

CBP Trade Strategy Update

American Petroleum Institute Customs Conference

March 8, 2010



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Four Strategic Trade Goals

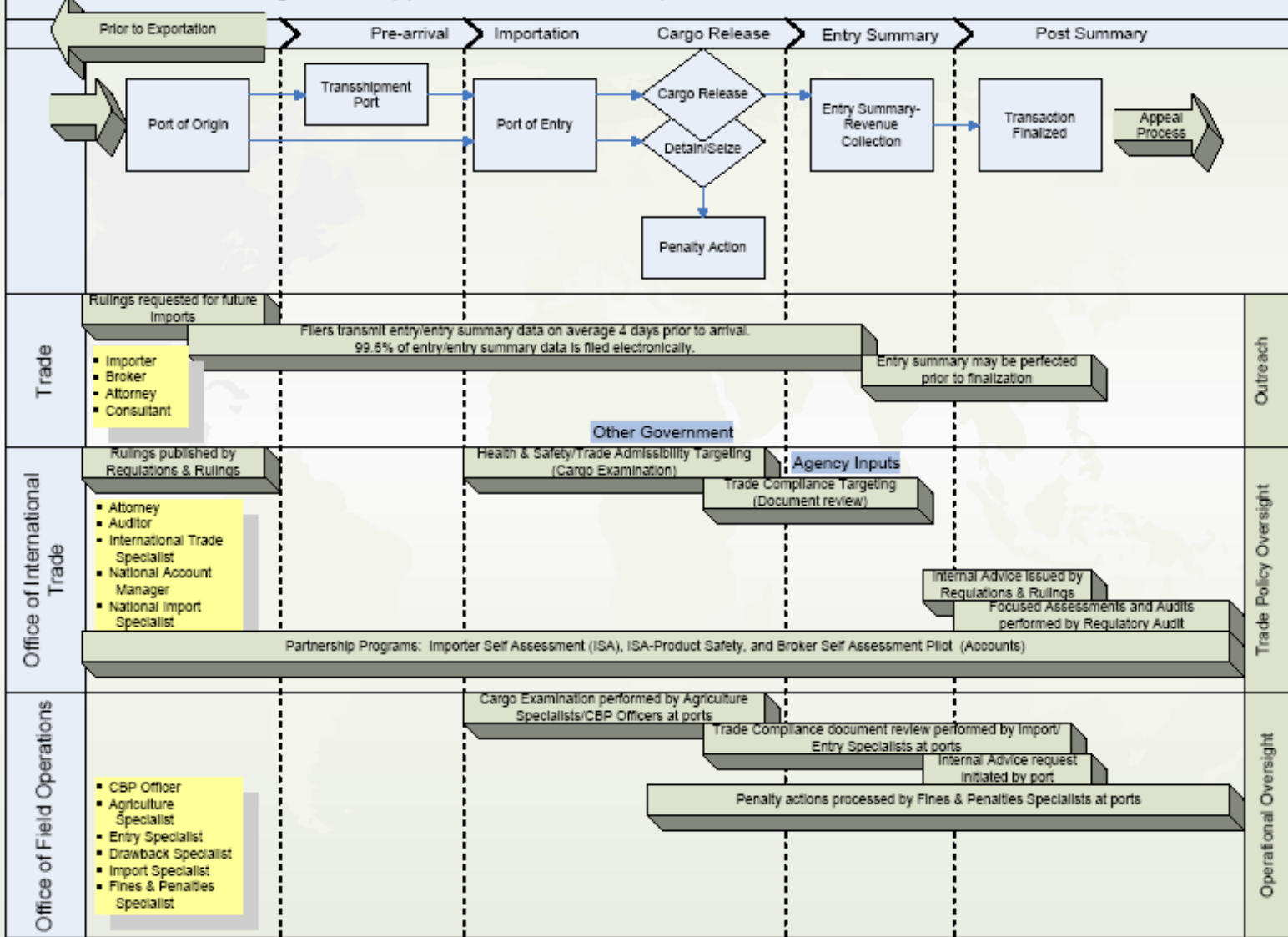
Supporting CBP's Trade Vision

- Facilitate Legitimate Trade and Ensure Compliance
- Enforce U.S. Trade Laws and Collect Accurate Revenue
- Advance National and Economic Security
- Intensify Modernization of CBP's Trade Processes



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Multi-tiered Risk Management Approach to Trade Compliance



Facilitate Legitimate Trade and Ensure Compliance

- Improve risk assessment and targeting based on advance information to identify and facilitate compliant imports.
- Strengthen partnerships with the trade community, other U.S. government agencies, and international organizations to ensure compliance.
- Expand pre-entry and post-release verification programs to reduce cargo delays at the border.



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Enforce Trade Laws and Collect Accurate Revenue

- Improve risk analysis through intelligence sharing with the trade community, other U.S. government agencies, and international organizations to identify trade law violations.
- Apply consistent and swift enforcement actions to deter and address trade law violations and ensure lawful revenue collection.
- Employ trade expertise to set priorities, direct national trade policy, and verify compliance.



