable discussion on the current status of the NAFTA 2.0 Negotiations after the 4th Round of Negotiations, and policy implications going forward.

Attendees: CBP, ICE-HSI, DHS-PLCY (Trade and Americas), DHS I&A Border Security Division

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9:30 AM **Welcome & Introductions**
(b) (6), (b) (7)(C), Deputy Assistant Secretary for Trade and Transport Policy, Office of Policy, U.S. Department of Homeland Security

Brenda Smith, Executive Assistant Commissioner, U.S. Customs and Border Protection, Office of Trade

9:45 AM **NAFTA Negotiations, Update on Status of Negotiations / Major Policy Implications**
(b) (6), (b) (7)(C), U.S. Customs and Border Protection – Office of Trade & Other Participants in NAFTA Negotiations

10:15 AM **UPDATE OF GEOPOLITICAL ISSUES INVOLVING NAFTA**
(b) (6), (b) (7)(C), Americas – Office of International Engagement - U.S. Department of Homeland Security, Office of Policy

10:30 AM **Discussion of NAFTA Issues, DHS and Component Actions Going Forward**

Significant DHS Issues Include:
- **Temporary Entry** Chapter and Immigration Issues In NAFTA Renegotiation (*DHS Memo Attached*)
- **Government Procurement** Chapter and Implications for TSA Uniform Procurement (*Issue Memorandum Attached*)

U.S. Department of Homeland Security
Washington, DC 20528

August 31, 2017

FROM: (b) (6), (b) (7)(C)
Assistant Secretary for
Border, Immigration, and Trade
Office of Policy

SUBJECT: **Regarding North American Free Trade Agreement Renegotiations**

Summary: The Department of Homeland Security (DHS) opposes the inclusion of immigration provisions in the North American Free Trade Agreement (NAFTA) that may create legal obstacles to DHS' administration of U.S. immigration laws. In addition, DHS will not concur with the inclusion of immigration provisions in NAFTA that are contrary to Presidential and Congressional intent.

Background: The existing NAFTA includes provisions governing temporary entry for business persons. NAFTA, as implemented by Congress, established a new employment-based visa program (the "Treaty National" or "TN" visa program) solely for nationals of NAFTA Parties working in certain skilled occupations.

The TN program is uncapped and includes none of the U.S. worker protections Congress has included for other temporary worker programs (such as a requirement that employers advertise the position or pay the workers the prevailing wage). In FY15, TN visa holders from Canada and Mexico transited the U.S. border 787,180 times. TN visa-holders may hold such desirable positions as: Hotel Manager; Land Surveyor; Lawyer; Engineer; and Pharmacist.

Analysis: Existing NAFTA requires Parties to grant temporary entry to business visitors from other Parties "provided that the business person otherwise complies with *existing immigration measures* applicable to temporary entry…." This provision has been legally interpreted and applied to mean that DHS cannot impose more restrictive immigration regulations on Canadian and Mexican citizens traveling to the United States for business than existed at the time NAFTA was effected in 1994. It therefore constrains DHS authority to regulate the business visitor visa program even if priorities and equities change. It is also widely interpreted to deprive Congress of the ability to make new laws that conflict with NAFTA's provisions relating to the B, L, and E visa programs.

Retaining TN provisions in NAFTA appears contrary to the President's intent in Executive Order 13788 ("Buy American and Hire American"), in which he stated that, "to create higher wages and employment rates for workers in the United States, and to protect their economic interests, it shall be the policy of the executive branch to rigorously enforce and administer the laws governing entry into the United States of workers from abroad…." The TN visa program in particular allows tens of thousands of skilled Canadian and Mexican workers each year to enter the U.S. labor

market and compete with U.S. workers, but without any labor protections – such as a recruitment and prevailing wage requirement – for U.S. workers. For this reason, DHS cannot concur with the retention of TN visas in the new NAFTA.

Including or adding immigration provisions in NAFTA is contrary to Congressional intent. In July 2003, bipartisan leadership of the House Judiciary Committee urged the U.S. Trade Representative (USTR) to "in the strongest possible terms to never again agree to negotiate immigration provisions in bilateral or multilateral free trade agreements." The U.S. Senate later unanimously passed a resolution stating that "(1) trade agreements are not the appropriate vehicle for enacting immigration-related laws or modifying current immigration policy; and (2) future trade agreements to which the United States is a party and the legislation implementing the agreements should not contain immigration-related provisions." In March 2012, bipartisan leadership of the House Judiciary Committee again repeated its opposition to the inclusion of immigration in trade agreements. In April 2015, Senate Judiciary Chairman Grassley and Senate Finance Committee Chairman Hatch wrote USTR asking that USTR never negotiate any provision in a trade agreement "which requires changes to U.S. immigration law, regulations, policy, or practice." For this reason, DHS cannot concur with the inclusion of immigration provisions in NAFTA.

It should also be noted that, in 2016, Congress amended current trade promotion authority (TPA) for the Executive Branch, which authorizes "fast track" procedures for consideration of trade agreements in Congress. As part of this legislation, Congress amended the trade negotiating objectives of the United States to include an objective that trade agreements should not require "changes to immigration laws . . . or obligate the United States to grant access or expand access to visas issued under section 101(a)(15) [of the Immigration and Nationality Act]."

U.S. CUSTOMS AND BORDER PROTECTION
OFFICE OF TRADE

NAFTA RENEGOTIATION STATUS UPDATE

October 2017

U.S. Customs and Border Protection

NAFTA Negotiations State of Play

- 4 Round Completed, 5th round delayed till 11/17-21 in MX.
- Will continue negotiating in early CY18.
- Some progress on less controversial issues such as Competition, SMEs, Ecommerce.
- Significant Resistance to U.S. proposals aimed at adjusting trade deficit or promoting BAHA.
- CBP, ICE, DHS, USCIS have been "at the table" for each round with USTR and interagency and will be going forward.

Progress on NAFTA Issues Impacting DHS

- Rules of Origin/Verification – Both Parties reject U.S. auto RoO proposal (more NAFTA content, U.S. content, and infinite tracing). Verification procedures in line with TPP compromise, minimal operational change.
- Customs/Trade Facilitation – Both Parties reject $800 DMT harmonization, some progress on Single Window, Data Harmonization provisions.
- Textiles – Rejection of U.S. proposal to removal of textile Tariff Preference Levels.
- Intellectual Property Rights: Strong U.S. border enforcement proposal, impasse amongst Parties on negotiating from TPP or NAFTA 1.0 text.
- Antidumping and Countervailing Duties Evasion: U.S. proposal to allow verification visits for ADCVD evasion, Mexican customs cooperation counterproposal including ADCVD.
- Government Procurement: U.S. proposal prohibits TSA from procuring uniforms from MX consistent with modern U.S. FTAs and Kissell Amendment.
- Temporary Entry of Business Visitors: No U.S. position on inclusion of Temp Entry in NAFTA 2.0, significant concern for CA and MX.
- Essential Security Exception: U.S. proposal with modernized, broader exception, resistance from both Parties who prefer traditional, narrower exception.

Controversial U.S. Proposals

- Automotive Rules of Origin: Requires 85% North American Content and 50% US Content in NAFTA origin autos, requires tracing down to very minor parts and materials.
- 5 Year Sunset Clause: Allows NAFTA to terminate every 5 years unless all three countries agree otherwise.
- Government Procurement Market Access Limitations: Limits CA and MX participation in USG procurement to the value of procurements each country offers to U.S.
- Seasonal Produce ADCVD Safeguards: Allows U.S. to apply ADCVD to produce imports during growing season.
- Removal of ADCVD from NAFTA Dispute Settlement: Prohibits Parties from challenging ADCVD measures in NAFTA tribunals.

Potential Outcomes

- Option 1: NAFTA 2.0 concluded and entered into force through implementing legislation.
- Option 2: U.S. Withdrawals from the agreement entirely, North American trade conducted under the WTO rules.
- Option 3: Bilateral FTAs with Mexico and Canada rather than trilateral.
- Option 4: NAFTA 1.0 remains the status quo.

U.S. Customs and Border Protection

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C) HAYES, BRADLEY F
Cc:	(b) (6), (b) (7)(C)
Subject:	NCBFAA Engagement Discussion
Start:	Monday, October 30, 2017 2:00:00 PM
End:	Monday, October 30, 2017 3:00:00 PM
Location:	RRB: 1300 Pennsylvania Ave, Room 3.5A, Washington, DC 20229

Please check in at the 14th street entrance with a U.S. government-issued ID. Have security call (b) (6), (b) (7)(C) for an escort. If you are not a U.S. citizen, please notify (b) (6), (b) (7)(C) immediately.

In further compliance with the REAL ID Act of 2005, effective immediately, U.S. Customs and Border Protection is prohibited from accepting driver's licenses and identification cards from the following states for accessing CBP properties: American Samoa, Minnesota, Illinois, Missouri, New Mexico, and Washington. Visitors to CBP properties from the aforementioned states will need to provide an alternate form of identification (e.g., US Passport, US Passport Card).

From: (b) (6), (b) (7)(C)
Sent: Friday, September 15, 2017 8:15 PM
To: (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: Meeting

(b) (6), (b) (7

It was a pleasure to meet you on Monday at the NCBFAA Government Affairs Conference during the Commissioner's speech. As we discussed, (b) (6), (b) (6), (b) and I would welcome the opportunity to get together with you and Bradley to continue the open communication and engagement we enjoyed with the individuals that held your respective positions. I am sorry, but I do not have Bradley's contact details and wanted to see if you could contact Bradley to see if you would both be available sometime either in the morning of August 25th or August 26th. We do understand your very busy schedules and therefore know that we may need to offer some alternatives dates, but wanted to start somewhere. Thanks very much and I hope you enjoy the weekend.

Best regards,

(b) (6), (b

(b) (6), (b) (7)(C)

President, C.H. Powell Company

Tel (b) (6), (b) (7)(C) - Direct (b) (6), (b) (7)(C)

Fax: (b) (6), (b) (7)(C)

Cell Phone: (b) (6), (b) (7)(C)

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From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C) ; OTRConferenceRoomCalendar; TRADE EVENTS; (b) (6), (b) (7)(C) ; (b) (6), (b) (7)(C) HAYES, BRADLEY F
Cc:	(b) (6), (b) (7)(C)
Subject:	North America Single Window Briefing for XD Hayes - Trade Relations (rescheduled)
Start:	Monday, October 16, 2017 2:30:00 PM
End:	Monday, October 16, 2017 3:00:00 PM
Location:	OTR 3.5A confernce room - Call in if needed: (b) (7)(E)
Importance:	High

(b) (6), (b) (7)(C)

Subject: OCA/OTR Monthly
Location: 5.4A

Start: Thu 10/5/2017 8:00 AM
End: Thu 10/5/2017 9:00 AM

Recurrence: Monthly
Recurrence Pattern: day 4 of every 1 month(s) from 9:00 AM to 10:00 AM

Meeting Status: Accepted

Organizer: (b) (6), (b) (7)(C)
Required Attendees: LADOWICZ, JOHN P; (b) (6), (b) (7)(C)

Categories: Internal CBP Meeting

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) ; HAYES, BRADLEY F
Subject: OTR Retreat Lunch
Start: Wednesday, October 4, 2017 10:45:00 AM
End: Wednesday, October 4, 2017 11:30:00 AM
Location: Fiona"s Irish Pub: 5810 Kingstowne Center, Alexandria, VA 22315

Reservation under (b) (6), (b) (7)(C) for 14 of us.

fionasirishpub.com <http://www.fionasirishpub.com/drinks>

From:	(b) (6), (b) (7)(C) on behalf of (b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C)
Subject:	OTR/DHS PLCY Monthly Tag Up
Start:	Thursday, October 5, 2017 9:00:00 AM
End:	Thursday, October 5, 2017 10:00:00 AM
Location:	RRB, Room 3.5A

Monthly tag up with trade PLCY team and OTR leadership.

