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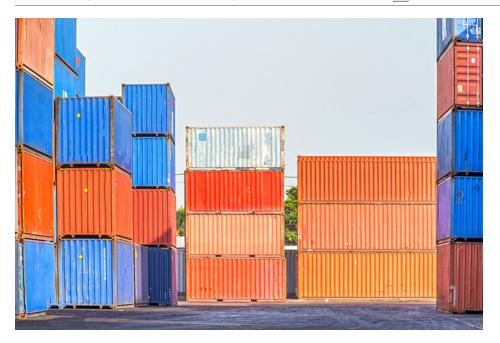
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US Customs says ACE glitches over as it readies next phase

Reynolds Hutchins, Associate Editor (/users/reynolds-hutchins) | Apr 05, 2016 7:19PM EDT

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 $\textbf{WASHINGTON} = \underline{\textbf{U.S. Customs and Border Protection (http://www.joc.com/regulation-policy/customs-regulations/us-policy/c$ customs-regulations) says the glitches that riddled the initial rollout of its new electronic filing system over the past week are resolved and it's safeguarding for when the remainder of system filers are onboarded this summer.

"CBP regrets that these system slowdowns caused issues for some ACE users. These issues have been resolved," the agency said in a statement Tuesday.

Thursday marked the first of two major deadlines for U.S. importers, exporters and their partner government agencies to begin filing using Customs' "single window" portal, which is known as the Automated Commercial Environment (http://www.joc.com/regulation-policy/customs-regulations/us-customs-regulations/us-customs-chief-single-window-stillagency%E2%80%99s-top-priority 20150601.html), or ACE. Users said they experienced few problems the first day of the rollout of the program, 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. That all changed Friday (http://www.joc.com/regulation-policy/customs-regulations/us-customs-regulations/uscustoms%E2%80%99-ace-woes-%E2%80%98jeopardizing-shipments%E2%80%99 20160404.html).

By Friday, the initiative meant to streamline border processing and allow shippers to easily share trade documents with government agencies, saving time and money, was fraught with slow load times, network errors, system-wide crashes and long wait times for the Customs' help desk.

The drama unfolding online continued into the next week before Customs announced Tuesday morning that the glitches had been addressed and settled in their entirety.

Though the agency did not go into detail, it did say that the sheer number of users onboarded Thursday was

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That sudden increase in filers, Customs said, "produced processing slowdowns that caused users to experience issues with filings in ACE and ACE/AESDirect" — the latter the U.S. Census Bureau's system for filing shipper's export declaration information.

Monday, users told JOC.com that delays accessing the ACE portal were not only slowing trade but "jeopardizing shipments" that failed to meet documentation cutoffs.

Users who spoke with JOC.com earlier this week under the condition of anonymity reported far fewer problems with the ACE portal other than typical slow load times — something that longtime users said have been present since the ACE portal was first launched.

"I know it's normally slow during the day and I think we're going to just continue to see that," Adam Hill, vice president of operations at freight forwarder and customs broker Scarborough International, told JOC.com Tuesday.

Hill said his Missouri-based firm has been working with ACE since 2009.

"If you mess around inside the ACE portal and do anything business-wise during normal business hours, it tends to slow down and it's been that way for a long time," he said Tuesday.

The addition of what Hill estimated as a 50 to 100 percent increase in the number of people transmitting data via ACE, unsurprisingly, slowed the system even more, he said.

The lion's share of the complaints, such as those shared in a letter to Customs from the American Association of Exporters and Importers, were focused on the ACE portal and not the backend of the program or the physical movement of goods, Hill said. "And it's an important distinction to be made."

Despite media claims otherwise, the rollout did not have a significant effect on U.S. cross-border traffic. Geoff Powell, president of the National Customs Brokers & Forwarders Association of America, said. Delayed filings in ACE during this first initial rollout affected less than 1 percent of shipments coming into the U.S.

"We have been experiencing some delay in receiving back results from CBP, but have not heard of any major impact on traffic at the border," Powell told JOC.com Monday.

Nevertheless, there remain concerns industry-wide that the initial rollout was only a hint of what could be in store for the trade community later this summer when the remaining filers are onboarded.

Thursday was just the deadline for 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.

Come May 28, no less than a dozen additional PGAs will be required to file and have their corresponding shippers file in the ACE portal. That includes the Agricultural Marketing Service; the Bureau of Alcohol, Tobacco and Firearms and Explosives; the Centers for Disease Control; the Defense Contract Management Agency; the Directorate of Defense Trade Controls; the Drug Enforcement Administration; the Enforcement and Compliance Commission; the Environmental Protection Agency; the Fish and Wildlife Service; the Food Safety and Inspection Service; the National Marine Fisheries Service; and the Alcohol and Tobacco, Tax and Tariff Bureau.

For many, it's an unnerving number considering the trouble that Customs has had bringing just two PGAs online.

"It is a little concerning that there are going to be many many more PGAs coming in the summer," Fany Flores-Pastor, director for research development at global logistics software developer Descartes Systems (http://www.joc.com/international-logistics/logistics-technology/descartes), told JOC.com the day of the rollout. "Are we going to be OK?"

Hill says, "Yes."

Customs on Tuesday reports that 64 percent of cargo release and entries and 89 percent of entry summaries are already filed in ACE, Hill noted.

"The pure numbers say that if you only add another 32 percent then you are not going to see what we saw last

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week," Hill said.

Hill said he is confident that by the time of the May 28 deadline, that many filers who are not required to file via ACE will already be using the system and those who come online that day will still have an easier go of it than what was seen and experienced last Thursday.

Hill said he has heard from Customs officials that the agency has increased its horsepower in order to accommodate future additions to the ACE portal. He also said that there are discussions underway for a 24/7 hotline for 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.

The FDA is the only PGA with no official deadline for full ACE compliance and there remain a slew of questions regarding how that massive agency will undertake such a feat.

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