Advance National and Economic Security

- Protect U.S. consumers through the secure and trusted import of safe goods.
- Protect domestic industry from unfair trade practices related to IPR, textiles, and AD/CVD trade law evasion.
- Advance DHS and CBP security priorities and assist other U.S. government agencies with primary concerns.
- Strengthen national trade policy by influencing the development of actionable trade laws and regulations that enable CBP to more effectively administer trade policy.



Intensify Modernization of CBP's Trade Processes

- Streamline trade processes and enhance delivery of services to stakeholders through automated, account-based, and paperless processes and technology.
- Strengthen trade expertise and ensure a skilled workforce capable of effectively executing CBP's mission.
- Ensure organizational preparedness and commitment to change to realize the benefit of modernization.



Priority Trade Issues

- Antidumping and Countervailing Duties (ADCVD)
- Import Safety
- Intellectual Property Rights (IPR)
- Penalties
- Revenue
- Textiles



Import Safety Commercial Targeting and Analysis Center

- Designed to streamline and enhance federal efforts to address import safety issues.
- Combines resources and manpower of CBP and other government agencies (ICE, CPSC, FDA, FSIS) to protect American public from harmful, unsafe imported products.
- Improves communication and information-sharing, resulting in reduced redundant inspection activities.
- Located within the Office of International Trade.



Importer Self Assessment (ISA)

- Primary goal to maintain a high level of trade compliance through a cooperative CBP-trade partnership and cooperative interchange of ideas and information.
- Recognizing importers that demonstrate an acceptable system of controls over trade compliance and assume responsibility for self-assessment in exchange for less government oversight.



