

**CBP Response to the Transition
Committee White Paper Addressing
Communications and Outreach for ACE**

September, 2006

This is in response to the White Paper submitted to United States Customs and Border Protection (CBP) by the Trade Support Network (TSN) Transition Committee addressing *Trade Recommendations for A2 Communications Outreach*. The White Paper has been reviewed internally by CBP and what follows is a detailed summary addressing the major trade recommendations.

I. Scope:

Although the paper's title suggests communications outreach for purposes of A2, the recommendations outlined in the paper are truly comprehensive in scope and therefore address outreach for all of ACE, including current (that is, electronic truck manifest (E-Manifest)) and future (that is, beyond A2) functionality. As set forth below, CBP will take many of these recommendations into consideration for its ACE outreach efforts where deemed appropriate and feasible.

II. Impacts of A1 and A2

CBP agrees the functionality that will be deployed with A1 will not have a significant impact on the trade. CBP will however, strive to effectively communicate to the trade that some changes will commence with A1 and that they should begin to lay the foundation within their internal businesses for those changes. Similarly, with A2, CBP will focus on delivering content specific messages outlining changes and impacts to the trade community.

III. ACE Message

CBP will strive to develop communications that are both descriptive of forthcoming changes and that substantiate the need for change. Where possible, messages to the trade will be detailed in nature setting forth changes that will be required in the trade's internal systems, with accompanying CBP procedures.

III. Public Relations

CBP concurs that a public relations firm is not realistic given the current limits on ACE funding. CBP will however consider the marketing aspects of this recommendation particularly with regard to conveying this information in the same manner as would be done by a professional public relations firm. In that respect, information will be tailored based on the needs of specific trade sectors and delivered throughout the stakeholder chain.

IV. Trade Target Audience: External Audience

CBP concurs that software vendors and those brokers and importers that self-program their IT systems are in particular need of technical information pertaining to ACE functionality. Once CBP determines that this information is appropriate for public dissemination, CBP will reach out to this audience. CBP has already included this type of outreach in its overall communication plan. For example, CBP is holding the second ACE Exchange in Tucson, Arizona (October 30-November 2) in order to provide this type of outreach to this audience. A technical session is being held at this event in order to provide the trade with a current DRAFT of the CATAIR changes for A2. As it has done in the past, CBP will continue to interact directly with customs brokers, self-programmers, importers, sureties, etc.

With regard to the recommendation that CBP execute a "mass mailing" to deliver ACE related information, this is not a feasible option for CBP given the large number of importers that transact with CBP on a yearly basis. CBP will however pursue ABI Administrative messages on a broader scale with respect to ACE related messages.

Pursuant to the trade's recommendation, CBP will reach out to its TSN membership with regard to receiving input on associations and points of contact. The Office of Trade Relations (OTR) has also provided valuable information with regard to trade associations currently on file with that office. All of this information will be collected and housed in a database that will be used for outreach activities. With regard to general outreach activities, CBP will continue to hold general outreach events such as the ACE Exchange and make information available to the trade

on the CBP website. A "listserv," as proposed by the trade, does not appear to be a necessary tool now that CBP has made Real Simple Syndication (RSS) links available on all of its web pages on the CBP site.

Specific recommendations were made by the trade with respect to the transportation industry. CBP is confident that the current E-Manifest communication strategy, already well underway, more than adequately addresses any concerns that may have been raised. The current communication strategy for E-Manifest includes the following:

- o notification letters/brochures will be sent to carriers once the Federal Register Notice (FRN) announcing mandatory E-Manifest is issued
- o staged information notices will be sent to carriers (10-12 weeks prior to "go-live"; 8-12 weeks prior to "go-live"; 8 weeks prior to go-live; 6 weeks prior to go-live, etc.)
- o Port Information Notices will be issued by CBP ports so that uniform and consistent information can be disseminated throughout local trade communities
- o advisory (that is, notification) post-cards will be sent to carriers informing them that mandatory E-Manifest is coming
- o content specific post-cards, with deadline dates, will be sent to carriers as notification that they have to be compliant by the given deadline (deadlines will be specific to cluster rollouts and will be issued 8 weeks prior to "go-live") and that penalties will be issued for non-compliance
- o compliance cards will also be handed out to the drivers, 6 weeks prior to "go-live" and 2 weeks prior to "go-live" alerting them that the FRN has been published. Compliance cards will be handed out at the primary booths by the CBP officers and will be made available in English, Spanish, and French
- o a flyer will be handed out once the FRN has been published

V. Trade Target Audience: Internal Audience

CBP is committed to providing training for its internal ACE users and will continue to provide ACE related information to CBP members that are not scheduled to be among the first ACE users. CBP will also continue to take advantage of internal programs such as the ACE Ambassadors and the Communications Partner Program to disseminate information to CBP. CBP agrees that where feasible, "lessons learned" will be available to all CBP employees. ACE related communications will also be shared at the local port level and district level such that uniformity of standards will be promoted across all of CBP.