From: CBP COMMISSIONER SCHEDULER
To: DCC10A-RMB-COMMISSIONER-CN-RM; (b) (6), (b) (7)(C); SMITH, BRENDA BROCKMAN; (b) (6), (b) (7)(C) [redacted]; HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject: Prep: Boston/Providence
Start: Friday, October 27, 2017 10:00:00 AM
End: Friday, October 27, 2017 10:30:00 AM
Location: Commissioner"s Small Conference Room

Please DO NOT forward this meeting invite. If you have any questions, reach out to (b) (6), (b) (7)(C). Thanks!

(b) (7)(E) [redacted]

Attendees:
C1
(b) (6), (b) (7)(C) [redacted]
EAC Smith
DEAC (b) (6), (b) (7) [redacted]
(b) (6), (b) (7)(C) [redacted]
XD Bradley F. Hayes
DXD (b) (6), (b) (7)(C)
AD (b) (6), (b) (7)(C)
DFO (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) [redacted]

From: CBP COMMISSIONER SCHEDULER
To: DCC10A-RMB-COMMISSIONER-CN-RM; OC BRIEFING STAFF; (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: Prep: California Trip
Start: Tuesday, October 10, 2017 11:00:00 AM
End: Tuesday, October 10, 2017 11:30:00 AM
Location: Commissioner"s Large Conference Room or Conference Call

---

DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please email (b) (6), (b) (7)(C) and provide a reason as well as a surrogate request.

(b) (7)(E)

BM: Yes (already tasked)
OC POC: (b) (6), (b) (7)(C)

Attendees:
* Director of Field Operations (b) (6), (b) (7)(C)
* Acting Chief Patrol Agent (b) (6), (b) (7)(C)
* Port Director (b) (6), (b) (7)(C)
* Port Director (b) (6), (b) (7)(C)
* (b) (6), (b) (7)(C), (A) DAO San Diego
* (b) (6), (b) (7)(C), AMO San Diego
* EAC Kolbe
* (b) (6), (b) (7)(C), OFO
* (b) (6), (b) (7)(C), OFO
* (b) (6), (b) (7)(C), OFO
* (b) (6), (b) (7)(C), OFO
* (b) (6), (b) (7)(C), USBP
* (b) (6), (b) (7)(C), USBP
* (b) (6), (b) (7)(C)
* (b) (6), (b) (7)(C)
* (b) (6), (b) (7)(C), on behalf of XD Hayes
* (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject: Prep: CONECT Keynote Speaking Remarks
Location: Commissioner's Small Conference Room

Start: Thu 10/26/2017 11:30 AM
End: Thu 10/26/2017 12:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: CBP COMMISSIONER SCHEDULER
Required Attendees: DCC10A-RMB-COMMISSIONER-CN-RM; (b) (6), (b) (7)(C) HAYES, BRADLEY F; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Owen, Todd C (AC OFO); SMITH, BRENDA BROCKMAN; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

Categories: C1-C2 Meetings

DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please email (b) (6), (b) (7)(C) and provide a reason as well as a surrogate *request*.

Dial In for XD Hayes
(b) (7)(E)

Attendees:
C1
COS
(b) (6), (b) (7)(C) on behalf of EAC Owen
EAC Smith
XD Hayes
(b) (6), (b) (7)(C)

BM: Yes (have already been tasked out)

From: CBP COMMISSIONER SCHEDULER
To: (b) (6), (b) (7)(C); LADOWICZ, JOHN P; (b) (6), (b) (7)(C); HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject: Prep: Senator Durbin
Start: Tuesday, October 31, 2017 10:00:00 AM
End: Tuesday, October 31, 2017 10:30:00 AM
Location: Commissioner"s Small Conference Room

From: [redacted]
To: [redacted] HAYES, BRADLEY F
Subject: RE: Save the Date - Executive Director Hayes with CME Senior Vice President [redacted]
Start: Thursday, October 19, 2017 2:00:00 PM
End: Thursday, October 19, 2017 3:30:00 PM
Location: 55 Standish Court, Suite 620 Mississauga, ON L5R 4B2

Greetings [redacted]

Per our conversation on Friday October 13th, CBP Executive Director Hayes and [redacted] from the Office of Trade Relations will be traveling to the offices of Canada Manufacturers & Exporters (CME) on Thursday October 19th.

At this time we do know yet know when they will be able to leave from their previous engagements at the Courtyard Brampton Marriott in Brampton, ON but their current expected departure time is between 2:45pm-3pm will an arrival time to CME expected between 3:15 and 3:30pm. Thank you for placing a hold on [redacted] calendar until 4:30pm in case we may still need to adjust the actual arrival or meeting time.

Have a great weekend!

Regards,

[redacted]

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)

Cc: (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject: SAVE THE DATE - ITDS BOARD OF DIRECTORS OCTOBER 5, 2017 MEETING
Start: Thursday, October 5, 2017 10:30:00 AM
End: Thursday, October 5, 2017 12:00:00 PM
Location: Call -In Number: (b) (7)(E)
Attachments: Interagency Coordination of International Trade Data System RMTS edits 2-14-17.docx
ITDS Board Meeting Report -SEPTEMBER 7 2017-final.docx
OCT 5 2017 BoD Agenda.docx

All:

My sincere apologies for the Agenda being sent out so late. I have been experiencing system problems that are now resolved.

<<OCT 5 2017 BoD Agenda.docx>>

Tonia

Good Morning, ITDS Board of Directors:

We would like to share with you to very import reports in preparation for this week's meeting. Attached you will find the final meeting report from the September 7th ITDS Board. Also a white paper, Interagency Coordination of International Trade Data System RMTS with edits dated 02-14-2017.

<<Interagency Coordination of International Trade Data System RMTS edits 2-14-17.docx>> <<ITDS Board Meeting Report -SEPTEMBER 7 2017-final.docx>>

We look forward to a lively discussion on October 5 at 11:30 am.

Respectfully,

(b) (6), (b) (7)(C)
Management & Program Analyst | ACE PGA SCO
Stakeholder Engagement |Trade Transformation Office (TTO)
Office of International Trade (OT) |U.S. Customs & Border Protection
PGA Account Support: (b) (6), (b) (7)(C)

Good morning, ITDS Board of Directors:

The next ITDS Board of Directors Meeting is scheduled for Thursday, October 5, 2017 of this week. We will send out the Agenda shortly after it has been approved by [redacted].

We apologize for the short notice.

Respectfully,

[redacted]
Management & Program Analyst | ACE PGA SCO
Stakeholder Engagement |Trade Transformation Office (TTO)
Office of International Trade (OT) |U.S. Customs & Border Protection
PGA Account Support: [redacted]

AGENDA

ITDS Board of Directors Meeting

October 5, 2017

CALL-IN ONLY MEETING

Call -In Number: (b) (7)(E)

Pin: (b) (7)(E)

1130 AM – 12 Noon

AGENDA ITEM	PRESENTER
Welcome and Introductions	(b) (6), (b) (7)(C)
FWS Implementation of ITDS	CBP, FWS
Discussion of BIEC Meeting	(b) (6), (b) (7)(C)
Future coordination	(b) (6), (b) (7)(C)
Trade Community	
Old and New Business	

NEXT MEETING: November ---- 2017

1. **Fish and Wildlife Service (FWS) Implementation of ITDS,** (b) (6), (b) (7)(C) *, FWS,* (b) (6), (b) [redacted] *, CBP*

The below CSMS messages was issued on August 15, 2017 on the FWS PGA IG:
CSMS# 17-000491 - Clarification: Updated FWS PGA Documentation Posted to CBP.gov
08/15/2017 02:27 PM EDT

Please note that the updated U.S. Fish and Wildlife Service (FWS) IG and Message Set examples mentioned in CSMS# 17-000487 are only for imports. The IG for Exports is still in development. ***

- U.S. Customs and Border Protection (CBP) has posted an updated U.S. Fish and Wildlife Service (FWS) Implementation Guide (IG) and a FWS PGA Message Set Samples document to CBP.gov.
  To download a copy of the updated PGA documents, please copy and paste the following URLs to your internet browser:

  • FWS – Implementation Guide
  https://www.cbp.gov/document/guidance/us-fish-and-wildlife-service-ace-requirements

  • FWS – Message Set Samples
  https://www.cbp.gov/document/guidance/ace-fws-message-set-samples

  CERT and PROD dates:
  - CERT – January 10, 2018
  - PROD (pilot – limited filers) – March 1, 2018
  - PROD (open to all) – May 1, 2018

Border Interagency Executive Council (BIEC) Meeting, (b) (6), (b) (7)(C)

- A BIEC principals was held on August 28th.
- Major discussion issues
  - Definition of O&M is close, but complicated.
    - CBP view that CORE is basically what we need to do to get off ACS.
  - Identification of ACE Core processes that could not be built.
  - CBP is proposing a modeling system where the BIEC will prioritize GIFs and do a funding model. The BIEC group will meet on a regular basis to review the PGA GIFs.

- The BIEC will work with the PGAs to identify functionality that needs to be built that is not currently covered under a PGA GIF

2. Future Coordination of ITDS Board of Directors

- A draft white paper on future coordination of the ITDS Board was submitted to the PGAs several months ago. (Attached)
- (b) (6), (b) (7) discussed at the August 28th BIEC meeting. The draft paper we have out there is still the working paper on the legal role of the ITDS board as we merge it into the BIEC
- Per (b) (6), (b) (7)(C) – how would the trade be involved. Would they still be able to participate.
  - Trade participation is being discussed as part of this effort.

3. Trade Community

- (b) (6), (b) (7)(C) – The main concern of the trade is to ensure that the trade community is involved in any of the future coordination efforts of the ITDS Board and that trade representatives are a part of the ITDS Board as they currently are.
- Per (b) (6), (b) (7)(C) comments the trade still wants to remain engaged.
- The trade is also concerned about future changes in PGA functionality that could have trade impact and they would like the PGAs to share that with the trade.
- (b) (6), (b) (7)(C) – CPSC is evaluating their data elements and how usefull they are for targeting. CPSC will not be ready to move on anything for at least another year.
- In reference to the CSMS message issued for the NMFS SIMP program. The trade thinks that the January 1 2018 implementation date will be very difficult to meet. Can NMFS do a phased in approach on implementing.
  - Per (b) (6), (b) (7)(C) – if pilot testing does not go well we will take the trade's suggestion into consideration.
- (b) (6), (b) (7)(C) – EPA is willing to do training sessions for the brokers. Stuart will discuss with NCBFAA and follow up.

Next Meeting: Thursday, October 5, 2017 @ 11:30 am

Action Items from the September 7, 2017 meeting:

No.	Action Item	Contact Person(s)	Status
1.	Work with OMB and FWS on FWS data and regulatory issues.	(b) (6), (b) (7)(C) [redacted]	**CLOSED**
2.	Coordinate approval from DHS on future coordination of the ITDS Board of Directors in BIEC	(b) (6), (b) (7)(C)	**OPEN**

Draft 2/14/2017 p.m.

Interagency Coordination of the International Trade Data System (ITDS) for 2017 and Beyond

Now that the International Trade Data System (ITDS) has been established in accordance with section 405 of the Security and Accountability for Every Port Act (the SAFE Port Act), section 107 of the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA), and section 3 of Executive Order 13659, the focus of work with respect to the ITDS is changing from establishment to operation, including continued improvement as well as maintenance and routine enhancements.

