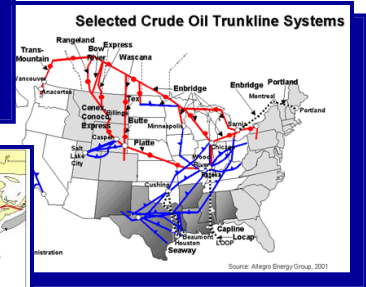
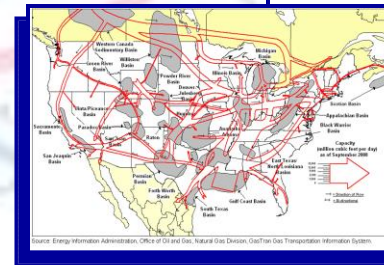


U.S. Customs and Border Protection Trade Issue Update

API Drawback/FTA/Import Seminar
March 29, 2011

Cynthia Whittenburg
Director, Trade Facilitation & Administration
Office of International Trade



U.S. Customs and
Border Protection

Topics of Discussion

❑ **Managing by Account**

- **Center of Excellence & Expertise /Account Executive Pilots**
- **Simplified Entry/Financial Processing**
- **Risk-based Account Management**
- **Importer Self-Assessment Update**
- **Broker Self-Assessment Pilot Status**

❑ **Trade Preference Program Verification Guidelines (Draft)**

❑ **Petroleum and Natural Gas Pipeline Project Update**



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Managing by Account

- ❑ **Center of Excellence and Expertise Pilot**

- **Pharmaceutical Industry**

- ❑ **Account Executive Pilot**

- **Consumer Electronics**

**Both pilots will operate November 1, 2010
thru June 30, 2011**



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

Managing by Account

Simplified Entry/Financial Processing Vision

To create streamlined entry/entry summary and financial processes that reduce the administrative burden of CBP procedures while employing risk management principles that facilitate legitimate trade and promotes strengthened supply chain security. CBP will seek opportunities to:

- 1) Reduce the filings involved in obtaining release;**
- 2) Coordinate OGA interests at point of release;**
- 3) Allow entry/entry summary data transmittal to CBP in accordance with importer's business model post release;**
- 4) Consolidate payment of duties, taxes, fees owed the government on a monthly basis, separated from entry summary transaction; and**
- 5) Minimize importer bond requirement for "trusted" importers**



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Managing by Account

Risk-based Account Management

CBP has reorganized National Account Managers into industry teams.

Agriculture and Prepared Products

Automotive and Aerospace

Base Metals and Machinery

Consumer Products

Customhouse Brokers

Industrial and Manufacturing Materials

Information Technology and Consumer Electronics

Petroleum, Natural Gas, and Minerals

Pharmaceuticals, Health, and Chemicals

Textiles, Wearing Apparel, and Footwear

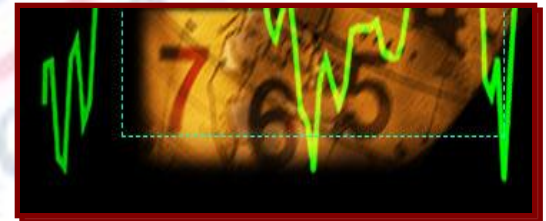


**U.S. Customs and
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Managing by Account

Importer Self-Assessment Update

- ❑ **Current ISA stats**
- ❑ **DHS OIG ISA audit findings and program impact**
- ❑ **Continuation Review Meetings (I-3)**

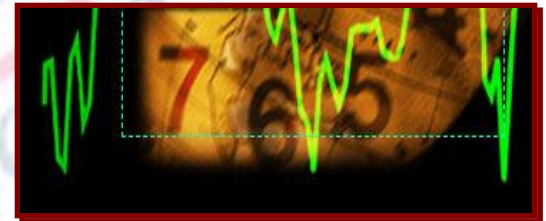


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Managing by Account

Broker Self-Assessment Outreach Pilot Status

- ❑ **BSA Outreach Pilot announced by FRN April 27, 2009**
- ❑ **4 Volunteer brokers selected June 2009 (27 applied)**
- ❑ **Pilot implemented July 2009 through June 2010**
- ❑ **Report dated March 1, 2011 (posted at [www.cbp.gov/Trade/Trade Programs/BSA](http://www.cbp.gov/Trade/Trade%20Programs/BSA))**
- ❑ **Decision: Not to adopt as partnership program**



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Draft Trade Preference Verification Guidelines

