



# CBP TRADE AND TRAVEL REPORT

*Fiscal Year 2022*



U.S. Customs and  
Border Protection



# Trade and Travel Report

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# I. Introduction

U.S. Customs and Border Protection's mission of protecting the borders of the United States and facilitating legitimate trade and travel is not only a critical component of national security, it is also a significant driving force of the country's economic prosperity. CBP is committed to publishing the results of its key trade and travel programs and operations. This report summarizes CBP's Fiscal Year 2022 trade and travel facilitation and enforcement efforts.

Travel rebounded sharply in FY2022 as public health measures limited the spread of the COVID-19 virus, lessening its severity and leading to the easing of travel restrictions. For the first time since FY2018, overall travel and travel by air, land, and sea all increased.

CBP processed more than **317 million** travelers at the ports of entry in FY2022, a **76.7 percent** increase from FY2021, with the largest increase occurring in the sea environment where travel surged to **18.4 million**, more than a **six-fold increase** from the previous year. Meanwhile, travel in the air and land environments increased less dramatically, but not insubstantially at **116.4 percent** and **51.2 percent** respectively. In FY2022, total passengers processed in the air environment increased to nearly **96 million** and land passengers increased to nearly **199.8 million**. Despite these increases, travel remains well below the 410.3 million travelers in FY2019. Yet because these changes occurred within a relatively short time, CBP has had to meet this challenge with operational efficiencies and process improvements to maintain its high standards of service.

The expansion of CBP's biometric program was one of the ways that operational efficiency was achieved. CBP biometrically processed more than **120 million** travelers using biometric facial comparison technology at entry, exit and Preclearance locations with a match rate of more than **98 percent** in FY2022. CBP sees biometric technology as the way of the future, a means of achieving a more streamlined process for travelers and continuing the facilitation improvements that the agency has attained through other technologies and CBP's Trusted Traveler programs. Biometric technology has similarly been valuable in helping CBP meet its congressional mandate and accomplish its enforcement mission by confirming the identity of travelers exiting the country, proving that it is a vital element of national security and enforcing U.S. immigration laws. Furthermore, CBP's biometric facial comparison technology has enabled the travel industry and traveling public to practice sound public health safety measures.

On the trade front, CBP saw a dramatic increase in trade volume during FY2022, despite severe disruptions to global trade markets due to the Russia-Ukraine war and the continued effects of the COVID-19 pandemic on global supply chains. In this timeframe, the volume and value of trade entering the United States was the highest it has ever been, continuing an upward trend that was only minimally impacted by the COVID-19 pandemic in FY2020. In FY2022, CBP processed **39.1 million** entries valued at over **\$3.35 trillion**, a **19.46 percent** increase from FY2021. The agency also collected approximately **\$104.6 billion** in duties, a **22.4 percent** increase over FY2021. Overall, CBP collected approximately **\$111.9 billion** in duties, taxes and other fees on behalf of the U.S. government in FY2022, representing a **117 percent** increase over a five-year period.

As the volume of trade increases, illegal actors take advantage of the complexity of global supply chains to hide illicit activity such as forced labor. Combatting forced labor in U.S. supply chains is a top priority for the agency. This fiscal year CBP led the successful implementation of the Uyghur Forced Labor Prevention Act (UFLPA), which became effective on June 21, 2022, and established the rebuttable presumption that all goods manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region of the People's Republic of China are inadmissible into the United States under 19 U.S.C. § 1307. The

UFLPA addresses systemic use of forced labor by the Chinese government against Uyghurs and other ethnic minorities in that region. In this same time period, CBP issued **six** new withhold release orders (WROs) and published **two** new findings. CBP also worked closely with customs partners in Canada and Mexico to support implementation of forced labor provisions in the U.S.-Mexico-Canada Agreement, which require both Canada and Mexico to implement their own forced labor prohibitions.

Finally, CBP’s Customs Trade Partnership Against Terrorism (CTPAT) supply chain security program officially launched its Trade Compliance component in FY2022. This achievement followed the completion of CTPAT’s Trusted Trader pilot and the successful integration of CBP’s former Self-Assessment (ISA) program into the CTPAT trade compliance branch. This action also finalized CTPAT’s transformation into an Authorized Economic Operator program that is in line with other customs administrations’ programs and the World Customs Organization’s guidance. Additionally, during FY2022, CTPAT’s Trade Compliance component collaborated with the Commercial Customs Operations Advisory Committee (COAC), CBP’s private sector trade advisory group, to create **six** forced labor program requirements that are now mandatory for CTPAT’s trade compliance partners. The forced labor requirements, which became mandatory on August 1, 2022, must be met by all new CTPAT trade compliance partners.

## II. Travel Facilitation

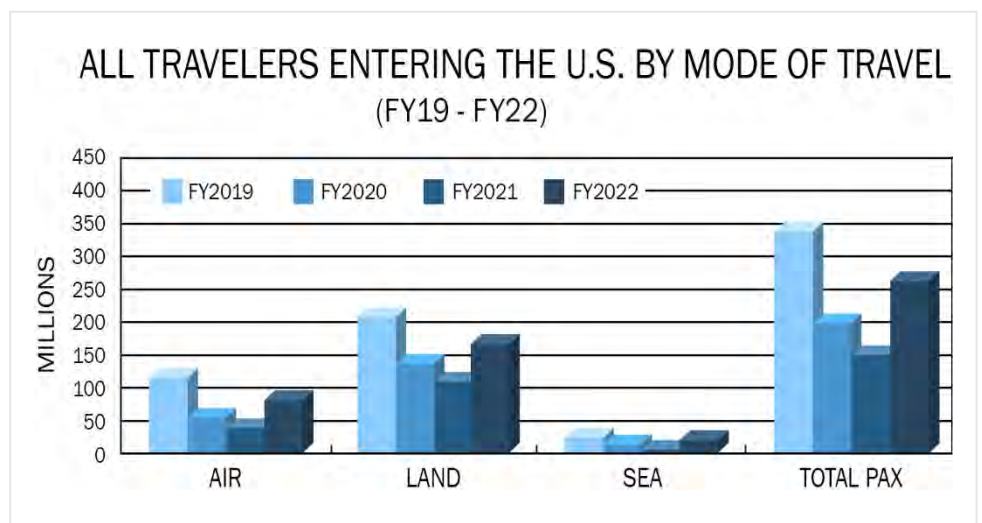
### Facilitating International Travel

CBP continues to transform the international arrivals process to attract and welcome visitors to the United States, while maintaining the highest standards of security.

CBP officers processed more than **317 million** travelers at air, land and sea ports of entry during FY2022, an increase of **76.7 percent** from the previous fiscal year. The magnitude and abruptness of this increase occurred after the easing of travel restrictions and presented CBP with a challenge in maintaining its standards of service to the traveling public, all while addressing the influx of asylum seekers on the southern border.

### Transforming and Innovating Travel

CBP has embarked on transformative initiatives to expand air, land and sea traveler technologies, grow trusted traveler programs, implement biometrics, automate forms collection and eliminate duplicative processes. The goal of these initiatives is to create a traveler experience that is secure, straightforward, efficient and best-in-class.



## Technology Deployments

Trusted Traveler Programs, Mobile Passport Control (MPC) and Radio Frequency Identification (RFID) Ready Lanes at ports of entry have provided travelers with user-friendly technology that enhances their inspection experience while expediting the entry process.

CBP received **3,780,353** applications and enrolled **2,948,082** new and renewing members into one of the four Trusted Traveler programs: Global Entry, NEXUS, SENTRI or FAST in FY2022. More than **10.5 million** members enjoyed the benefits of expedited processing as a Trusted Traveler in FY2022. Overall membership for CBP's Trusted Traveler programs grew by **8 percent** during the fiscal year.

The majority of Trusted Travelers in

FY2022, over **8.2 million**, are members of CBP's flagship program, Global Entry. Global Entry members have access to automated kiosks at **61** U.S. airports and **14** Preclearance locations. During FY2022, Global Entry's membership grew by **10.9 percent**. Trusted Traveler programs added **two** new partner countries in 2022—Brazil in February and Bahrain in July.

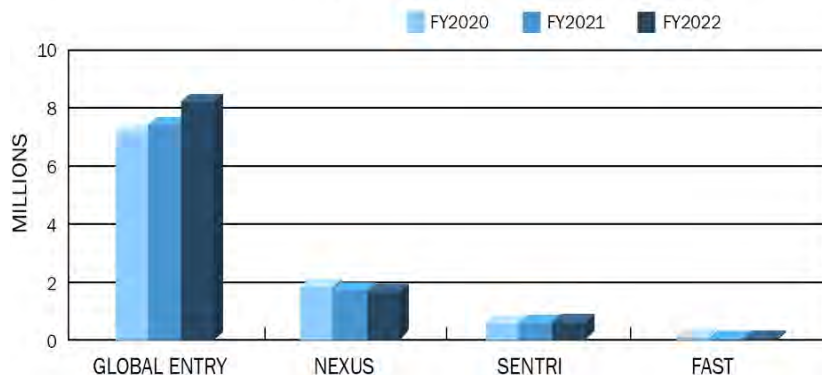
CBP's Enrollment on Arrival program enables conditionally approved Global Entry applicants to complete their interview while clearing CBP processing at one of **66** participating airports. More than **960,000** Global Entry members have used the Enrollment on Arrival program to complete their membership enrollment.

