



Coalition of New England Companies for Trade (CONNECT)

CBP & FDA - How Do We Facilitate Trade in the 21st Century?

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



Agenda

- CBP Priority Principles
- Centers of Excellence and Expertise
- ACE Project Priorities
- Update on ACE Capabilities
 - e-Manifest: Rail and Sea
 - International Trade Data System (ITDS) Initiatives
 - Cargo Release
 - Simplified Entry
 - Exports
- ACE Resources and Reference Information





Transforming CBP: Six Priority Principles

**Consistency/
Harmonization**

**Trusted Trader
Program**

Education

Modernization

Co-Creation

**Trade
Enforcement**



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

March 15, 2012



Centers of Excellence and Expertise

■ Goals of the Centers

- Increase uniformity of practices across ports of entry
 - Facilitate the timely resolution of trade compliance issues nationwide
 - Further strengthen critical agency knowledge on key industry practices
 - Serve as a single point of processing for businesses enrolled in CBP's trusted shipper programs, Customs-Trade Partnership Against Terrorism (C-TPAT) and Importer Self Assessment (ISA)
 - Increase industry-based knowledge to segment risk, develop trade facilitation strategies, and enhance enforcement
 - Serve as a resource to the broader trade community and to CBP's U.S. government partners
-
- Two Centers established October 1, 2011
 - Electronics Center (Long Beach, CA)
 - Pharmaceutical Center (New York, NY)





ACE Project Priorities

Priority	Delivered	Remaining
Category	Priority Rank	Functionality
Manifest		ACE e-Manifest: Truck
	1	ACE e-Manifest: Rail & Sea
		Air Manifest
		Integration of Multi-Modal Manifest
		Vessel Management System
Cargo Release	2A	Simplified Entry, Phase I
	2B	Document Image System
	2C	PGA Message Set
	2D	PGA Interoperability
	2E	Future Phases of Simplified Entry
Entry Summary		ACE Accounts and Reports
		Periodic Monthly Statement
		Entry Summary (Type 01 and 11)
		Antidumping/Countervailing Duty Entries (Type 03)
		Post Summary Corrections
	3	Entry Summary Edits





ACE Project Priorities

Priority	Delivered	Remaining
Category	Priority Rank	Functionality
Entry Summary		Remaining Entry Summary Types
		Mail Entry Writing System
		Importer Activity Summary Statement (Simplified Summary)
		Drawback
		Reconciliation
		Protest
		Entry Liquidation
Exports	5	Exports
Financial		Integration of all financial capabilities in ACE
Operations and Maintenance	4	Priority fixes (Problem Reports)
		Ongoing fixes and enhancements
		ACS re-hosting
		AES re-hosting
		Reducing O&M costs
		Transition to target architecture
	SEI assessment and integration planning	
Other		System Migration (LIMS, SEACATS, etc.)





e-Manifest: Rail and Sea

Date	Milestone
May 2011	Initiation of Trade Testing - Interested trade parties should contact susan.maskell@dhs.gov to begin testing.
August 2011	System deployment
Fall 2011- Winter 2012	Trade Pilot - Rail and sea manifest capabilities available via ACE Portal including rail entry banks, management of conveyance data, in-bond authorization and new MMM reports - 11/28/11 - First ocean carrier began submitting data to ACE - 12/7/11 - First rail carrier began submitting data to ACE - Additional trade participants added regularly Initiation of CBP Pilot - 12/5/11- Initiation of CBP Port rollout in Buffalo, Baltimore and Brownsville - Rollout to all direct arrival ports by end of March 2012





e-Manifest: Rail and Sea *cont.*

Target Date	Milestone
March 2012	Announcement via Federal Register Notice: <ul style="list-style-type: none">• ACE as the only CBP-approved electronic data interchange (EDI) through which rail and sea manifests may be transmitted• Up to a six-month transitional period to allow for any remaining rail and sea filers to complete the transition to ACE before decommissioning rail and sea capabilities in the Automated Manifest System (AMS)
September 2012	Planned decommissioning of AMS for rail and sea manifest Planned transition to ACE for filing of all rail and sea manifests.





