



Veroot Recap

2024 CBP Trade Facilitation
and Cargo Security
Summit



Customs and Border Protection Annual Meeting

If you missed the CTPAT Annual Trade Facilitation and Trade Summit in Philadelphia a couple of weeks ago, we wanted to give you a quick recap. Lots of information to cover here so we hit the highlights!

Questions? Let us know: <https://ctpat.veroot.com>

Enjoy!





CTPAT “Breakout Sessions” Covered In This Exclusive Report!

- Introduction Day
- Supply Chain Resiliency
- Environmental and Natural Resource
- Enforcement Strategy
- Green Trade
- Maintaining CTPAT Account
- Case Studies and Best Practices
- Operation Apollo





Introduction Day

- 3rd Annual CBP Summit
- CBP is in the process of fighting the opioid/fentanyl crisis that is affecting our Supply Chains. An average of 50kg of illegal drugs are seized every day.
- GBI - Global Business Identified. CBP Partnering with FDA on the Global Business Identifier Test. GBI will improve Supply Chain traceability, help risk shipments, and make trade more secure. Find out "how" products are made.
- De Minimis Exception - Import goods into US free of duty and taxes when they are valued at less than \$800. 4 million shipments a day fall into this category and 85% of all seizures are in the De Minimis Environment.





Supply Chain Resiliency

- It is important to have an Emergency Plan in place in case of situations like the Baltimore Bridge collapse happens.
- HSI (Homeland Security Investigation) is currently working on a plan to make sure they are more prepared for situations like this in the future.
- CBP is wanting to rebuild Cyber Team Policies, so the crisis team is able to react better to cyber attacks.
- CBP has partnered with CTPAT and Non CTPAT Partners to find best practices that they can convey back to the trade.
- CBP is trying to ensure cyber resiliency in both industry and government.





Supply Chain Resiliency Cont.

- Tabletop Exercises – January in DC & August in Chicago
 - o Developed an updated report of CBP
 - o Precision
 - o Mitigation
 - o Respect
 - o Recovery
 - o Over 50 people attended both Tabletops
- Cybersecurity Resiliency Website CBPSOC@cbp.dhs.gov
- CBP is focusing on outreach to CTPAT Partners through teaching opportunities
- CBP gets feedback from Best Practices that they find during Validations





Supply Chain Resiliency Cont.

- Crisis Management and Planning
 - Solid robust procedures and SOPS that include updates in the organization and with updates with Business Partners
 - Practice must be done by doing realistic exercises.
 - CBP is wanting to take a Risk Management Approach.
- CBP believes that we must start going to ports to see if we can start conducting different Tabletop exercises for individuals in the trade.
- Supply Chain Resiliency has improved since the new launch of the CTPAT MSCs in June 2020.

