

# **Report to Congress on the International Trade Data System**



**September 2009**



**Report to Congress on the International Trade Data System (ITDS)  
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## **LEGISLATIVE REQUIREMENT**

Section 405 of the "Security and Accountability for Every Port Act of 2006" (P.L. 109-347, October 13, 2006) (SAFE Port Act) requires the Secretary of the Treasury to oversee an interagency initiative to establish a "single portal system," to be known as the "International Trade Data System" (ITDS). This unified data system will electronically collect and distribute import and export data required by government agencies that license or clear the import or export of goods. The Act requires the President to submit a report on the ITDS at the end of each fiscal year to the Committee on Finance of the U.S. Senate and the Committee on Ways and Means of the House of Representatives. The report is to include:

- (A) the status of the ITDS implementation,
- (B) the extent of participation in the ITDS by Federal agencies,
- (C) the remaining barriers to any agency's participation,
- (D) the consistency of the ITDS with applicable standards established by the World Customs Organization and the World Trade Organization,
- (E) recommendations for technological and other improvements to the ITDS, and
- (F) the status of the development, implementation, and management of the Automated Commercial Environment within United States Customs and Border Protection.

## **EXECUTIVE SUMMARY**

### ITDS in a Nutshell

The International Trade Data System (ITDS) project is an interagency effort to build an electronic “single-window” system for reporting imports and exports to the government. Currently, traders must make redundant reports to multiple agencies (often on paper). ITDS will allow traders to make a single electronic report, with the relevant data distributed to the appropriate agencies. Agencies will obtain data more quickly, be able to process cargo more expeditiously, and be better able to identify unsafe, dangerous, or prohibited shipments.

ITDS is not a separate computer system, but a function of the Automated Commercial Environment (ACE), the new trade processing system of U.S. Customs and Border Protection (CBP).

Currently, 47 agencies, including CBP, are working together to implement ITDS. The interagency ITDS Board of Directors, chaired by Treasury, coordinates interagency participation in ITDS. CBP has the responsibility of building ITDS functions into ACE.

### Progress to Date/Current Challenges

Some ITDS functions are already operational. Agencies already can obtain from CBP some import data that is collected electronically. Some agencies have used that data to interdict shipments and also to eliminate paperwork requirements. However, even the limited ITDS functionality currently available is not yet being fully utilized by all ITDS agencies.

Delays in the ACE schedule have delayed delivery and planning of ITDS functions. Although CBP management has recently focused new attention on ITDS, contract support for ITDS planning has been greatly reduced and may not be extended beyond December 2009. ACE planning delays mean that ITDS agencies building automated systems to interface with ACE must put their own plans on hold. Delays also mean that agencies' expertise and commitment can be dissipated. Delays have led some agencies to consider postponing their work on ITDS, and some agencies have considered building independent systems for import filing. When funds are redirected to accelerate delayed releases, remaining ITDS functionality must compete for remaining funds.

The effects of ACE delays on the ITDS program can be mitigated by immediately beginning to collect ITDS data through ABI (Automated Broker Interface – the intake module for import reporting) instead of waiting for associated ACE functions to be built. Consequently, one focus of current ITDS work is completion of data definitions and other preparations for adding ITDS data to the standard customs reporting messages (manifest, entry, entry summary). Work on more advanced functionality, such as computer analysis of agency data, electronic communication between agencies, and interagency border enforcement will be delayed.

## International Standardization

The SAFE Port Act requires that ITDS be consistent with the World Customs Organization (WCO) Data Model, an international standard for customs data requirements. International standardization reduces costs for traders and fosters data sharing between governments for security purposes, reducing the need for separate advance reporting to importing countries. To date, CBP has taken no concrete steps to implement the WCO standard messages within ACE.

## **RECOMMENDATIONS**

**1. CBP should immediately add data elements required by other agencies to the major import reporting messages (manifest, entry, entry summary) in order to:**

- Make import safety agencies better able to interdict unsafe shipments,
- Prevent proliferation of parallel systems for reporting imports,
- Prevent loss of agency expertise with regard to ITDS, and
- Ensure basic ITDS functionality is built and not dropped in favor of other priorities.

**2. CBP should develop the capability to accept transmission of “imaged” forms (such as .pdf files) which may currently only be submitted on paper. As an interim measure, pending the development full electronic data interchange between agencies, this would speed delivery of information to offices still using paper and would allow CBP to provide paperless filing for entries that now require paper forms.**

**3. CBP should complete its plans for ITDS and make decisions related to the technical interoperability with other agencies’ systems, in order to allow other agencies to continue with their plans for using ITDS and investing in automated systems to work with ACE/ITDS.**



## INTRODUCTION TO ITDS

Currently, importers or exporters must often file separate and redundant reports to the various agencies that regulate trade. The goal of the International Trade Data System (ITDS) Program is to eliminate redundant reporting by creating a “single-window” system, replacing multiple filings (often on paper) with a single electronic filing. Relevant data will be distributed electronically to the appropriate agencies, providing agencies with the ability to process that data electronically.

In addition to reducing costs for business and government by eliminating redundant reporting and systems, the shared ITDS system will enhance the ability to identify risky cargo, persons, and conveyances, will collect trade data that are more accurate, complete, and timely, and will speed cargo processing.

Section 405 of the SAFE Port Act formally established ITDS and directed the Secretary of the Treasury to coordinate interagency participation in ITDS through a steering committee consisting of the agencies participating in ITDS and the Office of Management and Budget (OMB). The SAFE Port Act requires all “agencies that require documentation for clearing or licensing the importation and exportation of cargo” to participate in ITDS.

ITDS is not a separate computer system, but part of the Automated Commercial Environment (ACE), an automated system for processing imports and exports being built by Customs and Border Protection (CBP). Work on the ITDS project has actually been underway since the mid-1990’s; a detailed history of ITDS can be found in the Appendices to this report.

Currently, 46 agencies, in addition to CBP, are participating in the ITDS program, including all the agencies required to participate in ITDS by the SAFE Port Act. Treasury chairs the interagency ITDS Board of Directors (the interagency steering committee of the SAFE Port Act), which also has several subcommittees that focus on particular aspects of the ITDS program. CBP, working with ITDS agencies is responsible for identifying and documenting agency requirements for ITDS and for building corresponding ITDS functionality within ACE.

Fundamentally, ITDS is about data interchange:

- Agencies agree to standardize their data requirements, eliminating duplicative reporting requirements,
- The standardized data is transmitted to CBP by traders and stored in the “ACE Data Warehouse,”
- CBP transmits relevant data to appropriate agencies or agencies obtain data through a web-based interface, the ACE Portal,<sup>1</sup> and
- Agencies with a border control function may provide information, operational instructions or advice to CBP via ACE.

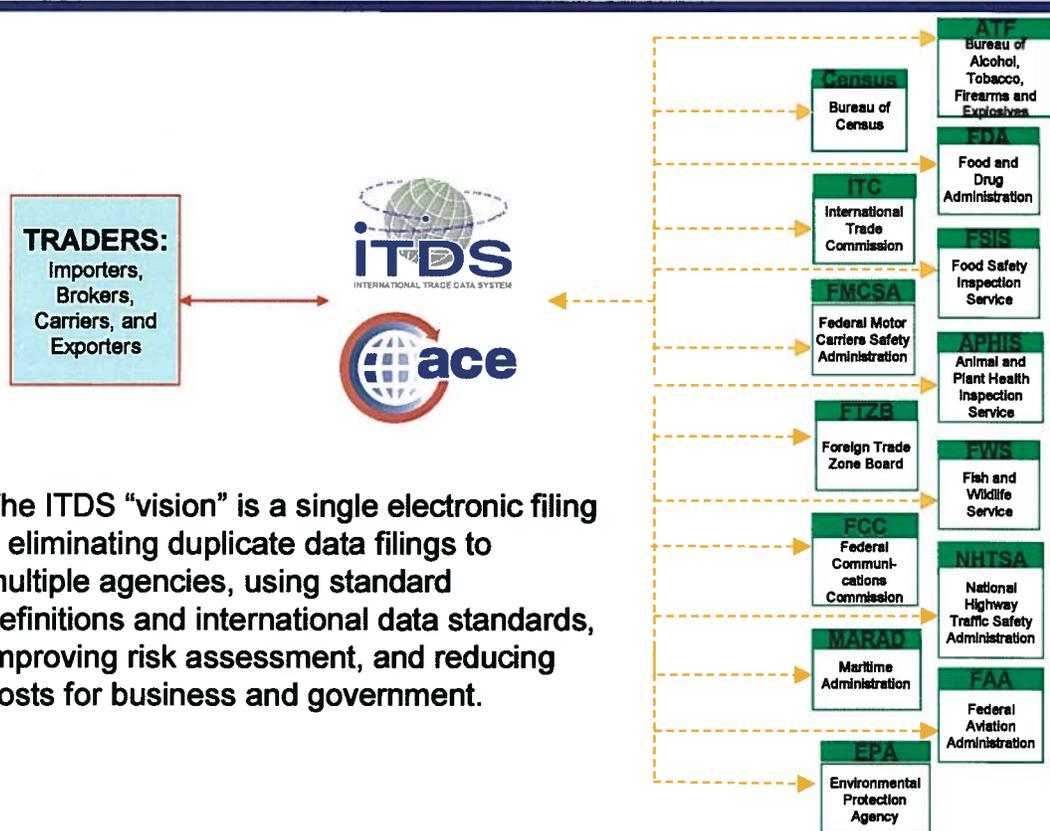
In addition, the ITDS Program also facilitates cooperation between agencies, including CBP, on border operations. ITDS agencies also hope to take advantage of processing

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<sup>1</sup> The ACE Portal is a secure web-based interface which an agency analyst can access through the internet and obtain detailed data on imports.

capabilities that could be incorporated into ACE, such as tracking and decrementing licenses, and targeting of shipments based on risk analysis.

## Single Window to the Government



## **STATUS OF IMPLEMENTATION OF ACE AND ITDS**

### ***Status of Implementation of ITDS***

Some ITDS functions are partly operational, but no new ITDS functionality was added over the past year. Agencies are able to obtain electronically some data reported to CBP but no new specific data required by other ITDS agencies is being collected and "single-window filing" functionality has yet been implemented.<sup>2</sup> No work has been done on exports.

While some agencies have already been able to successfully use data they review through the web-based ACE Portal,<sup>3</sup> a number of agencies currently with ACE Portal access (or that could have Portal access) could probably take more advantage of the data currently available through ACE.<sup>4</sup> The ability to collect additional data on behalf of the Federal Motor Carrier Safety Administration (FMCSA) has been built, but has not been used pending agreement between CBP and FMCSA a Memorandum of Understanding (MOU).

Other agencies are unable to access data that are currently collected electronically because (1) the data have not yet been added to the ACE "Data Warehouse," or (2) the software for retrieving that particular data has not yet been perfected or has capacity limitations.

### ***Extent of Participation by Federal Agencies***

Forty-seven Federal agencies (including CBP) currently participate in the ITDS Program. All agencies required to participate in ITDS by the SAFE Port Act<sup>5</sup> have joined the program. While some agencies have a well developed plan for automating their business processes and have completed preparations to receive and use data, other agencies are at an earlier stage of planning. Some agencies have been unable to commit budget and staff to ITDS; others have been reluctant to commit resources to an information technology system outside the control of their own agency.

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<sup>2</sup> It should be noted that some similar functionality has been operational for years. Although the "single window" for reporting by importers, exporters, and carriers does not yet exist in ACE, several agencies have for years already used data filed through CBP. For example, information used by the Census Bureau to compile national import statistics has long been collected jointly and electronically through filings with CBP. Information used by the FDA has also been collected through electronic filings with CBP.

<sup>3</sup> As a result of ACE Portal access, the amount of ineligible product detected, detained, and either removed from commerce or returned to FSIS for reinspection increased almost 30 fold -- from 97,000 to 2.87 million pounds between FY 2005 and FY 2006. (Originally reported in the November 2007 Report to Congress on the International Trade Data System as an increase from 36,000 to 1.6 million pounds.) In FY 2007, FSIS removed almost 2.04 million pounds of ineligible products from commerce. During FY 2008, FSIS removed 3.69 million pounds of ineligible product, and in FY 2009, 1.87 million pounds.

<sup>4</sup> An outline each agency's ITDS plans and status can be found in the section "Agency Plans and Status" and are presented graphically under "Agency Integration Status."

<sup>5</sup> For a more detailed description of the SAFE Port Act provisions related to ITDS, see the 2007 Report to Congress on the International Trade Data System at the ITDS website <http://itds.gov/xp/itds/toolbox/library/>; page 14 of the Report.

## ***ACE Delays and the Impact on ITDS***

The past year has seen a significant delay in implementation of the ACE Vessel and Rail Manifest Release (M1 Release). ITDS functionality scheduled for this release has therefore not been delivered. More importantly, the planning for other subsequent releases has also been delayed. The lack of a clear and stable schedule for ACE development has made it difficult for ITDS agencies to plan for their future operations with ACE and to plan investments in their own IT systems intended to work with ACE. Important decisions regarding technical interoperability, necessary to make data exchange a reality among agencies, have not been made. These include the type of file transfer protocols which will be supported, or whether “imaging” can be used to submit forms that now must be provided on paper.

Uncertainty about the ACE schedule and the functionality that ACE will be able to provide has caused some agencies to consider using their own systems for collecting data from importers. These would operate in parallel with CBP collections, and be inconsistent with the single-window concept of the SAFE Port Act. One agency has already made the decision to develop, although as an interim measure, the ability to electronically collect data directly from importers pending progress on ACE.<sup>6</sup>

Another concern is that agencies would lose the knowledge and expertise they have developed in preparing to implement ITDS, or plans interrupted or abandoned, if ITDS implementation is subject to further lengthy delays or interruptions.

## ***Interagency Operations Plans and Agreements***

Most agencies participating in ITDS must develop a plan (“Concept of Operations”) describing how the agency will operate when ITDS is implemented. That plan is reviewed by CBP and ultimately agreed to by both CBP and the agency. (A table showing the status of agency Concept of Operations plans can be found in the Appendices to this report.)

Agencies participating in the ITDS also agree on a Memorandum of Understanding (MOU) with CBP specifying in detail the information that an agency expects to receive through ACE/ITDS. In addition, some agencies also develop, with CBP, separate MOUs

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<sup>6</sup> The Food Safety Inspection Service (FSIS) is building a system designed to accept electronic data on imports of food products containing meat, poultry, and egg products, which it would process electronically, and upon completion of the mandatory inspection, then send an electronic message to CBP with directions on whether to release a shipment or not. The FSIS system is designed to receive data filed through ACE/ITDS. Delays in the ACE schedule mean the expected ACE data feed will not be available when the FSIS system is scheduled to come online in October 2010. FSIS also regulates meat, poultry, and egg product imports into U.S. territories outside the customs territory of the United States, which are not to be covered by ACE. Consequently, FSIS is developing a web-based capability to accept information directly from traders about those importations. FSIS plans to use that capability on an interim basis to receive information on imports into the customs territory pending delivery of ITDS functionality through ACE.

laying out the details for cooperative operations with CBP. (A table outlining the status of work on each MOU can be found in the Appendices to this report.)<sup>7</sup>

Work on several agencies' Concept of Operations plans and MOUs is still uncompleted. CBP has recently decided to undertake a general review of its own plans for operating with ITDS, in other words, developing a CBP Concept of Operations. This work, slated for completion by December 2009, should put CBP in a better position to make decisions awaited by other agencies in order to continue with their own planning for ITDS.

## **A WAY FORWARD**

Under the overall plan for implementing ITDS, each agency is asked to determine all its requirements (processing, communication, in addition to its basic data requirements), which are to be built into ACE as related CBP functions are deployed. This approach, which ties collection of ITDS data to work on only tangentially related CBP functions means that collecting basic ITDS data is held in abeyance pending that work. ACE schedule delays have further postponed collection of ITDS data.

CBP is currently considering an alternative approach which would mitigate the delays, providing quicker implementation of basic ITDS functions. Instead of waiting for deployment of future ACE releases, CBP could immediately begin to collect ITDS data for other agencies through ABI (Automated Broker Interface – the data intake module for both ACE and ACS, CBP's current trade processing system) and then make that data available to agencies through the ACE Data Warehouse. CBP is often called upon to add new data reporting requirements to its electronic systems and has a demonstrated ability to do this quickly and efficiently. (Implementation of the Lacey Act and softwood lumber legislation are two recent examples.)

The alternative approach of immediately collecting ITDS data through ABI would mitigate current delays and:

- Make import safety agencies better able to interdict unsafe shipments,
- Prevent proliferation of parallel import reporting systems,
- Prevent loss of agency expertise with regard to ITDS,
- Maintain agencies enthusiasm for the program, and
- Ensure basic ITDS functionality would be built and not dropped in favor of other priorities.

Moreover, because the same input system (ABI – Automated Broker Interface) used for ACS is also to be used for ACE, there would be no duplication of cost with regard to programming the added data elements. The added data would have to be stored in ACE under either scenario, although provision of storage capacity in ACE would have to be accelerated in order to provide immediate access to the data. CBP is attempting to estimate these costs but that work has not been completed.

In addition to collecting new data through ACS, CBP could provide for transmission of "imaged" forms (such as .pdf files). For some seldom used paper forms this could be a permanent solution, but for other data that would most effectively be collected through electronic data interchange (EDI), this approach could still provide significant short-term

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<sup>7</sup> For more information on Concept of Operations papers and MOUs see <http://www.itds.gov/>.

benefits. For example, in some cases, "imaging," even if done only on an interim basis, could greatly speed delivery of information to the appropriate agencies and would provide the additional advantage to CBP of allowing remote location filing for entries that currently require the filing of supplemental paper forms.