The above-mentioned provisions of law give certain responsibilities to the Secretary of the Treasury (the Secretary) with respect to the ITDS. These responsibilities include "coordinating the operation of the ITDS among the participating agencies and the office within the United States Customs and Border Protection that is responsible for maintaining the ITDS." Moreover, Section 405 of the SAFE Port Act mandates that the Interagency Steering Committee (i.e., the ITDS Board of Directors) "shall assist the Secretary in overseeing the implementation of, and participation in, the ITDS." This mandate is reinforced by section 3 of Executive Order 13659.

The responsibilities of the Border Interagency Executive Council (BIEC), including those concerning providing assistance to the Secretary and recommendation to the ITDS Board of Directors with respect to activities related to the ITDS, are set forth in section 5 of Executive Order 13659

To fulfill the requirements of the above-mentioned provisions of law with regard to the ongoing responsibilities of the Secretary and the Board of Directors of the ITDS for the operation of the ITDS, to promote coordination of ITDS and BIEC activities, and to avoid unnecessary duplication the ITDS Board of Directors recommends the following arrangement:

> The ITDS Board of Directors may meet jointly with the Border Interagency Executive Council (BIEC). At joint meetings, when issues that are within the responsibilities of the BIEC, as provided for in section 5 of Executive Order 13659, are being considered, the meetings will be chaired by the Secretary of the Homeland Security, or his designee from within the Department of Homeland Security. At joint meetings, when coordination issues that are within the responsibilities of the Secretary of the Treasury and the ITDS Board of Directors, as provided for in section 405 of the SAFE Port Act (2), and section 107 of TFTEA, and section 3 of Executive Order 13659, are being considered, the meetings will be chaired by the Secretary of the Treasury, or his designee from within the Department of the Treasury. For each joint meeting, the two chairpersons will jointly determine the agenda and who will be in the chair for each agenda item.
>
> The BIEC and the ITDS Board of Directors, including any appropriate sub-committee of either, may also meet separately to consider ITDS-related issues that fall within their respective areas of responsibility as provided for in the SAFE Act, TFTEA, and Executive Order 11659.

To facilitate the work of the BIEC and the ITDS Board of Directors, the BIEC will organize a BIEC sub-committee to make recommendations to BIEC and the ITDS Board of Directors concerning ITDS-related matters., DHS will provide logistical support to the sub-committee. The sub-committee will include as members a person from each BIEC or ITDS agency that wishes to be represented on the sub-committee. The members will select a sub-committee chairman by majority vote. The sub-committee will meet at least once each calendar month, at the call of the chairman. Meeting minutes, other reports, and recommendations of the sub-committee will be made available to the BIEC, and then by BIEC to the ITDS Board of Directors. Matters that may be taken up by the sub-committee include those listed below.

Interagency coordination, on matters involving operations, maintenance and routine enhancement, including:

- Adding, deleting, or modifying Business Rules incorporated in ACE, Updating messages and reporting filing status,
- Amending CATAIR Appendix R (intended use codes),
- Updating CATAIR Implementation Guides for agency filing requirements,
- Ensuring effective operation of the ACE Portal,
- Modifying ACE reports,
- Updating reference databases incorporated in ACE,
- Maintaining data exchange and updating software (the current Change management process),
- Renewing, as necessary, all memoranda of understanding and interconnect security agreements,
- Amending comprehensive national interest determinations as new/existing agencies request access, and

Interagency coordination, on continual process improvements and new policy initiatives, will be primarily the responsibility of the ITDS Board of Directors and includes:

- New functionality/system enhancements, including those prompted by experience of filers and users (the current Change Control process),
- Adoption of global standards
    - WCO Data Model to enhance communication with foreign governments and reduce costs for business,
    - Uniform product identifiers—UPC/GTIN codes,
    - Uniform party Identifications (DUNS, etc.), and
    - Uniform locations codes (UN locodes)
- Coordination of regulations,
- Automation of additional FTZ filings,
- Inclusion of PGA data in informal entries (e.g., 19 U.S.C. 1321 de minimis filings), and
- Submission of data prior to entry.
- Providing continued funding for the ITDS.

From:	(b) (6), (b) (7)(C)
To:	(b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject:	SBA Meet and Greet w/CBP Trade Relations
Start:	Thursday, October 26, 2017 8:00:00 AM
End:	Thursday, October 26, 2017 9:00:00 AM
Location:	RRB: 1300 Pennsylvania Ave, Room 3.5A, Washington, DC 20229
Attachments:	REAL-ID-Acceptable-Identification.pdf

Please check in at the 14th street entrance with a U.S. government-issued ID. Have security call (b) (6), (b) (7)(C) for an escort. If you are not a U.S. citizen, please notify (b) (6), (b) (7)(C) immediately.

In further compliance with the REAL ID Act of 2005, effective immediately, U.S. Customs and Border Protection is prohibited from accepting driver's licenses and identification cards from the following states for accessing CBP properties: American Samoa, Minnesota, Illinois, Missouri, New Mexico, and Washington. Visitors to CBP properties from the aforementioned states will need to provide an alternate form of identification (e.g., US Passport, US Passport Card).

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) ; HAYES, BRADLEY F
Subject: Seafood Supply Chain Forced Labor Call
Start: Wednesday, October 4, 2017 10:30:00 AM
End: Wednesday, October 4, 2017 10:45:00 AM
Location: (b) (7)(E)

From: (b) (6), (b) (7)(C)
Sent: Tuesday, October 03, 2017 11:21:14 PM
To: (b) (6), (b) (7)(C)
Subject: Request for telephone call tomorrow, October 4.

Dear (b) (6), (and (b) (6), (b) (7 – I am writing to request a phone call with you tomorrow concerning allegations of forced labor in the seafood supply chain. We are aware of a breaking story on this topic, and I want to ensure you have whatever information you view as significant in connection with this story. I would not need more than 15 minutes sometime Wednesday, your schedule permitting. As of now, I am free most of tomorrow except 8-9:30 a.m.

Please let me know if one or both of you have time for a brief call. Thank you. Best, (b) (6), (b) (7)(C)

P.S.: I seem to have misplaced (b) (6), (b) (7)(C) business card and do not want to send off an email of this nature to an incorrect address. If either of you wants to forward this message to (b) (6), (on my behalf, or alternatively can give me his correct address so I can instead, please do whichever. Thank you.

From: (b) (6), (b) (7)(C) on behalf of CBP COMMISSIONER SCHEDULER
To: DCC10A-RMB-COMMISSIONER-CN-RM; SMITH, BRENDA BROCKMAN; (b) (6), (b) (7)(C); Owen, Todd C (EAC OFO); (b) (6), (b) (7)(C) OC BRIEFING STAFF; (b) (6), (b) (7)(C) HAYES, BRADLEY F
Subject: Section 321 Strategy Briefing
Start: Monday, October 30, 2017 11:15:00 AM
End: Monday, October 30, 2017 11:45:00 AM
Location: Commissioner"s Small Conference Room
Attachments: 2017 10 C1 Section 321 Strategy Meeting Request.doc
Tab A Sec 321 proposal and discussion_92817js (002).docx
(b) (5)
Tab D 2017 ECOM 321 Recommendations August 23.docx
Tab 01 Section 321 Briefing Memo Final (003) (TJS).docx

DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please email (b) (6), (b) (7)(C) and provide a reason as well as a surrogate request.

<<2017 10 C1 Section 321 Strategy Meeting Request.doc>>

<<Tab 01 Section 321 Briefing Memo Final (003) (TJS).docx>> <<Tab A Sec 321 proposal and discussion_92817js (002).docx>> (b) (6), (b) (7)(C)
(b) (5) <<Tab D 2017 ECOM 321 Recommendations August 23.docx>>

Attendees:
C1
EAC Smith
(b) (6), (b) (7)(C)

EAC Owen
XD (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
Bradley Hayes
(b) (6), (b) (7)(C)

BM: Yes
Lead Office: OTR (b) (6), (b) (7)(C)
OC POC: (b) (6), (b) (7)(C)

MEETING/EVENT REQUEST INFORMATION

SUBJECT:	Section 321 Strategy Briefing
WHY/PURPOSE/GOAL:	To brief the Commissioner on CBP's proposed Section 321 strategy so that communications on the strategy can be shared with the international trade community.
WHERE:	Commissioner's Suite
TIME URGENCY:	This meeting needs to happen prior to Monday November 13th. The Commissioner will be informing the COAC members of CBP's plan to announce Section 321 strategy during the East Coast Trade Symposium.
ACTION REQUIRED	Yes
AMOUNT OF TIME:	30 minutes
REQUESTING OFFICE/EXECUTIVE:	Office of Trade Relations/ Deputy Executive Director (b) (6), (b) (7)(C)
PARTICIPANTS:	C1 EAC Smith (b) (6), (b) (7)(C) EAC Owen XD (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
PRESS PLANS:	No
SPEECH/TALKING POINTS REQUIRED:	No
PREBRIEF REQUIRED:	No
OFFICE PRIMARY POC FOR MEETING:	(b) (6), (b) (7)(C) , OTR

COMMERCIAL CUSTOMS OPERATIONS ADVISORY COMMITTEE

August 23, 2017

TRADE MODERNIZATION SUBCOMMITTEE

E-commerce / Section 321:

Filing Partner Government Agency (PGA) data:

010231

Recommendation 1

1. In order to promote a level playing field and not impair the flow of legitimate commerce, COAC recommends that CBP, in conjunction with the PGAs, should adopt policies or requirements that generally would not limit, encourage or require section 321 filings to a certain class or group of service providers.

010232

2. The COAC recommends CBP provide section 321 filing capability in ACE for ACE filers and that automated solutions, including the ability to file PGA data, should be available in ABI.

010233

3. The COAC recommends CBP provide section 321 filing capability in ACE for ACE filers and that automated solutions, including the ability to file PGA data, should be available in AMS.

Data elements:

010234

4. COAC recommends that CBP should collaborate with the Trade to ensure that shipments released using section 321 subject to PGA review have the necessary data elements/data sets required for CBP and the PGA to release cargo consistent with the risk and targeting standards

aligned with the agencies missions, and to safeguard public health and safety of the American consumer.

010235

5. COAC recommends that CBP in conjunction with the PGAs clarify publicly to the Trade whether a merchandise description only or alternatively an HTSUS number is recommended or required for section 321 importations. Additionally, should CBP and the PGAs recommend or require an HTSUS number it should clarify the circumstances where an HTSUS is recommended or required, e.g., in all cases, in cases of revenue or fees, or when required by PGA's for admissibility determinations, and prior to arriving at this determination consult COAC.

Process to determine section 321 eligibility:

010236

6. COAC recommends that CBP should collaborate with the Trade to ensure they have an adequate process in place, and/or an automated solution to determine if a shipment is subject to PGA admissibility requirements or not, and if it is in fact eligible for section 321 clearance.

Guidance and collaboration between Government and Trade:

010237

7. COAC recommends that CBP work with the partner government agencies (PGAs) to encourage each PGA, who has not yet done so at the time of these recommendations, to clarify publicly to the Trade whether section 321 imports require a data set as they do for entry types 01 or 11 for cargo release. If the PGA will not require the submission of PGA data for such shipments, exempting section 321 importations from PGA review, then the COAC recommends that they state this policy in writing. COAC recommends that CBP engage the BIEC for additional outreach and coordination efforts to obtain such clarification.