To address the growing volume of Global Entry travelers, CBP launched a Global Entry facial comparison pilot program at Orlando International Airport on June 21, 2018. Facial comparison technology has reduced the processing time at Global Entry kiosks by almost **90 percent** and was expanded **to all international airports** during FY2022. The average Global Entry facial comparison transaction takes less than **five** seconds versus **40-45** seconds at a legacy kiosk.

Additionally, during FY2022, CBP made technological enhancements to Global Entry kiosks at **18** airports across the U.S. and Preclearance airports overseas. The upgraded facial biometric kiosks eliminate issuing paper receipts and add an extra layer of security, reducing physical touchpoints and expediting Global Entry member processing. CBP also added new touchless portals for other Trusted Traveler programs at **four** airports—Los Angeles International Airport, Washington Dulles International Airport, Orlando International Airport and Miami International Airport.

MPC allows travelers to enter their biographic information and answer travel-related questions needed prior to inspection—eliminating paperwork for the traveler and an administrative task for the CBP officer. MPC expanded to **four** additional ports of entry (Hartsfield-Jackson Atlanta International Airport in Atlanta, Georgia, and at three Preclearance locations in Canada—Vancouver International Airport, Toronto Pearson International Airport and Montréal-Pierre Elliott Trudeau International Airport) in

TRUSTED TRAVELER PROGRAM MEMBERSHIP BY TYPE  
(FY20 - FY22)



FY2022, making the app available to U.S. citizens and Canadian visitors at **38** U.S. ports of entry (**34** airports and **four** seaports). In FY2022, more than **1.8 million** trips were processed using MPC, accounting for almost **1.9 percent** of all air travelers entering the United States.

International travel at U.S. airports rebounded by **116 percent** from FY2021 to FY2022, from **44.3 million** travelers to **96 million** travelers by air. However, air travel in FY2022 remains down compared to pre-COVID travel in FY2019 by **29.3 percent**. International travel is expected to increase as overall travel for pleasure and business rebounds. Additionally, average wait times increased at the top 25 airports by volume by **3 minutes** and **16 seconds**, a **5.9 percent** increase over FY2021.

The overall wait times at the land borders showed more moderate increases or decreases in wait times, depending on the type of traffic. This was despite a substantial **51 percent** increase in passenger volume at the land border. The aggregate private vehicle wait time decreased **46 seconds**, or **2.8 percent** and the commercial vehicle and pedestrian wait times increased only modestly, **19 seconds** and **45 seconds**, respectively. The commercial vehicle wait time represented a **4.2 percent** increase over FY2021 and the pedestrian wait time increase represented a **9.2 percent** increase. With overall passenger volume at all ports of entry still almost **23 percent** below what it was in FY2019, CBP anticipates continued growth in future years and the continued need for operational efficiencies and process improvements.

More than **45.8 million** arriving travelers used ready lanes, dedicated primary vehicle lanes at land ports of entry for travelers with RFID documents, to expedite their entry into the United States in FY2022.

### *Biometric Update*

CBP expanded its biometric program in FY2022 to achieve greater operational efficiency. The program provides significant benefits to travel industry partners and meets the congressional mandate for a biometric entry-exit system. CBP continues to lead efforts to streamline the travel process by providing industry stakeholders with a secure, automated platform for verifying travelers' identities. The technology allows CBP and its stakeholders to make quicker, more informed decisions.

CBP uses a traveler's face as the primary way of identifying the traveler to facilitate entry and exit from the United States, while enhancing security and protecting the privacy of all travelers. This biometric technology transforms how travelers interact with airports, airlines, cruise lines, CBP and other government agencies with security functions such as the Transportation Security Administration (TSA)—creating a seamless travel process that is both reliable and secure.

CBP is committed to its privacy obligations and has taken steps to safeguard the privacy of all travelers.<sup>1</sup> CBP employs strong technical security safeguards and limits the amount of personally identifiable information used in the facial biometric process. U.S. citizens can opt out of participating. Photos of U.S. citizens and otherwise exempt noncitizens used for biometric verification purposes are held in secure CBP systems until identity verification is complete, but for no more than 12 hours, and are then deleted. If a traveler cannot be matched by the facial comparison service, the individual must present his or her travel documents to a CBP officer or airline/cruise line representative for manual inspection. To provide the public with a better understanding of what facial comparison technology is, why CBP uses it, and what the collection

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<sup>1</sup> For additional information on CBP's privacy protection efforts, see the Traveler Verification Service Privacy Impact Assessment, available at: <https://www.dhs.gov/publication/dhscbppia-056-traveler-verification-service>.

process generally looks like for individuals transiting a port of entry, CBP launched a public facing website: <https://www.biometrics.cbp.gov>.

CBP biometrically processed more than **120 million** travelers using biometric facial comparison technology across entry, exit and Preclearance locations with a match rate of more than **98 percent** during FY2022. To ensure higher accuracy rates and efficient traveler processing, CBP compares traveler photos to a very small gallery of high-quality images that those travelers have already provided to the U.S. government such as passport and visa photos. CBP uses a facial comparison algorithm, which shows virtually no measurable differential performance in results based on demographic factors. CBP continually evaluates the performance of this algorithm and is partnering with the National Institute of Standards and Technology (NIST) to further enhance biometric facial comparison technology.

CBP recognized the health and safety benefits of a touchless biometric identification service and, in FY2022, accelerated its deployment of Simplified Arrival to ensure maximum utilization. Simplified Arrival is an enhanced international arrival process that quickly and reliably verifies a traveler's identity biometrically and retrieves traveler records from CBP systems using the traveler's face. This eliminates time-consuming steps for most travelers such as document scans and repeat fingerprint captures, resulting in a more efficient inspection process. This efficient inspection process allows for faster boarding times, quicker debarkation and flight clearance on arrival as well as reduced risk of pathogen transmission. To date, Simplified Arrival has been deployed to all **238** airports where CBP processes travelers for entry, including **14** Preclearance locations.

CBP's biometric facial comparison technology provides additional benefits. Using biometric technology, air and sea partners can replace check-in, security and boarding processes that involve long lines, heavy personal interaction and the handling of travel documents. Facial biometric technology encourages contactless travel that involves minimal physical contact, which increases the safety of travelers, CBP officers and port personnel. In FY2022, CBP and its partners operated biometric exit technical solutions at **33** airports.<sup>2</sup>

In addition to streamlining travel, the use of facial biometrics protects the identity of travelers and adds another layer of security. Biometrics have proven to be an effective tool in combatting the use of stolen and fraudulently presented travel and identity documents. Since the program's inception in 2018, CBP officers at U.S. airports have successfully intercepted **68** impostors who were denied admission to the United States and identified **1,619** impostors on arrival in the land pedestrian environment. Additionally, since June 2017, CBP has biometrically confirmed over **195,000** overstays.

Furthermore, CBP and TSA have continued to jointly develop their use of biometric facial comparison technology for identity verification. The overall goal of the partnership is to enhance security and the use of resources while moving towards an end-to-end seamless travel experience. By leveraging CBP's biometric facial comparison technology and TSA's Secure Flight indicator, a passenger pre-screening program, the agencies are collaborating to streamline TSA's security process. During FY2022, CBP and TSA continued to operate biometric facial comparison technology for domestic and international travelers. The initiative, which was launched in March 2021 at Detroit Metropolitan Wayne County Airport (DTW), was expanded in November 2021 at

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<sup>2</sup> See CBP's biometric website, available at: <https://biometrics.cbp.gov/>.

Hartsfield-Jackson Atlanta International Airport (ATL). TSA and CBP are currently developing the rollout schedule for expansion to additional sites.

In addition to the air environment, CBP is piloting biometric capabilities at the land border in both the pedestrian and vehicle environments and in partnership with the cruise line industry in the sea environment. During FY2022, over **28 million** pedestrian travelers were processed at **159** land border crossing locations.

Similarly, in the sea environment, in FY2022, over **6 million** travelers were processed at **35** seaports. In 2022, **eight** major cruise lines were engaged with CBP to develop facial biometric processing for closed-loop voyages.