ACE ITDS Highlights

Three crucial building blocks for the “single window” vision:

- **Document Image System:** Will provide capability for trade members to supply required documentation to federal agencies electronically
 - For ACE Entry Summaries, including entry summaries certified for release
- **PGA Interfaces/Interoperability:** Web service allowing CBP and PGA systems interface via standardized protocols
 - Consumer Product Safety Commission (CPSC) successfully receiving authorized production entry and entry summary data directly from CBP
- **PGA Message Set:** Single, harmonized set of information to be collected electronically from trade members by CBP on behalf of the PGAs
 - Will allow government to make decisions about what cargo can come into the U.S. without the myriad of paper forms currently required
 - For ACE Entry Summaries, including entry summaries certified for release





ITDS - Document Image System (DIS)

- DIS facilitates the automated submission of CBP and Participating Government Agency (PGA) forms and supporting information
- Documents will be stored in the DIS and made available to CBP and PGA users to review, comment, and update status to Received, Pending, Accepted, or Rejected
- The Federal Register Notice expected in March will authorize the test for Trade to submit scanned documents via DIS
- Two PGAs, Environmental Protection Agency (EPA) and National Marine Fisheries Services (NMFS), have volunteered to join in the CBP pilot test of DIS in 2012



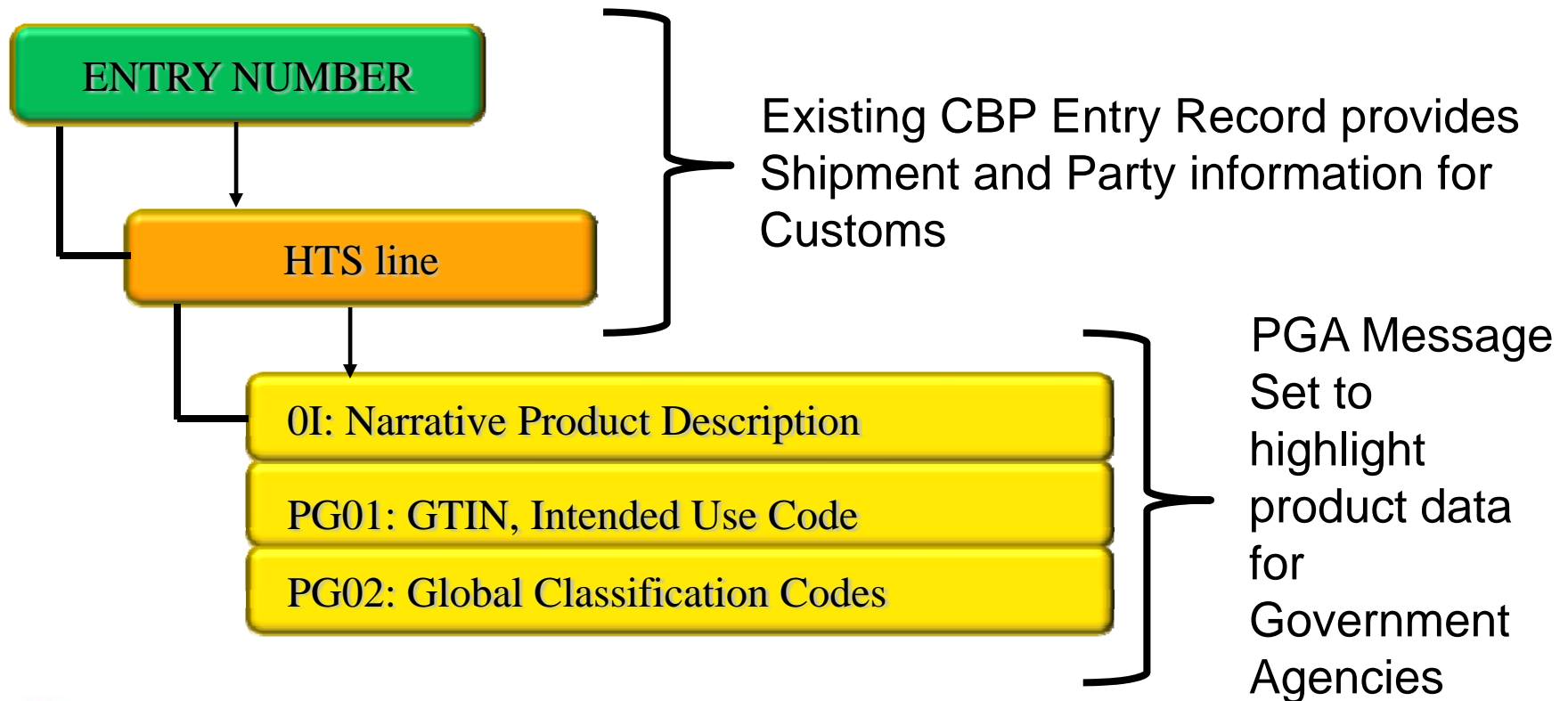


DIS Forms Initially Supported

CBP	EPA	APHIS	NOAA
Commercial Invoice	TSCA Import Certification Form	APHIS Ingredients List	Fisheries Certificate of Origin (NOAA 370)
Packing List	EPA Pesticide Label	APHIS Import Permit	Toothfish Pre-Approval Form
Invoice Worksheet	EPA 3520-21 – Importation of Motor Vehicles and Engines Subject to Fed Air Pollution Regs (off road)	APHIS Phytosanitary Certificate	
	EPA 3520-1 – Importation of Motor Vehicles and Engines Subject to Fed Air Pollution Regs (on road)	APHIS Transit Permit	
	EPA 3540-1 – Notice of Arrival of Pesticides and Devices	APHIS Notice of Arrival	
	EPA Pre-approved Vehicle/Engine Exemption	APHIS Preclearance 203	



Updated Automated Broker Interface records will relate currently reported data to the product data





Cargo Release

- Focus on admissibility of imported articles and their release into the commerce of the United States in coordination with PGAs and the trade community
