

## Summer is Here! Dive in for Trade News

With all of the trade news and activity that has already taken place this year, it's hard to believe it is only June! The horizon looks just as busy with upcoming deadlines in the ongoing in-bond implementation and additional anticipated developments in ACE.

The next major implementation milestone for the in-bond program is scheduled to go into effect on **July 2, 2018**, followed by the final scheduled implementation milestone on **August 6, 2018**. Now is a good time to review internal processes to ensure internal readiness for the changes as noted below:

### July 2, 2018

- CBP will no longer accept paper forms for input to ACE
- Paper forms or other paper alternatives (i.e. screen prints or plain paper alternatives) will be accepted as part of enforcement process at border or for verification audit operations

### August 4, 2018

- Electronic reporting of all transactions will be mandatory
- CBP will no longer accept paper to perform export or arrival functions
- Electronic reporting of diversions will be mandatory
- Electronic reporting of FIRMS code will be mandatory for arrival

There is still no targeted date for the implementation of the reporting requirement for the 6-digit harmonized tariff schedule number on the IT in-bond applications. Following is the link to the full text of the associated CSMS message:

[https://csms.cbp.gov/viewmssg.asp?Recid=23218&page=&srch\\_argv=18-000013&srctype=&btype=&sortby=&sby=](https://csms.cbp.gov/viewmssg.asp?Recid=23218&page=&srch_argv=18-000013&srctype=&btype=&sortby=&sby=)

Additionally, CBP recently announced that it has received \$30 million dollars in additional funding for the current fiscal year that will enable it to undertake enhancements to ACE. Included in the list of enhancements is the modernizing of the FTZ e-214 process in ACE. The FTZ enhancements are intended to streamline processing for both the government and the FTZ operator/user by incorporating PGA requirements into the e-214 allowing transmission of PGA data simultaneously with the e-214 when required. Additional information about the planned development and other anticipated enhancements covered by the additional funding can be found at the following link:

<https://www.cbp.gov/trade/ace-enhancements-announcement>

And finally, as a summer reading recommendation, the "ACE Entry Summary Business Rules and Process Document (Version 9.0)" most recently updated by CBP in May 2018 may not qualify as a page turner, but definitely is worth a read.

The document contains an entire section devoted to the Foreign Trade Zone Entry Summary in ACE and provides specific field-level instruction for the CBPF 7501. As a reminder, the instructions note that an entry summary "shall not be accepted" if it contains HTS numbers/Zone Status/Country of Origin combinations that were not included on the Cargo Release Weekly Entry Submission or if it does not include the reported quantity and value by HTS Line as required.

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While it does not appear that an ACE edit is currently in place for the HTS/Zone Status/Country of Origin combination criteria, now is a good time to review internal procedures to ensure that your operation is compliant and that your Cargo Release Weekly Entry Submission is broad enough to cover all of the potential material that could ship based on these parameters. A link to the business rules and process document is below:

<https://www.cbp.gov/document/guides/ace-entry-summary-business-process>

Stand by... surely there will be more trade news to come!