### *Preclearance*

Preclearance strategically places over **600** CBP officers and employees across **15** international locations to clear passengers and their goods through customs, immigration and agricultural inspections, thus allowing these passengers to skip those inspections upon arrival in the United States. Preclearance operations place the nation's most effective counterterrorism asset, trained U.S. law enforcement professionals, at these **15** international ports of entry around the world. During FY2022, more than **13.2 million** passengers and crew were precleared at one of CBP's **15** Preclearance locations in Canada, Ireland, the Caribbean (Aruba, The Bahamas, Bermuda) and the United Arab Emirates. This includes more than **12.7 million** air travelers, representing **13.2 percent** of all commercial air travel to the United States. Precleared air passengers flew on approximately **545** daily commercial flights to **167** destinations in the U.S. In addition to pre-clearing air travelers, Preclearance inspected **577,961** passengers traveling via cruise ship, ferry, or train through immigration pre-inspection operations.

Preclearance enhances law enforcement collaboration with host country governments and stakeholders through daily engagements and joint operations with local government law enforcement agencies. These collaborative efforts help ensure illegal contraband, prohibited merchandise, criminals and terrorist-affiliated travelers do not board flights bound for the U.S. During FY2022, Preclearance operations encountered **10,837** travelers who were inadmissible to the U.S. and processed **2,041** criminal-related encounters. These enforcement actions led to **90** arrests, **\$2.6 million** in seized currency, **576** drug-related interdictions involving more than **72.7** pounds of illicit narcotics, and prevented **289** incidents of prohibited merchandise from entering the U.S. These statistics showcase the enforcement and national security benefits that Preclearance operations lend to the success of the CBP mission at home and abroad.

The Preclearance program also directly increases CBP's capacity to process growing numbers of arriving international passengers abroad and at our domestic gateways, which is essential to the U.S. economy and global commerce. Additionally, Preclearance encourages increased travel to the United States and makes it possible to add more routes to a greater number of U.S. destinations. A testament to the international success of the program is exemplified by the significant growth experienced over the past decade in support of our international partner countries and airports. From FY2012 to FY2019, prior to the pandemic, CBP processed **148.7 million** air passengers in Preclearance. The average annual growth of passengers processed in Preclearance increased **4.7 percent** each year.

Preclearance also has spearheaded deployment of CBP's latest passenger processing innovations such as Simplified Arrival, Global Entry touchless portals, and is at the forefront of the MPC rollout and integration with industry partners. Moreover, Preclearance is at the epicenter of post-pandemic travel recovery, especially in the Caribbean region where passenger volumes have returned to pre-pandemic levels faster than any other region within the Preclearance ecosystem. The program has become a relevant



staple in the economic security of our foreign partners and an effective tool to increase U.S. security abroad.

### *Public-Private Partnerships*

CBP selected **62** new private and public sector partners for participation in the Reimbursable Services Program in FY2022, providing the opportunity for the stakeholders to request increased or enhanced inspection services. Through the end of FY2022, CBP had expanded the Reimbursable Services Program to **316** stakeholders, covering **199** ports of entry in **20** field offices. These services include customs, immigration, agriculture processing and border security at the ports of entry. CBP provided nearly **175,000** additional processing hours at the request of stakeholders in FY2022—accounting for the processing of more than **1.7 million** travelers, over **40,000** cargo inspections and over **78,000** personal or commercial vehicles processed during FY2022.

### *Process Improvements*

CBP's Traveler Communications Center, a 24/7 resource for formal and informal public inquiries related to CBP's Admissibility and Passenger Programs, served a record number of travelers in FY2022. The center received approximately **604,700** inquiries during FY2022, nearly a **30 percent** increase over the previous fiscal year. The significant spike in inquiries is directly related to requests for information pertaining to COVID-19 pandemic travel restriction updates.

The Traveler Communications Center, established in October 2017, was designed to improve the traveler experience by providing timely information, accurate responses to common questions, application assistance, troubleshooting and other guidance for travelers using the Electronic System for Travel Authorization (ESTA), the Electronic Visa Update System (EVUS), the Arrival and Departure Information System (ADIS), I-94 arrival and departure forms and CBP's Trusted Traveler programs.

During FY2022, the center responded to a substantial increase in calls for CBP's Trusted Traveler programs, which received **412,764** inquiries compared to **289,321** calls the previous year. Two of CBP's other travel programs similarly experienced an increase in calls compared to FY2021. ESTA received **104,972** inquiries and Imminent Travel responded to **5,766** calls for last minute information about the status of traveler applications. Some CBP programs, however, saw a slight decrease in volume from the previous fiscal year. These programs include ADIS and EVUS, which received **38,140** and **19,125** inquiries respectively.

### *Traveler Inspection Requests*

CBP implemented *CBP One*<sup>™</sup>, an application for stakeholders to interact with CBP via mobile and desktop devices in FY2021. The app's feature allows air travelers to request inspections of hand-carried biological materials and agriculture products. Specific categories of declaration and inspection currently include live animals (pet birds or dogs), cleaning and disinfection of shoes, biological material, and hunting trophies.

CBP agriculture specialists receive and manage requests through a cloud-based *CBP One* dashboard that is used to review the request, assign resources, give live-status updates, and message the traveler, if necessary. The *CBP One* app is available for Apple and Android devices. Currently **20** U.S. airports have *CBP One* capability for air travelers. During FY2022, CBP received and processed **75** traveler inspection requests across **14** U.S. airports.

## *Agriculture*

CBP agriculture specialists, with their extensive training and expertise in biological sciences and agriculture inspection, conducted approximately **645,710** interceptions of prohibited plant materials and either meat or animal byproducts at U.S. ports of entry during FY2022, while submitting **36,483** pest detections.

In addition, a cadre of biological subject matter experts who are part of CBP's BioThreat Exclusion program, created in FY2020, continued to recognize and prevent potentially harmful biological agents from entering the United States. These experts are single points of contact that aid CBP in combatting this growing threat by providing oversight and guidance on field encounters of biological interdictions; internal and external training; and outreach to the trade community, research institutions and academic partners. For FY2022, CBP tallied **338** significant encounters of reported biological material.

## **III. Trade Facilitation and Enforcement**

CBP remains the agency that collects the second largest amount of revenue for the federal government and is committed to its dual role of trade facilitation and revenue protection. Our trade operations are focused on creating a level playing field for American businesses, protecting consumers and reducing trade costs. The work we do to accomplish our trade mission fosters economic prosperity through innovative solutions and technology, which support an intelligence and risk-based enforcement approach. CBP maintains this central focus while enforcing nearly **500** U.S. trade laws and regulations on behalf of **49** partner government agencies. Strong partnerships, collaboration with public and private stakeholders and trade laws provide the critical framework required for the agency to confront the unique and unprecedented challenges presented by an ever-evolving trade landscape that is influenced by rapidly advancing technology and increased globalization.

### **Protecting America's Domestic Industries from Unfair Competition**

#### *Forced Labor*

In FY2022, combatting forced labor remained a top priority for CBP's trade mission. The agency continues to set the standard for forced labor enforcement worldwide, while sending a clear and consistent message to the international trade community: the U.S. government will not tolerate forced labor in American supply chains.

CBP's aggressive forced labor enforcement efforts have improved the living and working conditions of thousands of workers worldwide and have protected American businesses from unfair economic competition. The agency's actions also are changing the behavior and operations of U.S. importers and manufacturers around the world as well as inspiring legislation changes in other countries.

In FY2022, CBP's authorities to combat forced labor expanded with the passage of the *Uyghur Forced Labor Prevention Act (UFLPA)*, which was signed into law by President Biden in December 2021 to address the systemic use of forced labor by the Chinese government against Uyghurs and other ethnic minorities in the Xinjiang Uyghur Autonomous Region. On June 21, 2022, the agency began implementing the *UFLPA*, which establishes a rebuttable presumption that goods, wares, articles and

merchandise, which are mined, produced or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region, or produced by certain entities, are prohibited from importation into the U.S. The *UFLPA*'s rebuttable presumption strengthens CBP's enforcement of Section 1307 of the *Tariff Act of 1930* to support the competitiveness of companies that produce and source goods ethically.

The agency's meticulous planning prior to *UFLPA*'s implementation, including the analysis of U.S. imports impacted by *UFLPA*, letters to importers advising them of the risk of importing merchandise sourced from locations or entities potentially subject to the act, and educational events for both trade stakeholders and CBP employees, helped ensure smooth implementation of the law, which did not cause port congestion, negative effects on ports of entry or unexpected supply chain disruptions.

In addition to implementing *UFLPA*, CBP continued to exercise the authorities provided by the *Tariff Act of 1930*, as amended by the *Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA)*, to identify goods made by forced labor and prevent them from entering the United States.

As part of these authorities, if CBP determines information reasonably, but not necessarily conclusively indicates that merchandise is made with forced labor and is being, or likely to be imported, it may issue a withhold release order (WRO) and subsequently detain or exclude violative goods at ports of entry. If CBP determines there is probable cause goods were made using forced labor, CBP may issue a finding and subsequently seize all violative goods.

In FY2022, the agency enforced **54** active withhold release orders and **nine** active findings, including **six** withhold release orders and **two** findings issued during this period. Also in FY2022, CBP identified **3,605** shipments valued at **\$816.5 million** for forced labor concerns, including **1,592** shipments valued at nearly **\$500 million** identified under the *UFLPA*. The withhold release orders and findings issued by CBP in FY2022 targeted a wide array of products ranging from disposable gloves and garments to tomatoes. Most of these products originated in Malaysia, India and Mexico. This is a change from previous fiscal years when the majority of CBP's withhold release orders and findings covered products originating in China.