### ***Data Harmonization***

The critical first step in building a "single-window" filing system is harmonizing agency data requirements. Work in this area had lagged but over the past year the effort has been refocused and accelerated. By the end of calendar year 2009, the data required by 26 agencies for the major import processes (manifest, entry, entry summary) should be specified to the detail necessary for adding that data to the appropriate reporting messages. Draft additions to those messages should also be prepared by that time.

A table summarizing the draft ITDS Standard Data Set (SDS) for manifest and entry/entry summary and indicating which data elements are already collected by CBP begins on page 17.

### ***Standard Party Identifiers - DUNS Numbers***

One facet of data standardization involves "party identifiers," the identification numbers used to identify persons and firms. Several Federal agencies require traders to identify themselves or the people with whom they are trading by using agency-created identification numbers. Due to these different agency requirements, an importer may be required to report several different identification numbers, one for each entity that is involved in the transaction. Government-created identification systems have had problems with duplicate or inactive numbers and out of date information.

Many of these problems could be mitigated by utilizing commercially maintained systems for identifying businesses, such as the DUNS Number (Dun and Bradstreet Universal Numbering System). The DUNS Number system has wide coverage in many parts of the world, and significant resources are invested in keeping the DUNS database updated. The World Customs Organization (WCO) recognizes the DUNS Number as an acceptable identifier in its WCO Customs Data Model and DUNS claims to be ready to assign numbers to any business or organization in most of the world.

The DUNS Number system is already used to identify parties for other U.S. Government functions (for example government procurement) and provides other distinct advantages. There is one unique number for each physical location or business division which is particularly useful for security and safety concerns. The DUNS Number itself is in the public domain so privacy issues are mitigated and DUNS also registers new traders at no cost. DUNS links current firms to closed or merged firms, which helps limit evasion of tax or other legal responsibilities by those who might try to assume multiple identities and maintains "crosswalks" or links to other numbering systems. In 2006, the ITDS Board of Directors recommended that CBP and the other participating government agencies accept the DUNS Number as an alternative identifier for ACE transactions.

### ***Product Identification and Classification Codes***

Another area with potential for reducing costs involves the standardization of product identification and classification codes. Several agencies require traders to provide a product classification code, in addition to a tariff number, in order to categorize imported products more precisely (tariff codes are inadequate for many agencies purposes particularly those related to product purity and safety). ITDS agencies are exploring opportunities to use international product classification codes so that traders would not be required to report multiple codes for the same product, which would also reduce the cost to the government of maintaining multiple code systems.<sup>8</sup>

The identification of specific products using a globally unique product number known as the Global Trade Item Number (GTIN) also has cost saving potential. Because a GTIN (also known as the Universal Product Code (UPC)), can be linked to details about the individual product, one GTIN number may be all a trader need report, rather than requiring traders to report several data elements in order to adequately describe a product.

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<sup>8</sup> Agencies also endeavor to use standard codes already adopted by industry wherever possible. OMB Circular A-119 directs agencies to use voluntary consensus standards in lieu of government-unique standards except where inconsistent with law or otherwise impractical.

## **BUDGET ISSUES**

### ***Funding Sources***

The two sources of funding for ITDS capabilities in the ACE system are the ITDS Program budget, a component of CBP's Automation Modernization appropriation, and funding from agencies in the ITDS program which would be transferred from specific agencies to CBP via an Interagency Agreement (IAG). In addition, some Agencies participating in ITDS are developing plans for, and must fund, their own automated systems that will interface with ACE/ITDS.

### ***Cost Allocation***

As with any joint agency project, the determination of funding responsibilities can be a difficult issue. In order to clearly delineate the funding responsibilities of the participating agencies, the following funding assumptions have been developed and employed:

- 1) If participating agency requirements are included in the core set of CBP requirements, then the resulting capabilities would be provided to ITDS agencies at no cost to agencies or the ITDS program,
- 2) If requirements are shared by more than one agency, the cost of the resulting ACE capabilities would be born by the ITDS Program, and
- 3) The cost of agency unique requirements would be born by the agency.<sup>9</sup>

### ***Funding Levels for ITDS***

ITDS Program funding levels for fiscal year 2009 have been adequate to fund the work of the ITDS Project team (now suspended) and the development of ITDS requirements for the ACE Cargo, Control, and Release (CCR) M1 deployment. Funds were also used for training material for the Entry Summary, Accounts, and Revenue (ESAR) A2 release pertaining to entry summary and the new Antidumping/Countervailing Duty (AD/CVD) Case Management database within ACE. A significant amount of progress was made this fiscal year towards the development of the AD/CVD Case Management database, which is on schedule to be deployed in January 2010. However, projected funding levels will not support past levels of contractor support for ITDS, or all single-window requirements functions envisioned by agencies.

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<sup>9</sup> "Requirements essential to ACE core functionality, including CBP-specific requirements, requirements shared by CBP and other agencies, and the common user interface for ITDS, are funded directly by the CBP Modernization program. The requirements that are common to multiple agencies, but are not specifically CBP requirements will be funded by the ITDS Board using CBP Modernization Automation funding earmarked for ITDS. Finally, agencies will fund any modifications to agency systems or processes undertaken to integrate with ITDS, as well as the cost of any agency-unique requirements in ACE." FY 07 OMB 300 for ITDS.

International Trade Data System (ITDS) Program Financial Summary						
Description	FY 2001-2005 (Actual)	FY 2006 (Actual)	FY 2007 (Actual)	FY 2008 (Actual)	FY 2009 (As of 8/31/09)	FY 2010 (Planned)
<b>ITDS Program Budget:</b>						
• Budget Appropriation	\$ 43,578,120	\$ 15,840,000	\$ 16,000,000	\$ 16,000,000	\$ 16,000,000	\$ 6,060,000
• Balance Carried Forward (from prior FY)	\$ -	\$ -	\$ 61,627	\$ 11,051,593	\$ 5,249,163	\$ 18,583,069
• Other (De-obligation from prior year ITDS Support Contractor contract)				\$ 1,093,611	\$ -	\$ -
• Other (Reimbursement of funding (see "Other" below) available for use in FY10)						\$ 4,000,000
<b>Sub-Total</b>	\$ 43,578,120	\$ 15,840,000	\$ 16,061,627	\$ 28,145,204	\$ 21,249,163	\$ 28,643,069
<b>ITDS Obligations</b>						
• ITDS Program Office	\$ 7,617,708	\$ 4,362,551	\$ 1,053,951	\$ 1,714,120	\$ 51,148,775	\$ -
• ITDS Program Contractor Support – Develop/Maintain High Level Participating Government Agency (PGA) Business Requirements	\$ 35,960,412	\$ 11,415,822	\$ 1,900,000	\$ 10,488,390	\$ 48,505	\$ -
• ITDS Program Sponsored Operational Enhancements and ACE Production Support – Develop/Deploy Operational Enhancements and Provide ACE Operating & Maintenance Support				\$ 443,086	\$ 5335,964	\$ -
• ITDS Program Sponsored Construction of PGA Requirements – Design, Develop, and Deploy ACE Release Capabilities for Requirements Shared by Multiple PGAs			\$ 2,056,083	\$ 6,250,445	\$ 51,132,850	\$ 28,643,069
• Other – Transferred for use in ACE development of non-PGA requirements (M1)				\$ 4,000,000		
<b>Sub-Total</b>	\$ 43,578,120	\$ 15,778,373	\$ 5,010,034	\$ 22,896,041	\$ 2,666,094	\$ 28,643,069
<b>ITDS Program Budget</b>						
ITDS Program Obligations	\$ 43,578,120	\$ 15,840,000	\$ 16,061,627	\$ 28,145,204	\$ 21,249,163	\$ 28,643,069
ITDS Program Balance (carried forward to next FY)	\$ -	\$ 61,627	\$ 11,051,593	\$ 5,249,163	\$ 18,583,069	\$ -
<b>Percentage of ITDS Budget Obligated (cumulative)</b>	100.0%	99.9%	85.3%	95.5%	83.7%	100.0%

From the inception of the ITDS Program, the ITDS Program budget has funded education of participating agencies' staff about the ITDS/ACE program and developed agencies' high-level business requirements.

CBP has decided to focus contract funds on implementing functionality rather than on ITDS planning. Consequently, there will be little to no support for participating agencies' ITDS development work in the next fiscal year. Work on other agencies' requirements for which funds have not yet been allocated has been halted.

The ITDS Board of Directors, through its budget committee, tracks ITDS program expenditures. While some design and development work has moved forward, such as the development of the AD/CVD Case Management database, it has become clear that the ITDS Program budget will not be sufficient to fund development of all the "shared requirements" envisioned by participating agencies.

**FY 2009 ITDS Budget and Planned Obligations/Expenditures**

<b>ITDS Work Package Description</b>	<b>Outlook</b>	<b>Allocated<sup>1</sup></b>
<b>ITDS Program Office (ITDS Program Management Office Support and Operating Expenses):</b>		
● ITDS Program Office Government Salaries	\$600,000	\$600,000
● ITDS PMO Contractor Support - Robbins-Gioia (May 2009 to Apr 2010)RG returned \$624,000 In July 2009	\$1,200,000	\$575,790
● ITDS PMO Other Direct Expenses (travel, etc.)	\$60,000	\$3,824
● ITDS Website Operations & Maintenance Support (www.itds.gov - Oct 2009 to Sep 2010)	\$55,640	\$54,931
<b>Sub-Total:</b>	<b>\$1,915,640</b>	<b>\$1,234,545</b>
<b>ITDS Program Contractor Support (Develop/Maintain High Level PGA Business Requirements):</b>		
● ITDS Contractor Support - AST (PGA Liaison Support, Data Harmonization, Security, etc.) (Sep 2008 to Aug 2009)	\$5,434,497	\$0
● ITDS Contractor Support - AST (ITDS Comm Support, Maint of PGA User Training Materials, etc.) (Sep 2008 to Sep 2009)	\$178,793	\$48,505
● ITDS Contractor Support - AST (ITDS Comm Support, Maint of PGA User Training Materials, etc.) (Oct 2009 to Sep 2010)	\$260,000	TBD
<b>Sub-Total:</b>	<b>\$5,873,290</b>	<b>\$48,505</b>
<b>ITDS Program Sponsored Construction of PGA Requirements (Design, Develop, and Deploy ACE Release Capabilities)<sup>2</sup></b>		
● PGA User Training Material Development (release breakdown is not yet known)		\$1,055,164
– ESAR A2.2: Initial Entry Summary Types	\$77,686	\$77,686
– ESAR A2.3.1a: Remaining Entry Summary Types (3/1/2009 to 3/1/2010)	\$245,139	TBD
● Entry Summary, Accounts, and Revenue Development		
– ESAR A2.1: M1 Reference Data (Initial Estimate: 34 of 164 Requirements @ 50% - 10.4% of \$17,674,800)	\$1,678,232	TBD
– ESAR A2.2: Initial Entry Summary Types (Initial Estimate: 20 of 308 Requirements @ 50% - 3.25% of \$57,508,660)	\$1,611,280	TBD
– ESAR A2.3.1a: AD/CVD Case Management/Entry (Note: \$500,000 of seed funding provided in FY08 - \$28,623,467)	TBD	TBD
– ESAR A2.3.1b: Remaining Entry Summary Types	TBD	TBD
● Cargo Control and Release Development		
– CCR M2.1: E-Manifest Air and Cargo Release (Initial Estimate: 9 of 165 Requirements @ 50% - 2.73% of ~\$80M)	\$2,181,818	TBD
– CCR M2.2: Full Multi-Modal Manifest	TBD	TBD
– CCR M2.3: Cargo Release	TBD	TBD
<b>Sub-Total:</b>	<b>\$5,794,155</b>	<b>\$1,132,850</b>
<b>ITDS Program Sponsored Operational Enhancements and ACE Production Support</b>		
<b>(Develop/Deploy Operational Enhancements and Provide ACE Operating &amp; Maintenance Support):</b>		
● Changes Required for PGA Functionality in M1:		
– Develop/Update M1 Web-Based Training Materials for the PGAs	\$27,125	\$27,125
– ACS Modifications Needed to Accommodate M1 "PGA Holds" Functionality (VVR 1976 extension)	\$55,000	\$55,000
– Interface Changes for M1 PGA Hold Types – CR 2883	\$131,300	TBD
– Splitting the PGA Commodity Analyst Role into 2/Manifest Analyst Role - CR 2988	\$67,076	TBD
– M1 Desktop JVM 1.6 Upgrade to Support PGAs (CR 3083) 7/17/09 ROM \$54,281	\$54,281	TBD
– Remove HTS Book from Portal and Add ITC HTS Web URL CR 2535	TBD	TBD
● Enhanced Provisioning in ACE- Security Role Administration (CR2712) ROM 7/16/09 \$253,839	\$253,839	\$253,839
● Shared IA/CBP AD/CVD Case Reports CR 3264	TBD	TBD
● IA AD/CVD Entry Summary Data Extract CR 3276	TBD	TBD
● Census Entry Summary Extract Modification CR 3287	TBD	TBD
● ITDS Program Commitments from 2007/2008:		
– ACE - Agricultural Specialist Project in CERTS	\$575,000	TBD
<b>Sub-Total:</b>	<b>\$1,163,621</b>	<b>\$335,964</b>
<b>Sub-Total:</b>	<b>\$14,746,706</b>	<b>\$2,751,864</b>

**NOTES:**

1 Allocated funds include funds obligated to a contract or transferred from the ITDS account to another CBP project or account.

2 Allocated amount represents an ITDS down payment; firm cost estimates for each ACE release will be available at the release's Critical Design Review (CDR); ITDS's actual allocation will be reconciled and revised at the CDR for each ACE release.

## **CONSISTENCY OF ITDS WITH INTERNATIONAL STANDARDS**

### ***Benefits of International Standardization***

Today, countries have different data requirements and electronic data formats for essentially similar customs processes. Standardizing these reporting requirements can reduce costs for traders, who now must use a different format for each country and invest in different software for reporting to each country. In the current environment, however, the greatest potential benefit of adopting international standards may be to enhance security. By providing a platform for customs administrations to share information and providing advance notice of risky shipments, this could effectively extend our enforcement perimeter beyond the border. Moreover, obtaining export data may provide a less costly alternative to requiring advance filing of import data. (Sharing of U.S. export information from the Shipper's Export Declaration with other countries would require authorization from the Commerce Department.)

### ***World Customs Organization (WCO) Data Model***

The SAFE Port Act requires the ITDS Board of Directors to ensure that the ITDS data requirements are compatible with the WCO Data Model. The World Customs Organization (WCO) Data Model consists of standardized data requirements, data definitions, reporting codes<sup>10</sup>, and "messages" for transmitting data from traders to governments.<sup>11</sup>

The ITDS Standard Data Set incorporates WCO standards. However, CBP has taken no concrete steps to implement the WCO standard messages within ACE. Implementation has been notionally considered as a second reporting option to be developed after other ACE functions are completed. CBP has committed to estimate the cost of receiving reporting messages based on the WCO Data Model as an option to be offered alongside the legacy standards currently being implemented in ACE, but despite several attempts this work is not completed.

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<sup>10</sup> "Reporting Codes" relate to the reporting of particular data or information. For example, when the country of export is reported, the reporting code might be UK or MX.

<sup>11</sup> The WCO messages are a particular implementation of the UN/EDIFACT Customs messages (CUSCAR, CUSDEC, etc.) which are the functional equivalent of the entry, entry summary, and manifest messages currently required by CBP. The WCO messages have been agreed to by the WCO member countries, including the United States. The United States has committed to implement the WCO messages in both the WCO Framework Agreement and in G-7 communiqués.

## RECOMMENDATIONS

**1. CBP should immediately add data elements required by other agencies to the major import reporting messages (manifest, entry, entry summary) in order to:**

- Make import safety agencies better able to interdict unsafe shipments,
- Prevent proliferation of parallel systems for report imports,
- Prevent loss of agency expertise with regard to ITDS, and
- Ensure basic ITDS functionality is built and not dropped in favor of other priorities.

**2. CBP should develop the capability** to accept transmission of “imaged” forms (such as .pdf files) which may currently only be submitted on paper. As an interim measure, pending the development full electronic data interchange between agencies, this would speed delivery of information to offices still using paper and would allow CBP to provide paperless filing for entries that now require paper forms.

**3. CBP should complete its plans for ITDS and make decisions related to the technical interoperability with other agencies’ systems, in order to allow other agencies to continue with their plans for using ITDS and investing in automated systems to work with ACE/ITDS.**

### *Progress on 2008 Recommendations*

**Recommendation 2008-1:** The ITDS Board of Directors should ensure adequate resources are devoted to completing the harmonization of agency data requirements.  
Result: Adequate progress has been made.

**Recommendation 2008-2:** CBP should make all import data it currently collects electronically available to agencies through the ACE Portal.  
Result: No additional data has been made available.

**Recommendation 2008-3:** CBP and the other participating government agencies should use a widely accepted standard identifier, such as the DUNS Number as an alternative to identify parties in ACE transactions and CBP should build that capability into ACE in order to reduce the reporting burden on traders, obtain more accurate and complete identification of parties to international trade transactions, and enhance compliance, security, and safety.  
Result: More agencies are considering use of the DUNS Number.

**Recommendation 2008-4:** Agencies participating in ITDS that require product codes should strive to use standard product codes based wherever possible on commercial or other consensus standards in compliance with OMB Circular A-119.  
Result: Some agencies are exploring using the GTIN as a product identifier.

**Recommendation 2008-5:** The ITDS Board of Directors should be directly represented in the appropriate bodies making decisions regarding the ACE schedule and priorities.  
Result: No action taken.

**Recommendation 2008-6:** To enhance the effectiveness of the OMB E-Government tracking of agencies' plans to implement interfaces to ITDS, the dates associated with the milestones for those plans should be adjusted to reflect changes in the ACE schedule. To make the monitoring more accurate and effective milestones should be set and tracked at the component-agency level while maintaining accountability at the Department level.