010238

8. COAC recommends that CBP and government agencies that currently require the payment of duties or fees, e.g., antidumping and countervailing duties, or fees on entries, clarify publicly to the Trade whether for section 321 imports, they also will require such duties and fees, or consider them exempt on section 321 importations.

010239

9. COAC recommends further, if CBP and/or the PGAs, determine certain data elements for admissibility or revenue/fees are required for section 321 importations CBP should establish filing requirements. In such a case, CBP should arrive at these requirements, including data elements, in collaboration with the Trade, including the COAC and the

TSN to ensure minimal effect on costs and efficiencies to process section 321 importations.

010240

10. COAC recommends that CBP and the Trade continue to work on ways to better educate and inform the trade community to improve descriptions of merchandise provided on commercial and shipping documents, including manifests, to filers of Sections 321 transactions.

010241

11. COAC recommends that the work load staffing model that CBP currently utilizes to identify the level of officials needed to facilitate and manage the flow of legitimate cargo, include a review and determination of the additional volume of shipments that are being imported under the Section 321 limit of $800 currently in the statute. This will ensure that CBP address the new and different flows of commerce enabled under the statute in an efficient and comprehensive manner

Responsible party for enforcement and trusted party for facilitation benefits:

010242

12. Rather than identifying a particular party that categorically should be liable or responsible for the appropriate and accurate filing of Section 321 imports, CBP should clarify publicly to the Trade existing laws and regulations such as those relating to risk-based cargo release, product admissibility, manifesting cargo, intellectual property, commercial negligence/fraud, etc. that provide CBP with the ability to hold various parties responsible for the accuracy of such transactions. The COAC recommends that CBP should also consider those parties who have the primary financial gain due to the sale of the goods and/or knowledge about the nature of manufacture, country of origin, or admissibility of the product or goods. Further the COAC recommends a continued dialogue on this issue with CBP and the Trade including this COAC Working Group.

010243

13. CBP should consider, in conjunction with the PGAs, providing benefits to trusted partners involved with Section 321 importations as already is the case for cargo release/entry. In particular, CBP should consider expedited processing and less targeting due to minimal risk associated with such transactions when there is additional processing or screening performed. CBP should leverage COAC as a resource in future discussions on this topic.

CBP Section 321 Clearance Proposal
For Review

Key Elements of Requests for Entry/Clearance Under Section 321

- All merchandise entering the U.S.is required to be declared to CBP for entry.
- Carriers are required to present manifest data for each arriving shipment. In most cases this requirement is for advanced electronic data based on the transportation contract of carriage.
    - Submission of the electronic manifest is simply a declaration and meeting of the requirements for advanced electronic information for arriving goods.
    - Shipments arriving in the U.S. after being declared on a manifest are not considered entered into the commerce. That requires an action by CBP.
- Shipments may only be released upon the request of the importer or their authorized agent. CBP does not make that decision without a request.
- Requests for clearance under Section 321 are not considered to be Customs business.
- Carriers and others acting as custodians are deemed to be nominal consignees and may request clearance under Section 321 on behalf of their clients.
- All data submitted to CBP is required to be accurate and correct and submitters are required to certify that they have taken due care to ensure that the information is true and correct.
- The decision to request clearance is based on business decisions between shippers, carriers, importers and their agents.

Section 321 Processing Short Term Goals

- Dual stream processing allowing both ABI (brokers) and AMS EDI (manifest providers) the ability to request Section 321 clearance of qualifying merchandise.
- These must be changes built on existing models in order to deliver in the shortest possible time and for the lowest cost.

Clearance Off of the Manifest

- Current ACE manifest procedures, as currently utilized in air express, would be expanded to all modes of transportation to allow carriers to request Section 321 clearance as an optional business decision.
- AMS EDI (manifest) clearance could be utilized if no additional entry elements or PGA requirements for admissibility were needed. Merchandise subject to quota or antidumping/countervailing duties are not eligible for Section 321 clearance.
- Data Elements required for clearance
    - Unique ID numbers (from manifest i.e. Bill of lading etc)
    - Shipper (from manifest)
    - Consignee (from manifest)
    - Description of merchandise to allow for identification sufficient to determine admissibility and PGA requirements. As an option, 10 digit HTS may be submitted. (From manifest)
    - Country of Origin (Sec 321 data element)
    - Quantity (from manifest)
    - Foreign retail value expressed in U.S. dollars (sec 321 data element)

~~FOR OFFICIAL USE ONLY~~

Clearance From an ABI Type 86 Entry Submitted via ABI

- To provide additional pathways for clearance, CBP proposes the development of an entry type 86 for ABI submission.
- This would be available for any Section 321 clearance but if additional data or PGA requirements were needed, ABI processing utilizing a proposed entry type 86 would be required.
- No Importer of Record would be required for this transaction type (although would be made an optional element for traceability and CTPAT concerns).
- Data elements required for clearance
    - Unique ID numbers (entry number and/or bill of lading)
    - Shipper
    - Consignee
    - Ten digit HTSUS was the standard identified by CBP and required for ABI filers. This is a technical requirement based on the fact that PGA flags are applied at the 10 digit HTS level and current systems reflect such.
    - Country of Origin
    - Quantity
    - Foreign retail value expressed in U.S. dollars

Clearance From Individual Requests Submitted on Paper

- This continues the current path for most modes of transportation
- Shipments are manifested as shipments only with no electronic request for Section 321 clearance.
- Carriers, importers and agents submit a paper or verbal request for Section 321 clearance and provide evidence of eligibility (invoices, bills of sale etc)
- CBP reviews and accepts, rejects or holds cargo for further examination as appropriate.
- CBP posts release to the manifest and a release message is sent to the carrier.

Longer Term Goals for Section 321 Processing

- Maintain the ability of various trade partners to submit clearance requests.
- Leverage technology and innovation to find better ways to collect information. These include:
    - The ability to submit PGA data associated to shipment level transactions vs entry line level transactions.
    - Use at the description level of standardized product identification codes to allow for better segregation of shipments for admissibility, especially for PGA shipments. This would allow CBP to move from the 10 digit HTS model currently employed.
    - Utilization of commercially available information flows to expedite clearance and processing (i.e. blockchain and similar technologies)

Business Model Flows

Basic Flow, No PGA, No Issues

- U.S. purchaser buys Item A for $500 (non PGA regulated) from E-Commerce website
- Foreign fulfillment center fulfills order, packages and arranges shipment.
- Shipment is turned over to package delivery service under a contract that specifies customs clearance. Fulfillment center provides shipper name and address, deliver to name and address, description of merchandise, quantity, value. As part of the contract they also provide a statement as to U.S. admissibility or sufficient description to allow delivery service to determine admissibility. They also provide an electronic invoice or the ability to produce one.
- Package delivery service arranges for transportation to their U.S. based facility and provide manifest information and section 321 clearance information obtained from shipper to carrier for clearance purposes.
- Carrier manifest includes a request for Section 321 clearance and all information is provided to CBP.
- CBP reviews, both system and manually as appropriate, and releases the shipment. CBP will send a release message to the carrier.
- Carrier or delivery service arranges for local delivery in the U.S.

Basic Flow, PGA Requirement, No Issues

- U.S. purchaser buys Item B for $500 (PGA regulated) from E-Commerce website
- Foreign fulfillment center fulfills order, packages and arranges shipment.
- Shipment is turned over to package delivery service under a contract that specifies customs clearance. Fulfillment center provides shipper name and address, deliver to name and address, description of merchandise, quantity, value. As part of the contract they also provide a statement as to U.S. admissibility or sufficient description to allow delivery service to determine admissibility. In this case they also provide the additional information required for PGA clearance. They also provide an electronic invoice or the ability to produce one.
- Package delivery service arranges for transportation to their U.S. based facility and provide manifest information.
- Package delivery service arranges with a Customhouse broker (ABI filer) to submit the section 321 clearance information obtained from shipper.
- ABI filer submits the Type 86 entry electronically. Based on the description the filer is able to classify the merchandise to the 10 digit HTS level and submit the PGA information associated with that HTS line.
- CBP reviews, both system and manually as appropriate, and releases the shipment. CBP will send a release message to the carrier and the filer.
- Carrier or delivery service arranges for local delivery in the U.S.

Basic Flow, No PGA, Admissibility Questions

- U.S. purchaser buys Item A for $500 (non PGA regulated) from E-Commerce website
- Foreign fulfillment center fulfills order, packages and arranges shipment.

- Shipment is turned over to package delivery service under a contract that specifies customs clearance. Fulfillment center provides shipper name and address, deliver to name and address, description of merchandise, quantity, value.
- Package delivery service arranges for air transportation to their U.S. based facility and provide air manifest information and section 321 clearance information obtained from shipper to carrier for clearance purposes.
- Carrier manifest includes a request for Section 321 clearance and the information is provided to CBP. In this scenario, the description is inadequate to allow CBP to determine if the shipment is admissible to the U.S.
- CBP reviews, both system and manually as appropriate, and holds the shipment for inadequate description. CBP will send a hold message to the carrier identifying the issue and requesting additional information.
- Carrier provides additional description and submits a detailed invoice to CBP for the shipment.
- CBP reviews the additional information, removes the hold and releases the shipment. CBP will send a hold removal and release message to the carrier.
- Carrier or delivery service arranges for local delivery in the U.S.

Additional Business Flows, Hold for Examination, Document Review, PGA and CBP

- First 3 steps of flow are identical to the basic flow, 4th step may involve either manifest or Type 86 ABI clearance request.
- CBP or PGA determines based on information provided that further examination of the cargo is required or that additional documentation is required.
- Using existing processes, CBP places an electronic hold on either the manifest or entry. Electronic hold messages are sent out.
- Carrier or agent arranges to resolve hold reason via examination or by providing additional documentation.
    - Documentation may be provided in person to CBP or via the Document Imaging System.
- At the completion of the examination or document review, CBP and/or the PGA provides notification of their decision electronically to the submitter.

SECTION 321 STRATEGY BRIEFING
October 30, 2017
03:30p.m. – 04:00p.m.
Commissioner's Small Conference Room

Overview:

- You will be briefed on CBP's proposed Future State: Section 321 Clearance Process for your decision and approval. The proposal was developed in coordination between the Office of Trade and Office of Field Operations.
- Executive Assistant Commissioners Brenda Smith, Executive Assistant Commissioner Todd Owen and Deputy Executive Director (b) (6), (b) (7)(C) will lead the presentation. A full list of participants is below.

Discussion Points:

- The decision on CBP's Section 321 Clearance Process strategy is needed in advance of the next scheduled COAC meetings being held the week of November 13th. The goal would be to convey CBP's Section 321 Strategy decision to COAC members in November with a further goal of revealing the strategy at this year's East Coast Trade Symposium on December 5th & 6th in Atlanta, Georgia.
- CPB developed this proposed strategy based on coordination with trade industry representatives, COAC members and the Participating Government Agencies. These short term solutions support the automated clearance of qualifying shipments under Section 321, regardless of the mode of transportation.
- Under this strategy CBP has developed a dual stream process allowing both ABI (brokers) and AMS EDI (manifest providers) the ability to request Section 321 clearance of qualifying merchandise. This would address some of the COAC's recommendations.
- The Section 321 strategy addresses both short term goals and long term goals with focus on various scenarios.
  - As a short term goal it focuses on: 1) clearance of the manifest; 2) clearance from an ABI Type 86 Entry submitted via ABI; and 3) clearance from individual requests submitted on paper.
  - As a long-term goal it focuses on: 1) the ability to submit PGA data associated to shipment level transactions versus entry line level transactions; 2) use at the description level of standardized product identification codes to allow for better segregation of shipments for admissibility, especially for PGA shipments. This would allow CBP to move from the 10 digit HTS model currently employed; and 3) the utilization of commercially available information flows to expedite clearance and processing (i.e. blockchain and similar technologies).
- The strategy also addresses various business model flows such as: 1) basic flow, no PGA, no issues; 2) basic flow, with PGA requirements, no issues; 3) basic flow, no PGA, admissibility questions; and 4) additional business flows, hold for examination, document review, PGA and CBP.

