

**Commercial Customs Operations Advisory  
Committee (COAC)  
Secure Trade Lanes Subcommittee**

June 2022

**COAC**

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COMMERCIAL CUSTOMS OPERATIONS  
ADVISORY COMMITTEE

**Commercial Customs Operations Advisory Committee (COAC)**  
**June 2022**

**Report of the Work of the COAC**  
**Secure Trade Lanes Subcommittee**

**Subcommittee Trade Co-Chairs**

Angela Cook – General Motors Tax Staff - Global Customs  
Jose Gonzalez – JD Gonzalez Customs Broker  
Stephen Simmons - The Kansas City Southern Railway Company

**Secure Trade Lanes Subcommittee Members:**

Dave Corn, Michael Slonim, Chris Everley, Kerry Novak, Julie Pojar

**Background**

During the quarterly meeting of the 16th Term of COAC held March 31, 2022, the Secure Trade Lanes subcommittee and underlying work groups focused on four areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies. These areas are to enhance trusted trader, manage imports and exports through the 21st Century Framework, deploy authentication technologies to reduce supply chain barriers, and ensure e-commerce shipments are secure.

Under the Secure Trade Lanes (STL) subcommittee, the following active Working Groups (WG) are in place:

Export Modernization Working Group co-chaired by Director James Swanson, Dave Corn and Michael Slonim.

In-Bond Working Group, co-chaired by Director James Swanson, Chris Everley and Jose (JD) Gonzalez.

Partnership Programs and Industry Engagemnt (formerly Trusted Trader) Working Group co-chaired by Director Manuel Garza, Angela Cook, Kerry Novak and Julie Pojar.

Remote and Autonomous Cargo Processing Working Group co-chaired by Director Daniel Randall and Stephen Simmons.

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

**Summary of Work**

Since the March 31st COAC public meeting, the STL Subcommittee has held one (1) webinar to discuss the CBP lead role for the subcommittee and describe the activity of each working group as outlined below.

### **In-Bond Working Group**

Since the March 31st COAC public meeting, the In-Bond Working Group (IBWG) has held bi-weekly meetings with CBP to review the proposed regulatory changes related to in-bond modernization, with a focus on continued improvement towards enhanced visibility and automation, as well as addressing future in-bond processes and key regulatory reform issues that fall into the 21st Century Customs Framework.

During the second quarter, the IBWG continued building upon the work that was carried over from the previous term and has prepared twenty-four recommendations to submit for the June 2022 meeting. These recommendations primarily impact the Ocean and Air modes. The IBWG will continue to review the remaining in-bond regulations in an effort to identify possible regulatory changes that will provide mutual benefits for both Trade and CBP across all modes.

### **Partnership Programs and Industry Engagement Working Group**

During the second quarter, the Trusted Trader Working Group was renamed “Partnership Programs and Industry Engagement Working Group” (PPIEWG) to more accurately reflect the ongoing focus of the working group on a more broad scope of partnership program benefits for importers. The PPIEWG will continue building upon the work and recommendations of the 15th and earlier COAC Working Groups in addition to the new focus on the CTPAT-Trade Compliance Handbook due to be published soon. This quarter, the PPIEWG met three times.

Due to the urgency of the pending publication of the CTPAT-Trade Compliance handbook, discussions during the quarter focused primarily on reviewing the forthcoming publication of the new CTPAT-Trade Compliance Handbook, specifically the inclusion of Forced Labor requirements along with a review of open recommendations from prior COAC terms related to the same. The top priority was given to recommendations on implementing and applying a risk based approach to supply chain mapping requirements as well as the need for training to ensure consistent treatment under the new requirements.

The PPIEWG has four recommendations to submit for the June 2022 meeting.

### **Export Modernization Work Group**

The Export Modernization Working Group (EMWG) advises the COAC related to export procedures, enforcement and facilitation issues and works with CBP and Census to develop an up-to-date export strategy. The EMWG has welcomed several subject matter experts from all modes of transportation this quarter to solidify our group. The EWMG continues to meet bi-weekly as we continue our discussion to operationalize the requirements for Electronic Export Manifest (EEM). From our meetings since the last public meeting in March, we understand the need for additional participation in the EEM pilot and our recommendation will address that further.

In an effort to push for finalization of the EEM for all modes of transportation, the EMWG has formed a separate Truck Focus Group (TFG). The TFG is focused on compiling information for the implementation of a regulatory framework for a unified North American Truck manifest. The

TFG is comprised of a handful members within the EMWG that have met three times since the public meeting in March; the group will continue to meet bi-weekly.

The EMWG has one recommendation to submit for the June 2022 meeting.

### **Remote & Autonomous Cargo Processing Working Group**

The Remote and Autonomous Cargo Processing Working Group (RACPWG) advises CBP on issues related to the use of advanced technology within a cargo processing environment. It is responsible for establishing a clear vision of autonomous environments and speculating how customs operations should be built to afford efficiencies both to traders and to the U.S. government. The working group will illustrate autonomous conveyance and cargo processing in each environment, provide a cost/benefit/risk analysis from the perspective of both industry and the US government, modernization of customs operations to fully realize the benefit of this technology, and identification of individual approaches that need to evolve as the trade moves to autonomous conveyance and CBP moves toward automated cargo ports of entry.

Since the last public meeting on March 31, 2022, the RACPWG has had three (3) virtual meetings and one (1) in-person meeting held on May 10 and 11. The virtually meetings were used to review the five (5) open recommendations from the 15th COAC and discuss possible regulatory changes needed to facilitate Remote and Autonomous Cargo Processing. The in-person meeting consisted of site visits to the Port of Entry's at Brownsville, Texas and Laredo, Texas, to allow the group a comprehensive understanding of current automated technologies in place that included facial recognition, Non-Intrusive Inspection common viewer command center, and Unified Cargo Processing. The RACPWG will continue to identify possible regulatory changes needed to facilitate future Remote and Autonomous Cargo Processing.

### **Conclusion**

The Secure Trade Lanes Subcommittee will continue to leverage its existing working groups and trade subject-matter experts 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.