



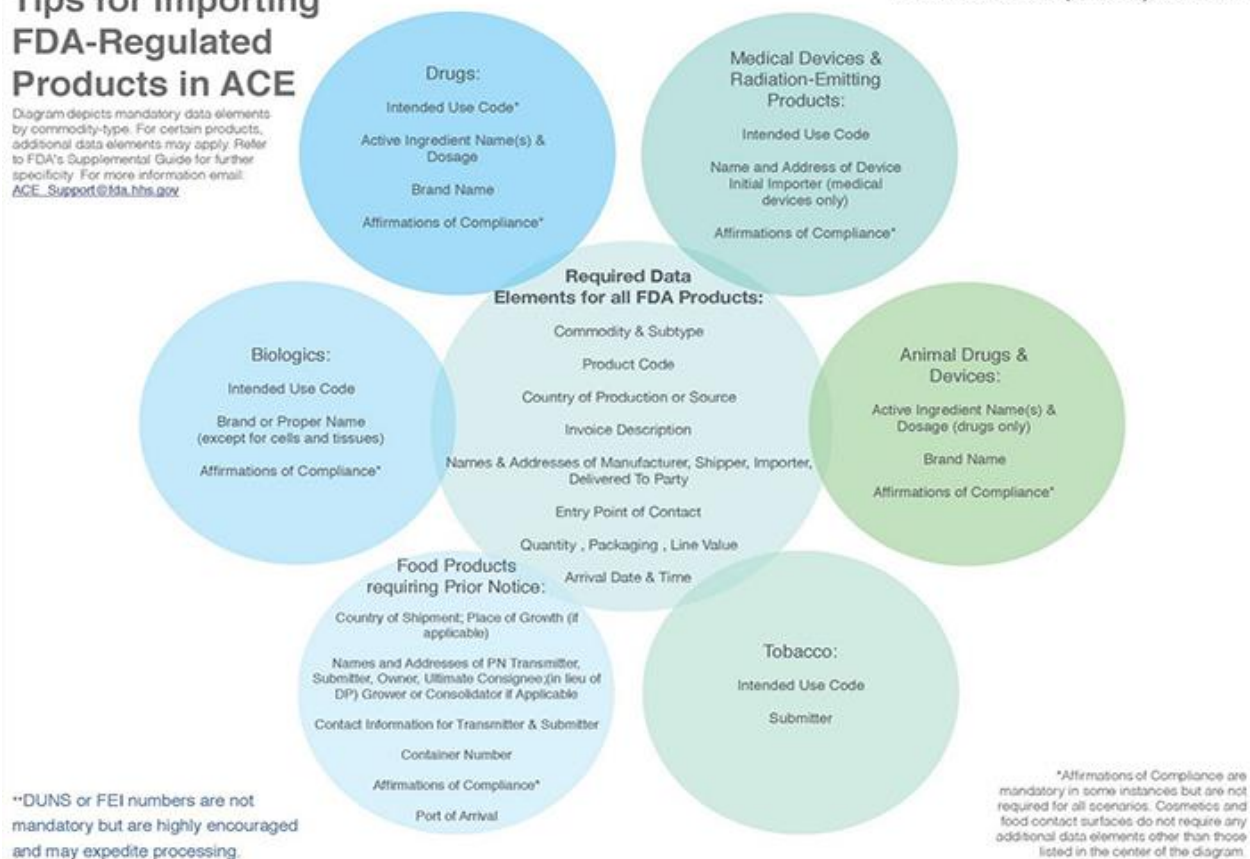
US shippers still grappling with ACE growing pains

Reynolds Hutchins, Associate Editor Aug 03, 2016

Tips for Importing FDA-Regulated Products in ACE

Diagram depicts mandatory data elements by commodity-type. For certain products, additional data elements may apply. Refer to FDA's Supplemental Guide for further specificity. For more information email: ACE_Support@fda.hhs.gov

FDA Division of Compliance Systems 2016



WASHINGTON — Last month may have marked the final milestone for entry and entry summary filing in U.S. Customs and Border Protection's new electronic filing system, but

shippers and government agencies are still experiencing growing pains as they adjust to the new system and prepare for more phases.

