

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

September 2022



**U.S. Customs and
Border Protection**

Office of Trade

21st Century Customs Framework (21CCF) Task Force

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Action Required: Informational

Background:

- The 21st Century Customs Framework (21CCF) is CBP's modernization effort that seeks to position the agency for the future of trade through updates to CBP's Title 19 authorities.
- In pursuing the 21CCF legislative framework, CBP seeks to improve facilitation through a tech-enabled reimagined entry system, increase supply chain visibility and enhance stakeholder coordination through expanded information-sharing, and better protect national and economic security through modernized enforcement authorities that reach new and emerging actors in the 21st century trade environment.
- CBP kicked off 21CCF with a public meeting in March 2019, where private sector trade partners provided testimony to a panel of executives from across the U.S. Government.
- To facilitate government and industry collaboration, CBP stood up a 21CCF Task Force working group under the COAC announced at the COAC Public Meeting on March 27, 2021.
 - The Task Force is comprised of representatives with a variety of roles and equities across the customs environment, including CBP, brokers, importers, exporters, express carriers, sureties, and online marketplaces.
- Since reconvening in March 2022 under the 16th Term COAC, CBP has held a total of 12 working sessions with 21CCF Task Force members focused on 21CCF legislative discussion drafts as well as trade facilitation and other benefits that industry would like to see codified in law.
- This close engagement and dialogue resulted in the 21CCF Task Force formally expressing support of nearly half of the 21CCF legislative package during the second quarterly COAC meeting in June 2022.
- In August 2022, CBP gathered with the 21CCF Focus Group in Chicago to review updates CBP made to address industry feedback on the remaining 21CCF provisions and to identify areas for further refinement as CBP and the Focus Group work toward reaching consensus on a bulk of the 21CCF legislative package.
 - The recommendations put forth today reflect the recent progress CBP and the 21CCF Task Force have made in reaching agreement on 21CCF legislative discussion drafts.
- CBP is also facilitating PGA coordination on industry modernization proposals submitted by the 21CCF Focus Group, which they are actively discussing via the COAC.
 - CBP is planning an in-person meeting in mid-October to provide CBP, PGAs, and the 21CCF Task Force members a forum to discuss these proposals in greater detail.
- Between now and the December COAC public meeting, CBP and the 21CCF Task Force will maintain a close dialogue and hold additional working sessions on the 21CCF discussion drafts where consensus has not yet been reached.

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 a range of stakeholder equities – including those of the Trade and Government – to the greatest extent possible.
- CBP has drafted and circulated legislative discussion drafts structured around what the agency views as the biggest impediments to trade modernization and has sought the 16th Term COAC’s leadership in the following:
 - Driving consensus recommendations on how the Agency can statutorily address 21CCF challenges, whether that be through the legislative changes that CBP is proposing in its discussion drafts, or through the formulation of alternative legislative approaches.
 - Driving consensus recommendations on trade facilitation and other benefits that industry would like to see codified in law.
 - Submitting recommendations through the COAC for CBP consideration.

Current Status:

- During the June Quarterly COAC meeting, the 21CCF Task Force formally expressed support for nearly half of the provisions included in the 21CCF package, reflecting the collaboration between CBP and the COAC to discuss challenges and reach consensus.
- 21CCF priorities are also gaining traction in Congress, most notably with Senator Bill Cassidy (R-LA) and Senator Sheldon Whitehouse’s (D-RI) draft “Customs Modernization Act of 2021”. This bill aligns closely with the 21CCF vision and was shared with the trade industry in November 2021 to solicit their feedback. CBP is working with the Senators’ offices and other committees of jurisdiction to answer questions related to 21CCF.

Next Steps:

- CBP will review the 21CCF Task Force recommendations submitted through the COAC this September.
- After the September COAC meeting, CBP and the 21CCF Task Force will maintain a close dialogue on the 21CCF discussion drafts where consensus has not yet been reached as well as industry’s trade modernization proposals.
- CBP will share the COAC approved 21CCF legislative discussion drafts with Congressional stakeholders that have displayed interest in advancing these priorities on Capitol Hill.
- CBP recognizes the invaluable perspectives offered by industry and PGAs and looks forward to driving 21CCF priorities forward in partnership with the COAC.
- For more information on 21CCF, please visit the 21CCF webpage on CBP.gov: <https://www.cbp.gov/trade/21CCF>