Result: OMB adjusts the milestones dates to reflect ACE schedule changes.

**Recommendation 2008-7:** The ITDS Program Office and the ACE Team should ensure that agencies' requirements for data, data processing, and communication are fully documented and tracked (in a manner transparent to ITDS agencies and the ITDS Board of Directors) throughout the development and implementation process. Particular attention should be paid to the handoff from the ITDS Program Office to other ACE entities that will implement agency functionality.

Result: ITDS requirements are now stored in DOORS, an appropriate repository tool.

**Recommendation 2008-8:** The ITDS Program Office should take the lead in establishing a Board within CBP to review MOUs and Concept of Operations plans and to establish a schedule for review of those documents. Such Board should include the appropriate CBP Headquarters staff. The ITDS Program Office working with each agency should identify responsible persons in those agencies to meet with this Board as appropriate.

Result: CBP has established a Board to review Memorandum of Understandings and Concept of Operations plans, but much of this work is on hold pending CBP's development of a "CBP Concept of Operations."

**Recommendation 2008-9:** CBP should implement in ACE the ability to report transactions in a manner consistent with the WCO Data Model international standards. Standardization can reduce costs for traders and facilitate security cooperation between governments.

Result: No action has been taken.

### ***Progress on 2007 Recommendations***

**Recommendation 2007-1:** In 2007, we noted that several new agencies joined ITDS after the SAFE Port Act was enacted in October 2006, but that agency participation in ITDS had been uneven and that, although agencies are able to obtain detailed import information through the ACE Portal, not all agencies are taking full advantage of that information. *We recommended that agencies, particularly those with an import safety mission, should accelerate development of plans for their participation in ITDS in order to take full advantage of ITDS capabilities.*

Result: OMB directed agencies to participate in ITDS. While all agencies required to join did so, participation remains uneven.

**Recommendation 2007-2:** *We recommended that the ITDS Board of Directors should ensure that a Standard ITDS Data Set is established by January 1, 2008.*

Result: See Recommendation 2008-1 above.

**Recommendation 2007-3:** *Last year we noted that development of the ITDS Program requires the involvement of the appropriate policy and operational offices of all agencies. We recommended that agencies realign resources to accommodate the increasing ITDS workload and that the ITDS Board of Directors and OMB should take steps to ensure that agency participation is adequate and that ITDS Project Team resources are focused on the development of the ITDS IT infrastructure.*

Result: The ISWG recommendations and OMB mandates spurred participation in ITDS, but participation remains uneven.

**Recommendation 2007- 4:** *We recommended that agency legal offices (including CBP) engage in drafting MOUs so that work on these documents is accelerated.*

Result: Initial progress has been made. MOUs were split into a Data MOU and an operational /policy MOU in order to prevent policy/operations issues from delaying work on the data interchange system. Some work on MOUs still lags.

**Recommendation 2007-5:** *We recommended acceleration of plans to add all import information currently reported electronically to CBP to the ACE "Data Warehouse" so that it could be accessed by agencies through the ACE Portal. The ISWG made the same recommendation and OMB directed CBP to proceed.*

Results: CBP explored this action but decided not to proceed. CBP is considering making some data already collected available to some agencies through ACS, CBP's current processing system.

**Recommendation 2007-6:** *We recommended Implementation of software to limit users to specified classes of data, in order to control access to data and to limit the expensive higher-level security clearances required for wide access to data.*

Results: Access control software, or security filters, have not been implemented, therefore requiring all agency personnel to obtain full background investigations in order to obtain access to the ACE Portal. The cost and time required to obtain these clearances has limited some PGAs use of ACE.

**Recommendation 2007-7:** *We recommended accelerated implementation of World Customs Organization Data Model messages (international standard for customs reporting) in order to:*

*Reduce costs for traders by promoting a single international format for communicating to replace each country's different electronic communication protocols, and Facilitate exchange of data between authorities for enforcement cooperation and to extend our enforcement perimeter beyond our border.*

Implementation of the WCO Data Model is also an ISWG recommendation, an OMB mandate, and a requirement of the SAFE Port Act.

Result: No concrete steps have been taken to implement the WCO standard messages within ACE. CBP took steps to examine the cost of implementing WCO Data Model standards alongside the legacy standards currently being implemented in ACE, but this work has not been completed. .

**Recommendation 2007-8:** *We recommended that ITDS Agencies should determine which edits are critical for their purposes and provide timely input to the ACE development team.*

Result: After review by the Commerce Department, the International Trade Commission, and the private sector, some edits originally scheduled to be dropped from production have been reinstated.

**Recommendation 2007-9:** *Last year we noted that some features to be used by ITDS agencies that were scheduled to be implemented had been delayed and recommended that ITDS Board of Directors be directly represented in bodies making decisions regarding the ACE schedule.*

Result: The ITDS Board of Directors is not represented in the CBP bodies making decisions regarding ACE priorities and schedules.

**Recommendation 2007-10:** *We recommended that the ITDS Board of Directors continue to closely track program expenditures to ensure charges lead directly to delivery IT capabilities, and that those capabilities are delivered on schedule.*

Result: The ITDS Board of Directors is monitoring expenditures and delivery.

**Recommendation 2007-11:** *We recommended that agencies participating in ITDS ensure their capital planning and investment control processes incorporate plans for utilizing ITDS.*

Result: OMB has instituted a tracking procedure of agency progress. The tracking exercise has focused attention on ITDS and further coordination is underway between OMB, ITDS agencies, and CBP to enhance the effectiveness of each agency's implementation plan and milestones.

**Standard Data Set: Manifest Data**

Legend	CBP currently collects for Manifest.	CBP does not currently collect for Manifest.	Required Associated Data Elements.
<b>A. COMMODITY/SHIPMENT INFORMATION</b>			
<b>Consignment</b>			
87	UCR	Unique number assigned to goods being subject to cross border transactions.	
168	Shipping Quantity	Total number of packages for the bill of lading.	1648 Package Type 122 Unit of Measure Type of package product is shipped in, e.g., carton, crate, sack, etc. Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
1742	Boarded Quantity	Total number of packages from a Bill of Lading actually loaded on the conveyance.	
2914	Shipping Marks	Free form text which describes in full the shipping marks and numbers found on the outside of equipment, containers, and packaging units (e.g., boxes).	
8007	Total Bill of Lading Gross Weight	Weight (mass) of all goods listed on the Bill of Lading including packing, but excluding the carrier's equipment.	122 Unit of Measure Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
<b>Item</b>			
79	UNOG Number (Dangerous Goods Code)	Unique code number assigned to substances and articles contained in a list of dangerous goods most commonly carried based on UN and NAERG (North American Emergency Response Guide) codes.	
118	Commodity Gross Weight	Weight (mass) of the commodity at the item level including packing but excluding the carrier's equipment.	122 Unit of Measure Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
127	Commodity Serial Number	Numbers or characters used to identify an object, for example the unique number affixed by the manufacturer to a product for identification purposes, e.g. VIN (Vehicle Identification Number), serial number.	129 Commodity Serial Number Type, coded The type of unique number affixed by the manufacturer to one instance of a product for identification purposes, such as a serial number, vehicle identification number (VIN).
166	Tariff Code	Code number of the goods in accordance with the tariff nomenclature system of classification in use where the Customs declaration is made.	
935	BTAF/FAA Indicator	Indicates that cargo is or is not subject to the Biodefense Act of 2002 reporting requirements.	1648 Package Type Type of package product is shipped in, e.g., carton, crate, sack, etc.
1741	Cargo Description	A description of the cargo in common trade terms.	
2196	Commodity Dangerous Goods Description	An optional description of the way in which the goods are potentially dangerous or require special treatment.	
<b>C. GENERAL</b>			
<b>Dates</b>			
64	Conveyance Actual Departure Date and Time	The date and time the conveyance actually departed the Customs port of loading.	
61	Conveyance Arrival Date and Time at First Port of Arrival in Customs Territory	Date and time of the arrival of the conveyance.	
<b>Miscellaneous General Data Elements</b>			
139	Sequence Number	Number indicating the position in a sequence, e.g., tariff line number, subline line number.	
131	Message Action Code	A code indicating the purpose of the message.	
142	Procedure Code	A code indicating what process applies to this transaction.	
934	Transfer Reference Number	An optional code provided by the participant for the trader's internal control.	
937	Tracking Number	A number assigned to track a document, package, or transaction.	1991 Tracking Number Type A code to indicate the type of tracking number; e.g., carrier package, violation case, etc.
1654	Remarks Text	Specific information relevant to the shipment or the commodity. Optional free text.	2196 Remarks Qualifier A qualifier to identify the type of the remarks.
1781	Amendment Code	Code specifying the reason for a change.	

Standard Data Set: Manifest Data cont

Name & Add		Code		Foreign Places (except AmerGoodsRet Country of Origin)		Required Associated Data Elements	
		50		Country of Origin			
		1600		Place of Receipt Location Code		9000	
		2091		Port of Loading, coded		9000	
		2092		Port of Unloading, coded		9000	
Name & Add		Code		Domestic Places		Required Associated Data Elements	
		491		In-Bond Destination Port Code		9000	
		1871		Delivery Destination Address		9000	
		9005		First Port of Arrival in Customs Territory		9000	
Name & Add		Code		Persons/Parties		Required Associated Data Elements	
		2075		Notify party, coded		9078	
		2076		Carrier, coded		9044	
		2077		Consignee, coded		9078	
		2078		Crew Member, coded		9044	
		2079		Shipper/Consigner, coded		9078	
		9023		Dangerous Goods Contact		9078	
		9075		Deconsolidator, coded		9078	
		9081		Master/operator, coded		9078	

Standard Data Set: Manifest Data cont.

Name		Coded	Conveyance	Required Associated Data Elements
	Conveyance Country of Registration	23	The ISO code for the country in which the means of transport is registered.	
34	Conveyance Name	32	Name: The registered name of the conveyance used to transport the cargo. Code: Unique identification assigned to the means of transport used in crossing the border, e.g., IMO official number, KCCAT (NMF'S).	Conveyance Code Qualifier 9077 Indicates the scheme used to create the identifier used to identify the conveyance, e.g., SCAC, Radio Cal Sign, license plate.
46	Conveyance Transponder Number	46	The number assigned to the transponder (RFI equipment) that is attached to the conveyance	Conveyance State or Province of Registration 45 The ISO code for the state or province in which the means of transport is registered.
92	Conveyance Trip Number	92	A unique number assigned by the carrier issuing the manifest to each movement of a conveyance	
108	Mode/Type of means of transport crossing the border, coded	108	Means and mode of transport used for crossing the border, coded	
Transport Document				
663	Associated transport document number	663	Previous transport document number or other assigned reference number associated with the shipment.	Associated transport document type, coded Code to qualify the type of associated transport document
1170	Bill of Lading Number	1170	The number of the written order from a shipper to a carrier to move goods from one place to another.	Bill of Lading Issuer, coded 510 The company issuing the bill of lading for the shipment of cargo.
932	Bill of Lading Status	932	A code representing the status of the bill of lading for example regular, goods astray, international mail, freight remaining on board, etc.	Bill of Lading Type 2100 Indicates if the bill is master, house, or sub-house.
939	In-Bond Number	939	A unique reference to a movement of cargo under bond.	
Transport Equipment				
179	Transport Equipment, coded	179	Marine or license plate which identify a specific piece of transport equipment.	Transport Equipment Code Qualifier 9079 Indicates the scheme used to create the identifier used to identify the transport equipment, e.g., container number, license plate.
182	Country of Registration	182	For air, rail and sea, the ISO code for the country of registry of the article of transport equipment. For truck country of registry of trailer.	
180	State or Province of Issuance	180	ISO state/province code for the license plate state/province of issuance.	
187	Transport Equipment Type Code	187	A code describing type of each article of transport equipment (e.g., box car, tanker, trailer).	
723	Lead Status Code	723	A code which specifies the loaded condition of the transportation equipment.	
Miscellaneous Transportation Data Elements				
154	Seal Number	154	Unique identifier on the seal affixed to a container, equipment, or conveyance	
1879	Special Handling Instructions Description	1879	Directions for handling and/or delivery for cargo.	
158	Service Code	158	Code to identify the conditions of contract and carriage.	
705	Spill Shipment Indicator	705	An indicator that a shipment has been divided and part of the shipment is exported on one conveyance and part on another conveyance of the same transportation.	
G. VALUE/COMMERCIAL TRANSACTION INFO				
			Value	
958	Consignment Value	958	Amount declared for customs purposes of those goods in a consignment whether or not they are subject to the same customs procedure.	Statistical heading, country information and duty regime.
113	Currency Code	113	Code identifying the monetary currency used in the transaction.	

**Standard Data Set: Entry/Entry Summary Data con't**

Legend:	CBP currently collects for Entry/Entry Summary.	CBP will collect for ACE Entry/Entry Summary.
	CBP does not currently collect for ACE Entry/Entry Summary.	Required Associated Data Elements.

A. COMMODITY/SHIPMENT INFORMATION		
Header		Required Associated Data Elements
87	UCR	Unique number assigned to goods being subject to cross border transactions
2191		Number of individual items packaged in such a way that they cannot be divided without first unloading the packing
Item		Required Associated Data Elements
119	Commodity Gross Weight	1648 Package Type 172 Unit of Measure Type of package product is shipped in, e.g., carton, crate, sack, etc. Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
166	Tariff Code	172 Unit of Measure Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
168	Tariff Quantity	172 Unit of Measure Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
467	Solid Wood Packing Material Status	172 Unit of Measure Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
Commodity Subitem (Based on the structure in the current CBP message)		Required Associated Data Elements
124	Subitem Commodity Physical State Code	128 Commodity Serial Number Type, coded 172 Unit of Measure The type of unique number affixed by the manufacturer to one instance of a product for identification purposes, such as a serial number, vehicle identification number (VIN). Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
127	Commodity Serial Number	128 Commodity Serial Number Type, coded 172 Unit of Measure The type of unique number affixed by the manufacturer to one instance of a product for identification purposes, such as a serial number, vehicle identification number (VIN). Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
398	LPCO Quantity to be Decrementated	172 Unit of Measure The number of units for a specific shipment to be decrementated from the available LPCO quantity.
541	Subitem Commodity Lot Number	172 Unit of Measure Identification number of a production lot.
1005	Subitem Commodity Package Length	172 Unit of Measure The length of the commodity or of the commodity packaging.
1006	Subitem Commodity Package Height	172 Unit of Measure The height of the commodity or of the commodity packaging.
1006	Subitem Commodity Package Width	172 Unit of Measure The width of the commodity or of the commodity packaging.
1010	Subitem Commodity Count	172 Unit of Measure The number or count of a commodity in a shipment.
1400	Subitem Commodity Classification, coded	1401 Subitem Commodity Classification Qualifier 2178 Subitem Commodity Name Qualifier The type of commercial categorization of a commodity. A qualifier to describe the commodity name e.g., common name, registered name, brand name.
1606	Subitem Commodity Name	1401 Subitem Commodity Classification Qualifier 2178 Subitem Commodity Name Qualifier The type of commercial categorization of a commodity. A qualifier to describe the commodity name e.g., common name, registered name, brand name.
1913	Subitem Commodity Name	1401 Subitem Commodity Classification Qualifier 2178 Subitem Commodity Name Qualifier The type of commercial categorization of a commodity. A qualifier to describe the commodity name e.g., common name, registered name, brand name.
1917	AMS Subitem Commodity Marketed Size	172 Unit of Measure Marketed size of imported commodity.
1970	Subitem Commodity Package Volume	172 Unit of Measure If package is marketed by volume instead of weight, volume marked on the package. A narrative description of the commercial product as stated on the invoice and any other pertinent document. This description must be complete and in the English language. General tariff descriptions are not acceptable.
1979	Commercial Description	172 Unit of Measure If package is marketed by volume instead of weight, volume marked on the package. A narrative description of the commercial product as stated on the invoice and any other pertinent document. This description must be complete and in the English language. General tariff descriptions are not acceptable.
2136	Subitem Commodity Intended Use	172 Unit of Measure A the intended use of the commodity

**Standard Data Set1 Entry/Entry Summary Data con't**

2110	Subitem Commodity Process Type Code	The process or production associated with the commodity (e.g., method of growing, pretreatment, etc.).	122	Unit of Measure	Indication of the unit of measurement in which weight (mass), capacity, length, area, volume or other quantity is expressed.
2119	Subitem Commodity Net Weight	The weight of the commodity, excluding all packaging.			
2121	Subitem Constituent Element Name	The name of the specified material within the product, e.g. asbestos or milk solids.			
2122	Subitem Constituent Element Percentage	The percentage of a specified material contained within the product.			
2152	Subitem Commodity Process Date	The date on which the process associated with the commodity was performed.	2153	Subitem Commodity Process Date Qualifier	Whether the process date is a start date or an end date.
2181			9093	FDA Subitem Package Type	FDA container codes.
			9091	PGA Subitem Package Type	Type of package the product is shipped in, e.g., carton, crate, sack, etc.
			9094	FDA Subitem Base Unit of Measure	FDA units of measure.
			9092	PGA Subitem Base Unit of Measure	PGA units of measure.
2283	Number of packages Subitem Constituent Element Active Ingredient Indicator	Number of individual items packaged in such a way that they cannot be divided without first undoing the packing. A designation that indicates this element is an active ingredient.			
<b>B. DUTY/TAX CALCULATION</b>					
<b>Duty/Tax/Fee Calculations and Value</b>					
114	Customs Value	Amount declared for Customs purposes of those goods in a consignment which are subject to the same Customs procedure, and have the same tariff/statistical heading, country information and duty regime.			
2144	Duty/tax/fee Amount	Amount of any duty, tax, fee, or other charge (including interest), and amount of reduction (if applicable) per duty/tax/fee type by item and/or declaration.	2145	Duty/tax/fee Type	Type of duty, tax, fee, or other charge applicable to a commodity or a declaration.
2147	Subitem Commodity Value	The value of the commodity. This may be different from the customs value.			
9085	AD/CVD Specific Deposit Value	A value in whole U.S. dollars to be used exclusively and in lieu of any other fee item value to calculate AD/CVD duty.			
<b>Miscellaneous Duty/Tax/Fee Calculation and Value Data Elements</b>					
1676	Applicable Special Trade Program Description	Which trade agreement applies to the import or export.			
<b>C. GENERAL</b>					
<b>Dates</b>					
55	Electred Entry Date	Date used at the discretion of the filer for duty calculation of non-quota goods when there is no immediate transport entry date (related to immediate delivery).			
659	Date of Exportation	The date and time the goods left the Customs territory of the exporting country.			
696	Consolidated Shipment Indicator	An indicator that refers to a consolidated entry where a filer has combined several releases into one entry summary.			
713	IA Date of Exportation from the Country of Origin (Textiles)	The date the textiles were exported from the country of origin.			
953	Foreign Trade Zone Commodity Status Filing Date	The filing date that corresponds to the current status of the commodity in the foreign trade zone. The date may be either the original admission filing date or the filing date of the application requesting a change in status.			
1169	Conveyance Date of Arrival at Place of Unloading	Date on which the conveyance transporting the merchandise from the foreign country arrived within the limits of the US port to unload.			
2097	In-Bond Date and Time	The date of the in-bond entry.			
2218	AMS Requested Inspection Date and Time	The date and time the applicant requests a government agency perform a physical examination.			