Background:

- Section 901 of the Trade Facilitation and Trade Enforcement Act (TFTEA) of 2015 amended the Tariff Act of 1930 section 321 (19 U.S.C. § 1321) with respect to de minimis value by increasing the threshold amount from $200 to $800.
- The change has brought both opportunities and challenges for CBP, Partner Government Agencies and the International Trade community.
- This topic has been of interest to various trade stakeholders since the passage of TFTEA. In February 2017 a COAC working group was formed to address Section 321 and the working group met jointly with the E-Commerce working group over the course of the past 8 months.
- The working group submitted thirteen recommendations (Attachment) through the COAC parent Committee at the August 23rd public meeting in San Diego, CA and CBP has taken these recommendations into consideration in developing the Section 321 Strategy.

PRESS: closed

ATTACHMENTS:

- CBP Section 321 Proposal Document from OFO
- CBP's Proposed Future State: Section 321 Clearance Process Graphic I
- CBP's Proposed Future State Section 321 Clearance Process Graphic II
- COAC Section 321 Recommendations from August 23, 2017 Public Meeting

PARTICIPANTS:

CBP
Acting Commissioner McAleenan
Bradley Hayes, Executive Director, Office of Trade Relations
Brenda Smith, Executive Assistant Commissioner, Office of Trade
Todd Owen, Executive Assistant Commissioner, Office of Field Operations
(b) (6), (b) (7)(C), Acting Executive Director, Cargo & Conveyance Security, OFO
(b) (6), (b) (7)(C), Executive Director, Trade Policy & Programs, Office of Trade
(b) (6), (b) (7)(C), Director, Office of Trade
(b) (6), (b) (7)(C), Director, Office of Field Operations
(b) (6), (b) (7)(C), Advisor
(b) (6), (b) (7)(C), Deputy Executive Director, Office of Trade Relations

Staff Responsible for Briefing Memo:
(b) (6), (b) (7)(C), Office of Trade Relations (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject: [redacted] - A/L

Start: Fri 10/20/2017 12:00 AM
End: Sat 10/21/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: [redacted] - B/L

Start: Wed 10/4/2017 12:00 AM
End: Sat 10/7/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: [redacted] - S/L (A.M.)

Start: Thu 10/26/2017 12:00 AM
End: Fri 10/27/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: [redacted] - Telework

Start: Wed 10/25/2017 12:00 AM
End: Thu 10/26/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: OTR Staff-Only

(b) (6), (b) (7)(C)

Subject: [redacted] - Telework

Start: Thu 10/5/2017 12:00 AM
End: Fri 10/6/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: OTR Staff-Only

From:	CBP COMMISSIONER SCHEDULER
To:	HAYES, BRADLEY F; (b) (6), (b) (7)(C)
Subject:	Tag Up w/XD Hayes
Start:	Tuesday, October 17, 2017 2:45:00 PM
End:	Tuesday, October 17, 2017 3:15:00 PM
Location:	Commissioner"s Small Conference Room

(b) (6), (b) (7)(C)

Subject:	Teleworking
Start:	Tue 10/24/2017 7:00 AM
End:	Tue 10/24/2017 4:00 PM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Reminder

(b) (6), (b) (7)(C)

Subject:	Teleworking
Start:	Mon 10/2/2017 1:00 PM
End:	Mon 10/2/2017 3:30 PM
Show Time As:	Free
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Personal

(b) (6), (b) (7)(C)

Subject: Tentative: Meeting w/Senator Durbin
Location: Hill

Start: Tue 10/31/2017 11:00 AM
End: Tue 10/31/2017 12:00 PM

Recurrence: (none)

Categories: C1-C2 Meetings

From: (b) (6), (b) (7)(C) On Behalf Of CBP COMMISSIONER SCHEDULER
Sent: Monday, October 30, 2017 2:53 PM
To: (b) (6), (b) (7)(C)
Subject: RE: Prep: Senator Durbin

(b) (6), (b) (7)(C

I'm not sure if the XD is available, but the Commissioner may ask XD Hayes to join he and ladowicz for the actual meeting with Durbin. The meeting is scheduled for 12:00pm on the hill. Just wanted to flag now.

(b) (6), (b) (7)(C)

Office of the Commissioner

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) TRADE EVENTS; (b) (6), (b) (7)(C) HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: TERC Subcommittee Call
Start: Tuesday, October 24, 2017 12:00:00 PM
End: Tuesday, October 24, 2017 1:00:00 PM
Location: Conference Number: (b) (7)(E)

Good morning:

Due to scheduling conflicts, the Trade Enforcement and Revenue Collection (TERC) Subcommittee conference call has been rescheduled and will occur on Tuesday, October 24, 2017 from 1:00 – 2:00 pm Eastern Time. Thank you for your understanding.

You may use the following webinar link: http://dhs.adobeconnect.com/tercsub/

(b) (7)(E)

Agenda *
* Roll Call
* Bond Working Group
* IPR Working Group
* Forced Labor Working Group
* AD/CVD Working Group

*Subject to change.

Sincerely,

(b) (6), (b) (7)(C), MBA
Program Manager
Office of Trade Relations
Office of the Commissioner
U.S. Customs and Border Protection
1300 Pennsylvania Avenue, NW Suite 3.5A
Washington, DC 20229

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
HAYES, BRADLEY F
Subject: TFTEA & ACE Deployment Call w/NAM
Start: Wednesday, October 25, 2017 12:30:00 PM
End: Wednesday, October 25, 2017 1:00:00 PM
Location: (b) (7)(E)

From: (b) (6), (b) (7)(C)
Sent: Tuesday, October 24, 2017 2:42:49 PM
To: HAYES, BRADLEY F
Subject: NAM / Connecting this Week?

Hi, Bradley. Do you have a few minutes to connect this week, now that Mr. McAleenan's hearing is wrapped up? The NAM is following a few issues related to TFTEA and ACE deployment, and I'd appreciate the chance to discuss with you.

Thanks so much,

(b) (6), (b) (7)(C)

National Association of Manufacturers

Office: (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject: Toronto, Canada

Start: Wed 10/18/2017 9:00 AM
End: Wed 10/18/2017 4:00 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

(b) (6), (b) (7)(C)

Subject:	Toronto, Canada
Start:	Fri 10/20/2017 7:00 AM
End:	Fri 10/20/2017 5:00 PM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Travel

(b) (6), (b) (7)(C)

Subject: Toronto -> DCA (United 6103)

Start: Fri 10/20/2017 6:30 PM
End: Fri 10/20/2017 7:52 PM

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Travel

RETURN	Fri, Oct 20 – Toronto, ON , Canada to Washington, DC		
Fri, Oct 20	07:30p YYZ → 08:52p IAD	1h 22m	United 6103 Canadair Regional Jet 700

(b) (6), (b) (7)(C)

Subject:	Touching Base w/XD (b) (6), (b) (7)(C)
Location:	RRB 3.5A
Start:	Thu 10/5/2017 1:30 PM
End:	Thu 10/5/2017 2:00 PM
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	(b) (6), (b) (7)(C)
Resources:	(b) (6), (b) (7)(C)
Categories:	Internal CBP Meeting

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: Trade Educational Seminars
Start: Thursday, October 12, 2017 10:30:00 AM
End: Thursday, October 12, 2017 11:00:00 AM
Location: Conference Bridge (b) (7)(E)
Attachments: Section104.docx

Good Afternoon,

Customs and Border Protection would like to invite you to attend a call to discuss upcoming information opportunities involving Trade educational seminars provided by the private sector per Section 104 of TFTEA. Please join us next week to discuss this topic further. Attached is a copy of the regulation we will be addressing.

Happy Holiday Weekend Wishes to all of you!

Office of Trade Relations

<<Section104.docx>>

11 **SEC. 104. EDUCATIONAL SEMINARS TO IMPROVE EFFORTS**
12 **TO CLASSIFY AND APPRAISE IMPORTED AR-**
13 **TICLES, TO IMPROVE TRADE ENFORCEMENT**
14 **EFFORTS, AND TO OTHERWISE FACILITATE**
15 **LEGITIMATE INTERNATIONAL TRADE.**

16 (a) ESTABLISHMENT.—The Commissioner and the
17 Director shall establish and carry out on a fiscal year basis
18 educational seminars to—

19 (1) improve the ability of personnel of U.S.
20 Customs and Border Protection to classify and ap-
21 praise articles imported into the United States in ac-
22 cordance with the customs and trade laws of the
23 United States;

24 (2) improve the trade enforcement efforts of
25 personnel of U.S. Customs and Border Protection

and personnel of U.S. Immigration and Customs Enforcement; and

(3) otherwise improve the ability and effectiveness of personnel of U.S. Customs and Border Protection and personnel of U.S. Immigration and Customs Enforcement to facilitate legitimate international trade.

(b) CONTENT.—

(1) CLASSIFYING AND APPRAISING IMPORTED ARTICLES.—In carrying out subsection (a)(1), the Commissioner, the Director, and interested parties in the private sector selected under subsection (c) shall provide instruction and related instructional materials at each educational seminar carried out under this section to personnel of U.S. Customs and Border Protection and, as appropriate, to personnel of U.S. Immigration and Customs Enforcement on the following:

(A) Conducting a physical inspection of an article imported into the United States, including testing of samples of the article, to determine if the article is mislabeled in the manifest or other accompanying documentation.

(B) Reviewing the manifest and other accompanying documentation of an article im-

ported into the United States to determine if the country of origin of the article listed in the manifest or other accompanying documentation is accurate.

(C) Customs valuation.

(D) Industry supply chains and other related matters as determined to be appropriate by the Commissioner.

(2) TRADE ENFORCEMENT EFFORTS.—In carrying out subsection (a)(2), the Commissioner, the Director, and interested parties in the private sector selected under subsection (c) shall provide instruction and related instructional materials at each educational seminar carried out under this section to personnel of U.S. Customs and Border Protection and, as appropriate, to personnel of U.S. Immigration and Customs Enforcement to identify opportunities to enhance enforcement of the following:

(A) Collection of countervailing duties assessed under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) and antidumping duties assessed under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.).

(B) Addressing evasion of duties on imports of textiles.

(C) Protection of intellectual property rights.

(D) Enforcement of child labor laws.

(3) APPROVAL OF COMMISSIONER AND DIRECTOR.—The instruction and related instructional materials at each educational seminar carried out under this section shall be subject to the approval of the Commissioner and the Director.

(c) SELECTION PROCESS.—

(1) IN GENERAL.—The Commissioner shall establish a process to solicit, evaluate, and select interested parties in the private sector for purposes of assisting in providing instruction and related instructional materials described in subsection (b) at each educational seminar carried out under this section.

(2) CRITERIA.—The Commissioner shall evaluate and select interested parties in the private sector under the process established under paragraph (1) based on—

(A) availability and usefulness;

(B) the volume, value, and incidence of mislabeling or misidentification of origin of imported articles; and

(C) other appropriate criteria established by the Commissioner.

(3) PUBLIC AVAILABILITY.—The Commissioner and the Director shall publish in the Federal Register a detailed description of the process established under paragraph (1) and the criteria established under paragraph (2).

