# Commercial Customs Operations Advisory Committee (COAC) Next Generation Facilitation Subcommittee

March 2021



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

#### **Co-Chairs**

Cindy Allen – FedEx Madeleine Veigel – Expeditors International Barry Baxter – Walmart

#### **Next Generation Facilitation Subcommittee Members:**

Celeste Catano, Amy Magnus, Brenda Barnes, Brian White, Erika Faulkenberry, Jose Gonzalez, Kathy Wilkins, Mike Young, and Alexandra Latham

#### **Background**

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

- 1) Emerging Technologies, co-chaired by Celeste Catano and Barry Baxter
- 2) 1USG chaired by Madeleine Veigel
- 3) 21st Century Customs Framework: Re-Imagined Entry, co-chaired by JD Gonzalez and Kathy Wilkins
- 4) E-Commerce, chaired by Cindy Allen

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

### **Summary of Work**

The Next Generation Facilitation Sub-Committee 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. Our Sub-Committee currently consists of three working groups. Each have had substantial tasks over the last few months and continue to work on recommendations.

#### **Emerging Technology:**

The Emerging Technology working group will be on hiatus next quarter but will continue to offer practical strategic approaches, solutions/suggestions and recommendations in areas related to new and emerging technologies related to Trade. Since the last COAC meeting the Emerging Technology working group had one meeting that was a briefing from the University of Houston on their study: "Addressing Cross Border E-commerce Challenges with Emerging Technologies". The study examined how CBP could reengineer the entry process to close the loopholes created by the higher de minimis threshold, ensure incoming e-commerce imports meet product and safety standards, are not counterfeit, and comply with US trade policy. The efforts were aimed at investigating and exploring potentials of emerging technologies such as distributed ledgers, artificial intelligence, and machine learning for addressing the e-commerce challenges that CBP and the global e-commerce stakeholders are faced with. The group looks

forward to further discussions around how these technologies can help shape the entry processes of the future.

## **1USG (One United States Government):**

The 1USG (one United States government) working group has been established to collaborate with CBP on efforts between government agencies and industry stakeholders. Since the last COAC public meeting in December 2020, the 1USG working group has held four working group conference calls. The calls have focused on a variety of issues, including the Global Business Identifier, PGA disclaim handbook and PGA guest speakers providing updates on ACE implementations and other pilot programs. The 1USG working group has also put a draft list together of paper documents still required by some PGAs for importation into the U.S. The goal is to work together with those PGAs towards a truly paperless environment. The 1USG will continue to discuss a future PGA trusted trader workshop, among other projects.

# 21st Century Customs Framework: Re-Imagined Entry

The unified entry processes working group has evolved into the Re-imagined Entry Process working group. The group has begun dialogue this quarter and participated with the 1USG Working Group to review the objectives of the future entry environment to enable a faster, more secure entry process. The Re-Imagined Entry WG has an aggressive agenda scheduled for the second quarter to address clarification on the forward direction to support CBP and Trade requirements with the CBP's 21st Century development.

# **E-Commerce**:

The reactivated E-Commerce Task Force has begun regular meetings to discuss the regulatory framework for CBP's vision in the E-Commerce environment.

#### Conclusion

The Next Generation Facilitation Subcommittee will continue to leverage the existing working groups and its many trade stakeholders to provide feedback on the various challenges facing CBP and the Trade and collaborate to help CBP achieve its dual goals of trade facilitation and enforcement.