 - Enabling CBP and 40 PGAs to jointly evaluate security, safety and compliance of imported cargo
 - Critical link for Single Window concept
- Stakeholder involvement critical to requirements process
- Functionality will be delivered in small increments
- Migration to ACE will include decommissioning of ACS for cargo release



ace Cargo Release – Key Process Improvements

- Single Window Concept
 - Visibility and automated communications between government agencies
 - Single, coordinated government release
- Automated entry correction/deletion process correlated with entry summary processing
- Quick and seamless resumption of import operations during emergencies
- Enhanced tracking of “redelivered” cargo
- Simplified Entry, the expedited entry process for trusted traders, will serve as the first phase of cargo release



Simplified Entry Overview

1. Filers will Submit a Streamlined Data Submission

Filers will submit a reduced amount of information—12 required and three optional data elements—prior to the arrival of the merchandise for transporting the cargo to the U.S.



2. Filers can Provide the Information in Advance

The simplified entry can be filed earlier in the import process, allowing an expanded window of opportunity to identify potential risks earlier.

3. Filers can Update the Data for Accuracy

It will also allow pilot participants to update entry information, providing CBP more accurate data and enhancing cargo security.



This simplifies the merchandise release process, allows for more streamlined electronic transmission for the filer, and assists importers in finalizing cargo movement logistics.



Simplified Entry Benefits

- Enhances Cargo Security
 - Allows CBP and the Trade to identify and address potential risks earlier in the process
- Reduces Transaction Costs
 - Reduces transaction costs for importers and CBP by filing data once
 - Greater predictability; allows importers to make logistical arrangements in advance of arrival
 - Reduces “exceptions” needing special processing after arrival
- Expedites Cargo Release
 - Expedites data submission and cargo release decisions





Simplified Entry Pilot

■ FRN Announcement

- 40 applications in response to November 9, 2011 Federal Register notice announcing the pilot
- Nine brokers selected to participate in pilot test of Simplified Entry for air cargo. Pilot participants will file entries for their clients.

