Commercial Customs Operations Advisory Committee (COAC) Government Issue Paper: Trade Modernization Subcommittee ECommerce Working Group

September 2018



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 <u>CBP.gov</u>.
- 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 ecommerce. 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 ecommerce. See https://www.cbp.gov/FakeGoodsRealDangers.

Issue:

- CBP has updated its webpage on <u>CBP.gov</u>, 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.

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