(d) SPECIAL RULE FOR ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.—

(1) IN GENERAL.—The Commissioner shall give due consideration to carrying out an educational seminar under this section in whole or in part to improve the ability of personnel of U.S. Customs and Border Protection to enforce a countervailing or antidumping duty order issued under section 706 or 736 of the Tariff Act of 1930 (19 U.S.C. 1671e or 1673e) upon the request of a petitioner in an action underlying such countervailing or antidumping duty order.

(2) INTERESTED PARTY.—A petitioner described in paragraph (1) shall be treated as an interested party in the private sector for purposes of the requirements of this section.

(e) PERFORMANCE STANDARDS.—The Commissioner and the Director shall establish performance standards to

1 measure the development and level of achievement of edu-
2 cational seminars carried out under this section.
3 (f) REPORTING.—Not later than September 30,
4 2016, and annually thereafter, the Commissioner and the
5 Director shall submit to the appropriate congressional
6 committees a report on the effectiveness of educational
7 seminars carried out under this section.
8 (g) DEFINITIONS.—In this section:
9 (1) DIRECTOR.—The term ''Director'' means
10 the Director of U.S. Immigration and Customs En-
11 forcement.
12 (2) UNITED STATES.—The term ''United
13 States'' means the customs territory of the United
14 States, as defined in General Note 2 to the Har-
15 monized Tariff Schedule of the United States.
16 (3) U.S. CUSTOMS AND BORDER PROTECTION
17 PERSONNEL.—The term ''U.S. Customs and Border
18 Protection personnel'' means import specialists,
19 auditors, and other appropriate employees of the
20 U.S. Customs and Border Protection.
21 (4) U.S. IMMIGRATION AND CUSTOMS ENFORCE-
22 MENT PERSONNEL.—The term ''U.S. Immigration
23 and Customs Enforcement personnel'' means Home-
24 land Security Investigations Directorate personnel

1 and other appropriate employees of U.S. Immigra-
2 tion and Customs Enforcement.

(b) (6), (b) (7)(C)

Subject:	Trade Roundtable
Location:	LAX Cargo Building: 11099 S La Cienega Blvd, Port Director's Conference Room 2nd Floor, Los Angeles, CA
Start:	Wed 10/11/2017 8:00 AM
End:	Wed 10/11/2017 9:00 AM
Recurrence:	(none)
Categories:	C1-C2 Meetings

<<C1 Official Trip LA v8.docx>>

Department of Homeland Security
FOR OFFICIAL USE ONLY

THE ATTACHED MATERIALS CONTAIN DEPARTMENT OF HOMELAND SECURITY INFORMATION THAT IS "FOR OFFICIAL USE ONLY" OR OTHER TYPES OF SENSITIVE BUT UNCLASSIFIED INFORMATION REQUIRING PROTECTION AGAINST UNAUTHORIZED DISCLOSURE. THE ATTACHED MATERIALS WILL BE HANDLED AND SAFEGUARDED IN ACCORDANCE WITH DHS MANAGEMENT DIRECTIVES GOVERNING PROTECTION AND DISSEMINATION OF SUCH INFORMATION.

OFFICIAL TRIP
OF
ACTING COMMISSIONER MCALEENAN
TO
San Ysidro, CA, Los Angeles, CA & Palm Springs, CA
October 10-13, 2017

Tuesday, October 10, 2017 — **Attire:** Business
Washington, D.C. — Weather: TBD
San Diego, CA — Weather: TBD
Los Angeles, CA — Weather: TBD

6:30 AM Depart private residance en route IAD
Transportation: POV

7:15 AM Arrive IAD
Met by: TBD

8:15 AM Depart IAD en route San Diego International Airport (SAN)
Flight: United Airlines Flight #0229
Seat: TBD
Flight Time: 5 hours and 23 minutes
Confirmation: TBD
Note: You will be traveling with (b) (6), (b) (7)(C) and TBD

10:38 AM Arrive SAN
Met by: TBD

11:00 AM Depart SAN en route to tour the Border Wall
Duration: TBD
Transportaton: SRT – POC TBD

TBD **Tour Border Wall**

LOCATION: TBD
DURATION: TBD
PRESS: TBD
PARTICIPANTS: TBD

TBD **TBD – Additional Recommendations?**

LOCATION: TBD
DURATION: TBD
PRESS: TBD
PARTICIPANTS: TBD

TBD Depart TBD en route SAN
Transportation: SRT – POC TBD

5:00 PM Arrive SAN
Met by: TBD

6:03 PM Depart SAN en route Los Angeles International Airport (LAX)
Flight: American Airlines Flight #3079
Seat: TBD
Flight Time: 1 hour and 1 minute
Confirmation: TBD
Note: You will be traveling with (b) (6), (b) (7)(C) and TBD

7:04 PM Arrive LAX
Met by: TBD

7:15 PM **Walk Thru LAX/Passenger Operations**

LOCATION: TBD
DURATION: 1 hour
PRESS: TBD
PARTICIPANTS: TBD
Note: Opportunity to see all the changes/updates that have been made at LAX.

7:30 PM Depart LAX for RON
Transportation: SRT – POC TBD

RON
Los Angeles Airport Marriott (TBD)
5855 W Century Blvd, Los Angeles, CA 90045
Phone: (310) 641-5700
C1 Confirmation TBD
(b) (6), (b) (7)(C): TBD

Wednesday, October 11, 2017
Los Angeles, CA

Attire: Business
Weather: TBD

8:00 AM Depart RON en route Trade Roundtable
Transportaton: SRT – POC TBD

8:30 AM Arrive Trade Roundtable
Met by: TBD

9:00 AM Trade Roundtable

LOCATION: TBD
DURATION: 1 hour
PRESS: TBD
PARTICIPANTS: TBD
Note: Focus of the participants background at C1's discretion; a group of Importers, Freight Forwarders, Brokers or Agents are suggested.

TBD Depart Trade Roundtable en route to Town Hall
Duration: TBD
Transportaton: SRT – POC TBD

10:00 AM CBP Town Hall

LOCATION: TBD
DURATION: 1 hour
PRESS: TBD
PARTICIPANTS: Participants will be from all areas of CBP from LA and surrounding areas.

11:00 AM Lunch w/ CBP Leadership

LOCATION: TBD
DURATION: 1 hour 30 Minutes
PRESS: TBD
PARTICIPANTS: Lunch with key leadership from the area following the town hall.

12:30 PM Depart TBD en route HIDTA/Law Enforcement Roundtable
Transportaton: SRT – POC TBD

1:00 PM LA HIDTA/Law Enforement Roundtable

LOCATION: LAClear, 5801 E Slauson Ave, Commerce, CA (TBD)
DURATION: 1 Hour
PRESS: TBD
PARTICIPANTS: TBD

2:00 PM Depart HIDTA/Law Enforcement Roundtable en route CREATE/USC
Duration: 45 Minutes
Transportaton: SRT – POC TBD

3:00 PM National Center for Risk and Economic Analysis of Terrorism Events (CREATE) Recruitment Event

LOCATION: University Southern California (USC) University Park Campus, Los Angeles, CA 90089
DURATION: 1 hour
PRESS: TBD
PARTICIPANTS: TBD

Note: This organization is located at the University of Southern California and is a DHS funded think tank. The purpose of this organization is training the next generation of DHS leadership while developing advanced models to evaluate the risk, costs and consequences of terrorism and propose methods to prevent terrorist acts.

4:00 PM Depart CREATE in route to Cal State
Duration: TBD
Transportaton: SRT – POC TBD

5:00 PM HOLD: Speaking Enagagement: Cal State LA or Cal State Long Beach

LOCATION: TBD
DURATION: TBD
PRESS: TBD
PARTICIPANTS: TBD

Note: OPA confirming possible speaking engaments with students in the criminal justice program at one or both locations.

6:00 PM Depart USC for RON
Transportaton: SRT – POC TBD

Thursday, October 12, 2017 **Attire:** Business
Los Angeles, CA Weather: TBD
Palm Springs, CA Weather: TBD

8:00 AM Depart RON en route TBD
Transportaton: SRT – POC TBD
Met by: TBD

TBD **Meeting with Anduril Tech Companies**

LOCATION: TBD
DURATION: TBD
PRESS: TBD
PARTICIPANTS: TBD

TBD Depart for TBD
Transportaton: SRT – POC TBD

TBD Arrive TBD
Met by: TBD

TBD **Meeting w/ Elon Musk of SpaceX/Tesla**

LOCATION: TBD
DURATION: TBD
PRESS: TBD
PARTICIPANTS: TBD

2:00 PM Depart TBD en route Rancho Las Palmas
Transportation: SRT – POC TBD
Duration: 2 hours and 30 minutes

4:30 PM Arrive RON/Executive Time

5:15 PM Depart RON en route Rancho Las Palmas
Met by: TBD

5:30 PM **WESCCON Dinner w/ PCC leadership**

LOCATION: Rancho Las Palmas, 41000 Bob Hope Drive, Rancho Mirage, CA, Private Dining Room
DURATION: 1 hour and 30 minutes
PRESS: TBD
PARTICIPANTS: TBD

7:00 PM Depart for RON

RON
Hotel Name: JW Marriott Desert Springs Resort & Spa (TBD)
Address: 74-855 Country Club Drive Palm Desert, CA 92260 USA
Phone: (760) 341-2211
C1 Confirmation TBD
[redacted]: TBD

Friday, October 13, 2017 **Attire:** Business
Palm Springs, CA Weather: TBD
Los Angeles, CA Weather: TBD

7:45 AM **WESCCON Conference**

LOCATION:	Rancho Las Palmas, 41000 Bob Hope Drive, Rancho Mirage, CA
DURATION:	4 hours
PRESS:	TBD
PARTICIPANTS:	TBD

1:00 PM **WESCCON Keynote Speaker**

LOCATION:	Rancho Las Palmas, 41000 Bob Hope Drive, Rancho Mirage, CA
DURATION:	1 hour, 30 minutes
PRESS:	TBD
PARTICIPANTS:	TBD

3:00 PM Depart Rancho Las Palmas en route RON
Transportation: SRT – POC TBD
(Duration: 2 hours 45 minutes)

5:40 PM Arrive RON

RON
Los Angeles Airport Marriott (TBD)
5855 W Century Blvd, Los Angeles, CA 90045
Phone: (310) 641-5700
C1 Confirmation TBD
[redacted]: TBD

Saturday, October 14, 2017 **Attire:** Business
Los Angeles, CA Weather: TBD
Washington, D.C. Weather: TBD

TBD Depart RON
Transportation: SRT – POC TBD

Note: You will be traveling with (b) (6), (b) (7)(C) and TBD

11:10 AM Depart LAX en route IAD
Flight: United Airlines Flight #0856
Seat: TBD
Flight Time: 5 hours and 5 minutes
Confirmation: TBD

7:15 PM Arrive IAD
Met by: TBD

TRIP CONCLUDES

CONTACT LIST

Travel Party
(b) (6), (b) (7)(C)
Additional TBD

CBP HQ Coordination
(b) (6), (b) (7)(C)

Travel Reservations
AdTrav 855-407-1859

From:	CBP COMMISSIONER SCHEDULER
To:	DCC10A-RMB-COMMISSIONER-CN-RM; (b) (6), (b) (7)(C) ; SMITH, BRENDA BROCKMAN; Owen, Todd C (EAC OFO); PEREZ, ROBERT E; (b) (6), (b) (7)(C) OC BRIEFING STAFF; HAYES, BRADLEY F; Kolbe, Kathryn; (b) (6), (b) (7)(C)
Subject:	Trade Strategy
Start:	Monday, October 30, 2017 10:30:00 AM
End:	Monday, October 30, 2017 11:15:00 AM
Location:	Commissioner"s Small Conference Room
Attachments:	OT Trade Strategy Briefing Memo 10.26.17.docx CBP Trade Vision and Strategy 10.26.17.pptx

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DO NOT forward this meeting invite.