The *UFLPA* does not require CBP to issue a withhold release order or finding prior to detaining goods mined, manufactured, or produced wholly or partially in the Xinjiang Uyghur Autonomous Region or other prohibited entities. Therefore, the vast majority of the agency's enforcement against Chinese forced labor practices were subsumed into *UFLPA* in FY2022.

Additionally, during this fiscal year, **seven** foreign producers filed petitions seeking modification or revocation of current withhold release orders and are taking corrective measures to remediate indicators of forced labor, improving working and living conditions for thousands of workers around the world. This is the largest number of petitions ever received in a single year. CBP modified **one** withhold release order in FY2022 after the company demonstrated remediation of all **five** of the **11** International Labour Organization's indicators of forced labor that CBP found during its investigation. This modification occurred just one month after CBP issued the withhold release order, representing swift and successful collaboration between civil society, the producer and CBP.

CBP continues to work extensively to develop relationships with civil society organizations, the media, private sector businesses and other government agencies to gather timely information on forced labor in global supply chains and to educate the trade community on U.S. compliance standards.

During FY2022, CBP participated in **143** external engagements with members of the public, civil society organizations, industry/trade associations, chambers of commerce, members of Congress, and U.S. and

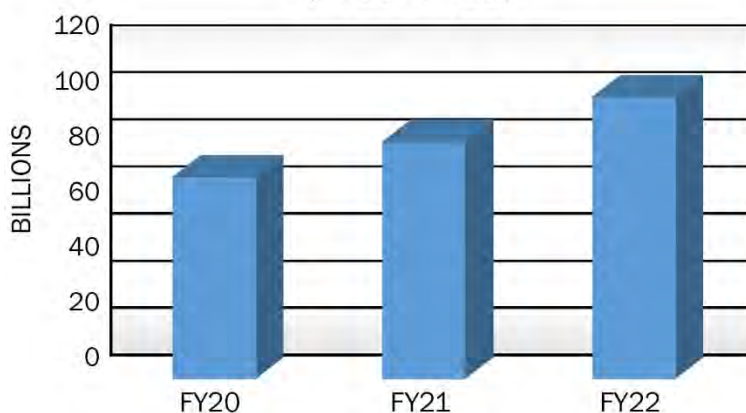
foreign government representatives. Topics covered included forced labor and *UFLPA* overviews, *UFLPA* implementation and impact, and withhold release order process, modification and remediations.

#### *FY2022 Revenue and Trade Remedies*

CBP processed **\$3.35 trillion** in imports in FY2022, equating to **39.1 million** entries and more than **33.4 million** imported cargo containers at U.S. ports of entry. The agency also collected approximately **\$104.6 billion** in duties, a **22.4 percent** increase over FY2021. Overall, CBP collected approximately **\$111.9 billion** in duties, taxes and other fees on behalf of the U.S. government in FY2022, a **19.26 percent increase** over FY2021, and a **117 percent** increase over the past five fiscal years. CBP attributes much of the increase in duty collection in

FY2022 to the ongoing assessment and collection of trade remedy duties on steel, aluminum, washing machines, washing machine parts, solar panels and goods from China. These duties as well as certain quotas on steel and aluminum imports were instituted during FY2018, pursuant to Sections 201 and 301 of the *Trade Act of 1974* and Section 232 of the *Trade Expansion Act of 1962*. In FY2022, the Section 232 duties on steel from the European Union, Japan, and the United Kingdom as well as on aluminum from the European Union and the United Kingdom were changed to tariff rate quotas on these imports.

**DUTIES COLLECTED**  
(FY20 - FY22)



CBP continued to play a key role in administering these additional duties and quotas and worked closely with representatives from the Department of Commerce and the United States Trade Representative, among others, to provide technical guidance on the implementation and ongoing administration of the new remedies. As a result, CBP assessed more than **\$314 million** in Section 201 duties, **\$736 million** in Section 232 aluminum duties and nearly **\$2.6 billion** in Section 232 steel duties in FY2022. For Section 301 goods from China, CBP assessed more than **\$49 billion** in Section 301 duties during FY2022, a **13 percent** increase over the previous year. CBP updates these assessments on a weekly basis on [www.cbp.gov](http://www.cbp.gov).

CBP's Office of Trade established a trade remedies branch in FY2018 to oversee implementation and administration of the remedies. In FY2022, the branch implemented **14** Federal Register Notices and **nine** Presidential Proclamations related to the remedies and coordinated **24** sets of detailed import instructions for trade stakeholders via CBP's Cargo Systems Messaging Service communications system.

CBP continues to play a significant role in the exclusion process for Section 232 and 301 duties. For Section 232 duties, eligible companies can petition the Department of Commerce for exclusion from the duties. Throughout the process, the Department of Commerce seeks CBP's determination as to whether the tariff classification provided by a requestor is consistent with the description of the merchandise for which an exclusion is sought. This allows CBP to properly apply a granted exclusion when the merchandise is imported and the entry is filed. Since the inception of the exclusions, CBP has processed over **341,000** Section 232 product exclusions granted by the Department of Commerce.

From October 1, 2021 to September 28, 2022, CBP completed **69,917** timely administrability reviews (**92 percent steel/8 percent aluminum**) for importers requesting exclusion from steel and aluminum Section 232 tariffs, using the Department of Commerce’s 232 portal, which is based on programming developed by CBP. The portal received an average of **1,371** requests per week and CBP processed an average of **196** requests per day, most within hours of receipt. Also, for this timeframe, **48,942** requests passed automated screening, **17,479** failed automated screening, and **496** manual reviews were conducted.

During FY2022, Quarterly Section 232 Steel and Aluminum Tariff Rate Quotas (TRQ) were deployed pursuant to three distinct Presidential Proclamations and U.S. Trade Representative negotiations with the European Union, Japan and the United Kingdom. These programs increased the number of commodities managed from **588** to **2,154**. The complexity of the new quarterly TRQ programs increased CBP’s email volume from the trade community by **50 percent** given the quota program requirements.

#### *Revenue Protection –Antidumping/Countervailing Duty Enforcement*

CBP is committed to rigorous and judicious enforcement of all U.S. trade laws. This includes collecting antidumping and countervailing duties (AD/CVD) that result from orders issued by the Department of Commerce, allowing American companies to compete fairly in the global economy. AD/CVD ensure that U.S. entities are not harmed by anti-competitive behavior.

In FY2022, **\$37.4 billion** of imported goods were subject to AD/CVD. CBP assessed approximately **\$3.6 billion** in AD/CVD deposits and levied monetary penalties totaling over **\$28 million** on importers for fraud, gross negligence and negligence of AD/CVD requirements. CBP entry summary reviews during FY2022 also resulted in recovery of over **\$189 million** in AD/CVD duties owed. Additionally, CBP’s audit services identified more than **\$447 million** in AD/CVD discrepancies, with **\$15 million** collected by the end of FY2022. Finally, during FY2022, CBP and U.S. Immigration and Customs Enforcement (ICE) seized **five** shipments with a domestic value of more than **\$691,000** for AD/CVD violations.

CBP enforced **28** new AD/CVD orders during FY2022, a **4.4 percent** increase over the number of orders in place the previous year. At the end of FY2022, **662 AD/CVD orders** were in effect compared to **634 orders** at the conclusion of FY2021. The total number of AD/CVD orders enforced by CBP has more than doubled since FY2016.

When combatting AD/CVD evasion, CBP takes an agency-wide approach to enforcement, working in partnership with the trade community and other government agencies. CBP employs multiple methods of targeting AD/CVD evasion through internal mechanisms at the ports of entry, industry-specific Centers of Excellence and Expertise where post-release activities are processed, and on a national level at CBP’s National Targeting Center.

In addition to self-initiated targeting, CBP also responds to allegations received from industry and partner government agencies. CBP received **87 e-Allegations** concerning the evasion of AD/CVD orders in FY2022. CBP received the majority of these allegations via the e-Allegations online trade violations reporting system; however, some of the allegations originated from interagency referrals. CBP trade specialists and subject matter experts research and review each allegation carefully to determine the validity of the allegation in terms of trade law violations and take appropriate enforcement actions.

#### *Enforce and Protect Act*

The Enforce and Protect Act (EAPA) program remains a very successful approach to investigating large-scale, highly coordinated duty evasion schemes. Through EAPA, CBP established formal procedures for members of the trade community to submit allegations of duty evasion. CBP then investigates the

allegations of evasion of AD/CVD orders against U.S. importers. In FY2022, CBP implemented EAPA enforcement actions that identified almost **\$100 million** in duties owed to the U.S. government. CBP officially received **68** new allegations under EAPA from interested parties, initiated **35** EAPA investigations and took interim measures in **31** EAPA investigations to protect revenue owed to the U.S. government. In FY2022, CBP issued final determinations of evasion for **53** investigations, a **20 percent** increase from FY2021.

