

**Commercial Customs Operations Advisory Committee
Next Generation Facilitation Subcommittee
Executive Summary**

September 2024

COAC

COMMERCIAL CUSTOMS OPERATIONS
ADVISORY COMMITTEE

**Commercial Customs Operations Advisory Committee (COAC)
September 2024**

**Report of the Work of the COAC
Subcommittee on Next Generation Facilitation**

Co-Chairs

Tom Gould – Flexport
Kerry Novak – Emerson Electric Co.

Next Generation Facilitation Subcommittee Members:

Brian Barber, Angela Cook, Dave Corn, John Drake, Mary Hodges, Julie Pojar, Cynthia Roller, Craig Seelig, Stephen Simmons, Travis Skinner, Matt Zehner

Background:

Background information on the subcommittee, including its overall focus.

The following working groups make up the Next Generation Facilitation Subcommittee:

- 1) Automated Commercial Environment 2.0 (ACE 2.0-WG) chaired by Tom Gould
- 2) Broker Modernization Working Group (BMWG), chaired by Brian Barber
- 3) Customs Interagency Industry Working Group (CIIWG), chaired by Craig Seelig
- 4) Modernization of Entry Processes Working Group (MEPWG), co-chaired by Brian Barber and Angela Cook
- 5) Passenger Air Operations Working Group (PAOWG), co-chaired by John Drake and Matt Zehner

All subcommittee objectives and scope are consistent with the official charter of COAC.

Summary of Work

The Next Generation Facilitation Subcommittee has the responsibility of looking at opportunities to enhance the trade and government processes, policies, and programs, enabling the trade and CBP to be better positioned for the future. The subcommittee currently consists of five active working groups. The subcommittee will leverage its active working groups and trade stakeholders to provide feedback on the various challenges facing CBP and the trade and collaborate to help CBP achieve its dual goal of trade facilitation and enforcement.

There are one (1) recommendation that will be made by Next Generation working groups at the September 18th public meeting.

ACE 2.0:

The ACE 2.0 Working Group advises CBP with insight on how ACE 2.0 can better facilitate the entry process by identifying gaps covering entry, manifest, security, Import Security Filing (ISF), Air Cargo Advance Screening (ACAS), post entry, audit and export by ensuring collection of the best and most reliable data; enabling risk management and cargo decisions further in advance of

cargo arrival; harmonizing procedures to enhance predictability and reduce friction for trade and government stakeholders; and utilizing the full potential of automation to scale critical operations. The objectives of the working group are to recommend an operational framework for an improved ACE 2.0 Customs process; Move data collections further in advance of cargo arrival and/or departure; and identify areas in the Customs process that will benefit from automations and modernization.

The ACE 2.0 Working Group met in July and August and will meet again in September for a total of three meetings this quarter. During this quarter's meetings we discussed the DHS Acquisition Decision Memo on ACE 2.0 and the ACE Modernization Tailoring Approach. The working group also discussed and provided feedback on the draft ACE 2.0 Working Group Statement of Work (SOW). The trade members look forward to providing recommendations to CBP on modernizing the ACE platform to provide smarter data collection, collecting data from the right parties earlier in the life cycle of imported products, developing a fully automated and modern customs process and working with other working groups to create harmonized entry procedures across the U.S. Government. The ACE 2.0 working group will consult with the Customs Interagency Industry (CII), Modernized Entry Process (MEP) and other working groups to ensure broad representation on recommendations.

The ACE 2.0 Working Group has no recommendations to submit for the September 18th Public meeting.

Customs Interagency Industry (CII):

The CII working group met two times over this past quarter. We discussed several topics including the FDA Modernization of Cosmetics Regulation Act of 2022 and PGA processes that are outside of ACE. We also had more discussions about the ACE PGA message set.

The Customs Interagency Industry Working Group will have one recommendation to submit for the September 18th Public meeting.

Passenger Air Operations:

The Passenger Air Operations (PAO) Working Group was formed for industry to have the opportunity to identify modernized passenger processing rules and regulations, streamline the passenger experience at U.S. ports of entry, and identify challenges that impact operations.

Since our last public meeting, the Working Group sought feedback from CBP leadership on future goals and work for the Group. The Working Group leaders also met with industry members to determine whether more work and meetings are necessary. Following those discussions, the Working Group is proposing to sunset its activities for the time being.

The Passenger Air Operations Working Group has no recommendations to submit for the September 18th public meeting.

Modernization of Entry Process:

As part of the COAC's work under the 21st Century Customs Framework during the 16th term, The Next Generation Facilitation subcommittee has gained the Modernization of Entry Processes Working Group (MEPWG).

The MEPWG met two (2) times this quarter with continued discussions focusing on the Broker Cybersecurity Incident Procedures document. Initial feedback has been provided to CBP for review and comment.

Additionally, introductory conversations around the National Customs Automation Program (NCAP) have begun. Reconciliation has been introduced as the starting test program. The group has spent considerable time discussing current Reconciliation protocols and desired future state enhancements to the program.

The MEPWG has no recommendations to be submitted during the September 18th public meeting.

Broker Modernization:

Under the 17th term, COAC moved the Broker Modernization Working Group (BMWG) from the Rapid Response Subcommittee to the Next Generation Facilitation Subcommittee. BMWG met two (2) times this quarter and continued discussions regarding upcoming requirements and implementation of Continuing Education for Licensed Customs Brokers.

Additionally, BMWG spent time discussing the CBLE, both in status of submitted recommendations and preparation for the upcoming October 23, 2024, examination.

The BMWG has no recommendations to be submitted during the September 18th public meeting.