**Standard Data Set: Entry/Entry Summary Data cont.**

Miscellaneous General Data Elements		Required Associated Data Elements
10	Bond Type Code	A code indicating the type of bond obtained from the surety company.
52	Entry Number	The unique identifier assigned to a goods declaration. The identifier consists of e code assigned to the importer or his agent, a filer-assigned number, and a check digit.
65	Entry Type	Classification of the transaction, e.g., consumption entry, temporary import, or informal.
130	Sequence Number	Number indicating the position in a sequence, e.g., tariff line number, subline line number.
131	Message Action Code	A code indicating the purpose of the message.
142	Procedure Code	A code indicating what process applies to this transaction.
148	Reconciliation Reason Code	Unique code identifying an issue eligible for reconciliation.
662	Override Reason Code	A code to indicate the reason for an edit bypass by CBP or Trade.
665	LPCO Exemption Code	A type of exemption from a license, permit, certificate, or other required document (LPCO), or an indication that no LPCO is required.
687	Foreign Trade Zones Commodity Status Code	Designate merchandise admitted into an FTZ as non-privileged foreign, privileged foreign, zone restricted, or domestic.
702	CBP Invoice Filing Indicator	A code to indicate that the filer either has submitted or is capable of submitting electronic invoice level data.
934	Trader Reference Number	An optional code provided by the participant for the trader's internal control.
1464	Bond Number	A unique number used to identify the posted bond.
1757	Remark Code	Code representing text remarks.
2085	LPCO Number	A unique number assigned by a U.S. government agency or a foreign authority to a license, permit, certificate, or other document.
	Bond Amount	The specified amount of money in U.S. dollars, which is the maximum amount that the surety will be required to pay in the event of the principal's default.
<b>Under Review</b>		
Miscellaneous General Data Elements		Required Associated Data Elements
937	Tracking Number	A number assigned to track a document, package, or transaction.
2212	Shipment Type Code	A code to indicate that the goods are eligible to be treated in a specific manner according to customs regulation.
<b>D. COUNTRY/PLACE/LOCATION</b>		
Foreign Places (except AmerGoodRet Country of Origin)		Required Associated Data Elements
47	Country of Export	To identify the country from which the goods are originally exported without any commercial transaction taken place in intermediate countries.
58	Country of Origin	The country in which the goods have been produced or manufactured, according to criteria laid down for the application of the Customs tariff.
417		Indicates the schema used to create the identifier used to identify the country, place or location, e.g. UNLOCODE, ISO, Schedule D.
2091	Country of Routing, Coded	A code to describe the country in relation to its position in the route of goods prior to loading on the importing conveyance, e.g. start of journey, intermediate destination, final destination, loading on importing conveyance.
2171	Part of Loading, coded	Indicates the schema used to create the identifier used to identify the country, place or location, e.g. UNLOCODE, ISO, Schedule D.
2171	Itinerary Part Name	Name of a single part of call or other location of the itinerary of a means of transport

**Standard Data Set: Entry/Entry Summary Data cont**

Name & Add		Domestic Places		Required Associated Data Elements	
2286	537	Requested Inspection Location, coded	The specific facility where the importer is requesting that the goods be inspected	9989	Place Code Qualifier
2286	1486	Location of Goods, coded	The location where the goods are currently being held.	9989	Place Code Qualifier
1871		Delivery Destination Address	Address, in whole or in part, of the location where goods are ultimately delivered.		
	2651	Foreign Trade Zone, Coded	The number which uniquely identifies the Foreign Trade Zone where cargo is shipped to or from for assembly, manufacture, packaging, destruction.	9989	Place Code Qualifier
	2692	Port of Unloading, coded	A code to identify a seaport, airport, freight terminal, rail station or other place at which goods are unloaded from the means of transport crossing the border of the customs territory.	9989	Place Code Qualifier
2294	2699	Entry Port, coded	To identify the regulatory office at which goods enter the customs territory at destination.	9989	Place Code Qualifier
<b>Under Review</b>					
Name & Add		Foreign Places (except AmerGoodsRet Country of Origin)		Required Associated Data Elements	
	2134	Subitem Source Country Code	The location code required for reporting the country source in accordance with regulations and laws.	2132	Country of Routing Type Code
2213	2214	Subitem Source Geographic Location, coded	Identification of the geographic location required for reporting the pallet sub-unit source in accordance with regulations and laws.	2135	Subitem Source Location Code Type
				9989	Place Code Qualifier
<b>E. PERSONS/PARTIES</b>					
Name & Add		Persons/Parties		Required Associated Data Elements	
	465		The number on a legal document issued by the Foreign or U.S. Government agency. (e.g., Visiting Visa number, Green Card Number, Passport Number, etc.)	1956	Travel Document Type Code
828		FDA Subitem Submitter Name	Name of the person with knowledge of the required information to be submitted to Food and Drug Administration (FDA).	1524	Travel Document Nationality
	2027	Agent, coded	Identification of a party authorized to act on behalf of another party.	9644	Role Code
	2030	Notify party, coded	The number which uniquely identifies the person or organization to be notified concerning the transaction.	9678	Party Code Qualifier
	2032	Carrier, coded	Identification of party undertaking or arranging transport of goods between named points.	9678	Party Code Qualifier
	2035	Consignee, coded	The identifier for the party actually receiving the merchandise.	9644	Role Code
	2056	Importer, coded	The number which uniquely identifies the party responsible for the import shipment, the payment of related duties, taxes or fees, and the meeting of all import statutory and regulatory requirements in the transaction.	9678	Party Code Qualifier
	2059	Producer/Manufacturer, coded	The number which uniquely identifies the party responsible for the manufacture, growth, production, packing, and/or assembly of the commodity.	9644	Role Code
	2089	Shipper/Consignor, coded	The number which uniquely identifies the party that arranges shipment with a carrier in the transaction.	9678	Party Code Qualifier
	2011	Surety, coded	The identifier of the party who agrees to be responsible for the debt or obligation of another.	9678	Party Code Qualifier

**Standard Data Set: Entry/Entry Summary Data**

Name & Code		Persons/Parties		Required Associated Data Elements	
2146	2046	Facility, coded	A building or place that provides a particular service or is used for a particular industry.	2048	Facility Type The class, category, kind, or sort of facility, e.g., bonded warehouse, container freight station, manufacturing site, etc.
<b>F. TRANSPORTATION INFORMATION</b>					
Name & Code		Conveyance		Required Associated Data Elements	
34	92	Conveyance Trip Number	A unique number assigned by the carrier issuing the manifest to each movement of a conveyance.	9077	Conveyance Code Qualifier Indicates the scheme used to create the identifier used to identify the conveyance, e.g., SCAC, Radio Call Sign, license plate.
	32	Conveyance, coded	Identification assigned to the means of transport used in crossing the border, e.g., IMO, official number, ICCAT (NWFS).		
	188	Mode/type of means of transport crossing the border, coded	Means and mode of transport used for crossing the border, coded.		
Name & Code		Transport Document		Required Associated Data Elements	
1770		Bill of Lading Number	The number of the written order from a shipper to a carrier to move goods from one place to another.	510	Bill of Lading Issuer, coded The company issuing the bill of lading for the shipment of cargo.
338		In-Bond Number	A unique reference to a movement of cargo under bond.	2180	Bill of Lading Type Indicates if the bill is master, house or sub-house.
<b>G. VALUE/COMMERCIAL TRANSACTION INFO</b>					
<b>Duty/Tax/Fee Calculations and Value</b>					
175		Total Declared Customs Value Amount	The total entered value of the entry in whole dollars.		
433		Freight Charges	Documentation, loading, unloading and insurance, to the extent that they relate to the freight cost.		
<b>Miscellaneous Duty/Tax/Fee Calculation and Value Data Elements</b>					
148		Relationship Type Code	A code to indicate what type of relationship exists between two parties involved in the transaction.		

Under Review



# **Agency Plans and Status**





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## ***Agricultural Marketing Service (AMS) - USDA***

### **ITDS Related Mission**

The Agricultural Marketing Service (AMS) inspects certain imported fresh and processed fruits and vegetables, poultry, and tobacco products to verify that they meet the same quality and condition requirements as domestic products. Importers of fruits and vegetables that fail to meet quality and condition requirements are subject to AMS penalties.

Under a Memorandum of Understanding with FDA, AMS also inspects certain processed products to verify that contaminants in foods are within FDA tolerances.

AMS tracks and publishes current information on agricultural imports and exports by commodity.

AMS assesses fees that CBP collects on imported products that are covered by Federal research and promotion programs.

### **Planned Data Exchange**

Unscheduled - M2.3 (Originally 6/2009) – The following functionality is assumed to be delivered:

- ACE will notify AMS prior to release of shipments requiring AMS inspection, the inspection location chosen by the importer, and relevant admissibility decision of other agencies (e.g., FDA, APHIS, and FSIS determine admissibility before AMS inspects),
- AMS will provide inspection results directly from AMS Access databases and Excel files to ACE via portal batch upload that will allow CBP to liquidate the entries,
- AMS will generate ACE Portal reports on AMS-regulated commodities released by CBP to verify that shipments were presented to AMS for required inspections,
- AMS will also use the ACE Portal to obtain information from importers (entry summary data) including prices, volume, quality, and condition in order to generate data for statistical purposes, license dealers, and enforce quality requirements, and
- AMS will provide ACE with permit information for exempted commodities and notify CBP which shipments are exempt from inspection or from research and promotion fees.

### **Status**

As of August 2009, AMS had 38 people who have access to the ACE Portal, but because there are limitations on the volume of data that is available through the ACE Portal, AMS is currently also using a weekly download of data from ACS on agriculture imports which it uses to verify compliance with AMS inspection requirements.

The AMS Concept of Operations was approved by CBP in May 2008, but subsequent review sessions held with the ACE Cargo Control and Release team has resulted in changes to seven AMS cargo release processes that may require subsequent modifications in the AMS Operational Memorandum of Understanding.

AMS has drafted a Data Memorandum of Understanding and met with a CBP attorney to discuss it. Further progress on the Data Memorandum of Understanding awaits agreement by CBP attorneys and AMS on the Reimbursement Agreements for AMS assessment fees collected.

## ***Animal and Plant Health Inspection Service (APHIS) - USDA***

### **ITDS Related Mission**

The Animal and Plant Health Inspection Service (APHIS) regulates the import and export of animals, plants, or their products. It conducts pre-clearance, arrival, and export inspections, and can quarantine products. APHIS certifies foreign processing establishments, oversees treatments such as fumigation refrigeration, and animal quarantine activities.

APHIS can prohibit entry of animals, plants, or their products that:

- Do not meet health or phytosanitary standards,
- Do not have appropriate import and/or transit permits from APHIS, or
- Do not have foreign government health or phytosanitary certifications.

APHIS establishes policy for and provides guidance to CBP Officers and CBP Agriculture Specialists in their effort to prevent the entry of potential threats to American agriculture.

### **Planned Data Exchange**

Currently, APHIS acquires data through direct access to CBP systems and requests CBP to hold shipments when APHIS determines it appropriate to do so.

APHIS has developed its “ePermits” system, a web based tool through which stakeholders may apply (and receive approval) on-line for more than a dozen APHIS permits, both plant and animal. Permit information is stored in databases that will provide information to ACE to support decision making when determining the admissibility of APHIS regulated commodities.

APHIS plans to use data supplied by carriers (manifest) and importers (entry/entry summary) from ACE to:

- Select shipments for examination,
- Confirm that import and export permits and certificates are valid,
- Determine admissibility of regulated commodities,
- Monitor collection of user fees,
- Monitor movement of regulated shipments to approved processing facilities or to a port of export, and
- Manage risk through research and analysis of the ACE data warehouse.

Many of these functions will be implemented through system-to-system interfaces between ACE and existing or planned APHIS systems. ACE will thus provide both real-time information to APHIS and the capability for APHIS to communicate to CBP border control personnel. APHIS will also have access to stored information via the ACE Portal.

Unscheduled - M2.3 (Originally 6/2009) – APHIS will either use permit information reported to ACE by APHIS via system-to-system interfaces or ACE will query an APHIS system to determine if individual importations meet APHIS licensing requirements. APHIS will have the capability to monitor payment of Agricultural Quarantine Inspection user fees.

Unscheduled - M1 (Originally 10/2008) – APHIS will be able to request that suspect shipments be held on the basis of rail or sea manifest information; it will also monitor authorized movements of APHIS regulated commodities.

Unscheduled - M2.3 (Originally 6/2009) – APHIS will be able to use ACE to identify and monitor:

- Imports that are regulated by APHIS,
- Imports that originate from restricted countries, and
- Expired or otherwise improperly used import permits.

Unscheduled - M3 (Originally 2011) – APHIS will be able to access export information to monitor regulatory compliance with export shipment requirements.

### **Status**

APHIS has completed and submitted to CBP its Concept of Operations, and a Memorandum of Understanding between APHIS and CBP is under review. APHIS has 119 people who have access to entry/entry summary data through the ACE Portal reporting capabilities.

APHIS revised version 2.0 of their Concept of Operations based upon both a CBP review and joint in-depth reviews involving APHIS Subject Matter Experts, the ACE contract team, and CBP. Version 3.0 of the APHIS Concept of Operations was submitted to CBP on June 18, 2009.

Version 3.0 of the APHIS Concept of Operations included the addition of several “To-Be” Business Processes, one of which addresses agency responsibilities resulting from new Lacey Act import declaration requirements contained in the Food, Conservation, and Energy Act of 2008.

### **Next Steps**

Complete both a Data and an Operational Memorandum of Understanding with CBP.

## ***Foreign Agricultural Service (FAS) - USDA***

### **ITDS Related Mission**

The Foreign Agricultural Service (FAS) administers Tariff Rate Quotas (TRQ) for sugar and dairy imports. FAS issues import licenses for sugar and dairy products. The dairy licenses are processed electronically through FAS's Dairy Accelerated Importer Retrieval and Information Exchange System (DAIRIES) and the sugar licenses through the Sugar Users Group Accounting and Reporting System (SUGARS). Some sugar tariff-rate quota entries are processed via paper forms. FAS administers Harmonized Tariff Schedule General Note 15 letters of waiver from agricultural import quotas, an export sales reporting program for certain agricultural commodities, and economic safeguards (tariff increases) for imports of agricultural products.

FAS currently has access to ACS to edit TRQ data.

### **Planned Data Exchange**

FAS will enter/update overall quota limits for various dairy and sugar TRQ import programs, as well as enter/update quota amounts for specified importers. CBP will use this quota data in order to assess the appropriate tariff rate on dairy and sugar imports.

FAS will also receive daily entry data in order to update FAS's DAIRIES and SUGARS data systems. The DAIRIES and SUGARS systems are accessed by the trade for up-to-date entry information.

FAS will receive other data from ACE (the Weekly Commodity Status Report) which will be used for compiling the Dairy Monthly Circular Report.

Lastly, when FAS invokes safeguard quota restrictions for a commodity, the Harmonized Tariff Schedule quota in ACE will be updated appropriately.

### **Status**

Much of the FAS interaction with CBP on import processing is already automated. FAS has described their "As-Is" business process texts and diagrams.

FAS has seven staff members with access to the ACE Portal. FAS joined ITDS in May 2007.

FAS finalized their Standard Data Set and submitted it to the ITDS Data Harmonization Team on April 8, 2009.

FAS has initiated development of their Concept of Operations. "As-Is" Business Processes have been incorporated and "To-Be" Business Processes are under development.

### **Next Steps**

FAS must complete a Concept of Operations for review by CBP.

FAS must draft a Memorandum of Understanding for review by CBP.

## ***Food Safety and Inspection Service (FSIS) - USDA***

### **ITDS Related Mission**

The Food Safety and Inspection Service (FSIS) regulates the import and export of meat, poultry, and egg products, performing four primary functions that affect international trade:

1. Determines equivalence of foreign food safety and inspection programs as a condition of eligibility to export meat, poultry, and egg products to the United States, which includes acceptance of the foreign governments' certification for foreign establishments that comply with U.S. requirements,
2. Performs periodic audits of eligible foreign inspection systems,
3. Inspects imported meat, poultry, and egg products at U.S. ports of entry, and
4. Certifies U.S. meat, poultry, and egg products for export from the United States.