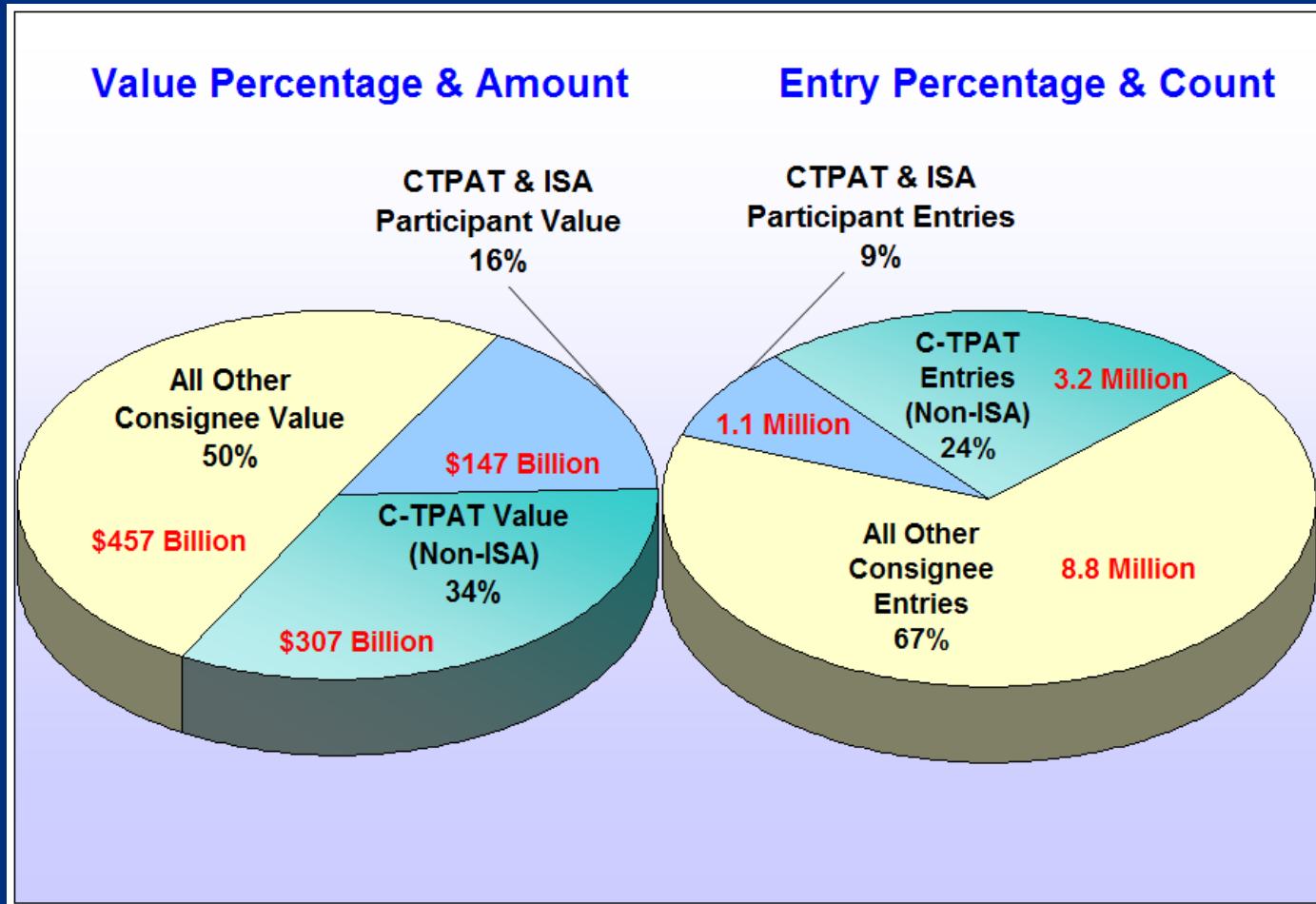
ISA Statistics

- 203 participants (840 different import of record numbers)
- ISA participants were 99.28% compliant (FY 2008)
- ISA participants had approximately 16% of the total value imported (FY 2008 \$314 billion)
- ISA participants paid approximately 15% of the revenue collected in (FY 2008 \$3.9 billion)
- ISA participants responsible for only .44% of the revenue gap (FY 2008)
- 18 applicants have been denied
- 47 applicants are under improvement plan



C-TPAT and ISA Value and Entries

Percentage of Entries through Mid-Year FY 2009



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Broker Self Assessment Outreach Pilot

- Joint collaboration between CBP and brokerage community to effectively assess and manage risk and foster uniformity in the application of trade laws and processes.
- Modeled after ISA; however, tailored to address broker administrative requirements and customs business processes.
- Four brokers selected to participate in pilot.



Remote Location Filing (RLF)

Final Rule



- RLF final rule published December 30, 2009, effective January 29, 2010.
- Discontinued the PAIRED entry process – CBP allowing 1 year phase-out.
- Permits the filing of a consumption entry and related information that can be processed in a completely electronic data interchange system from a location other than where the goods arrive in the U.S.



CBP Business Resumption Planning

- During time of emergency, making certain borders are secure while ensuring legitimate travelers and trade continue to cross without undue delay.
 - Work collaboratively with all stakeholders to secure the border while facilitating legitimate trade and travelers.
 - Communication at all levels is critical.
 - To the extent circumstances permit, recognize trusted trade and traveler programs.
- Office of Intelligence and Operations Coordination is lead CBP office.



Communicating with the Trade

- Trade has stressed that rapid notification is essential to minimize operational disruption.
- CBP has implemented the Unified Business Resumption Message (UBRM) on CBP.gov.
- Available for:
 - Northern Border
 - Southern Border
 - Rail
 - Maritime
 - Air



The screenshot shows the U.S. Customs and Border Protection (CBP) website. The header includes the CBP logo, the text "U.S. Customs and Border Protection Securing America's Borders CBP.gov", and navigation links: Home, About CBP, Contacts, Ports, Questions, Forms. Below the header are three main sections: Newsroom, Border Security, and Import. The "Import" section is selected and highlighted. On the left side of the "Import" section is a vertical menu with the following items: Antidumping and Countervailing Duties (ADCVD), Broker Management, Cargo Control, Cargo Summary, Carriers, Commercial Enforcement, Communications to Trade (highlighted), Duty Rates/HTS, Informed Compliance, Infrequent Importer/Traveler, International Agreements, Operations Support, Regulatory Audit, Textiles and Quotas, and Trade Initiatives. The main content area shows a breadcrumb trail: Home / Import / Communications To Trade / CBP Unified Business Resumption Message / Time. Below this is the title "Northern Border Highway" in green. The content is organized into a table with two columns: a label column and a status column. The status for all items is "No Incident at this Time". At the bottom of the page, there is a "Report Suspicious Activity to 1-800-BE-ALERT" link.

Label	Status
Current Status:	No Incident at this Time
HSAS Level:	No Incident at this Time
Affected Port(s) of Entry:	No Incident at this Time
Incident Description:	No Incident at this Time
Time of Incident:	No Incident at this Time
Location of Incident:	No Incident at this Time
Wait Times:	No Incident at this Time
Duration of Delay:	No Incident at this Time
Impact of Incident:	No Incident at this Time
Suggested Alternate Ports/Routes:	No Incident at this Time
Hours of Operation at Alternate Ports:	No Incident at this Time
Next Update:	No Incident at this Time
Additional Information:	No Incident at this Time



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Office of International Trade Role in Business Resumption

- Coordinate admissibility issues and regulatory requirements.
- Instrumental in shifting entry summary work from one port to another for downstream processing.
- Govern broker activities based on permitting and granting of waivers that impact business resumption related activities.
- Provide guidance to the field locations pertaining to the port calendar, which impacts the timeliness of entry filings.



Contact Information

Cynthia F. Whittenburg

Director, Trade Facilitation and Administration

Trade Policy and Programs

Office of International Trade

U.S. Customs and Border Protection

(202) 863-6512

cynthia.whittenburg@dhs.gov



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