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## Slowdowns plague ACE ahead of next phase this weekend

Reynolds Hutchins, Associate Editor (/users/reynolds-hutchins) | May 26, 2016 5:29PM EDT

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WASHINGTON — Slowdowns continue to plague <u>U.S. Customs and Border Protection (http://www.joc.com/regulation-</u> policy/customs-regulations/us-customs-regulations)'s new electronic filing system, just days before the system is expected to onboard its next round of filers.

Even after the federal agency said it was able to remedy the glitches (http://www.joc.com/regulation-policy/customsregulations/us-customs-regulations/us-customs-says-ace-glitches-over-it-readies-next-phase 20160405.html) that riddled the initial rollout of the Automated Commercial Environment, or ACE, in early April (http://www.joc.com/regulationpolicy/customs-regulations/us-customs-regulations/us-customs%E2%80%99-ace-woes-%E2%80%98jeopardizingshipments%E2%80%99 20160404.html), "outages" and "network issues" have routinely been reported via the agency's Cargo Systems Messaging Service (http://apps.cbp.gov/csms/csms.asp?display\_page=1). It's enough to make industry insiders uneasy, especially as a looming rollout this Saturday coincides with a long holiday weekend.

window-still-agency%E2%80%99s-top-priority 20150601.html) was designed with the intention of streamlining cross-border trade and allowing shippers to easily share trade documents with government agencies, saving time and money. Another crash this Saturday like users experienced in April, however, would be just the latest in a long line of snafus for the system, now three years behind schedule, twice delayed (http://www.joc.com/regulation-policy/customsregulations/us-customs-regulations/us-customs-extends-ace-single-window-deadline 20150831.html) and more than \$1 billion over budget.

"It has been a hectic few weeks since the last upgrade," Fany Flores-Pastor, director for research development at global logistics software developer Descartes Systems (http://www.joc.com/international-logistics/logisticstechnology/descartes), told JOC.com Thursday. "Customs keeps posting notifications as to the slowness of the system."

Flores-Pastor said there are concerns industry-wide that while Customs is attempting to be responsive to filers' issues, the Memorial Day weekend could mean slower response times from the federal agency and longer wait

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times for the Customs' help desk.

"Making it on a holiday weekend doesn't make much sense, but CBP doesn't have much time anymore," she said. Customs, after all, is under its own deadline for full ACE compliance by December of this year — a White House mandate for the federal agency.

As of Saturday, foreign trade zone, or FTZ, filers will be required to file entry and entry summaries in ACE. According to Customs spokeswoman Katrina Skinner, the agency has been actively engaging with stakeholders, including those FTZ filers, in the wake of the less-than-flawless initial rolllout.

To help prepare stakeholders for May 28, CBP has hosted a series of one-day ACE exercises every Thursday for the past three weeks for filers who had not yet filed any entries, or any FTZ entry or entry summaries in ACE.

CBP is also staffing a "war room" for trade and CBP users that will operate Friday through June 3, from 7 a.m. until 11 p.m. each day.

There is a good chance that Saturday will come and go without issue, said Flores-Pastor. FTZ users represent a much smaller portion of entry filers than those that came online in April.

"I don't think it's that big. I would say it's definitely percentage-wise not a big percentage, but it's definitely moneywise important," said Flores-Pastor. "They do represent a good amount of money to the commerce."

Early april saw a roughly 50 to 100 percent increase in the number of filers transmitting data via ACE, when those who file with the Animal and Plant Health Inspection Service for the Lacey Act and the National Highway Traffic Safety Administration, as well as those with no corresponding partner government agency, or PGA, were required to onboard.

For the week ending May 21, cargo release filings were up to 73 percent and entry summary filings remained constant at 98 percent. It's an all-time high, according to Customs. The agency has been encouraging filers who aren't yet required to use ACE to still make every effort to do so beforehand, not only so they acclimate to the new system, but so the system can be updated ahead of mandatory deadlines like Saturday's.

Nevertheless, there are still filers who have yet to onboard and dozens of filing groups that have yet to reach their mandatory compliance dates.

May 28 was originally set to be the deadline for no less than a dozen PGAs. Those PGAs will now be required to file and have their corresponding shippers file in the ACE portal later this summer on an as-yet-unspecified date, according to Customs. They include the Agriculture Marketing Service; Bureau of Alcohol, Tobacco and Firearms and Explosives; Centers for Disease Control; Consumer Product Safety Commission; Defense Contract Management Agency; Directorate of Defense Trade Controls; Drug Enforcement Administration; Enforcement and Compliance Commission; Environmental Protection Agency; Fish and Wildlife Service; Food Safety and Inspection Service; Foreign Agriculture Service; National Marine Fisheries Service; Nuclear Regulatory Commission; Office of Marine Conservation; Office of Textiles and Apparel; Alcohol and Tobacco, Tax and Tariff Bureau; and United States Trade Representative.

And before that, the Food and Drug Administration, one of the largest PGAs involved and one that by many accounts has struggled the most with the ongoing transition, is expected to meet a June 15 deadline.

"And I hope that all of those glitches that Customs has with the FDA filing are really resolved before that time comes," said Flores-Pastor. Otherwise, Flores-Pastor said the result could be a "panic."

Contact Reynolds Hutchins at reynolds.hutchins@ihs.com (mailto:reynolds.hutchins@ihs.com) and follow him on Twitter: @Hutchins JOC (https://twitter.com/hutchins\_joc).

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