

**Commercial Customs Operations Advisory Committee  
Secure Trade Lanes Subcommittee  
Executive Summary**

**March 2023**

**COAC**

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**COMMERCIAL CUSTOMS OPERATIONS  
ADVISORY COMMITTEE**

**Commercial Customs Operations Advisory Committee (COAC)**  
**March 2023**

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

**Co-Chairs**

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

**Secure Trade Lanes Subcommittee Members:**

Dave Corn, Vicente Herrera, Chris Everley, Mary Hodges, Kerry Novak, Julie Pojar

**Background:**

The Secure Trade Lanes subcommittee has five active working groups focused on areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies. These groups are working to enhance trade partnership programs, improve management of imports and exports, deploy authentication technologies to reduce supply chain barriers, and update the in-bond process.

The following working groups make up the Secure Trade Lanes Subcommittee:

- 1) Export Modernization Working Group, co-chaired by Dave Corn and Vicente Herrera Gonzalez
- 2) In-Bond Working Group, co-chaired by Chris Everley and Jose (JD) Gonzalez
- 3) Trade Partnership and Engagement Working Group, co-chaired by Angela Cook, Kerry Novak and Julie Pojar
- 4) Cross-Border Recognition Working Group, co-chaired by Stephen Simmons and Jose (JD) Gonzalez
- 5) Pipeline Working Group chaired by Mary Hodges
- 6) Remote and Autonomous Cargo Processing Working Group, temporarily inactive

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

**Summary of Work**

The Secure Trade Lanes Subcommittee has the responsibility of focusing on areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies. The Secure Trade Lanes sub-committee have met three times this quarter to discuss the ongoing efforts in the five active working groups areas. This quarter the Export Modernization, In-bond, and Cross-Border Recognition Working Groups will have recommendations to put forth.

**Export Modernization Work Group**

Since our last COAC meeting in December, the Export Modernization Working Group (EMWG) has continued to meet bi-weekly with CBP, Census and members of the trade to continue to push for the development and rollout of the Electronic Export Manifest (EEM). In November of last year, the

EMWG held an in-person workshop in Washington, DC where we discussed the challenges and benefits that EEM presents within each mode of transportation. From that in-person session, the EMWG established a list of follow-up items with the goal that they would be addressed and developed in this COAC term.

In the first quarter of 2023, one of the topics from the workshop allowed for the formation of a Multi-Modal Task Force within the EMWG to identify and discuss mechanisms to tie house bill of lading manifest data to border crossing data for shipments leaving from non-U.S. destinations. The work from this group has been extensive in this quarter; while we have attempted to make this process as clear and simple as possible, we found that there is more work to be done. Therefore, we have one recommendation from the EMWG for CBP to evaluate the development of a process to connect these data elements together.

The EMWG Truck Focus Group (TFG) continues the discussion to build data elements that CBP and Census will need as shipments cross the border to Canada and Mexico. While we wait to meet with our counterparts in Canada and Mexico, the goal is to finalize our discussion of necessary data elements for the next public COAC meeting.

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

Following the COAC public meeting last quarter, the In-Bond Working Group (IBWG) has held bi-weekly meetings with CBP to continue discussing in-bond modernization, as well as the status of previous COAC recommendations. Keeping the momentum, the IBWG provided CBP with Requests for Development (RFD) that had been submitted during the previous term, which compliment many of the past recommendations. CBP advised the group on its work to compile the list of past recommendations and statuses for future working group discussions.

The IBWG has drafted three recommendations to submit for the March 29<sup>th</sup>, 2023, COAC public meeting. These recommendations focus on automation and improvements to the in-bond processes referred to in 19 CFR Chapter 18, with respect to in-transit time, extensions, and hold notifications. The IBWG will continue reviewing the in-bond regulations, rules and procedures in an effort to identify additional opportunities that will provide mutual benefits for both Trade and CBP across all modes.

### **Trade Partnership and Engagement Working Group**

The working group was able to meet five times since the December public meeting. The focus of the Trade Partnership and Engagement Working Group (TPE WG) meetings this quarter was on partnership benefits. The calls this quarter centered around review of the proposed CTPAT Trade Compliance Forced Labor Benefits Matrix. This matrix includes a list of proposed benefits for CTPAT Trade Compliance members, related to forced labor.

In addition to the benefit discussion, the WG worked to plan an in person workshop to be conducted in Seattle, WA the day following the COAC public meeting.

The TPE WG does not have any recommendations for this quarter.

### **Cross-Border Recognition Working Group**

Since the last public meeting on December 7<sup>th</sup>, 2022, the CBRWG had bi-weekly meetings discussing cross-border trade opportunities that align with commercial and economic strategies of the U.S - Mexico High-level Economic Dialogue (HLED). During these meetings, CBP provided updates to the group about the ongoing discussions with several Mexican government agencies pertaining to Trusted Trader and Unified Cargo Processing programs. CBP has been engaged with Mexico's Authorized Economic Operator (AEO) program (a trusted trader program like CBP's Customs Trade Partnership Against Terrorism (CTPAT)) to align minimum security requirements. The trade members also provided updates from interactions with agencies including USDA-APHIS, Mexico's National Service of Agro-Alimentary Health, Safety, and Quality (SENASICA), and others that regulate various aspects of the cross-border supply chain.

At the March 29<sup>th</sup>, 2023, Public COAC meeting, the Cross-Border Recognition Working Group will present three recommendations. These recommendations are based on industry knowledge, with input from CBP, and are designed to facilitate process improvements in order to streamline cross-border movements of legitimate trade.

### **Pipeline Working Group**

The Pipeline Working Group Phase II was placed on hiatus on in 2019. Since the last public meeting Phase III of the working group has been reactivated to review, provide feedback and formulate recommendations in the following areas: development of regulations policy, uniformity and automation for petroleum and natural gas pipeline operations. Two (2) virtual meetings have been held to review the recommendations of phase II. The Pipeline Working Group will continue discussions focusing on the review of the phase II recommendations to determine next actions. The Pipeline Working Group does not have recommendations to submit for the March 2023 meeting.

### **Conclusion**

The Secure Trade Lanes Subcommittee will continue to leverage its existing working groups and trade subject-matter experts to provide feedback on the various challenges facing CBP and the Trade and collaborate to help CBP achieve its dual goals of trade facilitation and enforcement enforcement.