

**CUSTOMS AND BORDER PROTECTION TRADE SYMPOSIUM 2003 REPORT
“ONE FACE AT THE BORDER”
NOVEMBER 19 – 21, 2003**

FROM: Jim Phillips

SEGMENTS:

Overview - Commissioner Bonner
Department of Homeland Security Roundtable
Customs and Border Protection Transition – Perspectives and Successes
Keynote - Secretary Tom Ridge
Trade Security at the Borders (CTPAT, FAST and Smart Boxes)
Agriculture Rules and Regulations and their Impact on Trade
Container Security Initiative (CSI) – Automated Commercial Environment (ACE)
Remarks - Under Secretary Asa Hutchinson
The Bioterrorism Act of 2002
CBP Regulations – Trade Act of 2002
Closing Remarks - Commissioner Bonner

Commissioner Bonner’s Overview:

- Working to build Smarter More Secure Borders under one roof to eliminate fragmentation
- Relationship with Trade is strong - listening and open dialogue
- Objective is a prosperous America – Open to business – Extend border outward
- CTPAT’s 4600+ participants make facilitation more efficient-share best practices
- We now must implement CTPAT ISO Bolt Seal/internal tamper evident smart box
- Developing FAST “Green Lane” into U.S. with future immediate release
- Reinventing the Border – Advance Information and loading decisions at foreign ports and plants
- Streamline processes/Unify operations/Get It Done Right and Soon

Department of Homeland Security Roundtable:

- Discussed the integration of operations from 22 previous Federal Agencies
- Committed not to lose sight of needs of business and to insure economic security
- Strategy - to Prevent, Protect and Recover / Information Sharing is essential - Timely, Actionable with consideration of Individual Rights and Privacy.
- Homeland is a National issue – Self Preservation of the Public and our Economy
- Creating a new single CBP culture for Cargo Facilitation and Passenger Processing – embodying Uniformity and Consistency

Customs and Border Protection Transition – Perspectives and Successes:

- Merging different Organizations and Operations to improve Mission Performance - Integrating processes to achieve “One Face at the Border” organized into “subject” working groups
- Passenger – Unified Primary Process Spring 2004 (anti-terrorism reviews done in Secondary), implementing JOINT Roving, Passenger Analysis Units, Secondary and Musters to achieve interaction and sharing
- Cargo – Unifying Customs, Ag and FDA commissioned Inspection activities at Ports of Entry with integrated manifests, targeting, inspection processes thru joint and cross-trained activities to attain the objectives of: ONE CBP RELEASE; reduce cost and wait times of crossing the border for low-risk goods / people and to achieve an orderly process
- CBP Officers start as G5-7 with growth to G11, uniformed and armed, academy trained, 2-year probationary period with advanced on the job training.
- CBP is merging Legacy INS and Legacy Customs-Spring 2004 with cross training

Secretary Tom Ridge Keynote Address:

- Stated his deep respect for the 180,000 DHS Staff
- Reducing/Interrupting Trade is an Act of War.
- Draconian measures can cripple economy without firing a shot.
- TERRORISTS WILL NOT BE ALLOWED TO BLOCKADE AMERICA.
- CBP is pursuing partnership to secure supply chain and facilitate process for legitimate low-risk trade and people.
- CBP philosophy is to manage risk. Integrate old functions in new ways.
- OFFICIALLY ANNOUNCED THE FINAL TRADE ACT PRE-ARRIVAL INFORMATION RULES for Air, Rail and Truck. FAST participants will have less exams and ‘Green Lanes’ at the border.
- Stated, “a shipment at rest is a shipment at risk.”
- “Technology succeeds only when its use is practical.”
- Discussed regionalism and assured that it meant ‘uniformity at every port.’
- Closed by again specifically stating “ECONOMIC SECURITY IS AS HIGH A PRIORITY AS PUBLIC SECURITY.