You must accept or decline this invite. If your principal cannot attend please email (b) (6), (b) (7)(C) and provide a reason as well as a surrogate request.
<<OT Trade Strategy Briefing Memo 10.26.17.docx>> <<CBP Trade Vision and Strategy 10 26.17.pptx>>

BM: Yes
Lead Office: Office of Trade
OC POC: (b) (6), (b) (7)(C)

Attendees:
C1
C2
EAC Smith
EAC Owen
DEAC (b) (6), (b) (7)(C) on behalf of EAC Perez
EAC K
XD Hayes
(b) (6), (b) (7)(C)

Trade Strategy
Monday, October 30, 2017
3:00 – 4:00PM
Commissioner's Small Conference Room

Overview:

- Leadership will brief you on the proposed trade strategy for 2020 and 2030 and obtain your feedback and approval.
- You will meet with the Deputy Commissioner, EAC Smith, EAC Owen, EAC Perez, XD Hayes, and (b) (6), (b) (7)(C) A full list of participants is below.

Discussion Points:

- The trade strategy is composed of three major components:
  - **Trade Vision 2030:** Seeks to further CBP role in international trade to support the U.S. economy and making international trade more efficient.
  - **Trade Strategy 2020:** Activities in the near term that CBP will address to enhance the agency's security posture, modernizing import/export processes, improving our trade intelligence, and maximizing efficiencies.
  - **Council on the Future Advancement of Customs and Trade (CFACT):** Leverage the insights from other institutions to support the Trade Vision by establishing a group of non-partisan think tanks, futurists, and other experts charged with developing a report on how CBP should carry out the Administration's trade agenda and documenting external forces driving 21st century global trade.
- The Trade Strategy 2020 focuses on near-term initiatives that support the Trade Vision 2030. This includes a set of key priorities and alternatives in four major categories:
  - Securing Trade Lanes
  - Trade Modernization
  - Intelligent Enforcement
  - Resource Optimization
- In support of the overall trade strategy, it is proposed that a group of subject matter experts from the private sector, academia, and non-profits be established (similar to that of the "Police Executive Research Forum (PERF)" to evaluate the drivers and impacts to global supply chains and international trade over the next 10-20 years. This group will:
  - Document the external forces driving global trade in the future.
  - Recommend how CBP can provide necessary services to small and medium-sized enterprises, the trade community, and the U.S. economy.
  - Develop a report that will allow CBP to justify future investments to secure, facilitate, and enforce trade.
  - Convene for 6-12 months to complete the initiative including table-top and scenario-based exercises, in-depth research, and public hearings to solicit private sector feedback.
  - Institutions for this group could include the National Academy of Public Administration, Center for Strategic and International Studies, National Bureau of Economic Research, Woodrow Wilson Center, and Business Executives for National Security

Background:

- The trade strategy is designed to establish the roadmap for CBP and its priorities over the next several years.
- The Trade Vision 2030 sets the foundation for CBP's responsibilities in promoting U.S. economic competitiveness and our position in the global marketplace, while lowering trade costs and making the import/export processes more efficient.
- In order to accomplish this, CBP will need to take into account the changes in the trade environment while continuing to focus on its core mission of security, facilitation, and enforcement.

ATTACHMENTS:

- CBP Trade Vision and Strategy briefing

PARTICIPANTS:

CBP
Commissioner
Deputy Commissioner
EAC Smith, Office of Trade
EAC Owen, Office of Field Operations
EAC Perez, Operations Support
XD Hayes, Office of Trade Relations
(b) (6), (b) (7)(C) Special Advisor

Staff Responsible for Briefing Memo:
(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Subject:	Travel to DCA
Start:	Tue 10/10/2017 1:00 PM
End:	Tue 10/10/2017 2:30 PM
Recurrence:	(none)
Organizer:	HAYES, BRADLEY F
Categories:	Travel

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C) HAYES, BRADLEY F
Cc: (b) (6), (b) (7)(C)
Subject: Trusted Trader Subcommittee Call - Friendly reminder
Start: Tuesday, October 31, 2017 10:00:00 AM
End: Tuesday, October 31, 2017 11:00:00 AM
Location: Conference number (b) (7)(E)

Good morning:

Friendly reminder - The Trusted Trader Subcommittee call is scheduled today from 11:00 am – 12:00 pm.

Agenda
* Roll call
* Update on the Trusted Trader Pilot
* Proposed joint meeting with COAC Trusted Trader Subcommittee and the Trusted Trader pilot members (date/time TBD)

Conference number: (b) (7)(E)

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Tue 10/17/2017 12:00 AM
End: Wed 10/18/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) [redacted] - A/L

Start: Fri 10/13/2017 12:00 AM
End: Sat 10/14/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: Personal

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: (b) (6), (b) (7)(C) - Outages WG in person meeting
Start: Thursday, October 26, 2017 7:30:00 AM
End: Friday, October 27, 2017 12:00:00 PM
Location: Alexandria, VA
Attachments: Outage Working Group Workshop agenda 2017-10-19 update.docx

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All, I have added an agenda to this calendar invite and I have tried to adjust the times on the invite to match the agenda. Also, please remember to send in your ideas for scenarios by the end of tomorrow so that they can be consolidated for Thursday.

Thank you,
(b) (6), (b)

<<Outage Working Group Workshop agenda 2017-10-19 update.docx>>

In Person workshop to occur at our CBP location in Alexandria, VA. An agenda will be distributed once finalized.

We will go through various scenarios.

We will plan on ending around 1PM on the 27th.

MEETING LOCATION:
Cargo Systems Program Directorate
Office of Information and Technology
US Customs and Border Protection
Department of Homeland Security
1801 North Beauregard Street
Alexandria, Virginia 22311

Directions:
* Take the Seminary exit (If coming from 95 South turn left from the exit, if coming from 95 North turn right.
* Left onto Beauregard
* Almost immediate left at the first intersection on Beauregard
* Immediate right

Parking:
* Garage parking on right and building is on the left.
* Be sure to park in the garage that is directly in front of 1801 because that is the only parking garage can be validated

Checking In: Those who have access to this building will not have to sign in at the front desk; if you do not have access then please stop by the front desk, sign in and have the security guard call (b) (6), (b) (7)(C) to escort you to the Executive conference room. My number is (b) (6), (b) (7)(C)

Parking ticket Validation: Please bring your parking ticket with you for validation by (b) (6), (b) (7)(C) With validation, you are charged according to a $7.50 daily rate (instead of the normal $15 rate).

COAC Outage Working Group Workshop
October 26 & 27 2017

Cargo Systems Program Directorate
1801 North Beauregard Street Alexandria, Virginia 22311

Day 1 - Thursday October 26, 2017

8:30am to 8:45am Gather/check-in

8:45 to 9am Welcome, Introductions

- (b) (6), (b) (7)(C), Acting Deputy Director, Office of Trade Relations/ (b) (6), (b) (7)(C) ADFO

9 am to 10:00am – Level set Baseline/Identify needs/brainstorm & present scenarios

10:00 to 10:15 – Order the scenarios

10:15 - 10:30 - Break

10:30am to 12:00pm – Scenario 1

12:00pm to 1:00pm - Lunch

1:00pm to 2:00 pm - Scenario 2

2:00 pm to 3:00pm – Scenario 3

3:00pm to 3:15pm – Break

3:15pm to 3:45pm – Review CBP policy prepared by (b) (6), (b) (7)(C)

3:45pm to 4pm - Day 1 wrap-up, Actions

4pm - Adjourn

Day 2 - Friday October 27, 2017

8:30am to 8:45am Gather/check-in

8:45 am to 10 am – How do the top 3 scenarios fit into the CBP Policy?

10:00am – 10:15 - Break

10:15am – 11am – How should repairs be sequenced/other technical concerns

11am to 12pm – Draft recommendation formulation

12 to 12:30 – Meeting review/wrap-up/Actions

12:30pm Adjourn

Future call schedule:
November 9?
Final draft recommendations due to the Global Supply Chain subcommittee & CBP
November 14, 2017 – Quarterly Public COAC meeting
February 2017 – Quarterly Public COAC meeting

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) - Telework

Start: Wed 11/1/2017 12:00 AM
End: Thu 11/2/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: HAYES, BRADLEY F

Categories: OTR Staff-Only

(b) (6), (b) (7)(C)

Subject: (b) (6), (b) (7)(C) - NTC (A.M.)

Start: Thu 10/19/2017 12:00 AM
End: Fri 10/20/2017 12:00 AM
Show Time As: Free

Recurrence: (none)

Organizer: (b) (6), (b) (7)(C)

Categories: Travel

(b) (6), (b) (7)(C)

Subject: WESCCON (C1 Keynote Luncheon Speaker)
Location: Rancho Las Palmas: 41000 Bob Hope Drive, Rancho Mirage, CA 92270

Start: Fri 10/13/2017 7:00 AM
End: Fri 10/13/2017 4:00 PM

Recurrence: (none)

Categories: C1-C2 Meetings, C1 / C2 Meetings

http://www.pacificcoastcouncil.org/

<<WESCCON Agenda.pdf>>

<<ATT44374>>

WESCCON 2017

Wednesday, October 11

1-4:00 pm	PCC Board of Directors Meeting
6-8:00 pm	Early Bird Reception sponsored by Summit NW

Thursday, October 12 — Exhibit Hall Open 1pm-6pm

6:25 am	Golfers Meet in Hotel Lobby for 6:40 am departure by bus for Indian Wells Golf Resort
8:30 am	Golfers Tee Off at Annual Golf Tournament Sponsored by Bobac CFS Corp.
1-6:00 pm	WESCCON Registration in Exhibit Hall. Refreshments Sponsored by FDA Imports
3:00 pm	Annual WESCCON Tennis Tournament @ Rancho Las Palmas Tennis Courts. Sponsored by Meeks, Sheppard, Leo & Pillsbury. Spectators will be rewarded with refreshing courtside cocktails.
4:30–6 pm	***Early Bird ACE Reports Workshop.*** (b) (6), (b) (7)(C) *, CBP Information Technology Specialist, will provide an overview of ACE Reports and how a broker can modify/create ACE Reports to assist in monitoring compliance, cancellations, liquidation, PSC's, non-released/unresolved entries. Space Limited - Advance registration required.*
6:30 pm	Opening Reception Sponsored by Grunfeld, Desiderio, Lebowitz, Silverman, & Klestadt LLP
After Hours	Hospitality Suite & Desserts Sponsored by Integro's Transportation & Logistics Practice

Friday, October 13 — Exhibit Hall Open 8am-6pm

Audio/Visual Sponsored by Boomerang Carnets. Cell Phone Charging Stations Provided by Roberts & Kehagiaras LLP