VI. Foreign Trade Associations and Governments

CBP is committed in its engagement of Canada and Mexico with regard to CBPs modernization efforts and ACE progress. On a regular and on-going basis, there are exchanges and dialogue between CBP with both the Canada Border Services Agency (CBSA) and Aduana Mexico at both executive and working levels. At the working level, on an on-going basis, information, lessons learned, and the status of ACE development are shared. At the executive level, on a regularly scheduled basis, the Commissioner of CBP meets with his counterparts in CBSA and Aduana Mexico to discuss critical high-level issues; these meetings frequently include discussions on cargo facilitation, harmonization, and enforcement, including ACE development.

On an on-going basis, CBP hosts ACE seminars and conferences throughout the country. The schedule of upcoming events is posted on the CBP website at www.cbp.gov/modernization under "ACE on the Road". Some of these events are held at northern and southern border locations to facilitate participation by representatives of the governments and trade communities of Canada and Mexico.

CBPs efforts in ACE and in the E-Manifest (Trucks) have been discussed at the highest levels in CBP and the CBSA. Recent bilateral meetings between the United States and Canada were held in March 2006 in Vancouver, in June 2006 and upcoming in September 2006 in Washington, D.C.. CBP discussed with CBSA on-going ACE progress, including CBPs

deployment of ACE E-Manifest (Trucks), that includes CBPs plans to make E-Manifest mandatory, on a port by port basis, by the new year.

Working level meetings between CBP and CBSA are also held on an on-going basis. For example, at a recent working level meeting held 13 -14 July 2006, CBP agreed to share its ACE E-Manifest startup materials to assist CBSA in the development of their E-Manifest. CBP also agreed to work towards a joint E-Manifest process. Other harmonization efforts underway between CBP and CBSA are:

- harmonizing definition of terms for ACE and ACI
- harmonizing policy on timing requirements for the transmission of advanced trade data to CBP and CBSA
- continuing joint efforts by CBP and CBSA before the World Customs Organization on harmonizing data

Further exchanges with Canada are done through the CBP Attache in Ottawa. On a regular basis, information on ACE development is shared with the CBP Attache, Ottawa who then uses this information in briefing the trade community in Canada, as well as keeping U.S. embassy staff apprised of significant developments. To facilitate discussions with the Canadian Government, as well as the Canadian trade community, the following collateral ACE materials have been, or are planned to be, translated into French:

- Two separate compliance cards that will be distributed by CBP Officers at the primary booth to the drivers; (already translated)
- A Federal Register Notice flyer will also be distributed by CBP Officers at the primary booth to the drivers; (to be sent for translation soon)
- One postcard that announces the specific port deadlines for Mandatory E-Manifest compliance will be sent to all Canadian companies and will include information in both English and French. (currently being planned)

On-going outreach efforts are held throughout the United States, and occasionally in Canada and Mexico; frequently, members of the Canadian and Mexican trade communities participate. These outreach efforts are posted on the CBP website, www.cbp.gov/modernization under "ACE on the Road". Some of the sessions are held at northern and southern border locations to facilitate participation from the Canadian and Mexican trade communities. For example, at the recent CBP-sponsored ACE Exchange in Chicago, August 15–17, 2006, there were participants from both the importer and broker communities as well as the carrier community. In total, there were six Canadian importers and brokers and 54 Canadian carriers.

CBPs efforts in ACE and in the E-Manifest (Trucks) have similarly been discussed at the highest levels of officials in CBP and Aduana Mexico. At Bilateral meetings between the United States and Mexico throughout the year, CBPs efforts in ACE development and deployment were discussed. At the most recent meeting, 23 August 2006, a demonstration of the ACE Portal was given to Aduana Mexico officials from the Ministry of Finance at the Mexican Embassy as well as from the Central Administrator, Mexico City. Copies of the R4 computer based training CD were given to Mexico Customs to use in familiarizing themselves with the portal.

