

**Commercial Customs Operations Advisory Committee
Government Issue Paper
Secure Trade Lanes Subcommittee
Pipeline Working Group**

June 2024



**U.S. Customs and
Border Protection**

Pub# 3733-0624

Office of Field Operations, Cargo and Conveyance Security
Secure Trade Lanes Subcommittee
Pipeline Working Group
June 2024

Action Required: Informational

Background:

- July 2015: Pipeline Working Group (PWG) established under the Commercial Customs Operations Advisory Committee (COAC) to address unique regulatory and administrative challenges of the industry.
- June 2017: Industry and CBP representatives met under the auspices of the PWG to discuss modernization of pre-arrival data collection, in-bond tracking, and NAFTA compliance processes for pipeline-borne importations of petroleum and natural gas.
- April 2018: CBP's Petroleum Center and Trade Modernization and Innovation Office began exploring the feasibility of using a Global Interoperability Standards (GIS)-based automated ledger, decentralized identifiers (DIDs), and verifiable credentials (VCs) to qualify pipeline-borne importations for the North American Free Trade Agreement (NAFTA)/United States-Mexico-Canada Agreement (USMCA). This effort received funding from DHS's Silicon Valley Innovation Program (SVIP) in November 2019 and subsumed in-bond and arrival modernization for pipeline in February 2020.
- February 2019: PWG was placed on hiatus in anticipation of dramatic efficiency gains offered by emerging technologies.
- March 2021: 21st Century Customs Framework offered the CBP/SVIP oil and gas pipeline project the opportunity to align with broader agency modernization goals.
- December 2022: PWG hiatus ends with focus on meeting all operational goals of the pre-hiatus PWG and creating a legal framework for implementation.
- September 2023: COAC endorsed a National Customs Automation Program (NCAP) pilot.

Issue:

The PWG has established that a combination of a GIS-based automated ledger, DIDs, and VCs, as jointly developed by CBP and industry during the group's 2019 – 2022 hiatus, has the potential to resolve a substantial amount of outstanding pre-arrival, in-bond, and USMCA traceability issues, which led to the establishment of the PWG in 2015.

Current Status:

CBP is finalizing its plan for a pipeline-modernization NCAP pilot for submission to the Office of Management and Budget for a Paperwork Reduction Act compliance review and creation of associated Federal Register Notices. CBP Cargo and Conveyance Security personnel have developed standard operating procedures for field implementation of the software.

Submitted by: Jeffrey Saum, Office of Field Operations

Date: May 17, 2024