### **Planned Data Exchange**

Unscheduled - M2.3 (Originally 6/2009) – ACE will provide FSIS with real-time data and will provide the ability for FSIS to communicate with CBP and other regulatory agencies to ensure adequate control of shipments. Specifically, ACE will:

- Provide FSIS electronic prior notification of arriving shipments of imported meat, poultry, and egg products,
- Provide FSIS online access to Customs entry data for arriving shipments in order to verify that shipments are eligible and if so, are presented for FSIS reinspection immediately after clearing the Customs entry process,
- Automate verification of entries with APHIS and FSIS inspection decisions so that CBP does not release any shipments from bond without first verifying the completion of required regulatory inspections, and
- Establish a regulatory chain of custody to ensure that shipments are routed to the appropriate regulatory agencies for inspection to ensure all sequential regulatory clearances prior to release of product.

On an interim basis, FSIS will continue to use the ACE Portal (entry summary data) to monitor shipments under its jurisdiction.

### **Status**

FSIS relies on access to ACE Portal reports to determine:

- Whether shipments subject to FSIS jurisdiction have entered from ineligible countries or establishments,
- Ports-of-entry of noncompliant shipments,
- Importer of Record and Consignee for noncompliant shipments, and
- Detention action taken by FSIS or redelivery actions taken by CBP.

As a result of ACE Portal access, the amount of ineligible product detected, detained, and either removed from commerce or returned to FSIS for reinspection increased almost 30 fold -- from 97,000 to 2.87 million pounds between FY 2005 and FY 2006.

(Originally reported in the November 2007 Report to Congress on the International Trade Data System as an increase from 36,000 to 1.6 million pounds. This change is a result of FSIS implementing the Import Alert Tracking System (IATS) in 2008, which reclassified reasons for alerts.)

In FY 2007, FSIS removed almost 2.04 million pounds of ineligible products from commerce. During FY 2008, FSIS removed 3.69 million pounds of ineligible product. In FY 2009, FSIS removed 1.87 million pounds of ineligible product.

In 2007, FSIS awarded a contract to develop their Public Health Information System (PHIS) which will modernize several applications involved in their ITDS-related missions. PHIS is on schedule to deploy in production late 2010. As a result of the delay in the ACE schedule, FSIS will require importers to file the inspection application directly with FSIS. The PHIS system design will enable data exchange with ACE upon delivery of ITDS functionality.

As a result of defining the PHIS functional requirements, review by CBP's Office of Trade and Office of Field Operations and requirements gathering workshops involving the ACE Cargo Release and Control team, the FSIS Concept of Operations was re-submitted to CBP March 31, 2009. Based on CBP feedback, the Concept of Operations was revised and re-submitted on August 31, 2009.

FSIS has drafted a Memorandum of Understanding for Data Exchange in consultation with CBP attorneys. The Memorandum of Understanding has been approved by FSIS and was sent to the Agriculture Department's Office of General Counsel and the Department of Homeland Security/Customs and Border Protection for clearance.

As of August 2009, FSIS had 46 staff members with access to the ACE Portal.

## ***Grain Inspection, Packers, and Stockyards Administration (GIPSA) - USDA***

### **ITDS Related Mission**

The Grain Inspection, Packers, and Stockyards Administration (GIPSA) inspects grain prior to exportation. On a fee-for-service basis, GIPSA (or an entity authorized by GIPSA) inspects grain exports and issues post-inspection certificates to registered exporters. Grain exporters are required to register with GIPSA. The GIPSA role is to serve as an unbiased, third-party weighing and inspection entity that provides buyer and seller accurate information about the quality and quantity of grain (and related products) being traded.

### **Planned Data Exchange**

As GIPSA has only export related business processes, and as it will be a number of years before ACE develops export processes, GIPSA has not yet documented their "To-Be" business processes.

### **Status**

GIPSA joined ITDS in June 2007 and completed their Functional Assessment and documented their "As-Is" business processes in August 2007. The GIPSA Standard Data Set has been finalized and was submitted to the ITDS Data Harmonization team on November 3, 2008. GIPSA has no staff with access to the ACE Portal.

## ***Bureau of Industry and Security (BIS) - Commerce***

### **ITDS Related Mission**

The Bureau of Industry and Security (BIS) regulates the export of goods that have military and nuclear proliferation uses, or may be used in terrorist activities. These items are generally referred to as "dual use" items.

The EAR set forth license requirements and licensing policy for the export of these items. Exporters apply for a license using the BIS on-line system (Simplified Network Application Process Redesign (SNAP-R)). SNAP-R is a secure web system used by exporters to submit export license applications, commodity classification requests, and supporting documents to BIS via the Internet.

BIS also conducts foreign availability assessments of items subject to its jurisdiction, either at the request of exporters or on its own initiative, to determine whether items comparable in quality to those items are available from non-U.S. sources in sufficient quantities to render U.S. export controls of those items or denial of license applications ineffective. A finding of foreign availability could prompt BIS to remove or modify controls or license requirements for certain items.

### **Planned Data Exchange**

While a complete plan for data exchange has not been developed because development of ITDS export functions is still several years away, BIS does use the ACE Portal for some purposes.

### **Status**

BIS now has access to the ACE Portal and uses it to extract account related data and entry summary data to assist in gathering evidence that supports criteria in conducting foreign availability assessments with respect to the export control program.

Implementation of export functionality is still several years away.

BIS joined ITDS in May 2007.

BIS has one staff member with access to the ACE Portal.

## **Census Bureau - Commerce**

### **ITDS Related Mission**

The Census Bureau collects merchandise import and export data from various sources in order to compile the official U.S. merchandise trade statistics. The data are used for research and planning, economic analysis, analysis of trade and transportation flows and trends, and transportation infrastructure planning, as well as for assessing the effectiveness of U.S. trade policies and agreements. The Census Bureau also currently maintains the algorithms that “validate” data in the Automated Export System (AES) and the Automated Broker Interface (ABI) to ensure that the data are accurate and complete and will continue to perform this function after the transition to ACE. For example, the Census Bureau will check to ensure that reported information is reasonable (for example, by confirming that prices are within reasonable ranges).

### **Planned Data Exchange**

The Census Bureau will have access to data filed by importers (entry/entry summary data), exporters (AES data), carriers (manifest data), and data on admissions to Foreign Trade Zones, all of which it will use to compile foreign trade statistics. The Census Bureau will maintain automated data validations in ACE. The Census Bureau will have a system-to-system interface for sending and receiving large data and reference files. The Census Bureau will also use ACE to create customized reports.

April 12, 2009 - A2.2 (Originally 10/2008) – Census is already able to create customized reports on import transactions essential to its statistical mission. Additional reports related to Census warnings were also delivered.

April 12, 2009 - A2.2 (Originally 10/2008) – Census has access to data on consumption and informal entries through the ACE Portal and through a system-to-system interface for research and analysis. Importers have the ability to proactively provide override codes to prevent or respond to Census Bureau entry summary warnings that data provided is outside expected norms. ACE implemented Census Bureau validations for entry summary filings. Census can extract entry summary data from the ACE Portal.

Unscheduled - A2.3.1 (Originally 10/2007) – Census will supply validation parameters for the Harmonized Tariff Schedule through ACE.

Unscheduled - A2.3.2 (Originally 6/2010) – Census will have access to remaining entry types for research and analysis. ACE will implement Census Bureau validations for Foreign Trade Zone admission filings. Census will be able to extract additional entry summary data from the ACE Portal.

Unscheduled - M1 – Census will have access through the web-based ACE Portal to vessel and rail manifest data for research and analysis.

Unscheduled - M2.1 (Originally 6/2009) – Census plans to have access to air manifest and entry data for research and analysis.

Unscheduled - M3 – Because the Census Bureau is the agency with primary authority to collect much of the export data collected, it will play a critical role in shaping requirements for the export module of ACE.

### **Status**

- The Census Bureau Concept of Operations has been agreed to by CBP.
- The current Census Bureau Memorandum of Understanding is sufficient for implementing the Census Bureau's validation parameters (August 2007), but amendments to the existing Memorandum of Understanding may be required to address security requirements.
- The Census Bureau submitted its draft Memoranda of Understanding to CBP in October 2008. On September 8, 2009, CBP provided comments that the Census Bureau is reviewing.
- The Census Bureau has 20 staff with access to the ACE Portal.
- The Census Bureau currently uses ACE to run reports on the imports of specific commodities.
- The Census Bureau is editing and extracting summary data from ACE, although it is limited to the edits it had in ACS. It is working with CBP and its contractors to build the Harmonized Tariff System in ACE.

### **Next Steps**

Census and CBP must finalize the appropriate Memoranda of Understanding.

## ***Foreign-Trade Zones (FTZ) Board - Commerce***

### **ITDS Related Mission**

The Foreign-Trade Zones (FTZ) Board licenses, regulates, and monitors the activity of foreign-trade zones (FTZ) in the United States. FTZs are designated sites authorized under the Foreign Trade Zone Act where certain customs procedures apply which may result in avoidance, deferral, or reduction of duties. The FTZ Board must approve a zone before CBP activates a zone (i.e., permits FTZ procedures).

The FTZ Board will monitor zone activity and also must report to Congress annually on zone operations. CBP enforces the provisions of the FTZ Act.

### **Planned Data Exchange**

The FTZ Board currently maintains in ACE, using the ACE Portal, files on zones including name, zone number, subzones, subzone sites, details about permitted activities in the zone, date of FTZ Board approval, and information about zone grantees. CBP officers access this information through the ACE Portal and activate a zone or subzone through ACE. When the FTZ account structure is completed in ACE, the FTZ Board will also add zone site information. Some of this information is also available (through the ACE Portal) to members of the trade community and other government agencies. Key fields of these data such as the zone number will be used in ACE to corroborate data reported in various electronic customs transactions.

In the future, FTZ Board staff will also use the ACE Portal to monitor zone activity to compile reports that will include data on zone admissions, entries from zones, exportations from zones, and in-transit movements.

### **Status**

The FTZ Board Concept of Operations has been agreed to by CBP. The FTZ Board and CBP are discussing a draft Memorandum of Understanding. FTZ Board has two staff members with access to the ACE Portal.

September 2007 – FTZ Board began entering zone and subzone, and information via the ACE Portal for CBP and the business community to use as a reference. This information will also be used for future validation of zone numbers reported in transactions.

February 2008 – FTZ Board completed entering all of the zone/subzone account information in ACE.

Unscheduled - A2.3 (Originally 10/2008) – FTZ Board will be able to monitor entry summary information filed for merchandise moving into U.S. consumption from an FTZ in order to monitor zone activity.

Unscheduled – FTZ Board will be able to enter zone site information in the ACE Portal for use by CBP and the business community.

Unscheduled - M2.3 (Originally 10/2008) – FTZ Board will have access to zone admission data to monitor zone activity.

**Next Steps**

FTZ Board and CBP must finalize the appropriate Memoranda of Understanding (Data and Operational).

## ***Import Administration (IA) - Commerce***

### **ITDS Related Mission**

The Import Administration (IA) administers laws involving antidumping and countervailing duties (AD/CVD). As part of this responsibility, IA sets AD/CVD duty rates and provides CBP with liquidation instructions on entries subject to AD/CVD.

IA also develops and implements other trade programs including sector-specific agreements and programs. IA sets absolute and tariff rate quotas as part of the Textiles and Apparel Program.

### **Planned Data Exchange**

IA will continue to provide instructions to CBP regarding duty rates and liquidation instructions related to AD/CVD cases. IA will maintain a database in ACE of AD/CVD duty rates by country, manufacturer, and product. IA will also maintain tables of licenses for specific transactions in ACE. ACE may provide the capability for CBP to refer AD/CVD protests to IA for a decision. IA expects to regularly extract large volumes of data (particularly entry summary data) via data queries and reports from the ACE Portal.

IA could use the ACE Portal to obtain name and address information about importers and other parties to transactions, including foreign manufacturers, but does not at this time because ACE data does not already match information in ACS (CBP's current processing system) and because the ACE Portal has capacity limitations.

April 12, 2009 - A2.2 (Originally 10/2008) – IA has access to information on informal and consumption entry summary data for research and analysis through the ACE Portal.

Unscheduled - A2.3.1 (Originally 10/2008) – IA will use the ACE Portal to maintain the primary reference files containing detailed AD/CVD case and related information and to maintain a database of AD/CVD duties, reduced tariff programs, and tariff rate quotas.

Unscheduled - M1 – IA will have access to rail and sea manifest data and in-bond shipment data through the ACE Portal.

Unscheduled - A2.3.2 and A2.3.3 (Originally 6/2010) – IA will have access through the ACE Portal to data on all entry summary types for research and analysis.

Unscheduled - M2.3 (Originally 6/2009) – IA will use ACE to maintain IA licenses and certificates. ACE will use these licenses and certificates to make admissibility determinations.

### **Status**

IA submitted a revised Concept of Operations draft to CBP. The Operational and Data Memoranda of Understanding continues to be reviewed and discussed.

IA has eleven staff members with access to the ACE Portal.

**Next Steps**

IA and CBP must finalize the Concept of Operations and the appropriate Memoranda of Understanding (Data and Operational).

## ***National Marine Fisheries Service (NMFS) - Commerce***

### **ITDS Related Mission**

The National Marine Fisheries Service (NMFS) regulates the importation and exportation of certain fish such as swordfish, tooth fish, and tuna in order to promote the management, conservation, and protection of marine resources.

NMFS uses information on imports to identify illegal importations or exportations of fish, and to assist in its investigations of illegal fishing or related violations.

### **Planned Data Exchange**

NMFS plans to provide data to CBP to allow ACE to:

- Select shipments for examination, and
- Confirm that import and export permits and certificates are valid.

NMFS plans to use data obtained through the ACE Portal to:

- Determine admissibility of regulated commodities, and
- Manage risk through research and analysis of the ACE data warehouse.

ACE will provide real-time information to NMFS and the capability for NMFS to communicate to CBP border control personnel. NMFS will also have access to stored information via the ACE Portal.

Unscheduled M1 (Originally 10/2008) – NMFS will be able to request that suspect shipments be held on the basis of rail or sea manifest information.

Unscheduled - M2.3 (Originally 6/2009) – NMFS will use ACE to identify and monitor:

- Imports that are regulated by NMFS,
- Imports that originate from embargoed countries, and
- Expired or otherwise improperly used import permits or certificates.

Unscheduled - M3 (Originally 2011) – NMFS will eventually access export information to monitor regulatory compliance with export shipment requirements.

### **Status**

NMFS has been participating in ACE development since February 2006. NMFS currently has 71 staff (up from 63 in 2008) who use the ACE Portal to research import information to identify instances of illegal importations, and to verify that reports on imports and exports of regulated fishery commodities have been properly filed.

NMFS submitted their proposed Concept of Operations to CBP on October 1, 2008. CBP and NMFS agreed on a Concept of Operations on July 23, 2009.

A Privacy Impact Assessment (PIA) for the NMFS Permits system was completed and published in June 2008.

A System of Record Notification (SORN) for the NMFS Permits system was published in the Federal Register on April 17, 2008, and was finalized in the Federal Register on June 11, 2008.

NMFS published an Advanced Notice of Proposed Rulemaking in the Federal Register stating that NMFS intends to require the trade to report import/export transactions electronically through ACE (Federal Register dated May 8, 2009).

### **Next Steps**

NMFS and CBP must come to an agreement on an ACE Data Memorandum of Understanding. They must also come to an agreement on an Operational Memorandum of Understanding for NMFS to fully realize the benefits of the ACE hold request capability and access to vessel and rail manifest information that will be available with M1.

## ***Defense Contract Management Agency (DCMA) - Defense***

### **ITDS Related Mission**

The Defense Contract Management Agency (DCMA) is an agency within the Department of Defense (DOD).

As DOD's contract manager, DCMA is responsible for ensuring Federal Acquisition programs (systems, supplies, and services) are delivered on time, within projected cost or price, and that they meet performance requirements.

With regard to imports of defense materiel, DCMA:

- Acts as customs broker for the DOD for goods being shipped into the United States to DOD activities, and
- Receives requests and issue certificates for duty-free entry on items being delivered to DOD contractors to be consumed in performance of DOD contracts.

### **Planned Data Exchange**

Currently, DCMA works with CBP to facilitate the import and export of DOD contracts' related articles and services. A plan for data exchange via ACE has not been developed.

### **Status**

DCMA joined ITDS in June 2008.

DCMA has no staff with access to the ACE Portal.

### **Next Steps**

Complete development of agency Concept of Operations.

## ***U.S. Army Corps of Engineers (USACE) - Defense***

### **ITDS Related Mission**

The U.S. Army Corps of Engineers (USACE) maintains databases and statistics pertaining to waterborne commodity and vessel movements and domestic commercial vessel characteristics, which it uses for determining the need for building, improving, or rehabilitating port and waterway facilities, lock facilities, lock operations, and navigation dredging projects.

### **Planned Data Exchange**

Based on current plans, ACE will:

- Provide the Corps of Engineers with a monthly Harbor Maintenance Fee (HMF) Report, displaying aggregate totals of the HMF fees collected, sorted, and summarized by port, vessel type, and commodity. The Corps of Engineers will maintain the Schedule "K" (Foreign Port Codes) and the "Classification of Ships by Type" code tables in ACE,
- Allow the Corps of Engineers the ability to use the ACE Portal to obtain product and commodity information reported from importers that identifies which commodities are shipped on which vessels to which ports,
- Provide a correlated entry summary, manifest, and vessel entrance data report, by correlating various ACE vessel entrance and clearance data into one record per vessel movement or cargo shipment, and
- Provide the Corps of Engineers with carrier contact information through the ACE Portal (already available).

Unscheduled - M1 (Originally 10/2008) – HMF Reports will be available via the ACE Portal; USACE will receive information reported by carriers on incoming vessels and trains (manifest reports) as well as carrier entrances and clearances.

Unscheduled - A2.2 (Originally 5/2009) – USACE will obtain data through the ACE Portal on shipments filed by importers (entry/entry summary data) correlated with manifest information filed by carriers.