The CBP Attache Mexico City reports that the Mexico trade community, especially in the northern part of the country which is primarily dominated by the maquiladora industry, appears to have a general understanding of ACE based upon outreach conducted by the Attache office as well as southwest border ports of entry. More detailed information, with Spanish interpretation, is planned for upcoming CBP ACE Workshops in mid-September in El Paso, Texas and at the Maquiladora Association (AMAC) in Ciudad Juarez.

To facilitate discussions with the Government of Mexico, as well as the Mexican trade community, the following materials have been, or will be, translated into Spanish and distributed to contacts at the specified border ports as well as with officials of the Mexican Government both

through the Ministry of Finance at the Mexican Embassy and the Central Administrator of Aduana Mexico in Mexico City:

- o ACE Resource Guide (includes contact information for various questions and further information) (completed)
- o E-Manifest section of the ACE Welcome Package (30-page document that walks the carrier step-by-step through the submission of an electronic manifest) (completed)
- o E-Manifest brochures (tri-fold brochure highlighting E-Manifest)
- o Postcard (announces the specific port deadlines for Mandatory E-Manifest compliance that will be sent to all Mexican companies and will include information in both English and Spanish) (planned)
- o Two separate compliance cards (distributed by CBP Officers at the primary booth to the drivers)
- o Federal Register Notice flyer (also distributed by CBP Officers at the primary booth to the drivers)

Due to the recent success of the first ACE Exchange held in Chicago in August, CBP has planned a second event, ACE Exchange II, to be held on October 30-November 2, 2006, in Tucson, Arizona. By holding this event on the southwest border, CBP believes this will facilitate additional participation by Mexican government officials, as well as members of the Mexican trade community.

With regard to trilateral efforts, the Security and Prosperity Partnership of North America (SPP) was launched in March of 2005 in an effort to increase security and enhance prosperity among the United States, Canada and Mexico through greater cooperation and information sharing. This trilateral initiative is premised on security and economic prosperity being mutually reinforcing. One of the key priorities for the SPP is border security and facilitation. Bilateral and Joint Bilateral Working Groups, with representatives from CBP, CBSA and Aduana Mexico, meet on a regular basis to further efforts in cargo security and facilitation. This includes discussions on development of ACE, particularly as regards development of our E-Manifest.

Finally, with regard to trade engagement, the TSN Multi Modal Manifest Cross Border Harmonization Sub-Committee also works to ensure that data harmonization between governments is consistent. This Sub-Committee is scheduled to meet again during the TSN Plenary Session to be held December 11- 13 , 2006, in Washington, DC. Representatives from the Customs Administrations of all three countries participate in this Sub-Committee along with the trade communities from all three countries.

VII. Post-Deployment Communication

Although CBP understands the trade's current frustration with the GIF process, this process will continue for purposes of A2 and M1 functionality. TSN members should continue to work through their business leads to receive updates on the status of trade submitted GIFs. Where feasible, CBP will also provide "lessons learned" to the trade resulting from past deployments.

VIII. Material Geared to Audience

CBP is currently reviewing the trade's recommendation for industry specific checklists that would include such details as new functionality to be deployed, critical dates, and trade internal system changes likely to be needed. One possibility being considered is the development of a CBP version of the ESAR User Guide that could be used to accomplish a "check list." If this recommendation is approved, CBP will post this document on the CBP website, announce its availability via an administrative message, and also make this information available as a separate section of the ACE Welcome Package (currently sent out to current and new ACE portal accounts). Another option being considered by CBP is the development of a "Frequently Asked Questions" document listing the most common issues that may be occurring with ACE.

IX. Concluding Comments

CBP recognizes that timely, consistent, and uniform messages will be critical throughout the ACE development cycle. As indicated in the White Paper, CBP will obtain additional benefits by reaching out for input/comments on ACE related messages targeted for the trade prior to their dissemination. In that regard, CBP has decided to establish a pilot "Integrated Communications Team" to work with members of CBP and the ACE Support Team, to develop trade appropriate ACE messages. This integrated team, comprised of volunteer representatives from the Transition Committee, will provide input on key ACE messages as requested by CBP. If CBP deems that this pilot is successful, CBP will continue to use this approach.

CBP is pleased with the trade's commitment to the progress of ACE and will take the necessary steps to implement the above recommendations as indicated. CBP recognizes that this is a shared responsibility and that the continued cooperative efforts of both CBP and the trade will ultimately lead to the success of ACE.