

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

**December 2024**



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

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**Cargo Security and Control/Office of Field Operations  
Secure Trade Lanes Subcommittee  
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**Action Required:** Informational

**Background:**

- July 2015: A Pipeline Working Group (PWG) was established under the Commercial Customs Operations Advisory Committee (COAC) to address unique regulatory and administrative challenges of the industry.
- June 2017: Industry and U.S. Customs and Border Protection (CBP) representatives met under the auspices of the PWG to discuss modernization of pre-arrival data collection, in-bond tracking, and North American Free Trade Agreement (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 NAFTA/United States-Mexico-Canada Agreement (USMCA). This effort received funding from the Department of Homeland Security (DHS) 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.
- September 2024: CBP published Federal Register Notice (FRN) 2024-19627, a 60-day notice and request for comments, regarding use of GIS to modernize pipeline oversight data acquisition.

**Issue:**

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

**Current Status:**

- CBP is awaiting comments on FRN 2024-19627 with the objective of obtaining final concurrence from the Office of Management and Budget on Paperwork Reduction Act compliance and implementation of an NCAP pilot for acquiring GIS data for pipeline-borne crude oil. CBP Cargo and Conveyance Security Directorate personnel have developed Standard Operation Procedures for field implementation of the software.

**Next Steps:**

- Limited production of crude oil is anticipated for the first half of FY 2025.

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