Unscheduled - A2.3 (Originally 6/2009) – USACE will obtain data through the ACE Portal on shipments filed by importers (entry/entry summary data) correlated with manifest information filed by carriers.

Unscheduled - M3 (Originally 7/2010) – USACE will receive outbound vessel manifest information through ACE.

### **Status**

USACE currently receives a disk with abstracts of manifest information collected by CBP.

USACE's Concept of Operations received final CBP approval in February 2007. No Corps of Engineers staff has taken ACE Portal training. Manifest information is currently not available through the ACE Portal.

**Next Steps**

USACE to prepare a draft Memorandum of Understanding.

## ***Energy Information Administration (EIA), Office of Oil and Gas - Energy***

### **ITDS Related Mission**

The Energy Information Administration (EIA) is the statistical agency of the Department of Energy.

EIA issues a wide range of weekly, monthly, and annual reports on energy production, stocks, demand, imports, exports, and prices, and prepares analyses and special reports on topics of current interest.

EIA currently collects data on imports of crude oil and/or petroleum products on a weekly and monthly basis. Data are reported to EIA by each Importer of Record (or Ultimate Consignee in some situations regarding Canadian imports) who imports crude oil or petroleum products into the 50 states and the District of Columbia, into Puerto Rico, the Virgin Islands, and other U.S. possessions, entries into Foreign Trade Zones located in the 50 states and the District of Columbia, and from Puerto Rico, the Virgin Islands, and other U.S. Possessions into the 50 states and the District of Columbia.

### **Planned Data Exchange**

A plan for data exchange has not been developed via ACE. However, EIA currently receives from CBP a monthly download of its data in ACS.

### **Status**

EIA joined ITDS in April 2008.

EIA has no staff with access to the ACE Portal.

### **Next Steps**

Complete development of agency Concept of Operations.

## ***Office of Fossil Energy (OFE) - Energy***

### **ITDS Related Mission**

The Department of Energy's Office of Fossil Energy (OFE) regulates natural gas imports and exports from and to the U.S.

OFE issues "blanket" authorizations of up to two years and long-term authorizations of greater than two years to applicants requesting to import and export natural gas. There is no standard application form; however, OFE provides guidelines on how to prepare and submit the application.

Applicants may apply for blanket authorizations online on OFE's Web site. Applications for long-term authority must be mailed to OFE. Authorized importers and exporters are required to send monthly reports to OFE detailing all of their natural gas import and export activity.

### **Planned Data Exchange**

A plan for data exchange has not been developed via ACE.

### **Status**

OFE joined ITDS in August 2007.

A functional assessment and documentation of the "As-Is" business processes were completed in November 2007.

OFE finalized their Standard Data Set and submitted it to the ITDS Data Harmonization Team on February 20, 2009.

The "To-Be" business processes were documented and finalized in April 2009.

A draft Concept of Operations was submitted to OFE on July 29, 2009.

OFE has no staff with access to the ACE Portal.

### **Next Steps**

OFE to complete the necessary documentation and security requirements for OFE personnel to access the ACE Portal.

OFE to complete the review of the draft Concept of Operations and submit the final version to CBP for their approval.

## ***U.S. Fish and Wildlife Service (FWS) - Interior***

### **ITDS Related Mission**

The U.S. Fish and Wildlife Service (FWS) determines the admissibility and controls the export of most wildlife and wildlife products.

To perform these functions, FWS:

- Issues licenses and permits to import or export wildlife and wildlife products, and
- Stations wildlife inspectors at U.S. port locations to inspect wildlife and wildlife products to ensure they are properly documented and to prevent the illegal import or export of wildlife.

### **Planned Data Exchange**

FWS will continue to use its Electronic Declaration Subsystem (eDecs) to determine admissibility of entries subject to FWS regulations.

Unscheduled - M2.3 (Originally 6/2009) – FWS will:

- Notify CBP of FWS decisions to admit or deny entry, since FWS must complete its admissibility decision before CBP processes the shipment,
- Use the ACE Portal to track all movements of cargo under CBP control, including cargo in an FTZ, customs bonded warehouse, or in-transit, and
- Use the ACE Portal for remote clearing of shipments and to produce reports on shipments cleared.

Unscheduled - M1 (Originally 10/2008) – Based on current plans, FWS will use the ACE Portal to view and place holds on shipments arriving via rail and sea while FWS is investigating and to remove the hold upon completion of the investigation.

### **Status**

The FWS draft Concept of Operations Version 2 was submitted to CBP for review on June 24, 2009. Progress on the Data Memorandum of Understanding between CBP and FWS is under discussion. As of August 2009, FWS had 114 staff members with access to the ACE Portal.

## ***Bureau Alcohol, Tobacco, Firearms, and Explosives (ATF) - Justice***

### **ITDS Related Mission**

The Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) regulates the importation of arms, ammunition, implements of war, destructive devices, and explosives. ATF also requires appropriate licenses and permits for importation of some of these items, as specified by Federal laws. ATF regulates and requires a permit for the exportation of National Firearms Act (NFA) weapons. ATF conducts investigations into crimes involving the export of NFA weapons and the import of firearms and explosives.

### **Planned Data Exchange**

ATF currently has the ability to use the ACE Portal to retrieve entry summary information. ATF plans to automate its paper-intensive license and registration process for importation and exportation of firearms and explosives and will use ACE in these processes.

### **Unscheduled - M2.3 (Originally 6/2009)**

ATF will identify shipments which may require ATF issued licenses, registration, or permits.

ATF license, registration, and permit data will be provided to ACE by ATF. This data will be used to automatically verify and validate license, registration, and permit data submitted by the trade.

ATF may also develop and implement an interface with ACE that will allow the trade to file for CBP release electronically. Once CBP has authorized release, its certified copy of the release documentation could be electronically submitted to ATF.

ACE will provide entry summary importation data to ATF. This data will allow ATF to track the use of licenses, registration, and permits.

### **Status**

In July 2009, the ATF Concept of Operations was approved by CBP and ATF. ATF drafted a Memorandum of Understanding and presented it to CBP in August 2006. CBP agreement to the Data Sharing Memorandum of Understanding is pending.

ATF has 19 staff members with access to the ACE Portal. They have the ability to use the ACE Portal to determine when licensee/permittees have imported firearms or explosives. These data can be used to help ensure that licensees/permittees are properly accounting for the imported products.

### **Next Steps**

CBP and ATF to agree on Data Sharing Memorandum of Understanding.

## ***Drug Enforcement Administration (DEA) - Justice***

### **ITDS Related Mission**

The Drug Enforcement Administration (DEA) regulates the import and export of controlled substances and listed chemicals that may be used to manufacture controlled substances.

The DEA issues import and export permits for certain controlled substances and monitors those movements. The DEA also establishes and monitors import quotas for Ephedrine, Pseudoephedrine, and Phenylpropanolamine.

CBP and DEA share information related to drug smuggling and trafficking, including information related to verification of DEA permits.

### **Planned Data Exchange**

DEA plans to provide CBP a reference file containing admissibility-related data elements including licensed Importers, Exporters, and applicable Permit Numbers, as well as a description and licensed quantities of the regulated products.

Unscheduled - M2.3 (Originally 6/2009) – DEA will identify shipments which require permits and for which the importer or exporter must be licensed and report to DEA. DEA will use these data to update files in its own system and to track use of permits. DEA will also maintain tables in ACE with the same updated information.

### **Status**

The DEA joined ITDS in February 2007.

The DEA has completed a draft Memorandum of Understanding which is currently undergoing legal review by DEA and CBP.

DEA submitted agency-approved Concept of Operations to ITDS/CBP on November 28, 2008, and was reviewed by CBP on January 8, 2009. The Concept of Operations has been revised based on the CBP review and is currently undergoing agency review.

The DEA has no current ACE Portal users.

### **Next Steps**

DEA will revise Concept of Operations to address CBP comments and resubmit to CBP.

DEA will review and submit business and system requirements for ACE to CBP.

## ***Bureau of Labor Statistics (BLS) - Labor***

### **ITDS Related Mission**

The Bureau of Labor Statistics (BLS) compiles and publishes statistics and price indices on internationally-traded goods and services to users that include the U.S. Congress, international statistical organizations, Federal agencies, and the public. BLS import and export price indices are used to adjust import and export trade values for inflation. BLS obtains entry summary data and importer names and addresses from CBP to compile import and export price indices for goods and services.

### **Planned Data Exchange**

Unscheduled - A2.4 (Originally 1/2011) – BLS plans to use the ACE Portal to access name and address information on importers and entry summary information, including admissions into Foreign Trade Zones.

Unscheduled - M3 (Originally 10/2011) – ACE will provide BLS access to information on exporters and export transactions.

### **Status**

The BLS Concept of Operations was approved by BLS and CBP in October 2006. A draft Memorandum of Understanding was submitted to the CBP Office of Rules and Regulations (OR&R) in March 2007 and is awaiting approval.

BLS has three staff members with access to the ACE Portal.

### **Next Steps**

CBP agreement to the Memorandum of Understanding.

## **Centers for Disease Control and Prevention (CDC) - HHS**

### **ITDS Related Mission**

The international trade-related mission of the Centers for Disease Control and Prevention (CDC) is to prevent the introduction, transmission, and spread of communicable diseases from foreign countries into the United States. CDC regulates imports that can potentially cause disease in humans and requires permits for etiological (disease-causing) agents, biological materials, and certain animals and animal products.

### **Planned Data Exchange**

Unscheduled (Originally 6/2009) – CDC will use ACE to monitor the usage of import permits and place holds on imports subject to additional CDC scrutiny. CDC will provide ACE import permit information that must be validated at time of entry with documentation provided by the importer. CDC will also use ACE to send and receive communications from CBP regarding entry issues related to specific imports.

- Identify quickly whether a shipment is under CDC jurisdiction.
- Monitor potential misuse of permits by importers abusing quantity restrictions.
- Audit CDC permit holders.
- Determine whether an importer is “port shopping,” i.e., trying to avoid those 20 ports of entry at which CDC has a presence.

### **Status**

CDC’s Concept of Operations is currently under agency review. CDC “As-Is” and “To Be” processes have been documented along with their data requirements.

CDC has no ACE Portal users.

CDC joined ITDS in June 2007.

### **Next Steps**

CDC to complete the necessary steps for CDC personnel to access ACE Portal.

CDC to provide agency-approved Concept of Operations for submission to CBP.

## ***Food and Drug Administration (FDA) - HHS***

### **ITDS Related Mission**

The Food and Drug Administration (FDA) authority regulates the importation of food, drugs, cosmetics, medical devices, biologics, and radiation-emitting products.

- The FDA requires registration of foreign food and drug processing facilities and foreign medical device manufacturers.
- The FDA requires permits, licenses, and/or certifications for the import of certain commodities over which FDA has jurisdiction.
- The FDA requires that importers notify FDA of the import of all FDA-regulated products for screening and processing on the FDA OASIS system. (Importers of merchandise subject to the Bio-Terrorism Act must notify FDA prior to importation.)
- Regulated commodities are also subject to examination by the FDA to ensure compliance with FDA regulations.

### **Planned Data Exchange**

There is currently a direct interface between the FDA's OASIS system and CBP's ACS system. All current interface functionality will be transferred from ACS to ACE. The FDA currently uses both ACS and ACE to screen and target shipments of regulated commodities arriving in the United States.

Unscheduled - M2.3 (Originally 6/2009) – FDA plans on utilizing this release of ACE to:

- Identify imports of commodities under FDA jurisdiction,
- Review information related to regulated imports to make decisions on whether to inspect or take enforcement actions,
- Place holds and/or refuse shipments on FDA regulated commodities,
- Receive prior notice data, entry data, and FDA permit/registration data in order to determine FDA jurisdiction,
- Make admissibility determinations, screen shipments under the Bioterrorism Act, identify shipments to examine, and record dispositions related to the shipment, and
- Transmit admissibility decisions via OASIS through ACE to appropriate CBP officials.

Unscheduled - M3 (Originally 2011) – FDA has additional plans to access export transaction information to monitor export shipment compliance with FDA export-related regulations.

### **Status**

FDA has re-submitted its Concept of Operations to CBP.

A draft Memorandum of Understanding is still under review by the agencies.

FDA is in the process of implementing PREDICT (Predictive Risk-based Evaluation for

Dynamic Import Compliance Targeting). PREDICT is a system to improve import screening and targeting to prevent the entry of adulterated, misbranded, or otherwise volatile goods.

Currently the FDA has one staff member with access to the ACE Portal.

**Next Steps**

FDA to obtain security clearance documentation for additional personnel that will require access to the ACE Portal.

## ***United States Coast Guard (USCG) - DHS***

### **ITDS Related Mission**

The United States Coast Guard (USCG) has maritime safety and security responsibilities at U.S. ports and conducts regulatory inspections in the port, including inspecting vessels and containers that transport imported and exported cargo.

The USCG conducts regulatory inspections in the port, including inspecting vessels and containers that transport imported and exported cargo, including bulk items. As a border enforcement agency, the USCG also endeavors to detect security threats to the United States in the form of weapons (including vessels), illicit cargoes, contraband, military threats, and human trafficking. The USCG also attempts to reduce safety and environmental risks to U.S. waters and ports posed by vessels that have unacceptable safety or pollution records.

The USCG requires operators of vessels over 100 gross tons notify USCG of arrival into U.S. territorial waters 96 hours prior to arrival. Advance notice information is submitted through the eNOAD System (Electronic Notice of Arrival/Departure) to the National Vessel Movement Center (NVMC), which notifies local Coast Guard units of the vessel arrivals. Information contained on the advance notice includes vessel name, registered owner, country of registry, passenger and crew manifests, and general description of cargo.

Upon vessel arrival, the USCG is authorized to inspect and, if necessary, detain containers that may be carrying hazardous materials or suffering from a structural defect. Joint targeting between Federal, state and local agencies may prompt inspections of vessels and/or containers arriving or departing from a U.S. port.

### **Planned Data Exchange**

The USCG is working with CBP to institute a pilot project in Spring 2010 in the Port of Charleston using ACE functionality in detaining vessels or containers based on information obtained by examining bills of lading and "BAPLIE" (vessel stow plans) through ACE. The results of USCG research may be shared with other agencies. There may be an opportunity for USCG's WatchKeeper System (a web-based application to collect operational and intelligence data from a variety of agency databases) to interface with ACE.

### **Status**

The USCG joined ITDS in March 2008, and is working with ITDS on finalizing their Concept of Operations. The "As-Is" business processes have been identified and completed and discussions are underway in regards to identifying the detailed "To-Be" business processes. Specific "To Be" scenarios are in the process of being identified and are being incorporated into the Concept of Operations. This includes building additional message sets for transmitting information to other agencies.

The USCG currently has two ACE Portal users.

### **Next Steps**

Develop data exchange plan as part of its ITDS integration process. Determining if there is a need for an interface between USCG's WatchKeeper and ACE.

Complete the development of the "To-Be" business process scenarios.

Continue the development of the Concept of Operations document for submission to USCG and to CBP for review and approval.

## ***Transportation Security Administration (TSA) - DHS***

### **Border Mission**

The Transportation Security Administration (TSA) is responsible for security relating to civil aviation, maritime, and all other modes of transportation, including transportation facilities such as airports and ports, and on the nation's railroads, highways, and public transit systems.

Along with CBP and the U.S. Coast Guard, TSA works to secure the maritime transportation mode of the transportation system. TSA's Maritime Security Division is involved in credentialing as well as passenger and vehicle screening techniques and procedures.

### **Planned Data Exchange and Status**

A plan for data exchange has not been developed.

TSA joined ITDS in 2005.

TSA has no persons with access to the ACE Portal.

## ***Administration/Logistics Management (A/LM) - State***

### **ITDS Related Mission**

The Department of State's Office of Logistics Management Operations (A/LM), includes several Despatch Agencies providing customs clearance and freight forwarding services for inbound and outbound property of U.S. Government employees. This includes household effects, unaccompanied air baggage and privately-owned vehicles. In addition, they offer an extensive International Through Government Bill of Lading (ITGBL) service for post-to-U.S. and post-to-post employee reassignment.

When goods arrive at U.S. ports, a Despatch agency acts like a customs broker or freight forwarder responsible for filing all CBP Clearance information on behalf of the returning employee. This is usually processed via CBP Form 3299 (Declaration for Free Entry of Unaccompanied Articles) or a CBP informal entry. While performing this service A/LM has noted that CBP documentation requirements are slightly different from port to port.

### **Planned Data Exchange**

A plan for data exchange has not yet been developed; prior to proceeding further A/LM has requested that CBP review documentation requirements at U.S. ports with the goal of promoting uniformity.

### **Status**

A/LM submitted their agency approved Concept of Operations to CBP/ITDS on March 30, 2009. A/LM was notified by CBP on July 15, 2009, that they could request a filer code from CBP and start filing electronic entries to release their shipments. Department of State is reviewing this option internally and is reviewing a list of Automated Broker Interface (ABI) software vendors.

A/LM has no ACE Portal users.

### **Next Steps**

A/LM has drafted a Concept of Operations, which is being refined with CBP.

A/LM will decide whether to file electronic entries for shipments of effects imported by returning U.S. Government employees.

## ***Bureau of Oceans and International Environmental and Scientific Affairs (OES) - State***

### **ITDS Related Mission**

The Department of State's Office of Marine Conservation (OMC), which is part of the Department of State's Bureau of Oceans and International Environmental and Scientific Affairs (OES), is involved in the regulation of imports of shrimp.

United States P.L. 101-162, Section 609 stipulates that shrimp harvested with commercial fishing technology may not be imported into the United States unless the Secretary of State, acting on the President's authority, certifies that the harvesting nation either has a sea turtle protection program comparable to that of the United States or a fishing environment that does not pose a threat the species covered under the law. The Department of State is the law's lead implementing agency. Personnel from the Department of Commerce's National Oceanic and Atmospheric Administration serve as technical advisors.