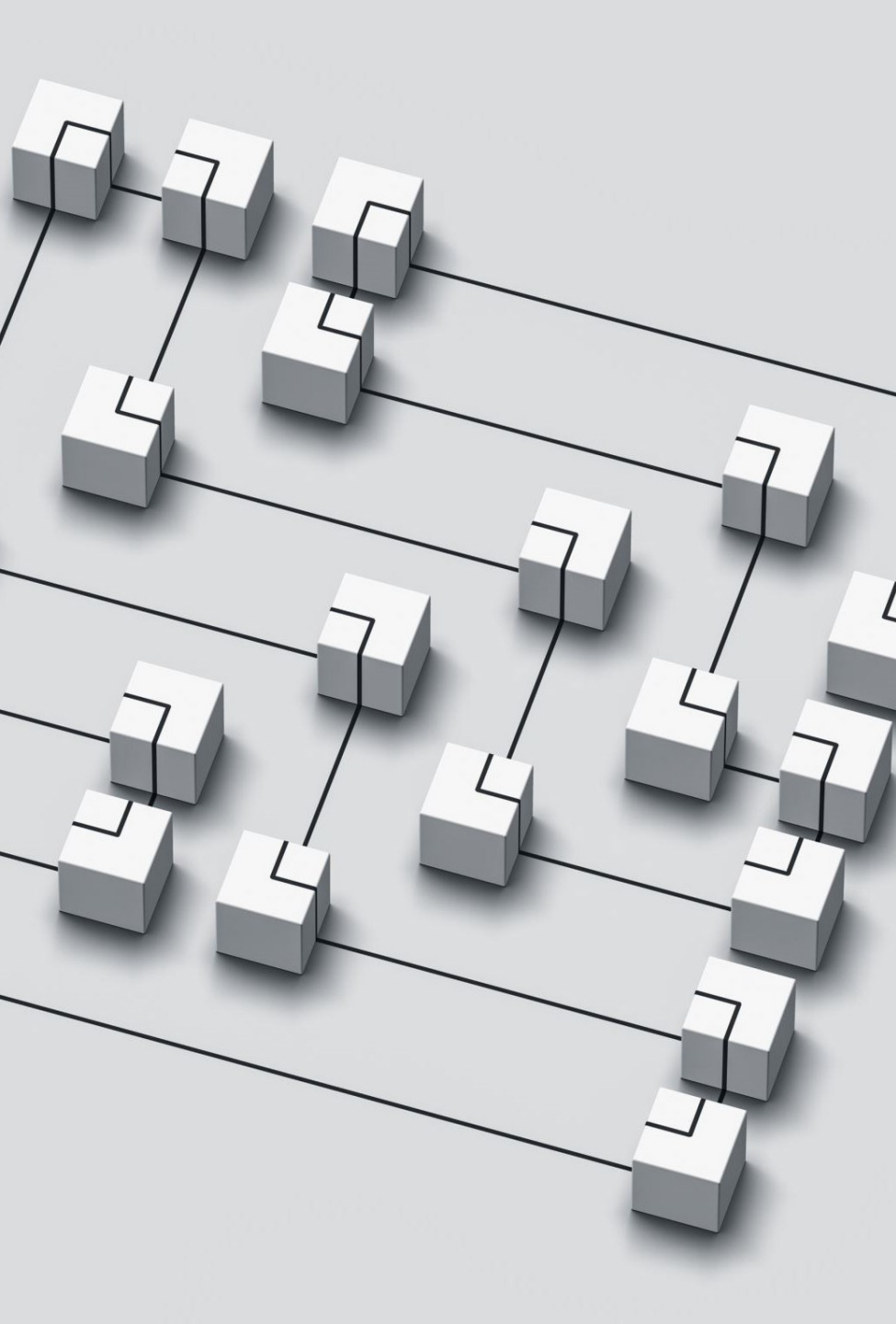




Environmental and Natural Resource Enforcement Strategy

- Mission is to protect humans from dangerous chemicals in the environment.
- Clean Air Act Attacks are becoming a problem.
- CBP is starting to cap the amount of FCC Permits and put a restriction on chemicals.
- NOAH
 - Another form of law enforcement
 - Protect and enforce domestic laws.
 - Conservation based industry
 - Combat illegal fishing
- US is the largest importer of seafood, and people are targeting it.
- SIMP - In charge of issuing potential violations.
 - Trade of endangered species
 - Combating illegal logging
 - Counterfeiting, Drug Trafficking, Human Trafficking, Illegal fishing, etc.





Environmental and Natural Resource Enforcement Strategy Cont.

- Greenhouse gases are super pollutants
- A way that we can avoid these pollutants is by doing a phase down of these chemicals.
- Heat wave, flooding, wildfires – These are all examples showing that something is going on with our climate.
- Phasing down is a way to accomplish economic benefits.
- HFC Taskforce – Prevent illegal trade
- Corrections within government agencies is important, because we see everyone is concerned.
- We must engage on illegal imports.
- New restrictions coming out Jan 1st, 2025
- EPA has a tip line – [EPA.gov/tips](https://www.epa.gov/tips)
- Increased illegal imports of seafood
 - Ensure that there is not illegal fishing happening to cause the increased illegal import of seafood.
- Targeted inspections
- Work globally and internationally with foreign partners
- Embrace and utilize technology
- Know where your imports are coming from, ask questions, and be proactive.





Green Trade

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- Green trade minimizes the environmental harms and maximizes the environmental benefits of international trade.
 - Per the World customs organization
 - Customs plays a huge role in talk and development to reduce their own environmental issues, to protect the environment and facilitate green trade, and to form sustainability in our environment. By doing so drives progress on the relation environmental issues.
 - Establishing CBP as a champion for the green economy and a leader in the fight against climate change and environmental degradation by facilitating the global transition to green trade and serving as a responsible person of our own environmental footprint.
 - Green Trade – Incentive, Enforcement, Innovative, Resilient, and Efficiency



Green Trade Cont.