“It’s a big-time nightmare for us,” Fany Flores-Pastor told JOC.com on Wednesday. Flores-Pastor is director of research development at [Descartes Systems](#). The global logistics software developer is creating solutions to help shippers transition to the Automated Commercial Environment in parallel to CBP advancements.

And there are still milestones to go, including an Aug. 27 deadline for filing electronic protests and a more significant Oct. 1 deadline for filing all remaining electronic portions of the CBP cargo process that includes duty deferrals, drawback, reconciliation, statements with associated collections functions and liquidation.

That October deadline poses a special challenge for shippers, software developers, Customs and other government agencies

“Reconciliation, drawback, those processes are not as common as regular entries, but they are big processes and complex,” said Flores-Pastor. “This will potentially create a huge entry for Customs, when there are already some challenges with Customs handling smaller entries.”

In the meantime, Flores-Pastor added, Customs is still changing its implementation guide, struggling to keep the system [fluid and responsive](#) and onboarding 17 remaining partner government agencies, or PGAs, whose [filing deadlines](#) have been subject to a game of musical chairs all summer long.

“It’s been like that for a few months now. It’s really, super, super challenging for us,” Flores-Pastor said. “We haven’t had a normal day for a long time.”

It’s been an ironic start for ACE, designed with the intent of streamlining cross-border trade and allowing shippers to easily transmit documents with government agencies, saving time and money. The system — now three years behind schedule, [twice delayed](#) and more than \$1 billion over budget — has been plagued with issues.

After [a glitch-riddled rollout in May](#), followed by a period of reorganization during which several deadlines for PGAs were changed, Customs says ACE is all set.

As of July 23, ACE is now the sole CBP-authorized system for processing electronic entry and entry summary filings. Customs is no longer accepting any entry or entry summaries in its legacy Automated Commercial System, or ACS.

Even the mandatory filing for the Food and Drug Administration went relatively smoothly. And that transition was supposed to be the roughest — as was forecast early on by many in the industry including Flores-Pastor, Marianne Rowden, president and CEO of the American Association of Exporters and Importers, and Steven Preston, CEO of customs broker Livingston International.

It was understandable, since as Preston pointed out to JOC.com earlier in the year, the amount of data that needed to be migrated was “vast and complicated” and “there are so many different kinds of goods that require FDA clearance.”

Yet, “CBP is on track, together with trade and partner government agency stakeholders, to deliver all core trade processing capabilities by the end of 2016,” Customs said in a statement.

That keeps the federal agency in line with [President Barack Obama’s 2014 Executive Order](#) on Streamlining the Export/Import Process for America’s Businesses, which will require the entire International Trade Data System to be finished by 2017.

Flores-Pastor said she realizes that part of the reason why the rollout of ACE has been so challenging is because Customs is under its own deadlines.

“CBP is doing what they can. I know they’re great and they’re working with us. I can see the challenges on their end,” she told JOC.com. “They are also trying to comply with deadlines on their end. They are working as hard as we are.”

Nevertheless, Flores-Pastor said she felt that the trade industry has had little time to digest and prepare for changes — changes that are being implemented even after deadlines have passed.

One example, she said, is the changes that have been made to warehouse filings. Although communications of those changes are made routinely through [Customs' Cargo Systems Messaging Service](#) and there are daily calls between Customs and filers, Flores-Pastor said that filers are not always notified that the CSMS service has been updated.

"It's been a little messy," she said.

And the upcoming October deadline only stands to make things even messier, she said. Filing for reconciliation and drawback may be more rare than routine everyday filing, but the entries are so much larger.

Despite Customs' perseverance and the federal agency's smoother-than-expected handling of the FDA and July 23 deadlines, some in the private sector like Flores-Pastor are still fretting over the remaining deadlines.

"It's been very hectic in the last few days," Flores-Pastor said. "I'm not so optimistic."