As required by statute, CBP also issued **16** administrative review determinations, providing *de novo* review of EAPA investigation determinations in FY2022.

In support of the EAPA investigations, CBP conducted **nine distinct** foreign on-site visits or verifications in Malaysia, Indonesia and Cambodia during FY2022. From EAPA's inception, CBP has met every statutory deadline for all EAPA investigations, even rendering decisions on interim measures ahead of required deadlines in some cases. EAPA investigations cover a wide range of commodities including diamond sawblades, steel and steel pipe products, aluminum extrusions, quartz surface products, plywood, glycine, steel wire garment hangers, xanthan gum, wooden bedroom furniture, wooden cabinets and vanities and light-weight thermal paper.

### *Trade Agreements*

FY2022 was the second full fiscal year that the United States-Mexico-Canada Agreement (USMCA) was enforced. CBP has continued to work closely with the U.S. Department of the Treasury, U.S. Department of Labor, U.S. Department of Commerce and the U.S. Trade Representative to ensure a comprehensive and smooth implementation. More than **\$641 billion** of U.S. imported products claimed USMCA preferential treatment in FY2022. The top two industries by value in FY2022 were the same as FY2021: automotive and agriculture.

CBP continues to collaborate with the U.S. Department of Labor's Wage and Hour Division to enforce USMCA's labor value content requirement for automotive rules of origin. CBP reinstated a USMCA working group within the Commercial Customs Operations Advisory Committee (COAC) to collaborate directly with the private sector on the continuing implementation of Chapter 7 of the USMCA, which includes customs administration and trade facilitation provisions. CBP continues to interact with external stakeholders via engagements and compliance guidance publications.

CBP also continued to work toward implementing the forced labor component of the USMCA, which pertains to labor conditions in international trade. The agreement requires that all parties prohibit the importation of goods sourced from forced labor and that the countries involved coordinate their forced labor-related capacity building and enforcement efforts. The U.S. prohibition on the importation of goods made with forced labor was in effect before the inception of USMCA, but now, with the agreement, CBP actively works with the governments of Canada and Mexico to implement the prohibition on forced labor and violative goods from entering these neighboring countries as required.

Additionally, CBP participated as a member of the Interagency Environment Committee for Monitoring and Enforcement, a collaborative body of 11 government agencies that support USMCA environmental provisions. The committee leverages environmental authorities such as the *Lacey Act*, the *Convention on International Trade in Endangered Species of Wild Fauna and Flora* and the *Endangered Species Act of 1973* to ensure plant and animal products entering the United States, Mexico and Canada are produced, harvested and sold sustainably.

### Centers of Excellence and Expertise

CBP consistently applies risk-based methodologies to protect U.S. revenue and identify those who try to evade U.S. trade laws. In FY2022, all 10 Centers of Excellence and Expertise (Centers) processed post-release trade activities on an account and industry-wide basis and targeted evasive and unfair trade practices. The Centers are the operational entity responsible for identifying, assessing and prioritizing risks within their respective industries with a focus on CBP’s priority trade issues. The Centers also administer the collection of trade remedies as well as lead and carry out operations to detect and deter unlawful trade activities.

### Trade Community Outreach

Today’s ever-evolving trade landscape is far too dynamic to be managed by CBP alone, which is why collaboration with the private sector is a top priority for the agency. CBP depends on private sector partners to provide support, expertise and feedback to help us facilitate, enforce, pursue, develop and implement policies to preserve U.S. economic security. CBP cannot realize its vision of a fast, secure, data-driven 21st century trade environment without the invaluable collaboration and support of the trade community.

CBP builds and maintains partnerships with the trade community, using every opportunity to obtain industry knowledge and expertise to ensure facilitation of legitimate international trade. In FY2022, CBP conducted approximately **600** outreach engagements with U.S. manufacturers, importers and other members of the trade community to increase awareness of critical trade-related issues. Engagements included a combination of trainings, webinars, industry-led conferences and more.

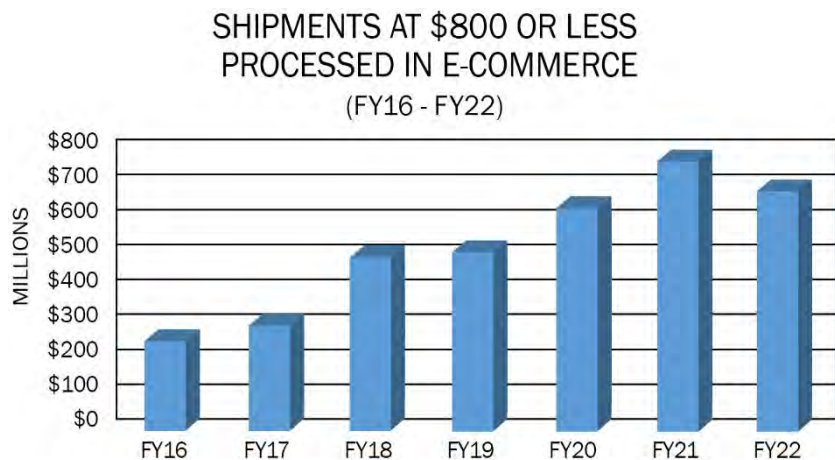
CBP also hosted the first Trade Facilitation and Cargo Security Summit in July 2022. The event, which was held in Anaheim, California, drew more than **1,000** in-person and **3,000** virtual attendees who participated in three days of panel discussions featuring speakers from CBP, partner government agencies and industry executives. Some of the topics discussed were the 21st Century Customs Framework, forced labor enforcement and the *Uyghur Forced Labor Prevention Act*, facilitation of cargo, e-commerce, and the Automated Commercial Environment (ACE) 2.0.

### Protecting Americans from Counterfeit and Unsafe Imports

#### E-commerce

Since 2000, the number of Americans shopping online has increased nearly fourfold, from **22 percent** to **79 percent**. This rise in e-commerce has led to a massive increase overall in low value shipments arriving at U.S. ports of entry. In FY2022, the total volume of *de minimis* shipments (shipments valued at \$800 or less) decreased across all modes of transportation by **11 percent** in comparison to

FY2021. In contrast, postal volumes dropped across all modes of transportation by **19 percent**. Illicit actors take advantage of the volume of e-commerce to hide illegal practices that threaten U.S. economic



interests and often pose health and safety risks due to poor quality or failure to comply with safety standards and regulations. For example, in FY2022, **89 percent** of intellectual property rights (IPR) seizures were found in express and international mail shipments.

*De minimis* shipments also have created a paradigm shift in the traditional roles and responsibilities associated with importing into the United States. Traditional supply chain roles within the e-commerce industry are evolving to meet consumer demand with some sales platforms now acting as logistics providers, marketing platforms handling e-payments and start-ups racing to meet consumer demand. This shift has led to the creation of a new class of importers—everyday consumers who are unfamiliar with trade laws and requirements, yet are importing products valued at over **\$3.35 trillion**. Consumers now initiate most imports, presenting new challenges for CBP to navigate.

To address these challenges, CBP launched the Section 321 Data Pilot in 2019 to allow CBP and voluntary participants from the trade community to collaborate to secure e-commerce supply chains to protect American consumers. “Section 321” refers to the section of the *Tariff Act of 1930* as amended (19 U.S.C. § 1321), which provides for an administrative exemption that allows merchandise valued at \$800 or less, imported by one person on one day, to enter free of duty or taxes. The purpose of the pilot is to improve CBP’s ability to identify and target high-risk e-commerce shipments including narcotics, weapons and products posing health and safety risks for the general public. In January 2020, the first nine pilot participants—Amazon, eBay, Zulily, FedEx, UPS, DHL, technology firm PreClear, as well as logistics providers XB Fulfillment and BoxC Logistics—were selected. The pilot also was expanded to allow for ocean and international mail shipments. In August 2021, CBP extended the current pilot program through August 2023 for further evaluation.

CBP also has been conducting the Entry Type 86 test since 2019, another voluntary test related to Section 321 *de minimis* entry processing. The Entry Type 86 test enables customs brokers and self-filers to electronically submit *de minimis* entries via the Automated Broker Interface, including those subject to data requirements of partner government agencies for clearance. The Entry Type 86 test provides an automated release mechanism and visibility into the contents of *de minimis* shipments. In FY2022, approximately **\$2.5 billion** in cost savings were associated with Entry Type 86 electronic clearances.

CBP received over **466 million** filings from the Section 321 Data Pilot and Entry Type 86 test during FY2022. The key findings include a significant reduction of manual processing, allowing for same-day clearances (compared with 6-8 day wait times); quicker, more accurate risk assessment and adjudication for CBP; and fewer CBP holds because Section 321 Data Pilot participants provide seller information, product pictures and other transactional details.

