# Commercial Customs Operations Advisory Committee (COAC) Government Issue Paper: 21st Century Customs Framework (21CCF) Task Force

June 2021



#### Office of Trade

#### 21st Century Customs Framework (21CCF) Task Force

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#### Action Required: Informational

# **Background:**

- The 21<sup>st</sup> Century Customs Framework (21CCF) is an aspirational and comprehensive modernization effort that will position Government and industry for the future of trade.
  - This landmark effort will update antiquated laws, policies, and processes, akin to the Customs Modernization Act passed in 1993 as part of the North American Free Trade Agreement (NAFTA).
- 21CCF envisions a future where: Legitimate goods move swiftly and securely across the border, domestic industry competes on a level playing field, safer products are imported, ethical production methods are used throughout the supply chain, and the U.S. leads the world with innovative trade practices.
- Through engagement with the Trade, government subject matter experts, and other stakeholders, U.S. Customs and Border Protection (CBP) has organized this initiative around five pillars:
  - Enhance Facilitation and Security through 21st Century Processes;
  - > Define Customs and Trade Responsibilities for Emerging and Traditional Actors;
  - Ensure Seamless Data Sharing and Access;
  - > Employ Intelligent Enforcement; and
  - > Protect and Enhance Customs Infrastructure through Secure Funding.
- Each pillar of the 21CCF framework identifies challenges, initiatives, and actions that involve statutory, regulatory, policy, and technical updates.

# Issue:

- While some modernization progress can be made via regulatory, policy, and technical changes, legislative updates will be needed to truly unlock the transformative reform envisioned by 21CCF.
- Any legislative changes should represent all stakeholder equities including those of the Trade and Government to the greatest extent possible.

# **Current Status:**

- At the COAC Public Meeting on March 27, 2021, CBP announced the formation of a government/industry 21CCF Task Force to solicit inputs and perspectives on 21CCF legislative discussion drafts. This Task Force is comprised of representatives from the Trade, Partner Government Agencies (PGAs), and CBP.
- The Task Force comprises brokers, importers, exporters, express carriers, sureties, online marketplaces, and other trade roles and equities, including a cross-section of small, medium, and large-sized businesses.

- CBP recently expanded the Task Force to include every member of the COAC and every major trade association that CBP routinely interacts with.
- The Task Force kicked-off in April and is currently holding meetings organized around five challenge areas that represent impediments to trade modernization: Limited Data Collection, Restricted Data Usage, Narrow Visibility & Accountability, Untimely & Ineffective Enforcement, and Insufficient Funding.
- During Task Force meetings, the following objectives are covered for each challenge area:
  - Share current operational challenges and drivers facing CBP, the Trade, and the PGAs that may benefit from legislative updates.
  - Discuss the future-state outcomes and benefits that 21CCF trade modernization can produce for the Trade and Government.
  - Conduct a detailed walkthrough of each of the legislative discussion drafts. Discuss inputs, reactions, feedback, and suggestions.
- The goal of this group is to discuss, validate, and provide feedback on legislative discussion drafts aligned to each Challenge Area by the end of July.

#### Next Steps:

- Moving beyond July, the Task Force will develop/consider recommendations whether, and how, to incorporate feedback received through the course of its Challenge Area discussions.
- Based on Task Force feedback, CBP is also undertaking an exercise to analyze the current entry data requirements and identify specific ways to modernize and improve data collection, usage, and sharing across Government.
- It's important, especially given today's political landscape, and to the benefit of U.S. interests and equities that both government and industry coalesce around and collectively advocate for new authorities that help address today and tomorrow's trade challenges and position the U.S. to lead global trade modernization.
- CBP remains committed to working in partnership with the Trade and PGAs to achieve the 21CCF vision.
- For more information on 21CCF, please visit the 21CCF webpage on CBP.gov: https://www.cbp.gov/trade/21CCF