7:45 am	**Keynote Breakfast featuring Peter Friedmann, PCC Counsel & OurManInDC.** Sponsored by BluJay Solutions Inc.	
All Day	***How to Navigate ACE Portal - Import/Employee Notification/Export/Reports*** *by* (b) (6), (b) (7)(C) *, CBP Information Technology Specialist. This is group, hands-on ACE Report assistance offered throughout the day: 3 sessions for import, 1 session for export. Advance reservations required – Sign up at registration or WESCCON Office. Bring laptop and active ACE Portal Login.*	
9:15 am	**GENERAL SESSION**	
A.	**NAFTA and the Single Window: A mirage or an oasis in the escalating demand for detailed trade data? How will NAFTA renegotiation affect you?**	
	Moderator:	(b) (6), (b) (7)(C), R.L. Jones & Co.
	Panelists:	(b) (6), (b) (7)(C), MK Marine Co.
		(b) (6), (b) (7)(C), BluJay Solutions
		(b) (6), (b) (7)(C), Sandler Travis & Rosenberg P.A.
		(b) (6), (b) (7)(C), C.H. Powell Co.
		(b) (6), (b) (7)(C), Ex-President Confederation of Assns of Mexican Customs Brokers (CAAAREM)
10:45 am	**Coffee Break** in Exhibit Hall. Sponsored by NW Seaport Alliance	
11:15 am	**CONCURRENT SESSIONS**	
A.	**Enforcement: Trade Facilitation & Trade Enforcement Act (TFTEA), and How to Minimize Employee Liability**. How to survive the blazing heat of TFTEA enforcement and avoid the possible pitfalls of reasonable care.	
	Moderator:	(b) (6), (b) (7)(C), CCRA Customs Compliance/Regulatory Affairs
	Panelists:	(b) (6), (b) (7)(C), Sandler, Travis & Rosenberg, P.A.
		(b) (6), (b) (7)(C), Customs & Border Protection
		(b) (6), (b) (7)(C), A.N. Deringer Inc.
		(b) (6), (b) (7)(C), Desiderio, Lebowitz, Silverman & Klestadt LLP
B.	**Census and the Automated Commercial Environment (ACE)**. The ACE Portal is the new home of EEI Data. Exporters now have access to all export data associated with their EIN. What is available and how can we leverage the new functionality to increase compliance, manage operations, etc.?	
	Moderator:	(b) (6), (b) (7)(C), CEVA Logistics
	Panelists:	(b) (6), (b) (7)(C), Census Bureau
		(b) (6), (b) (7)(C), Census Bureau
		(b) (6), (b) (7)(C), Customs & Border Protection

12:30 pm	**Networking Reception** in Exhibit Hall Sponsored by Mercer Logistics	
1:00 pm	**Keynote Luncheon featuring Kevin McAleenan, Acting Commissioner, Customs & Border Protection.** Sponsored by Pisani & Roll LLP	
2:30 pm	**CONCURRENT SESSIONS**	
A.	**Relationships between Importers, Brokers and Unlicensed Parties.** What is your obligation to vet new clients? What information can you share without violating client confidentiality?	
	Moderator:	(b) (6), (b) (7)(C), SEKO Customs Brokerage & Logistics
	Panelists:	(b) (6), (b) (7)(C), Customs & Border Protection
		(b) (6), (b) (7)(C), Meeks, Sheppard, Leo & Pillsbury
		(b) (6), (b) (7)(C), Pisani & Roll LLP
B.	**Partner Government Agencies (Export).** Find out what the Federal Maritime Commission (FMC), Bureau of Industry & Security (BIS), Census Bureau and CBP are working on and how it will impact export transactions. Are major changes on the way?	
	Moderator:	(b) (6), (b) (7)(C), DSV Air & Sea Inc.
	Panelists:	(b) (6), (b) (7)(C), Bureau of Industry & Security
		(b) (6), (b) (7)(C), Customs & Border Protection
3:45 pm	**Coffee Break** in Exhibit Hall Sponsored by Terminal Transfer	
4:15 pm	**CONCURRENT SESSIONS**	
A.	**De Minimis & Section 321**. The end of the CHB business as we have known it? Or a new opportunity for eCommerce?	
	Moderator:	(b) (6), (b) (7)(C), Alba Wheels Up
	Panelists:	(b) (6), (b) (7)(C), FedEx Trade Networks
		(b) (6), (b) (7)(C), A.N. Deringer Inc.
		(b) (6), (b) (7)(C), Customs & Border Protection
B.	**Export Enforcement.** The Trump Administration has ramped up enforcement efforts. How can you learn from others' mistakes and avoid making your own?	
	Moderator:	(b) (6), (b) (7)(C), AGWorld
	Panelists:	(b) (6), (b) (7)(C), Bureau of Industry & Security
		(b) (6), (b) (7)(C), Grundfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP
		(b) (6), (b) (7)(C), Customs & Border Protection
5:30 pm	**PCC Trade Expansion Political Action Committee Cocktail Reception.** All invited. Update on PCC political activity – Find out who our friends are in Congress (and who are not!)	
7:00 pm	**"Who Do You Think You Are?" Costume Dinner Party** Sponsored by Roanoke Trade. Climb down your family tree to celebrate your roots as we sip and sample foods that have become as American as apple pie. No passport or visa required! Come dressed to reflect the country of your ancestors, or show off pride for your hometown or current homeland. Bar Hosted by Countryman & McDaniel	
10:00 pm	**Hospitality Suite** Sponsored by Registrar Corp.	

Saturday, October 14

Exhibit Hall Open 8am-4:30pm

Audio/Visual Sponsored by Boomerang Carnets. Cell Phone Charging Stations Provided by Roberts & Kehagiaras LLP

7:15 am	**Keynote Breakfast Featuring Dave Arsenault, former President N.A. Hyundai Merchant Marine.** Sponsored by Ports of Los Angeles, Long Beach, and Oakland.	
9:15 am	**CONCURRENT SESSIONS**	
A.	**Partner Government Agencies (Import):** Enforcement Actions of PGAs under ACE/Single Window. Potential pitfalls for brokers and forwarders and how to avoid them. Practical implications of the Foreign Supplier Verification Program for brokers. What's next?	
	Moderator:	(b) (6), (b) (7)(C), A.N. Deringer Inc.
	Panelists:	(b) (6), (b) (7)(C), FDAImports.com, LLC
		(b) (6), (b) (7)(C), WiseTech Global
		(b) (6), (b) (7)(C), Registrar Corp.
B.	**Air Panel – TSA and Air Cargo Advance Screening (ACAS).** TSA is no longer going to train individuals. What does this mean for the air freight industry? What is new with ACAS and where is it going?	
	Moderator:	(b) (6), (b) (7)(C), Cars USA/LOA
	Panelists:	(b) (6), (b) (7)(C), Position: Global
		(b) (6), (b) (7)(C), Roberts & Kehagiaras LLP
10:30 am	**Coffee Break** in Exhibit Hall. Sponsored by	
11:00 am	**CONCURRENT SESSIONS**	
A.	***AD/CVD Nightmares: Understand, Comply, Avoid, and ... Sleep Better!***	
	Moderator:	(b) (6), (b) (7)(C), Robert E. Landweer & Co.

	Panelists:	(b) (6), (b) (7)(C), Avalon Risk Management
		(b) (6), (b) (7)(C), Grundfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP
		(b) (6), (b) (7)(C), Carmichael Int'l
B.	**Best Practices for Damage Control.** Discuss real life problematic situations for logistics companies with practical instruction on how to identify red flags. Guidance on providing risk neutral and other direction appropriate to unique situations will be reviewed.	
	Moderator:	(b) (6), (b) (7)(C), FedEx Trade Networks
	Panelists:	(b) (6), (b) (7)(C), Roanoke Trade
		(b) (6), (b) (7)(C), Mitchell, Silberberg & Knupp LLP
12:30 pm	**Networking Reception** in Exhibit Hall Sponsored by Customs Brokers & Forwarders Assn. of No. Cal.	
1:00 pm	**Keynote Luncheon Featuring Mark Mendoza, President of the International Longshore and Warehouse Union (ILWU), Local 13 covering Ports of LA and Long Beach.** Sponsored by FCL Logistics and Sandler Travis & Rosenberg P.A.	
2:30 pm	**GENERAL SESSION**	
	West Coast Ports – Allies of Pacific Coast Brokers and Forwarders, Tackling Tough Challenges	
	Moderator:	(b) (6), (b) (7)(C), PCC Counsel
	Panelists:	(b) (6), (b) (7)(C), Port of Oakland
		(b) (6), (b) (7)(C), Port of Portland
		(b) (6), (b) (7)(C), Port of Prince Rupert
		(b) (6), (b) (7)(C), Port of Long Beach
		(b) (6), (b) (7)(C), Northwest Seaport Alliance
		(b) (6), (b) (7)(C), Port of Los Angeles
4:30 pm	**Raffle Drawing & Refreshments** in Exhibit Hall Sponsored by International Bond & Marine	
6:30 pm	**Mad Hatter Dinner Party** hosted by Avalon Risk Management, ProSight Specialty Insurance & Price Transfer Group. Follow us down the rabbit hole and join us for a mad hatter celebration! Wear your most charming, crazy, or just plain "MAD" hat. Don't fret if you don't have one, our friendly hat lady has a few tricks up her sleeves and will entertain all!	
9: pm	**Hospitality Suite** Sponsored by Price Transfer Group	

Sunday, October 15

9:00 am	**Closing Brunch** Sponsored by Los Angeles Customs Brokers & Freight Forwarders Assn., Customs Brokers & International Freight Forwarders Assn. of Washington State, Columbia River Customs Brokers & Forwarders Assn., San Diego Customs Brokers Assn.
10:30 am	**WESCCON Adjourns**

(b) (6), (b) (7)(C)

Subject:	XD Hayes - A/L
Start:	Mon 10/2/2017 12:00 AM
End:	Tue 10/3/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	CBP COMMISSIONER SCHEDULER
Categories:	Out of Office

(b) (6), (b) (7)(C)

Subject:	XD Hayes - A/L
Start:	Fri 10/6/2017 12:00 AM
End:	Sat 10/7/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	CBP COMMISSIONER SCHEDULER
Categories:	Out of Office

(b) (6), (b) (7)(C)

Subject:	XD Hayes - I E Canada
Start:	Wed 10/18/2017 12:00 AM
End:	Sat 10/21/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	CBP COMMISSIONER SCHEDULER
Categories:	Out of Office

(b) (6), (b) (7)(C)

Subject:	XD Hayes - Offsite
Location:	OTR Retreat
Start:	Tue 10/3/2017 12:00 AM
End:	Thu 10/5/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	CBP COMMISSIONER SCHEDULER
Categories:	Out of Office

(b) (6), (b) (7)(C)

Subject:	XD Hayes - Trade Roundtable/WESCCON
Location:	Los Angeles/San Diego
Start:	Wed 10/11/2017 12:00 AM
End:	Sat 10/14/2017 12:00 AM
Show Time As:	Free
Recurrence:	(none)
Meeting Status:	Meeting organizer
Organizer:	HAYES, BRADLEY F
Required Attendees:	CBP COMMISSIONER SCHEDULER
Categories:	Out of Office

(b) (6), (b) (7)(C)

Subject: XD Hayes Briefing for I.E. Canada Event
Location: OTR Conference Room or call in on (b) (7)(E)

Start: Tue 10/17/2017 1:00 PM
End: Tue 10/17/2017 2:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: (b) (6), (b) (7)(C)
Required Attendees: HAYES, BRADLEY F; (b) (6), (b) (7)(C) OTRConferenceRoomCalendar; TRADE EVENTS

Categories: Internal CBP Meeting

Greetings,

XD Hayes and the OTR would like to schedule a briefing on the I.E. Canada event scheduled for 10/19 in Toronto.

The briefing would cover topics to be addressed at the event and topics that he might be asked about during the event.

This includes:

- Export Manifest
- North America Single Window
- Centers
- EAPA
- Trusted Trader/CTPAT
- Revenue Modernization

If you cannot make the meeting but have a current IP on the issue to provide that would be helpful.

Thank you,

(b) (6), (b) (7)(C)