Trade Security at the Borders (CTPAT, FAST and Smart Boxes):

- CTPAT was built jointly with the Trade (Presently 2940 Importers, 691 Carriers, 1051 Brokers, 11 Foreign manufacturers and 38 Marine Port Authorities and Terminal Operators comprising 38% of all imported \$ value, 70 of the top 100 importers of containers and 35 of the top 50 Ocean Carriers who transport 94% of containers to U.S.)
- CBP approach is to “trust but verify” so it is undertaking security validations of participants to identify gaps and share best practices. Offering 2 and 1/2 day anti-terrorist training seminars to CTPAT members. Internal reduction of thefts and improved cargo flows are resulting from CTPAT
- CTPAT plans for 2004: CBP is adding Supply Chain Specialists; securing the communications platform and initiating “Smart/ Tamper Evident Containers” utilized from point of stuffing mandated to include ISO bolt seals and an internal tamper evident technology readable by CBP. (NOTE: once developed the Smart/Tamper Evident Container will become CTPAT mandatory)
- FAST on the Northern Border involves having a CTPAT carrier, importer and driver, is operational at key commercial ports and will be introduced shortly at Portal and Pembina, ND, Sweetgrass, MT, Derby Line and Highgate Springs, VT and Alexandria Bay, NY. Blue Water Bridge will open its FAST Lane Jan. 2004. Ultimately the FAST process will be OPERATIONAL IN EVERY TRUCK LANE at commercial ports.
- FAST on the Southern Border involves having a CTPAT manufacturer, high security seals and a number of other security elements. FAST is presently a demo at El Paso, TX and is planned to be implemented at Laredo, Pharr and Brownsville, TX, Otay Mesa and Calexico, CA and Nogales, AZ.

Agriculture Rules and Regulations and Their Impact on Trade:

- Discussed the USDA Phytosanitary Certification required on all foreign fruits and vegetables to protect against pest/disease infestations. Agriculture is moving line of protection to OFF SHORE.
- * Described the new Wood Packaging International Standards that the U.S. is adopting Spring 2004. The Long Horn Beetle was contained but several other like pests are escalating.

Container Security Initiative (CSI) – Automated Commercial Environment (ACE):

- CSI: CBP Targeting Officers are at 19 of top 20 ports that are shipping containers to U.S. 8000 non-intrusive inspection units have been deployed by CBP. CSI purpose is to target and screen containers at origin pre-lading with host country conducting inspections at the request of U.S. officers. This allows learning about cargo as well as the players.
- ACE: 41 trade users are currently piloting ACE which is being developed to streamline the business process. The “1st release” 12/02 provided secure and reliable technical foundation. “2nd release” spring 2003 provided secure portal and is being piloted by these 41 users to be expanded to 200 in spring 2004 (internet account access/reports real time). “3rd release” spring 2004 will have account management, periodic payments and 60 reports including daily, monthly by port and nationally. The “4th release” electronic truck manifests scheduled fall 2004.

Undersecretary Asa Hutchinson’s Remarks:

Reiterated twin goals, as U.S. wants commerce and freedom of movement. DHS is to provide clarity. The objective is to do things better! Get info and target - using risk management. DHS introducing regions is to provide effective Homeland Security Liaison coordination with local public officials to insure incident management. Assured it will be in a consistent manner. DHS is committed to intelligence sharing and effective communications. Facilitate low-risk. Focus on high-risk. U.S. wants to lead in the use of biometrics. Discussed the USVISIT program.

The Bioterrorism Act of 2002:

- The FDA representatives stated they are intending to increase security without interrupting the flow of goods. CBP and FDA are fully cooperating. Joint Targeting, CBP is being authorized (commissioned) to act on inspections on behalf of FDA. Discretion on implementation phase-in over time with a view to harmonize with CBP on data elements and timing. FDA using risk based system. Memo of Understanding (MOU) commissioning CBP to act for FDA as they have only 600 inspectors at 90 of the 300+ ports. CBP has 18,000 officers. This is a win/win. Stated FDA must not impede trade. FDA is co-locating at CBP National Targeting Center with 24/7 operation (THE FIRST EVER FOR FDA). NOTE: BRASS cannot be used for Bioterrorism Act items.

CBP Regulations – Trade Act of 2002:

Described specific instances of dangerous interdicted shipments finding gas masks, tank periscopes, automatic weapons manifested as frozen trout. Reviewed the Trade Act. Detailed the pre-arrival info on all modes, data elements and the planned port-by-port phase-in.

Commissioner Bonner’s Closing Remarks:

The Symposium discussions and exchange was valuable and very helpful. Stated he was very pleased with DHS top leadership participation at this Symposium.

Reviewed Next Steps:

Not enforcing “technical” non-compliance of FDA regulations at the Border.

Working to harmonize timelines (CBP and FDA). Committed to do so.

All advance electronic notice should be through a single portal.

Standardize data elements.

Low-risk movement will be facilitated. Pre-arrival info is the key.

Thanked all for involvement in making this a most successful Symposium.

“Let’s keep partnership growing and strong”!!!