### *Intellectual Property Rights Enforcement*

Trade in counterfeit and pirated goods threatens America’s innovation, the competitiveness of our businesses, the livelihoods of U.S. workers and, in some cases, the health and safety of consumers. Combined, these factors significantly impact U.S. economic security and, therefore, national security.

In FY2022, CBP continued to target and seize illegal imports of counterfeit, unapproved, or otherwise substandard COVID-19 related products that threatened the health and safety of American consumers. These seizures included **270,135** Food and Drug Administration-prohibited COVID-19 test kits in **60** incidents; over **5.8 million** counterfeit face masks in **142** incidents; and **23,653** Food and Drug Administration-prohibited hydroxychloroquine tablets in **59** incidents. **Twenty-one percent** of the seizures occurred in the express consignment environment, with **55 percent** of these seizures being discovered in incoming mail and roughly **41 percent** originating in China. CBP also collaborated with partner government agencies to expedite medical supplies and personal protective equipment through the



customs clearance process, while working to identify and intercept fraudulent, unapproved, or otherwise substandard materials.

CBP is on the frontline of intellectual property rights enforcement, partnering with industry, other federal agencies and foreign governments to fight cross-border trade of harmful and dangerous illicit goods.

When rights holders record their federally registered trademarks and copyrights with CBP, the agency can enforce those rights to protect them at the border. As of September 30, 2022, CBP was enforcing **18,857** active recorded copyrights and trademarks, including **1,758** new and renewed recordation applications. In FY2022, CBP seized **20,812** shipments with IPR violations. If the seized products were genuine, the total manufacturer's suggested retail price (MSRP) of the items would have been just under **\$3 billion**. This value is very similar to FY2021 data, with less than a **three percent** decrease between the two fiscal years. In FY2022, the number of unique IPR seizure cases was **23 percent** lower compared to FY2021. However, the total number of IPR seizures by commodity remained relatively unchanged with a **less than one percent** difference compared to the previous year. This demonstrates that seizures in FY2022 tended to be larger than in FY2021, with individual seizures including multiple commodity types, whereas FY2021 seizures tended to be smaller and specific to a single commodity.

CBP received and responded to **733** pre-seizure determinations and adjudicated **87** IPR administrative petitions. At the end of FY2022, CBP was administering **143** active exclusion orders issued by the U.S. International Trade Commission following investigations of unfair trade practices in the importation of articles into the United States in violation of 19 U.S.C. § 1337, the majority of which are based on allegations of patent infringement.

In FY2022, CBP also continued to work with the U.S. Chamber of Commerce through a memorandum of understanding on information sharing to enhance IPR enforcement. The joint initiative established a first-of-its-kind framework for public-private collaborations on combating counterfeit and pirated goods.

As part of its partnership with the U.S. Chamber of Commerce, CBP reached an audience of nearly **90 million** people in **two** separate public awareness campaigns on the dangers of counterfeit goods. CBP also provided exclusive IPR seizure statistics to the U.S. Chamber of Commerce for the first three quarters of FY2022 and will provide the same information for the fourth quarter once it is available. The two organizations also are providing bi-directional training to relevant CBP and Chamber of Commerce employees, members and staff. During FY2022, CBP trained U.S. Chamber members on CBP's data methodology as it relates to IPR.

Finally, CBP is conducting a data sharing pilot with three of the U.S. Chamber's member companies. The current pilot serves as an opportunity to establish best practices for IPR data sharing with the private sector. It also offers CBP the ability to test the viability of data sharing with major brands to better target and seize imports of counterfeit and pirated goods and other IPR violative merchandise. By the end of FY2022, CBP and the U.S. Chamber added two additional member companies and were actively seeking to expand the pilot program.

In FY2021, CBP launched a webinar series for small and medium enterprises that focused on how companies can work with CBP to protect their intellectual property at the border. In FY2022, CBP continued this effort. The series consisted of **eight** webinars covering a range of topics including gray market protection for e-commerce companies. Additionally, CBP partnered with other government agencies including the Small Business Administration and the U.S. Patent and Trademark Office to provide a more holistic overview of how small- and medium-sized enterprises can play an active role in protecting their intellectual property. CBP reached over **1,600** small-and medium-sized enterprises as part of this effort.

## *Commercial Targeting and Analysis Center (CTAC) – Safety in Numbers*

CBP leads the Commercial Targeting and Analysis Center (CTAC), which is comprised of multiple co-located partner government agencies responsible for targeting and intercepting commercial shipments that pose a threat to the health and safety of Americans. The CTAC facilitates information sharing and leverages the collective resources of participating government agencies to prevent, deter, interdict and investigate violations of U.S. import and export laws. A total of **12** federal agencies have signed memorandum of understanding agreements to be able to share targeting information as part of CTAC. During FY2022, CTAC partner government agencies facilitated efforts that led to **9,214** seizures of products posing health and safety risks to the American public. The total domestic value of these import safety seizures was over **\$125 million**.

## **Modernizing Trade Systems**

### *Green Trade Strategy*

On June 30, 2022, CBP publicly announced the launch of its first Green Trade Strategy, an agency-wide strategic framework that formalizes and fortifies CBP's commitment to combating the negative effects of climate change and environmental degradation in the context of the trade mission. The strategy lays out the agency's vision for establishing CBP as a champion for the green economy and a leader in the fight against climate change. CBP accomplishes these goals through its facilitation of the global transition to green trade and the reduction of carbon emissions associated with global trade flows and trade processes as well as its responsible stewardship of the agency's own environmental footprint. CBP is uniquely positioned to make continued impact on the path to a cleaner, more sustainable future due to the agency's ability to influence global supply chain practices and enforce against environmental crimes.

With the Green Trade Strategy, CBP is looking to set an example for customs authorities around the world to develop higher, greener standards for global trade while creating an opportunity for government, industry and the public to unify efforts in the creation of a more sustainable future. CBP will collaborate with stakeholders across the international trade environment in a manner that matches the urgency of climate change and the threat it poses to the global economy and the planet.

While this is the agency's first official green trade strategy, CBP has already prioritized combatting climate change and environmental degradation in several ways that have resulted in progress toward meeting these strategic goals. CBP has a robust history of working with partner government agencies and international partners to enforce environmental laws, taking targeted action against natural resource crimes including illegal logging; wildlife trafficking; illegal, unreported and unregulated fishing; and illegal mining. Moreover, each year, under CBP and the U.S. Department of Agriculture's joint Agricultural Quarantine Inspection program, CBP agriculture specialists and officers target, detect and intercept tens of thousands of "actionable pests" and diseases in commercial shipments at U.S. ports of entry and international mail facilities.

CBP also has enjoyed a long and productive partnership with the U.S. Environmental Protection Agency (EPA) in enforcing the *Clean Air Act*, the *Toxic Substances Control Act*, and most recently the *American Innovation and Manufacturing Act (AIM) of 2020*, which mandates an accelerated phase down of the importation of hydrofluorocarbons, greenhouse gases with global warming potential that can be hundreds to thousands of times more potent than carbon dioxide.

In January 2020, CBP and EPA initiated the Interagency Task Force on Illegal Hydrofluorocarbon Trade to detect, deter and disrupt attempts to illegally import hydrofluorocarbons to the United States. To date,

CBP and EPA have issued letters of denial stopping illegal hydrofluorocarbon shipments equivalent to more than **889,000** metric tons of carbon dioxide, the same amount as the emissions from nearly **173,000** homes' electricity use for one year.

### *eCERT*

For many types of commodities, an endorsement by a foreign government or its representative is required to signify shipments are authorized for export to the United States. This endorsement often is in the form of an export certificate, certificate of eligibility, or a license that describes the type and quantity of merchandise contained in the shipment, certifies the country of origin and authorizes the shipment to be charged against any applicable quota.

CBP developed the Electronic Certification System, or eCERT, to allow participating foreign countries to transmit export license/certificate data electronically. The system electronically transmits the required export document information, facilitating the administration of quotas and ensuring adherence to certificate limits and expiration. eCert enables CBP to process certificate identification data instantaneously and secure transmissions, protecting certificate confidentially. The system also provides a barrier to prevent the introduction of fraudulent certificates and improves quota compliance and enforcement.

In FY2022, CBP deployed eCERT 2.0 to enhance existing features by adding validations to verify authorized use of export certificates, automating the decrementing and incrementing of export certificate usage and enabling users to query export certificate usage. This enhancement includes electronic data interchange impacts such as a new Automated Broker Interface query. Enhancements to eCert were successfully used to process goods from Uruguay, Argentina, Australia and New Zealand.

### *21st Century Customs Framework (21CCF)*

The emergence of rapidly changing technology, the continued expansion of the global marketplace and the rise of e-commerce have introduced new threats and challenges, many of which adversely impact U.S. businesses, trade partners, consumers and our economic security. Among these challenges, modern-day supply chains are comprised of multiple actors from the point of production to the sale of goods, making it difficult to detect violative behavior. Addressing these challenges is central to CBP's trade facilitation and enforcement mission; however, CBP is limited by outdated legislative authorities, which have not seen comprehensive updates in 29 years.

