

Commercial Customs Operations Advisory Committee (COAC)

Secure Trade Lanes Subcommittee: In-bond Working Group Government Issue Paper

June 2021



U.S. Customs and
Border Protection



Office of Field Operations, Cargo and Conveyance Security
In-bond Working Group
June 2021

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;
- To alleviate trade concerns, the In-Bond Working Group was established to assist CBP with implementing requirements and establish a model for modernized in-bond processes, automation and regulation.
- 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 updated (version 2.1) in-bond Business Process document to assist filers and CBP with in-bond questions.
 - The working group is working to identify updates and improvements to the document and other in-bond documentation.
- The working group has identified solutions and has developed a white paper outlining a proposed future-state for in-bonds that includes regulatory, technical and policy solutions based on identified issues with current in-bond processing
 - These recommendations, which have been consolidated and turned over the Trade Support Network, are consistent with CBP automation and process goals and support the direction of the in-bond program.
 - The white paper is intended to be incorporated into the 21st Century Framework reporting with a new version (v. 12) completed.
 - Technical issues in the white paper have been consolidated into a separate paper and is being submitted to the Trade Support Network (TSN) for development of a technical plan and request(s) for development.
- During the spring 2021 quarter the workgroup has focused on identifying recommended regulatory changes based on work conducted by subsets of trade groups based on mode and business lines.

Issue:

- By utilizing both CBP Subject Matter Experts and a varied group of industry experts, the in-bond workgroup was initially established to identify CBP and trade issues with in-bond automation, operational requirements and regulatory framework based on the implementation of updated in-bond regulations issued in 2017.
- Based on feedback, the workgroup established a goal 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 while developing a strategic vision for in-bond movements consistent with the 21st Century Customs Framework.

- Current and future state regulatory requirements will also be discussed in an effort to provide feedback to the regulatory reform efforts of COAC and CBP.

Next Steps:

- The working group will continue for at least one more quarter to complete the detailing of the regulatory and policy recommendations identified this quarter.
- The IBWG has generated an additional recommendation to incorporate into both technical and policy efforts in the next quarter.
- Additional efforts will involve determining economic and operational benefits associated to delivered solutions.

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