- 3 key areas on recommendations on T&E:
 - Identify practical and productive areas that initiate such a decision based on plastic pollutants.
 - Develop common definitions of critical terms such as “waste”
 - Sharing best practices with customs/trade facilitation principles.
 - Deployment of environmental solutions for value with positive environmental impacts
 - Improve identification of trade that help with the deployment of existing environmental issues
 - Deliver environmental and sustainable benefit in WTO and other discussions.
 - Use practices and principles to promote improved and efficient border security to support trade of sustainable goods, technologies and services.



Green Trade Cont.

- CBPs green trade strategy is an agency wide commitment that lays out four goals to focus and inspire CBPs efforts to advance global environmental sustainability, guide our investments in climate resilience and advance our trade game.
- CBPs unified cargo processing programs are highlighted in the reports and program to ensure its effectiveness in commercial greenhouse gases.





Maintaining CTPAT Account

- CTPAT remains voluntary with 11,000 members (the worlds most participated in program)
- CTPAT was able to evolve to adjust to the ever-changing times in supply chains. As threats change so will the MSCs
- New Applicants must meet all MSC before applying
- 2 MSC areas members have the most difficulty complying with are Written Policies & Evidence of Implementation and Employee/Business Partner Background Checks





Maintaining CTPAT Account Cont.

- Members Business Partners are required to follow the same MSC procedures
- If a Foreign Business Partner is not in compliance and fails the Validation, then the Member also fails the Validation. Continued noncompliance by a Business Partner will result in suspension or removal from the program for the Member.
- Imperative to continue monitoring and educating Business Partners
- Keep the SVI portal up to date





Maintaining CTPAT Account Cont.

- Complete Security Profile on an annual basis. File early as CBP would prefer not to receive requests for extension as there are already 90 days to file.
 - Security Profile not completed on time, incorrect, or incomplete answers will result in a failure, possible suspension or removal from the program
- Can be suspended or removed from the program for not assisting with the Validation arrangements
- If a large # of Actions Required are found during a Validation, the Member can be removed from the program, by passing a Suspension.





Maintaining CTPAT Account Cont.

- Partner Agreement (Voluntary) - Required to be signed annually. Can be suspend or removed from the program for not meeting signed Partnership Agreement
 - Signed by both CTPAT and Member
 - Signed annually by company officer upon submission of security profile
 - Outlines expectations of CTPAT partner and CBP within the program.
 - Work with Business partners to meet MSC Security Criteria's
 - Failed validations in not meeting MSC requirements
 - Not updating information annually



Maintaining CTPAT Account Cont.

- As seen as feasible, notify CBP or your SCSS of any suspicious activities, anomalies, and/or security breaches that affect your supply chain.
 - Failure to notify CBP/SCSS of a security breach could result in removal from the program.
- 36 hours of continuing education every triennial period is required for Customs Brokers to stay CTPAT compliant. CBP will announce hours required for 2024-2026 period.





Case Studies and Best Practices

- Reefer containers are used a lot for smuggling. High number of bananas and plantains shipments are used by smugglers.
- .2 mg of fentanyl can be deadly. Trackers are being used by criminals to track their contraband. Technology devices used to locate trackers can therefore also sometimes discover the contraband that arrives with them.
- Early warnings to CBP can help a lot. Have a plan/policy to isolated suspected contraband and document a timeline of the cargo to aid the CBP with contraband shipments.



Operation Apollo – CBP’s Fentanyl Strategy

- Over 1 million opioid overdoses in the US and opioids contributed to 75% OD’s.
- US is now considered a source country in the drug trade.
- Look at consignee names and cargo descriptions for clues if you come across a suspicious shipment. Companies should use very descriptive cargo descriptions on their documents. “Machine parts” is one of the most used cargo descriptions used by companies. This is too generic and may cause cargo to be held up and searched. “FAK” not valid on house bills.
- HIDA – Homeland Security program developed to create collaboration to combat Domestic Distribution and Money Laundering acts.
- 33 HIDAs across the U.S. and all are locally governed.



Conclusion

The CTPAT conference discussed a myriad of essential topics, including Supply Chain Resiliency, Environmental and Natural resource Enforcement Strategy, Green Trade, Maintaining CTPAT Account, Case Studies and Best Practices, Operation Apollo, etc.

Changes continue to come down the line to enhance CTPAT's value and enforcement.

Companies that ship and import goods into the U.S. must stay up-to-date with the latest updates from the CBP to comply with the new regulations and ensure smooth supply chain operations.

Thanks for Reading!