The 21st Century Customs Framework seeks to better enable the U.S. government to address current and future trade challenges and modernization barriers through updates to CBP's legislative authorities. In pursuing the 21st Century Customs Framework, CBP envisions:

- A re-imagined entry process for cargo
- Improved data sharing with the trade community and other government agencies
- Modernized enforcement authorities to enable CBP to work more efficiently and effectively

During FY2022, CBP drafted legislative discussion drafts that would enable the agency to achieve this vision and has invited industry feedback via the 21st Century Customs Framework Task Force. The Task Force operates under the guidance of the Commercial Customs Operations Advisory Committee (COAC), CBP's private sector trade advisory group. This Task Force is comprised of over **100** members representing a range of roles and equities spanning across the customs environment. In FY2022, CBP held a total of **15** working sessions with 21st Century Customs Framework Task Force members.

The close collaboration paid off. CBP and the industry-led 21st Century Customs Framework Task Force reached a consensus on the majority of the 21st Century Customs Framework legislative package, which the Task Force formally expressed in a recommendation shared at the COAC public meeting on September 14, 2022.

### *Automated Commercial Environment (ACE)*

The Automated Commercial Environment (ACE), CBP's cargo processing system, continues to be a tremendous benefit for international trade. Through ACE, CBP applies expertise, technology and automation to create streamlined and efficient processes that facilitate safe and legitimate trade and collaborate with private and public partners to target bad actors who seek to circumvent U.S. trade laws.

ACE's automation and process simplification efforts resulted in increased economic benefits for both CBP and the trade community over the past fiscal year. For the trade community, ACE reduced processing times by **795,000** hours across **five** processes and saved **\$1.71 billion** in FY2022. For CBP, processing times were reduced by **9.99 million** hours across **17** processes and saved **\$709.6 million**, enabling CBP to divert resources to other priorities.

During FY2022, CBP continued to develop and deploy the ACE Collections Module, the agency's system for processing, documenting and collecting duties, taxes and fees on cargo. CBP deployed ACE Collection Releases 4, 5 and 6 in FY2022. Release 4 enhanced bill management workflow, including the creation of a bill record. Release 5 enhanced the debt management workflow, automated processing and reporting and the system's debt collections management and tracking. Release 6 enhanced the refunds management workflow and provided the ability to search, create, certify, and approve refunds.

Also in FY2022, the agency completed its modernization of ACE's truck manifest module. Before the modernization, less than **40 percent** of truck manifests at all ports cleared primary processing in less than **30 seconds**. Today, more than **99 percent** of the **45,000-50,000** trucks cleared daily at the U.S. ports of entry were processed in less than **30 seconds**.

### *Next Generation Technology*

CBP is committed to modernizing and facilitating the flow of secure data in trade processes. After several years of evaluating blockchain technology, CBP shifted its focus to an interoperability approach, which enables different software systems to communicate with each other. This provides flexibility for the trade community to choose how to exchange data with CBP and potentially other systems internationally. To facilitate this development, CBP is advocating for standards for interoperability among blockchain, distributed ledger technologies, other emerging technologies, and legacy systems.

Interoperability will provide businesses with the flexibility of choosing the most efficient way to exchange data with CBP and potentially any system in the world. Furthermore, it will bring CBP into the next generation of modernized systems, allowing the agency to receive and transmit data between traditional and non-traditional trade entities in near real time. This will generate better quality data much earlier in the supply chain process, enabling the government to make earlier determinations and to share the responses of those decisions with the trade community. Employing interoperability standards will allow all types of systems to participate in supply chain activities without forcing the trade industry to use any single technology. In July 2022, the World Wide Web Consortium, an international organization that creates standards for the World Wide Web, accepted CBP's recommendation for a decentralized identifier, a standard unique identifier for entities. This was the first major step in attaining wide acceptance of interoperability standards throughout the trade community.

So far, CBP’s investment into interoperability has demonstrated exciting results, including the ability to expedite cargo processing, support enhanced enforcement activity and future-proof the trade process through choice of technology. CBP is currently collaborating with the Department of Homeland Security Science and Technology Directorate on **five** projects that demonstrate distributed ledger technology. The projects, in the steel, pipeline gas, pipeline oil, food safety and e-commerce sectors, are being developed as part of the Silicon Valley Innovation Program, which works with private sector partners to advance homeland security solutions. Through these commodity-focused projects, CBP seeks to achieve the following objectives:

- Use global interoperability standards that will allow CBP to connect with the international trade community without influencing technology choice
- Increase transparency, security and facilitation in supply chains
- Enhance identification of trade entities

CBP plans to test these projects in 2023 and 2024 with the goal of using the technology to develop ACE 2.0, CBP’s next generation single window cargo processing platform. ACE 2.0’s development will begin in FY2025, provided CBP receives authorization and funding.

### Facilitation and Enforcement of Cargo

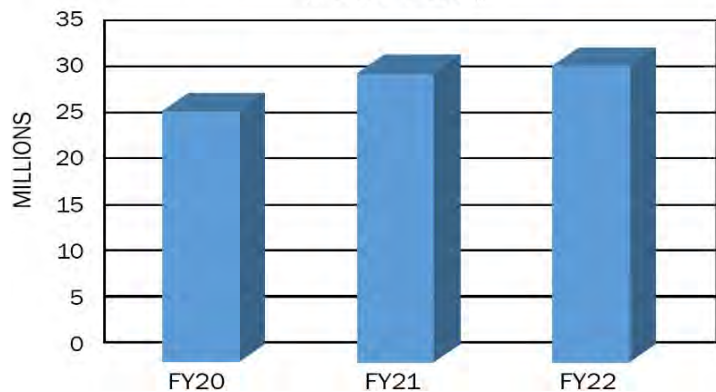
#### *Non-Intrusive Inspection Technology*

CBP law enforcement personnel use non-intrusive inspection systems (NII) and radiation detection equipment to inspect conveyances and vehicles effectively and efficiently for the presence of contraband and illicit radiological materials. The average NII examination of a cargo container takes approximately **8** minutes, while a physical inspection takes **120** minutes on average. The time saved using NII and radiation detection equipment saves CBP **\$1 billion** in annual operations and saves industry **\$5.8 billion** to **\$17.5 billion** in costs due to delays.

In FY2022, CBP officers used large-scale NII systems to scan over **7.6 million** conveyances, which resulted in the interdiction of more than **100,000 pounds** of narcotics, approximately **\$2 million** of undeclared U.S. currency, and identification of **86** undeclared passengers.

CBP continued to focus on its goal of significantly increasing vehicle scanning across the Southwest Border. In this capacity, CBP conducted site surveys for more than **60 percent** of land ports of entry that are scheduled to receive enhanced drive-through NII systems that were procured with prior year funding. CBP also focused on deploying and procuring new large-scale, small-scale, and handheld NII systems to sustain the current scanning regimes at and between ports of entry. During FY2022, **48** NII systems were deployed and **1,486** NII systems were procured.

SHIPPING CONTAINERS ENTERING THE U.S.  
(FY20 - FY22)



Additionally, CBP assessed advanced technology to understand its capability in thwarting emerging threats. In the mail and express consignment environments, CBP, in coordination with the Department of

Homeland Security Science and Technology Directorate, installed **three** computed tomography scanning systems to initiate pilots designed to understand how parcel handling systems can assist officers in detecting high-risk shipments. The team also coordinated with stakeholders to identify a solution for interference that results when large-scale NII systems and radiation portal monitors are located in close proximity. CBP and the DHS Science and Technology Directorate will continue to work with technical partners to create software to mitigate the issue, especially as drive-through NII systems are deployed in the future.

Lastly, CBP continued to assess standoff detection technology for rapid screening at a distance to address a limited scanning gap in the pedestrian environment at two Southwest Border land ports of entry. CBP's goal is to use the passive technology during pedestrian processing to enhance officers' and agents' situational awareness and to help identify potential weapons or dangerous objects concealed on pedestrians' bodies. The assessments will continue into FY2023 and transition to permanent deployments.

### *Unified Cargo Processing*

In FY2022, CBP jointly inspected goods with Mexico's customs authority at 12 operational unified cargo processing locations along the U.S.-Mexico border. An innovative concept, unified cargo processing was initiated by CBP and Mexico's Tax Administration Service (SAT) in 2016 to conduct joint cargo inspections at the facilities of the importing or exporting country. The joint inspections have enhanced national security and have streamlined the supply chain, resulting in a **50 percent or greater** reduction of border wait times and a **99 percent** trade compliance rate. Companies whose goods are inspected at unified cargo processing sites also report a significant reduction in transit inventory costs. In FY2023, CBP will be open to expanding unified cargo processing along the Southwest border and has begun discussions with Canada regarding a potential operational test for the Northern border.