On May 1 of each year, the Department of State forwards to the Congress and to the Department of Homeland Security/Customs and Border Patrol (CBP) a list of countries that comply with Section 609 provisions. With every shipment, importers must file a Shrimp Exporter's/Importer's Declaration (form DS-2031) with CBP certifying that the product complies with Section 609 requirements.

### **Planned Data Exchange**

OES will explore ways to implement a completely electronic form DS-2031 for shrimp products imported into the United States. Currently importers are required to possess a hard-copy DS-2031 with original signatures.

OES may use the ACE Portal to track overall quantities of imported shellfish.

### **Status**

The OES joined ITDS in October 2007.

- OES has not prepared a Concept of Operations statement.
- OES has not prepared a draft Memorandum of Understanding.

In July 2009, OES and CBP determined that the DS-2031 will only be required to be presented to CBP upon request. The OES "To-Be" process flow for shrimp importations was drafted to reflect this process.

OES currently has no ACE Portal users.

### **Next Steps**

OES to draft Concept of Operations for initial submission to CBP.

## ***Diplomatic Security/Office of Foreign Missions (DS/OFM) - State***

### **ITDS Related Mission**

The Office of Foreign Missions (OFM) in the Bureau of Diplomatic Security authorizes duty-free treatment for shipments consigned to foreign missions, international organizations, and their members. All shipments to foreign diplomats and missions must be cleared using the diplomatic customs clearance procedure, currently via Department of State entry form DS-1504 (Request for Customs Clearance and Merchandise).

### **Planned Data Exchange**

OFM plans to complete automation in 2010 for OFM's paper-intensive certification process for diplomatic shipments.

Embassies will apply to OFM for certification. OFM will provide information of an approved certification to the embassy and to CBP through ACE. Importers will identify certified shipments as part of the entry filing process and ACE will validate that information.

ACE will facilitate collaboration between OFM and other Participating Government Agencies that have admissibility authority over certain diplomatic goods. ACE will collect diplomatic shipment information from the OFM e-Government system and notify the appropriate Participating Government Agency when necessary.

Unscheduled - M2.3 (Originally 6/2009) – OFM will identify diplomatic shipments that require OFM clearance.

OFM will also view Bill of Ladings, CBP entries (3461/7501), Foreign Trade Zone admissions, and CBP Bonded Warehouse entries and withdrawals through the ACE Portal.

### **Status**

OFM joined ITDS in June 2006.

In July 2009, the OFM Concept of Operations was approved by OFM and CBP.

OFM has prepared and provided a draft Memorandum of Understanding to CBP.

OFM has nine staff members with access to the ACE Portal. OFM currently uses ACE to identify diplomatic shipments that have not entered using the diplomatic customs clearance procedure.

### **Next Steps**

OFM implementation of its electronic system to replace its paper certification process for diplomatic shipments is scheduled to be completed in 2010.

OFM agrees to Memorandum of Understanding with CBP.

## ***Directorate of Defense Trade Controls (DDTC) - State***

### **ITDS Related Mission**

The Directorate of Defense Trade Controls (DDTC) is part of the Bureau of Political Military Affairs (PMA) in the Department of State.

DDTC is charged with controlling the export and temporary import of defense articles and defense services covered by the United States Munitions List. DDTC licenses exports of defense articles and services.

DDTC works closely with CBP in the review of defense industry registrations and in the areas of the performance of defense export end-use checks, investigations, and civil penalties.

### **Planned Data Exchange**

A plan for data exchange has not been developed.

Unscheduled - M2.3 (Originally 6/2009) – DDTC will identify shipments which require permits and for which the importer or exporter must be licensed and report to DDTC. DDTC will use these data to update files in its own system and to track use of permits. DDTC will also maintain tables in ACE with the same updated information.

DDTC anticipates benefit from access to the ACE Portal for tracking shipments and overall quantities of defense trade. There are also possibilities for ACE to validate export licenses based on information provided to CBP by DDTC in an electronic format.

### **Status**

The DDTC joined ITDS in November 2007. Both the Functional Assessment and the DDTC's "As-Is" operations have been documented.

The DDTC has not yet prepared a Concept of Operations.

Currently, DDTC has no ACE Portal users. However, work has begun on the request for a Letter of Exchange to gain access to the ACE Portal.

### **Next Steps**

The DDTC to apply for staff access to the ACE Portal.

DDTC to complete their Concept of Operations for initial submission to CBP.

The DDTC to finalize a draft Memorandum of Understanding.

## ***Department of Transportation (DOT)***

### ***International Freight Data System (IFDS)***

Seven Department of Transportation (DOT) agencies will obtain data collected by CBP through a system-to-system interface between the Automated Commercial Environment (ACE) and DOT's planned International Freight Data System (IFDS). The Research and Innovative Technology Administration (RITA) is the primary agency engaged in creating and managing IFDS. The agencies that will use IFDS to access data collected through ACE are:

- RITA/Bureau of Transportation Statistics (BTS)
- Federal Aviation Administration (FAA)
- Maritime Administration (MARAD)
- National Highway Traffic Safety Administration (NHTSA)
- Federal Highway Administration (FHWA)
- Pipeline and Hazardous Materials Safety Administration (PHMSA)
- Federal Motor Carriers Safety Administration (FMCSA)

Two vendors have submitted proposals to design and build the IFDS. The estimate for IFDS to become operational is 22 months from date of award, which RITA anticipates in October 2009. The DOT estimates that the IFDS will cost \$1 million to build, design, test, and deploy.

#### **Status**

CBP approved the DOT Concept of Operations on July 23, 2009.

#### **Next Steps for IFDS**

CBP OT/R&R approve the DOT Data Memorandum of Understanding.

## ***Bureau of Transportation Statistics (BTS)***

### **ITDS Related Mission**

The BTS, of the Research and Innovative Technology Administration, collects, compiles, and publishes comprehensive monthly and annual transportation statistics covering all modes of transportation. BTS performs research, prepares statistics, and reports on the volume and geography of international trade on the Nation's transportation system.

### **Planned Data Exchange**

BTS currently receives import and export summary data from the Census Bureau on a monthly basis and border crossing/entry data from CBP on a periodic basis. BTS plans to use transaction data downloaded from ACE into IFDS, including entry/entry summary reports from importers, manifest reports from carriers, and name and address information for carriers from ACE carrier account files. This information can be sorted by the location where the shipment was loaded on the conveyance that arrives in the United States, port of arrival, location of consignee, and conveyance.

## **Status**

BTS has three staff members with access to the ACE Portal.

### ***Federal Aviation Administration (FAA)***

#### **ITDS Related Mission**

The FAA enforces regulations governing the transportation of hazardous materials by air. 49 CFR 1.47 delegates authority to the FAA Administrator to carry out functions related to the enforcement of regulations as they apply to the transportation or shipment of such materials by air. 49 CFR 100-185 includes the regulations that the FAA uses to enforce and assess<sup>12</sup> compliance with regulations on the transportation of hazardous materials by air into and from the United States. To support this function, the FAA requires information on hazardous materials shipments that make use of the National Airspace System (NAS)<sup>13</sup>. FAA regulates the conditions under which air carriers may transport hazardous materials. Among these conditions are what materials may be transported by air, the class of the aircraft that may be used, quantities, and packaging.

#### **Planned Data Exchange**

FAA has an interest in obtaining data about hazardous material shipments supplied by carriers (air manifest data) and supplied by importers (entry/entry summary data). FAA relies on information supplied by other agencies for their research, analysis, and monitoring.

FAA will access entry/entry summary and manifest data through the DOT International Freight Data System.

## **Status**

FAA has no formal MOUs with CBP. However, when appropriate, its field staff works closely with their CBP counterparts.

### ***Federal Highway Administration (FHWA)***

#### **ITDS Related Mission**

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<sup>12</sup> The FAA uses the term “assessment” rather than “inspection” to characterize its hazardous materials assessments of air carriers and shippers.

<sup>13</sup> The National Airspace System is a complex network of systems, facilities, and people that is operated, maintained and used for safe and efficient flight services in the United States and near its borders. It includes more than 19,000 airports, 750 air traffic control facilities, and other equipment.

FHWA's Office of Freight Management and Operations:

- Conducts research on commodity flows and related freight transportation activities, develops analytical tools, including freight models, to measure system performance and examines the relationship between freight transportation improvements and the economy.
- Assists transportation and planning professionals in developing the knowledge and skills needed to do their jobs effectively

In addition, the FHWA Freight Office works closely with RITA/BTS to develop modeling and other decision-support tools that help the nation's state and local transportation planners understand freight's impact on national and regional economies.

### **Planned Data Exchange**

FHWA will access entry/entry summary and manifest data through the DOT International Freight Data System to analyze the movement of international cargo and their conveyances in order to improve its understanding of national level freight flows, improve its analytic capacity, assess transportation issues related to international freight flows, and better allocate resources among states.

### **Status**

FHWA does not currently have staff with access to the ACE Portal.

## ***Maritime Administration (MARAD)***

### **ITDS Related Mission**

MARAD uses international trade and transportation information to:

- Analyze vessel and cargo movements and disseminate this information to the Army Corps of Engineers and other agencies,
- Compile and publish the annual *Foreign Flag Crewing Practices* report,
- Monitor and enforce compliance with Cargo Preference laws and ensure that a certain percentage of government-impelled cargoes are carried on U.S flag vessels by analyzing bills of lading, and
- Provide Congress statistics on the usage of U.S.-flag and foreign flag vessels.

### **Planned Data Exchange**

MARAD currently obtains information from CBP forms 1400/1401(Record of Vessel Clearance) transcribed from the paper form 1300/1301(Masters Oath and General Declaration). For imports, MARAD collects vessel bills of lading data directly from carriers and others to ensure cargo preference compliance by Federal government agencies. MARAD uses the Cargo Preference Overview System (CAPOS) to process the bills of lading. CAPOS has three sections that use data supplied from paper vessel bills of lading – Civilian, Military, and Agriculture. All bills of lading containing information for the civilian (trade) section of CAPOS are mailed to MARAD for data entry. Data for the military section are sent to MARAD from the Department of Defense by email or diskette in either MS Excel or Adobe PDF format. Information in Excel format is loaded

automatically into CAPOS while information in PDF format is treated as a paper document and keyed into the system. The U.S. Department of Agriculture (USDA) and the U.S. Agency for International Development (USAID) send their bill of lading information by email to MARAD. MARAD annually receives 8,000 to 10,000 bills of lading.

For exports, MARAD currently receives Shippers Export Declaration (SED) data from Census via a secure telecommunications interface on a weekly basis. In general, MARAD's present operations for cargo preference data collection and processing are manual and labor-intensive.

MARAD will use the International Freight Data System to access linked import and export cargo shipment data, manifest data, and conveyance information.

### **Status**

MARAD has no staff members with access to the ACE Portal.

## ***National Highway Traffic Safety Administration (NHTSA)***

### **ITDS Related Mission**

The NHTSA ensures that imported vehicles comply with Federal Motor Vehicle Safety Standards (FMVSS). NHTSA currently requires an "HS-7 Declaration" for each importation of motor vehicles and motor vehicle equipment (which currently can be filed electronically in the existing CBP system, the Automated Commercial System, and is provided to NHTSA via a system-to-system interface). NHTSA also licenses importers to bring non-conforming vehicles into conformance with the FMVSS. NHTSA also requires importers of non-conforming vehicles to secure a specific bond (separate from the general obligation importer's bond) to ensure that the vehicle is brought into conformity.

### **Planned Data Exchange**

NHTSA will maintain a file in ACE, using the ACE Portal, of persons and businesses licensed to import non-conforming vehicles.

NHTSA will use IFDS to monitor "HS-7" and other data filed by importers of vehicles (entry/entry summary data). CBP currently provides entry/entry summary transactional information to NHTSA's Motor Vehicle Importation Information (MVII) database on a daily basis through a system-to-system interface. The IFDS will feed data to the MVII when fully functional.

### **Status**

NHTSA has an existing Interconnection Security Agreement with CBP that allows NHTSA to access and use CBP data.

NHTSA has one staff member who has received training for the ACE Portal.

### ***Pipeline and Hazardous Materials Safety Administration (PHMSA)***

#### **ITDS Related Mission**

The PHMSA formulates and issues Federal rules for international hazardous material shipments covering:

- Definitions and classifications,
- Shipper and carrier operations, and
- Packaging and container specifications.

It is the task of PHMSA's inspection and enforcement staff to determine compliance with safety and training standards by inspecting entities that offer hazardous materials for transportation; and that manufacture, requalify, rebuild, repair, recondition, or retest packaging (other than cargo tanks and tank cars) used to transport hazardous materials. PHMSA focuses its enforcement efforts on packaging manufacturers and multimodal shippers of hazardous materials (HAZMAT). PHMSA requires individuals who transport or offer for transportation certain types or quantities of HAZMAT to register annually with DOT.

PHMSA will also use data reported through ACE/ITDS to develop models to help make transport of HAZMAT safer.

#### **Planned Data Exchange**

PHMSA will access entry/entry summary and manifest data through the DOT International Freight Data System.

#### **Status**

PHMSA joined ITDS in August 2007.

PHMSA has no staff with access to the ACE Portal.

### ***Federal Motor Carrier Safety Administration (FMCSA)***

#### **ITDS Related Mission Using the DOT International Freight Data System (IFDS)**

The FMCSA will access data through IFDS to analyze the flow of international truck freight across the nation, in order to improve staffing and related enforcement activities at the U.S. borders, and inform the allocation of Federal resources to state motor carrier safety partners.

#### **Planned Data Exchange**

FMCSA will access entry/entry summary and manifest data through the DOT International Freight Data System to analyze cargo and conveyance movements and to better allocate resources among states.

### **Status**

FMCSA has no staff with access to the ACE Portal.

### **ITDS Related Mission Using Query Central**

FMCSA has developed, but not yet activated a direct interface with ACE for screening trucks entering the United States.

FMCSA enforces safety standards for commercial motor vehicles entering the United States. Under the ITDS program, FMCSA will receive information about commercial motor vehicles and drivers reported in manifest declarations that are electronically submitted to CBP by carriers or their agents in advance of cargo arriving at the border. FMCSA will use this advance information to identify vehicle and driver safety compliance issues and determine whether an inspection is required. The FMCSA screening results will also be transmitted, via ACE, to carriers to provide an opportunity to correct problems before arrival at the border. Vehicle and driver inspections may be performed by either FMCSA inspectors or by state authorities.

### **Planned Data Exchange**

When an electronic truck manifest is validated by CBP, information related to commercial motor vehicles and drivers entering the United States will automatically be transmitted via a secure Virtual Private Network connection over the internet to the FMCSA information system, Query Central. Query Central will use the data to verify the operating authority, insurance, Commercial Drivers License, Hazardous Materials endorsement, and vehicle safety score. The screening results will be transmitted back to CBP and the carriers or their agents within approximately eight seconds of manifest submission.

Under the ITDS program, FMCSA and CBP have developed an interface between the FMCSA information system, Query Central, and ACE, to allow the pre-screening of commercial motor carriers and their drivers and equipment prior to their arrival at U.S. border ports of entry. FMCSA will receive information about commercial motor carriers, vehicles, and drivers reported in manifest declarations that are electronically submitted by carriers or their agents in advance of cargo arriving at the border. FMCSA will use this advance information to identify potential vehicle and driver safety compliance issues and determine whether an inspection is required. The FMCSA screening results will be transmitted, via ACE, back to the carriers or their agents to provide the carrier an opportunity to correct problems before arrival at the border. Vehicle and driver inspections may be performed by either FMCSA inspectors or by state authorities.

### **Status**

The interface between CBP and FMCSA has been tested with actual carrier data. The purpose of the test was to analyze the volume of screening issues and system screening performance.

Over the next two years, various functions can be phased in. Deployed into production in April 2008, although not yet used by FMCSA, the capability to screen manifest information as well as notify carriers or their agents of FMCSA-related issues. With a later phase, FMCSA-related manifest issues will display a warning for CBP officers to refer the vehicle in question to an FMCSA inspection location. With the deployment of the final phase, critical FMCSA issues will result in CBP rejection of the manifest.

### **Next Steps**

FMCSA and CBP agreed to sign the draft Memorandum of Understanding.

FMCSA will develop an enforcement strategy to address safety compliance issues identified by this data exchange.

## ***Financial Crimes Enforcement Network (FinCEN) - Treasury***

### **ITDS Related Mission**

FinCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the United States and international financial systems.

### **Planned Data Exchange and Status**

FinCEN will be developing a plan for integrating the use of ITDS as part of its fiscal year 2010 budget initiative.

FinCEN's most likely use would be to use data from the ACE Portal for analysis use in their activities related to supporting the financial, law enforcement, and regulatory communities.

### **Status**

FinCEN joined ITDS in October 2008.

FinCEN has no persons with ACE Portal access.

## ***Internal Revenue Service (IRS) - Treasury***

### **ITDS Related Mission**

The Internal Revenue Service (IRS) collects excise taxes on certain imports and on foreign trucks subject to the Heavy Highway Vehicle Use (HHVU) tax. The IRS monitors information reported by importers (entry summary) to ensure payment of excise taxes on goods.

### **Planned Data Exchange**

The IRS will obtain information reported by importers (entry summary data) and Foreign Trade Zone (FTZ) admissions data through the ACE Portal and via a system-to-system interface to identify imports of commodities that are subject to excise taxes and to determine if applicable excise taxes have been appropriately remitted. The IRS will provide ACE with updated information pertaining to registrations to ensure notification to trade at time of entry, of taxes due. The IRS will provide ACE with Vehicle Identification Numbers (VINs) and other information to enable ACE to identify those Heavy Highway Vehicles (HHV) entering the United States that have not filed the appropriate tax returns. IRS staff will also access/download pertinent data related to the importation of commodities subject to excise tax via the ACE Portal. The IRS will also monitor information reported by carriers (manifest data) to ensure that excise taxes on imported fuel are paid and that HHVU taxes are paid for foreign licensed vehicles entering the United States.