Petroleum Crude

- ✓ Direct shipment; and
- ✓ Oil field production records; or gauger lab report with expanded test data: [API gravity, percent Sulfur, ppm Nickel, and ppm Vanadium]

Straight Run Distillates from Originating Crude

- ✓ Direct shipment; and
- ✓ Oil field records and refinery process records; or gauger lab report with expanded test data plus GC profiles for crude and straight run distillate

Other Processed Petroleum Products

- ✓ Direct shipment;
- ✓ Refinery records, and cost records

Draft Trade Preference Verification Guidelines

Proposed Importer Self-Assessment Benefits

- ❑ **Company must demonstrate controls related to obtaining and evaluating supporting documents as outlined in guidance, including controls related to the retrieval of samples and testing by CBP Accredited Commercial Laboratories**
- ❑ **Trade Preference Verification**
 - ✓ **Will occur within 90 days from date of entry**
 - ✓ **Accredited laboratory maintains sample 120 days**
 - ✓ **Lab testing may be performed in petro company's in-house lab per CBP LSS determined methodology**
- ❑ **CBP, jointly with the trade and USTR, will pursue the possibility of foreign refinery visits to assess capabilities to be used to mitigate risk.**

Draft Petroleum Pipeline Project Highlights

Goal: To test processing protocols that will ensure uniformity and compliance from an industry perspective, employing management by account principles.

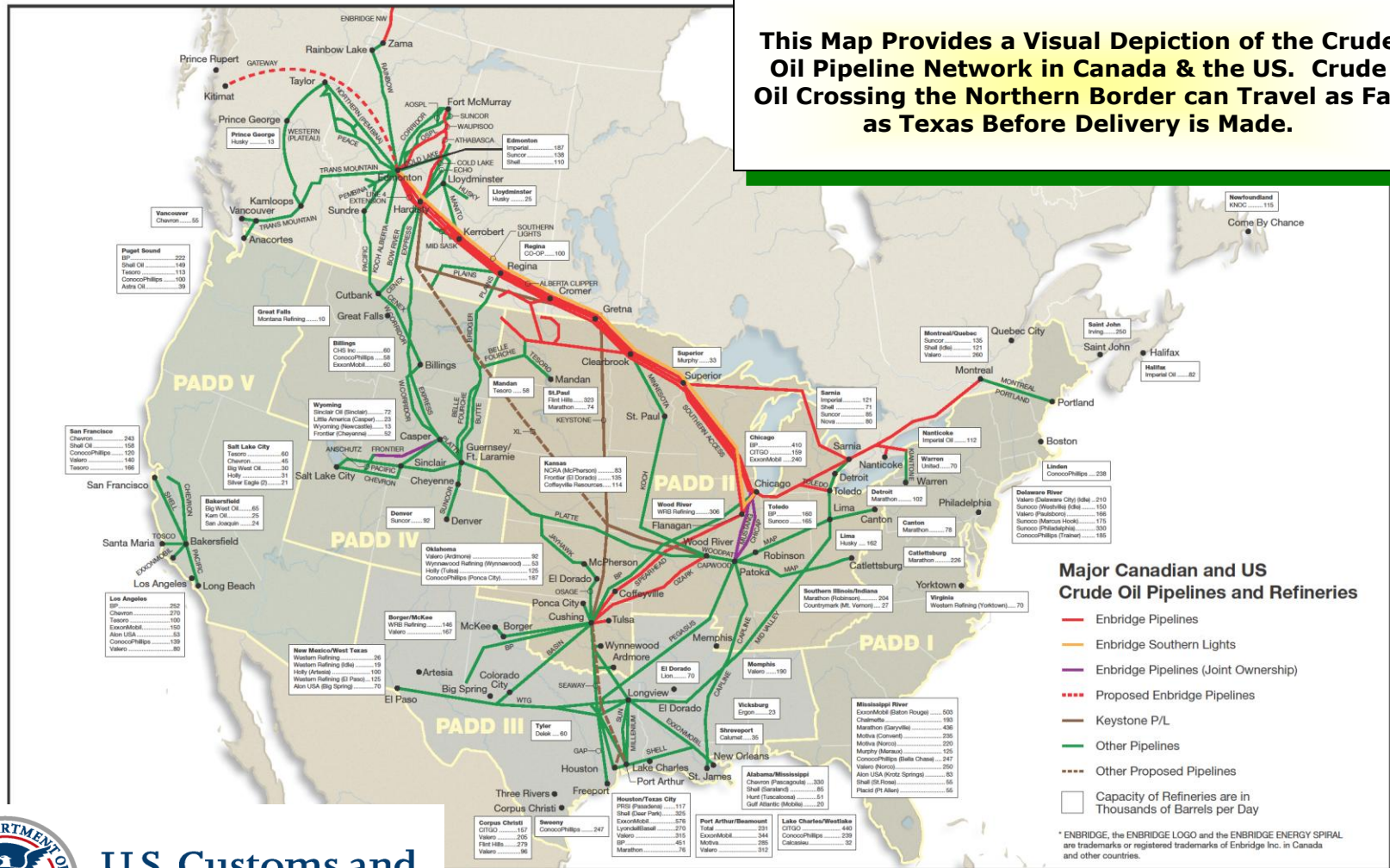
- **Advance manifest**
- **In-bond movements**
- **Point of entry**
- **Port of entry**
- **Importer of record**
- **Single entry/periodic entry**