### *International Mail*

CBP continued to allocate resources for critical infrastructure and technology investments to modernize CBP's inspection areas at international mail facilities across the United States. The contract was awarded for the purchase of mail sorting and singulation technology for the John F. Kennedy International Airport, where more than **60 percent** of international mail arrives in the United States. This technology will be linked to state-of-the-art non-intrusive inspection equipment that will increase the volume and speed of mail inspected as well as improve the rate at which CBP is able to detect, hold and seize suspicious mail. CBP also funded the building of additional on-site laboratories to help with secondary examinations at the international mail facilities. Both of these efforts support new enforcement capabilities that will increase mail processing efficiency and security. CBP screens mail at **six** international mail facilities in the United States to look for smuggled and prohibited goods, intellectual property violations and to assist partner government agencies in enforcing laws and regulations.

### *Donations Acceptance Program*

CBP approved **one** new partnership under the Donations Acceptance Program in FY2022. The program, established in FY2015, legally allows CBP to work with border community and trade stakeholders to help equip CBP's frontline officers and trade specialists with the infrastructure, tools, and capabilities they need to operate more effectively. Since the program's inception, CBP has approved **43** Donations Acceptance Program partnerships, totaling an estimated **\$217 million** in planned and realized investment in U.S. port of entry improvements and other mission enhancements.

CBP approved a partnership with the New Mexico Border Authority in March 2022, impacting the Santa Teresa Port of Entry. The project entails constructing a sidewalk on the periphery of the existing parking

lot, which will permit pedestrians to safely transit between port processing and the newly renovated visitor center.

Furthermore, in FY2022, CBP fully executed acceptance agreements for **two** of its Donations Acceptance Program partnerships, a large-and a small-scale project donated by the Anzalduas International Bridge and the City of Del Rio, Texas, respectively. The Anzalduas International Bridge will be donating north and southbound commercial inspection facilities and related infrastructure and technologies. The City of Del Rio will be expanding roadway that will include two new lanes and all of the required appurtenances. Both Donation Acceptance Agreements were executed in December 2021. Partnerships entered into under the Donations Acceptance Program enhance border security and promote the safe and efficient flow of passenger travel and commercial trade.

### *Customs Trade Partnership Against Terrorism*

The Customs Trade Partnership Against Terrorism (CTPAT) is a voluntary public-private sector partnership program, which recognizes that CBP can provide the highest level of cargo security only through close cooperation with the principal stakeholders of the international supply chain such as importers, carriers, consolidators, licensed customs brokers and manufacturers. From its inception in November 2001, CTPAT has continued to grow. Today, more than **10,900** certified partners, spanning all corners of the trade community, have been accepted into the program. The partners include U.S. importers, exporters, U.S./Canada highway carriers, U.S./Mexico highway carriers, rail, air and sea carriers, licensed U.S. Customs brokers, U.S. marine port authority/terminal operators, U.S. freight consolidators, third party logistics providers (3PL), ocean transportation intermediaries and non-operating common carriers, Mexican and Canadian manufacturers and Mexican long-haul carriers, all of whom accounted for **51 percent** (by value) of cargo imported into the United States in FY2022.

Following the success of virtual validations in FY2021, the program continued to validate CTPAT partners via video conferencing technology. Virtual validations were extended to a select group of companies that have demonstrated full adherence to the program's requirements, including having a CTPAT on-site validation in the past and incorporating all components of the revised CTPAT minimum security criteria.

CTPAT partners were required to implement the program's updated minimum security criteria starting in FY2020. As part of the process, in FY2022, CTPAT completed **1,467** validations to certify that CTPAT partners both implemented and followed the highest level of supply chain security measures under these new requirements. Additionally, CTPAT accepted **133** Authorized Economic Operator validation certificates from foreign mutual recognition partners during FY2022. While the vast majority of CTPAT members, **98.2 percent**, remained in good standing with the program, CTPAT's enforcement actions led to **101** suspensions and **127** removals in FY2022.

During the fiscal year, CTPAT worked with the University of Houston to conduct an in-depth assessment of the CTPAT program. The primary goals were to identify areas in need of improvement, better understand the program's successful accomplishments, identify cost-benefit enhancements for industry partners and the CTPAT program, as well as establish new or build upon existing performance metrics. Results of the assessment were published in the spring of 2021. CTPAT subsequently assembled three working groups tasked with developing a response and strategy to implement the study recommendations into the program.

During FY2022, CTPAT expanded its international footprint by signing two additional mutual recognition arrangements with the customs administrations of Uruguay and Brazil. To date, CBP has

signed a total of **16** mutual recognition arrangements with additional mutual recognition arrangements expected in the next two years.

Over the last fiscal year, CTPAT also proactively promoted its updated security criteria globally by requiring that its current mutual recognition arrangement partners adopt similar updated requirements. Additionally, the World Customs Organization (WCO) was asked to adopt key CTPAT requirements related to forced labor prevention and the protection of supply chains from visible contaminants and pests as part of the WCO's Authorized Economic Operator program. While the requirements have not been adopted yet by the WCO, they have been discussed at length and have received a lot of visibility worldwide. As a result, many customs administrations are currently implementing similar requirements.

Closer to home, CTPAT conducted outreach to the trade community regarding mandatory forced labor requirements. For CTPAT Trade Compliance partners, the requirements went into effect during the summer of 2022.

The CTPAT Trade Compliance component was officially launched in FY2022, after the Trusted Trader pilot was completed and CBP's former Self-Assessment (ISA) program was successfully integrated into the CTPAT trade compliance branch. This action also finalized CTPAT's transformation into an Authorized Economic Operator program that is in line with other customs administrations' programs and the WCO's guidance. With the official launch of the program, the updated CTPAT Trade Compliance Handbook, which outlines the program's requirements and expectations, was published on [cbp.gov](http://cbp.gov) in July 2022. Following the release of the handbook, CTPAT opened the program for new applications on August 1, 2022.

During FY2022, CTPAT's Trade Compliance component also continued collaborating with the Commercial Customs Operations Advisory Committee (COAC), CBP's private sector trade advisory group, to create **six** forced labor program requirements that are now part of CTPAT's Trade Compliance program. The forced labor requirements, which became mandatory on August 1, 2022, must be met by all new CTPAT trade compliance partners.

CTPAT also promoted greater efficiency throughout FY2022. The program enabled CBP officers to reallocate a larger portion of their time to examining high-risk cargo by reducing examination rates for CTPAT partners, saving them over **\$53 million**.

Finally, efficiencies also were achieved during FY2022 through CBP's Advanced Qualified Unlading Approval (AQUA Lane) program. The program decreased time to market for imports arriving on sea vessels by increasing shipping expediency, ensuring predictability and providing cost-savings for CTPAT members. In FY2022, CTPAT sea carriers that requested to unlade cargo in advance saved nearly **\$20 million** in total.

### *Agriculture Inspections*

CBP agriculture specialists conducted more than **1.1 million** examinations during FY2022 on imported agriculture or agricultural-related commodities at the U.S. ports. These examinations yielded **59,649** pest submissions that could be harmful to crops, vegetation, and the ecological environment. CBP agriculture specialists examine agriculture imports for potential plant pests and diseases, incorrectly manifested and smuggled items and prohibited animal products and byproducts. As part of their inspection process, CBP agriculture specialists examine wood packaging materials associated with cargo to search for wood boring insects such as Asian long-horned beetles. They also inspect containers and conveyances for hitchhiker pests such as Asian gypsy moths and exotic fruit flies as well as for contamination from prohibited weed seeds, food scrap, or soil.



### *Perishable Cargo Inspection Request*

*CBP One*<sup>™</sup> is a single portal for stakeholders to interact with CBP via mobile devices. In FY2021, a feature was developed that allows brokers and carriers to request agriculture inspections or other services for perishable cargo such as fruit, flowers and other time-sensitive goods. Currently **nine** U.S. airports have the *CBP One* capability. During FY2022, CBP received nearly **65,012** perishable cargo inspection or service requests from stakeholders and **6.4 million** boxes of perishable goods were inspected.

When brokers and carriers request a perishable cargo inspection through the app, they receive live status updates from CBP, alerting them when agriculture specialists, who will be conducting the inspection, are en route to the inspection facility, at the facility, and when the inspection is completed. The perishable cargo inspection feature, which was designed for the air environment, provides greater efficiency and transparency for the trade community, saving both time and money. The *CBP One* app is available for Apple and Android devices.

## **IV. Conclusion**

CBP is the face at the border for all travelers and cargo entering the United States. Each day, nearly a half of a million people arrive at **328** U.S. ports of entry by air, land and sea and nearly **\$14.7 billion** worth of international trade crosses our borders. More than **32,500** CBP officers, agriculture specialists, trade and revenue staff and mission support staff uphold CBP's critical anti-terrorism mission, enforce import and export laws and regulations of the United States, implement immigration policies and programs, and protect the United States from foreign animal and plant pests, diseases and invasive species that could cause serious damage to U.S. crops, livestock, pets, and the environment.