A.N. Deringer, Inc.	FH Kaysing	Livingston, Intl.
Expeditors	Janel Group of New York	Page & Jones, Inc.
FedEx Trade Networks	Kuehne & Nagel Inc.	UPS

■ Schedule

- Pilot schedule developed that begins with system development, including ongoing testing and implementation, allowing for robust systems testing for both CBP and the Trade
- Pilot will not impact the ACE e-Manifest: Rail and Sea (M1) schedule



Pilot Participant Requirements*

- Air Mode of Transportation (MOT)
- Brokers must be C-TPAT certified
- Basic consumption entries only (Entry Type = 01 or 11)
- Only shipments covered by a continuous bond
- No split shipments
- No other government agency requirements
- Port of Unlading, Port of Entry, and Port of Arrival must be the same
- Manifest quantities must equal the release quantities
- Simplified Entry & Summary transactions must be filed in ACE





Simplified Entry Data

Simplified Entry streamlines the data elements on CBP's 3461 entry form

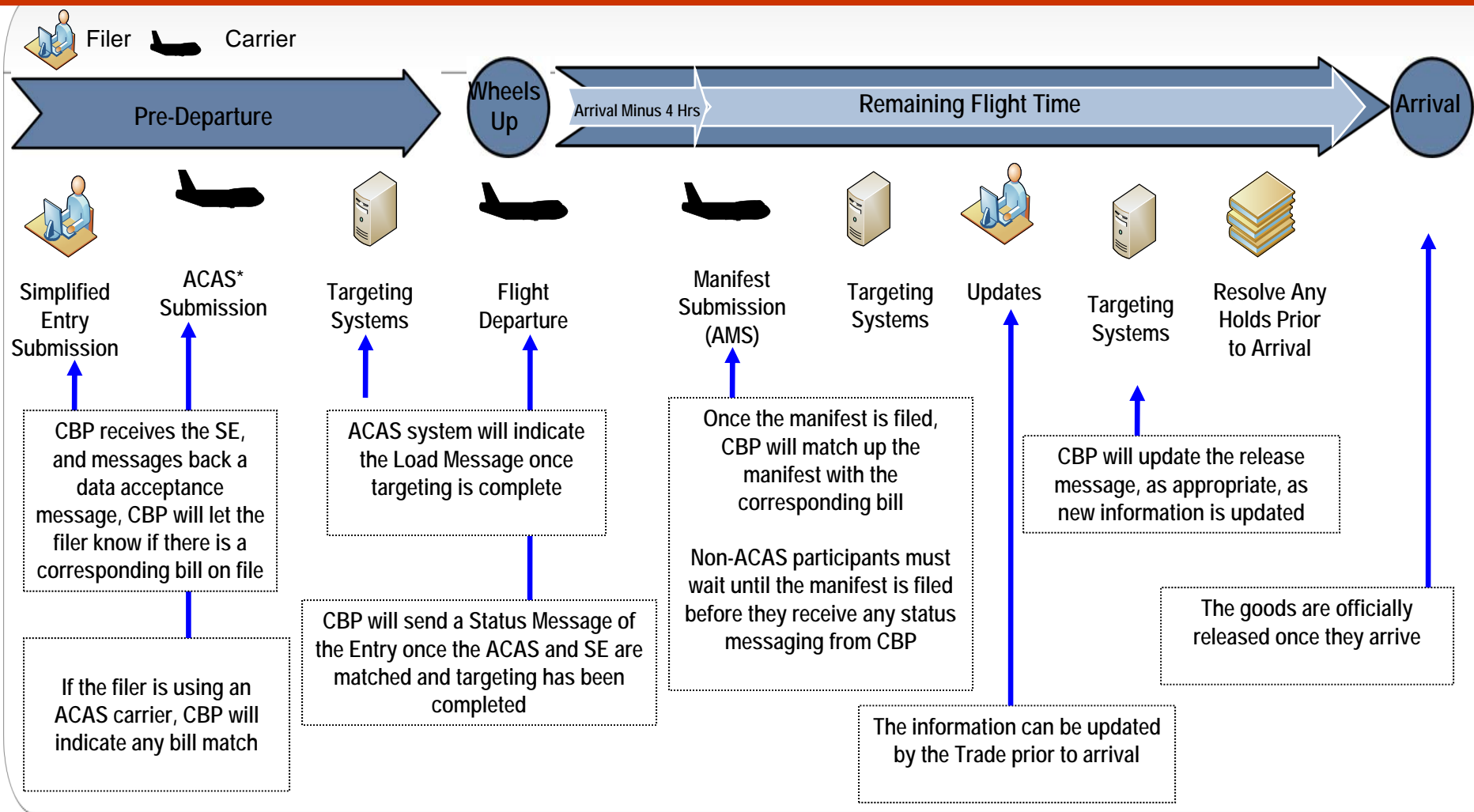
- This promotes the concept of “the owner of the data knows the data best”, resulting in more accurate information
- After the streamlining, the following Simplified Entry data set replaces the CBP 3461 for those transactions in the SE pilot :