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Major Canadian & US Crude Oil Pipelines

This Map Provides a Visual Depiction of the Crude Oil Pipeline Network in Saint Canada & the US. Crude Oil Crossing the Northern Border can Travel as Far as Texas Before Delivery is Made.

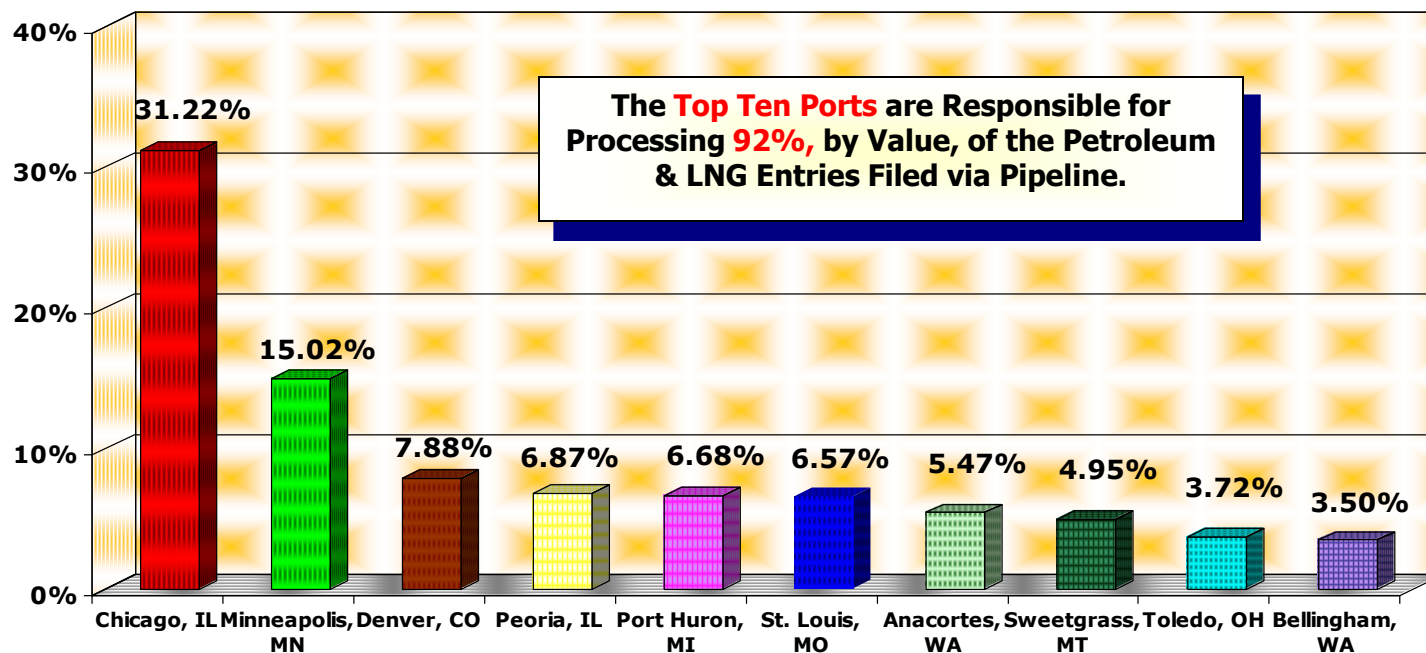


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Petroleum - Port of Entry Data Snapshot

**Mode of Transportation Code 70 (Pipeline):
Top Ten Ports by Total Petroleum & LNG Entry Import Value
Data Snapshot: Oct. 1, 2010 - January 31, 2011 [First 4 months of FY2011]**



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Questions

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