The IRS will transmit to CBP through ACE updated Employer Identification Number (EIN) data (which can be used to identify parties to a transaction) to allow ACE to verify the accuracy of information submitted to CBP.

The IRS has the capability to view name, address, and contact information for importers, brokers, and carriers.

April 12, 2009 - A2.2 (Originally 3/2009) – IRS has access to entry summary data from consumption entries and informal entries that it uses for research and analysis. The IRS also uses data from ACE to determine if importers/consignees of taxable commodities are registered.

Unscheduled - M1 – IRS will have the capability to view rail and sea manifests through the ACE Portal. IRS will use ACE to correlate manifest and entry data in order to link specific shipments and modes of transportation.

Unscheduled - A2.3.2 and A2.3.3 (Originally 6/2010) – IRS will have access to the remainder of the entry summary types for research and analysis. ACE will provide importers with notice that certain excise taxes are due at entry summary. The IRS will have access to entry summary information on taxable commodities through the ACE Portal.

### **Status**

IRS' Concept of Operations was approved July 23, 2009.

The IRS completed a draft Data Memorandum of Understanding which is now under review with CBP.

The IRS has two people with access to the ACE Portal.

**Next Steps**

IRS and CBP must finalize the Memoranda of Understanding (Data and Operational).

## ***Office of Foreign Assets Control (OFAC) - Treasury***

### **ITDS Related Mission**

The Office of Foreign Assets Control (OFAC) administers and enforces economic and trade sanctions. OFAC administers country sanctions by providing written instructions and copies of OFAC licenses in letter form to CBP for use in the ports to determine the admissibility of shipments within OFAC's jurisdiction. OFAC also designates persons and organizations (Specially Designated Nationals and Blocked Persons (SDN List)) with whom U.S. persons may not trade. Any assets or property of SDN designees that come into U.S. jurisdiction are subject to U.S. Government regulation.

### **Planned Data Exchange**

OFAC currently has the ability to the ACE Portal to retrieve entry summary information and additional account and reference information for research and analysis.

Country sanction lists and license data provided to ACE by OFAC will be used by CBP to determine admissibility of imports and exports.

OFAC will also use the ACE Portal to update and maintain the SDN List in ACE.

Unscheduled - M1 (Originally June 2009) – OFAC will have access to rail and vessel manifest and could make referrals to other agencies, as needed.

Unscheduled - M2.3 – OFAC will use ACE to maintain OFAC sanction list and license data.

### **Status**

The OFAC Concept of Operations was approved by OFAC and CBP in November 2006.

The draft Data Memorandum of Understanding is currently being reviewed by OFAC.

OFAC has seven staff members with access to the ACE Portal.

### **Next Steps**

OFAC and CBP must finalize the appropriate Memoranda of Understanding (Data and Operational).

## ***Alcohol and Tobacco Tax and Trade Bureau (TTB) - Treasury***

### **ITDS Related Mission**

The Alcohol and Tobacco Tax and Trade Bureau (TTB) licenses importers of alcohol or tobacco. Without a TTB permit, a person may not import alcohol or tobacco. TTB also approves labels for alcoholic beverages imported into the United States. Alcoholic beverages may not be entered unless their labels have been approved by TTB. CBP enforces both of these requirements for imports through selective examination.

TTB monitors alcohol imports and exports to ensure license, label, and tax requirements are being met, and also monitors imports in case of threats to public health. Typically, the information that TTB will monitor will be reported to CBP through entry/entry summary messages filed by importers or their agents, or export data filed by exporters.

### **Planned Data Exchange**

TTB will review entry/entry summary data for importations of alcohol through the ACE Portal. TTB will update databases of importer licenses and label approval numbers within ACE. ACE will validate the importer license information and validate the label approval number filed by importers. TTB will provide CBP access to its data base of approved alcohol labels (COLAS on Line) via an upload to ACE, which will enable ACE to validate the COLA numbers. CBP can also implement a system-to-system interface over the internet that will allow CBP officials to compare the approved label with the actual label on the imported product.

When pursuing an investigation, TTB will have access, through the ACE Portal, to all information collected under CBP authority and other information that CBP has been authorized to share with TTB.

April 12, 2009 - A2.2 (Originally 10/2008) – TTB can access entry summary and collection information to monitor for compliance.

Unscheduled - M2.3 (Originally 6/2010) – TTB will use the ACE Portal to add license and permit information to ACE importer account files for CBP to use as a reference that eventually will allow ACE to automatically validate license numbers submitted by importers.

Unscheduled - M3 (Originally 7/2010) – TTB will access export transaction information to monitor for export shipment compliance.

### **Status**

TTB submitted and updated several versions of their Concept of Operations to CBP for review and approval. Currently, TTB is waiting on CBP for their review and approval of the Concept of Operations.

A draft Memorandum of Understanding between TTB and CBP has been prepared and is being reviewed by CBP.

TTB has access now through the ACE Portal to data filed by importers (entry/entry summary data).

TTB has 21 staff with access to the ACE Portal.

**Next Steps**

TTB and CBP must finalize the appropriate Memoranda of Understanding (Data and Operational).

## ***U.S. Consumer Product Safety Commission (CPSC)***

### **ITDS Related Mission**

The U.S. Consumer Product Safety Commission's (CPSC) mission is to protect children and families against unreasonable risk of injury and death from more than 15,000 types of consumer products. Most of the consumer products used by Americans are no longer manufactured in the United States. Today, over 85 percent of toys, 95 percent of fireworks, and 59 percent of electrical products are manufactured in other countries, notably in China.

CPSC is currently using the ACE Portal to identify imported shipments of potentially non-complying or otherwise unsafe products. The agency directs CBP to hold, or detain suspect cargo to allow time for CPSC field inspectors to conduct on-site examinations.

### **Planned Data Exchange**

CPSC already has access through the ACE Portal to import profiles, data on shipments filed by importers, and contact information for importers. Other areas of interest to the agency are streamlining communication with CBP and importers on:

- CPSC decisions to hold/release shipments,
- Products under heightened scrutiny or "alert," and
- Notifications to CBP and the trade during the import process (e.g., Notice of Sample Collection and Conditional Release of Product).

Unscheduled - M1 (Originally 10/2008) – CPSC to identify shipments of suspect consumer product imports and request CBP to hold these goods at arrival to allow CPSC staff to investigate and identify potential consumer safety issues.

Unscheduled - M2.3 (Originally 6/2009) – CPSC to identify suspect shipments at time of arrival and request CBP to hold these shipments so that CPSC staff may investigate. CPSC will also use this functionality to provide notifications to CBP and the trade regarding the actions the Commission is taking (e.g., samples, entry refusal).

CPSC plans on expanding their current case management software IFS (Integrated Field System) to interface to ACE.

CPSC is working with CBP in regards to building rule sets and obtaining access to CBP's Targeting and Screening System (ATS).

### **Status**

CPSC is in the process of conducting operational discussions with CBP. Once these operational discussions are completed, the Concept of Operations will be modified with the updated information and submitted to CBP for approval.

There are 30 staff members that have access to data on imports through the ACE Portal.

### **Next Steps**

CPSC to revise Concept of Operations based on approved operational changes for conducting business with CBP.

CPSC is working on building rule sets for ATS.

CPSC is working on their Operational Memorandum of Understanding.

## ***Environmental Protection Agency (EPA)***

### **ITDS Related Mission**

The Environmental Protection Agency (EPA) regulates the importation of pesticides (under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA)), certain chemical substances and mixtures (subject to the Toxic Substances Control Act (TSCA)), ozone depleting substances, vehicles and engines, and fuels (subject to the Clean Air Act), and hazardous wastes (under the Resource Conservation and Recovery Act (RCRA)). Exports are regulated to a lesser extent. Currently, CBP collects import documentation required by EPA, such as the TSCA certification statements for chemical substances and EPA Importation Declaration Forms for vehicles and engines. EPA performs follow-up inspections and investigative activities and takes enforcement actions.

### **Planned Data Exchange**

EPA is considering how to use ACE to administer:

- Importation Declaration Forms and exception letters for motor vehicles and engines,
- Identifying RCRA hazardous waste imports that have potentially occurred without having obtained consent from EPA,
- FIFRA Notices of Arrival for pesticides,
- TSCA import requirements, including import certifications, for certain chemicals substances and mixtures, and
- Identifying ozone depleting substance imports that do not satisfy Clean Air Act requirements.

EPA is considering how to use ACE to:

- Be notified of an importation of regulated cargo, such chemical substances, mixtures or products,
- Use entry data reported through ACE to make admissibility decisions,
- Review imports of regulated cargo and decide whether or not to inspect or to take enforcement actions,
- Review imports of hazardous wastes to assist in determining appropriate follow up action, and
- Obtain general commodity, importer, and broker import data to review importer compliance and to prepare for facility inspections.

Some of these functions will be implemented through system-to-system interfaces between ACE and EPA systems. EPA will be able to communicate with CBP border control personnel. EPA will have access to data stored in ACE.

Unscheduled - M1 (Originally June 2009) – EPA will be able to request that suspect shipments be held on the basis of rail or sea manifest information.

Unscheduled - M2.3 – EPA will use ACE to identify and monitor:

- Imports that are regulated by EPA, and
- Expired or otherwise improperly used import permits or certificates.

Unscheduled - M3 – EPA will access export information to monitor regulatory compliance with export shipment requirements.

### **Status**

EPA currently uses the ACE Portal to track shipments of ozone depleting substances, vehicles, or engines subject to Clean Air Act standards, pesticides regulated under FIFRA, and chemical substances and mixtures regulated under TSCA. Numerous cases of noncompliant or illegal imports have been identified.

EPA has seven staff members with access to the ACE Portal.

The EPA Concept of Operations was revised based upon information collected during detailed reviews and is currently under review within CBP and EPA. Regulatory changes may be required to implement the planned data exchanges noted above.

The EPA Data MOU has been submitted and is under review by CBP.

### **Next Steps**

EPA completed detailed reviews of its program areas. EPA must finalize updates based on CBP reviews and complete the Concept of Operations.

Negotiate Memoranda of Understanding (Data and Operational) with CBP that details the cooperative relationship between the two agencies, including such items as respective roles and responsibilities and the rules for sharing of data.

## ***Federal Communications Commission (FCC)***

### **ITDS Related Mission**

The Federal Communications Commission (FCC) prohibits unauthorized electronic radio frequency (RF) devices from entering the United States. The FCC ensures that finished products, as well as products assembled from parts shipped into the United States, conform to FCC-prescribed emissions parameters to ensure that these products do not interfere with licensed radio communications. The FCC analyzes entry summary data provided by CBP in order to ensure that importers of certain RF devices have reported to the FCC the information that the FCC requires regarding the importation of RF devices capable of causing harmful interference. Currently, the FCC requires importers to complete FCC Form 740 (Statement regarding the Importation of Radio Frequency Devices Capable of Causing Harmful Interference) or file equivalent information as part of an electronic submission of entry summary data.

### **Planned Data Exchange**

Unscheduled - A2.4 (Originally 1/2011) – FCC to view and extract data on FCC-regulated shipments. In addition, the FCC will use ACE to view corrections of this data made by the importer after completion of the entry process. ACE will also enable the FCC to access entry summary data on an as needed basis in order to enforce RF import requirements. Filing of Form 740 information as part of the entry summary will continue.

### **Status**

The FCC Concept of Operations was approved by the FCC and CBP in February 2007. FCC legal counsel is drafting a Memorandum of Understanding agreement.

The FCC has two staff members with access to the ACE Portal.

### **Next Steps**

CBP to approve FCC Memorandum of Understanding.

## ***Federal Maritime Commission (FMC)***

### **ITDS Related Mission**

The Federal Maritime Commission (FMC) registers all Ocean Transportation Intermediaries (OTIs) (freight forwarders and non-vessel operating common carriers) doing business at U.S. ports and issues licenses to domestic OTIs and issues certificates of financial responsibility to Passenger Vessel Operators (PVOs). FMC also publishes quarterly and annual reports on current maritime trading conditions based upon information from CBP, Census, MARAD, USACE, and other sources (these reports are used for monitoring purposes only).

### **Planned Data Exchange**

FMC currently uses the CBP system, the Automated Commercial System, to obtain data filed by importers and carriers.

ACE will give FMC the ability to receive vessel movement data directly instead of through multiple agencies and commercial database sources. FMC will have real-time access to entry summary data filed by importers and manifest and vessel movement data filed by carriers and will be able to run data extracts and queries as needed. The improved timeliness of data accessibility represents a major advancement over current commercial database systems. FMC will have access to entry, entry summary, manifest, and vessel movement data captured in ACE.

FMC will either use online, interactive access to ACE or batch downloads to input license information into ACE on those licenses issued by FMC. This data will be used to validate information provided to CBP by carriers.

August 2007 - A1 – FMC will be able to attach OTI licenses and PVO certificates to carrier accounts. (FMC plans to key in several thousand account-based blanket licenses and certificates.)

Unscheduled - M1 (Originally 10/2008) – FMC will be able to have sea manifest information validated against their list of licensed or registered OTIs. FMC will be able to identify unlicensed or unregistered OTI operators as well as monitor the operation of licensed OTIs and those carriers with whom they do business.

Unscheduled - M2.1 – FMC will be able to have vessel entrance and clearance information validated against its list of registered PVOs and their vessels so that FMC can identify unregistered operators and monitor the operation of licensed PVOs and their vessels.

### **Status**

FMC has nine staff members with access to the ACE Portal.

The current limit on records that may be obtained through a query through the ACE Portal means that the ACE Portal does not currently meet all FMC needs.

The FMC Concept of Operations Version 6.0 is currently under review by CBP.

FMC has also submitted a draft Memorandum of Understanding to CBP but the final agreement awaits approval of their Concept of Operations.

**Next Steps**

CBP approval of FMC Concept of Operations Version 6.0.

## ***International Trade Commission (ITC)***

### **ITDS Related Mission**

The International Trade Commission (ITC) responds to requests from the President, the United States Trade Representative, and Congress for reports and analysis on matters of international trade.

ITC conducts research and makes determinations concerning unfair trade practices with regard to antidumping and countervailing duty investigations.

ITC also is responsible for maintaining the Harmonized Tariff Schedule of the United States Annotated (HTSUSA). The HTSUSA provides the applicable tariff rates and statistical categories for all merchandise imported into the United States.

### **Planned Data Exchange**

ITC is currently able to obtain entry summary import data through the ACE Portal.

February 2009 – ITC released its new HTS Online Reference Tool, a comprehensive website for users of the HTS which provides a web-based source for HTS-related information. There are direct links to the HTS Online Reference Tool from the ACE Portal.

April 12, 2009 - A2.2 (Originally 10/2008) – ITC can obtain an extract of entry summary data and importer and foreign manufacturer information to use for ITC investigations and certain reports.

Unscheduled - A2.3.1 (Originally 10/2007) – ITC will provide detailed formatted data files electronically to CBP (with such items as staged-rate duty reduction and trade agreement data) to be used to update the HTSUSA file used for processing entry summaries. Also, a unique user role, titled “ITC HTSUSA Administrator,” will provide ITC the capability to view and validate the HTSUSA updates that CBP makes.

Unscheduled - A2.3.2 and A2.3.3 (Originally 6/2010) – ITC will have access to the remainder of the entry summary type transaction information for research and analysis.

### **Status**

The ITC Concept of Operations has been approved by CBP. A Memorandum of Understanding has been agreed to, but subsequent deliveries may require an updated Memorandum of Understanding between ITC and CBP.

Currently five ITC staff members have access to data through the ACE Portal.

## ***Nuclear Regulatory Commission (NRC)***

### **ITDS Related Mission**

The Nuclear Regulatory Commission (NRC) issues import and export licenses for certain nuclear material, components, and commodities. In some instances, prior consent to import radioactive by-product material is required and must be received by the importing country's regulatory authority, at least 24 hours in advance of the shipment. The NRC currently relays that notice to CBP via email. The NRC has authority to deny entry but its priority is the safe disposition of cargo and works with CBP to ensure that happens.

### **Planned Data Exchange**

The NRC could benefit from accessing data related to the Cargo Release (M2.3). NRC will not request any new data elements be provided from the Trade through ACE.

### **Status**

The NRC joined ITDS in January 2007.

The NRC has no staff members with access to the ACE Portal.

### **Next Steps**

The NRC is working with CBP to finalize a Data Memorandum of Understanding.

Since the NRC is only accessing data, a Concept of Operations is not necessary.

***Office of the United States Trade Representative (USTR)***

**ITDS Related Mission**

The Office of the United States Trade Representative (USTR) is responsible for developing and coordinating U.S. international trade, commodity, and direct investment policy, and overseeing negotiations with other countries.

**Planned Data Exchange and Status**

A plan for data exchange has not been developed.

USTR's most likely use would be to download data from the ACE Portal for analysis use in formulating trade policy, negotiating positions, and for evaluating compliance with trade agreements.

**Status**

The USTR joined ITDS in 1995 and has no persons with ACE Portal access.

## ***U.S. Agency for International Development (USAID)***

### **ITDS Related Mission**

The mission of USAID is to provide humanitarian aid and development assistance to lesser developed countries. USAID has become the Federal Government's second largest exporter, behind only the Department of Defense. USAID typically awards contracts/grants to U.S. entities who arrange for delivery of goods/commodities via U.S.-flagged carriers.

The ITDS will enable USAID to track its exports.

### **Planned Data Exchange**

The planned data exchange with ACE has not yet been determined.

### **Status**

USAID joined ITDS in the fourth quarter of 2007.

The USAID has no ACE Portal users.

### **Next Steps**

USAID to prepare draft Concept of Operations for initial submission to CBP.