Importer of Record Number	Country of Origin	Ship to Party Name and Address (Optional)
Buyer Name and Address	Bill of Lading/House Airway Bill Number	Consolidator Name and Address (Optional)
Buyer EIN	Bill of Lading Issuer Code	Container Stuffing Location (Optional)
Seller Name and Address	Entry Number	
Manufacturer/Supplier Name and Address	Entry Type	
HTS 10-Digit Number	Estimated Shipment Value	





Simplified Entry Process





Exports

- Objective: Establish ACE as single automated processing platform for all export manifest commodity, licensing, and export control transactions
- Near term recommendations to establish:
 - Interface between Automated Export System and ACE to provide CBP and PGAs access to export control and licensing information
 - Standard data set documents for exports to identify CBP and PGA data elements required for export transactions
 - Capability to accept document images to support manifest, commodity, or export control filings
 - Functionality for an Interoperability Web Based System
- Requirements definition in progress





ACE Resources: Cargo Systems Messaging Service

To receive messages on any of the following topics, subscribe to CSMS via www.CBP.gov/modernization

- ABI
- ACE Portal Accounts
- Periodic Monthly Statement
- Truck Manifest
- Cuentas en el Portal de ACE (ACE Accounts – Spanish)
- Transportistas de Camion (Truck Manifest – Spanish)
- Air Manifest
- Ocean Manifest
- Rail Manifest
- ACE Outreach Events
- ACE Reports

