

**Commercial Customs Operations Advisory Committee
Government Issue Paper
Secure Trade Lanes Subcommittee
Trade Partnership and Engagement Working Group**

June 2023



**U.S. Customs and
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**Office of Field Operations, Customs Trade Partnership Against Terrorism
Secure Trade Lanes Subcommittee
Trade Partnership and Engagement Working Group
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Action Required: Informational

The latest Statement of Work (SOW) for the Trade Partnership and Engagement Working Group focuses on providing strategic recommendations to the ongoing development of an enhanced Trusted Trader program in line with the Trusted Trader Strategy Framework, in particular the implementation of the Forced Labor program requirements and benefits.

This Commercial Customs Operations Advisory Committee (COAC) session focuses on seven (7) strategic objectives:

- Provide input regarding the implementation of Forced Labor requirements into the Customs Trade Partnership Against Terrorism (CTPAT) Trade Compliance program.
- Review current benefits and propose actionable additional benefits for Trade Compliance members.
- Propose methods to receive and process industry recommended Trade Compliance benefits for consideration; including the ability to evaluate, prioritize, and vet recommended benefits within the Trusted Trader Framework.
- Propose methods for the communication of benefit status to include new benefits, benefits under consideration, and effectiveness of benefits.
- Develop metrics that evaluate and mutually quantify benefit effectiveness for industry and government,
- Develop a proposed strategic inter-agency partnership engagement approach to Trusted Traders.
- Further development of the CTPAT Trade Compliance program.

The COAC met for the first time this session on February 10, 2022. In this meeting, CTPAT leadership provided an overview of what will assist the CTPAT program with evolving the Forced Labor requirements from discussions to program implementation. CTPAT Leadership informed the committee that the Forced Labor requirements in the “Minimum Security Criteria” will change from a recommendation to a program requirement in January 2023 and it is imperative of the group to finalize the requirements for CTPAT Trade Compliance in this session.

Although there is also a COAC Forced Labor Working Group under the Intelligent Enforcement Subcommittee, the COAC Secure Trade Lanes Subcommittee’s Trade Partnership and

Engagement Working Group is focused only on the aspects of forced labor that impact the CTPAT Trade Compliance program. U.S. Customs and Border Protection (CBP) implemented new forced labor requirements in Fiscal Year (FY) 2022.

CTPAT communicates with CBP leadership from the Forced Labor Working Group. The working group changed its name to “Trade Partnership and Engagement.”

The COAC and CTPAT Trade Compliance have met several times to collaborate on the forced labor requirements and associated benefits for the trade. CBP has provided the COAC with a matrix that summarizes both historical benefits and suggestions for new benefits.

The new requirements for forced labor were effective August 1, 2022, and existing partners need to supply the required documentation with their next annual notification letter but no later than August 1, 2023. New applicants will need to supply this information at the time of their application.

To continue collaboration efforts, CTPAT Trade Compliance participated in person, one-day meeting with the Trade Partnership and Engagement working group on March 30, 2023, following the COAC Public Meeting in Seattle, Washington.

The discussion focused on enhancing the forced labor compliance benefits, developing a CTPAT Trade Compliance program dashboard and a strategy for future PGA engagement. We will continue to work on developing these issues in the upcoming working group meetings.

Background:

The 15th Term of the COAC instituted a restructuring of the previous subcommittees to align more with CBP’s vision and priorities. Under the newly formed Secure Trade Lanes Subcommittee, a Trusted Trader Working Group was formulated. This working group has continued the work that was completed under the auspices of the former Trusted Trader Subcommittee. The 16th Term of the COAC is a continuation of this effort. In this quarter, the working group changed its name to “Trade Partnership and Engagement.”

The former COAC subcommittee was asked to provide CBP with recommendations and advice on a Trusted Trader Program. Trusted Trader Strategy is an integration of the CTPAT and Importer-Self Assessment (ISA) programs into a consolidated program that includes supply chain security and trade compliance. The program is being implemented via the Trusted Trader Pilot Program, announced in the Federal Register (79 FRN 13992) on June 16, 2014. The transition from ISA to CTPAT Trade Compliance has been completed and all former ISA participants are enrolled in the CTPAT Trade Compliance. The Trusted Trader pilot has been concluded and the CTPAT Trade Compliance program opened the program for new applications on August 1, 2022.

Submitted by: Pete Touhy, Acting Director CTPAT, OFO
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