Date	CSMSF	Title	Group	Related
5/22/2009 7:54:21 AM	09-000099	Reminder: Loss of ACE Portal Access After 45 Days Loss of ACE Portal Access After 45 Days On May 16, 2007, U.S. Customs and Border Protection (CBP) published a Federal Register notice setting forth the terms and conditions that must be followed ...	Automated Broker Interface ACE Portal Accounts ACE Reports Ocean Manifest Rail Manifest Truck Manifest	09-000099
5/19/2009 12:57:46 PM	09-000087	Access to ACE Modernization information on CBP.gov Effective immediately, the ACE Modernization information section of the CBP web site can no longer be accessed using quicklinks. Please see the attached instructions for how you can now access this ...	Automated Broker Interface ACE Outreach Events ACE Portal Accounts ACE Reports Air Manifest Ocean Manifest Rail Manifest Truck Manifest	
5/15/2009 8:00:36 AM	09-000083	Automated Commercial Environment Reports Enhancement for Importers and Brokers Participating in Periodic Monthly Statement In the near future, U.S. Customs and Border Protection will be introducing ad hoc reporting capabilities as an enhancement to ACE reports. Enhancements will occur in two phases. Phase 1 will ...	ACE Portal Accounts ACE Reports	
4/16/2009 7:37:39 PM	09-000079	CBP Sponsored Training on Authorized Data Extract CBP sponsored telephone training on the Authorized Data Extract will begin this week. At this time, training is open to importer and broker ACE Portal accounts only. If you are interested in signing ...	ACE Reports	
4/11/2009 11:37:08 AM	09-000054	ACE Portal Reports Dictionary – A great tool coming your way! Carrier Reports: The first version of the ACE Portal Reports Dictionary has been completed and is available for download to user's desktops. Formatted as a PDF file, the Carrier Reports ...	ACE Reports	
4/11/2009 11:38:53 AM	09-000053	ACE Portal Reports Dictionary – A great tool coming your way! Importer Reports: The first version of the ACE Portal Reports Dictionary has been completed and is available for download to user's desktops. Formatted as a PDF file, the Importer Reports ...	ACE Reports	
4/11/2009 11:38:34 AM	09-000052	ACE Portal Reports Dictionary – A great tool coming your way! Broker Reports: The first version of the ACE Portal Reports Dictionary has been completed and is available for download to user's desktops. Formatted as a PDF file, the Broker Reports Dictionary ...	ACE Reports	



U.S. Customs and Border Protection

Portal Applications



The application to request your free ACE Portal account as well as instructions and tutorials can be found on CBP.gov

http://www.cbp.gov/xp/cgov/trade/automated/modernization/ace_app_info/

Web Based Training for each release



http://nemo.cbp.gov/ace_online

Cargo Systems Messaging Service

A subscription based, broadcast message system for users of CBP automated commercial trade system <http://apps.cbp.gov/csms/>



www.CBP.gov/Modernization



- ACE Fact Sheets
- Training and Reference Guides
- Federal Register Notices
- Presentations of Capabilities

Summarized ACE Timeline of Trade Functionality

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Future
Manifest		Initial Deployment of Truck Manifest	Port Rollout of Truck Manifest	Port Rollout of Truck Manifest	Port Rollout of Truck Manifest	Mandatory filing of Truck Manifest			Initiation of Rail and Sea Manifest Deployment ISF Low Volume Filings	Completion of Rail and Sea Manifest Deployment Development of Export Manifest Requirements	Air Manifest Export Manifest Multi-Modal Manifest
Release & Post Release							Entry Summary Filing (Types 01 and 11)	AD/CVD Entry Summary Filing (Type 03) and Case Management	Post Summary Correction Filing	Initiation of Cargo Release Development Document Image System PGA Message Set	Additional Entry Summary Types Remote Location Filing Reconciliation Protest, Liquidation, Drawback
Accounts	ACE Secure Data Portal for Initial 41 Importer Accounts	Periodic Monthly Statement Initial Broker and Carrier Accounts			Creation and Maintenance of Master Data in ACE Addl Account Types Merge Accounts Capability Cross Account Access Broker Management	Ad Hoc Reports Authorized Data Extracts	Ability for Importers to Respond to CBP Forms 28, 29 and 4647 via ACE Portal and Create Declaration Records	Ability for Brokers to Create Declaration Records on Behalf of Non-Portal Accounts	ISF Reports Creation and Maintenance of In-Bond Authorization File Creation and Maintenance of Ocean Conveyances		e-Bond



ACE Trade User Metrics

- 19,934 Trade Accounts in ACE as of February 2012
- 65 certified filers in ACE, 47 of which filed entry summaries in ACE in February 2012
- 147,447 Entry Summaries filed in ACE in February 2012
 - The above total represents 6.8% of eligible Entry Summaries.
 - The eligible condition is met when both of the following are true: the filer is certified in ACE and the Entry Summary is Type 01, 03, or 11.
- As of March 5, 2012, 1,320 PSCs submitted by 20 different filers

All certified filers (Importer/Brokers) are encouraged to increase their entry summary filings in ACE





Questions?