CBP Port Directors Panel

Moderator:

Patty Tschaepe, Chief Compliance Officer, J&K Fresh



Brandon Lord, Executive Director, CBP Office of Trade

Susan Thomas, Executive Director, CBP Office of Field Operations



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Los Angeles/Long Beach & Port Hueneme Seaports





LA/LB/PH Seaports Area Scope of Operations FY 2022



- Over 16.1M maritime containers arrived in the U.S.
 - Over 5.7M containers arrived at LA/LB (35.4% of the national total for sea cargo)
- Over \$95.6B in duties, taxes and fees in the U.S.
 - Over \$14B collected by LA/LB



- Over 2.1 Million passengers and crew processed
 - LA/LB total = 2,100,000
 - Port Hueneme total = 10,000





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LA/LB Imports/Trade FY 2022

Top 5 Trading Partners

- China (CN) \$118,871,303,464
- Vietnam (VN) \$28,427,468,690
- Japan (JP) \$22,862,843,203
- Korea (KR) \$14,029,787,487
- China Taiwan (CW) \$12,114,725,987

Top 5 Consignees

- Chevron USA, Inc.
- Target Corporation
- Nike USA Inc.
- Amazon.com Services LLC
- Marathon Petroleum Company LP



Top 5 Commodities

- Electrical machinery and equipment
- Machinery and mechanical appliances
- Vehicles
- Mineral Fuels, Mineral Oils
- Toys, Games and Sport Equipment



Revenue Modernization (RevMod) Mobile Collections Receipt (MCR) Pilot - August 2016

• A multi-year initiative to automate, streamline, and centralize

revenue collections

- Benefits to Trade:
 - More online payment options
 - Users have access to their electronic payment information history through portal
 - Ability to pay maritime arrival fees online
 - Ability to request receipt reprints electronically
 - Standardizes application of regulations across seaports
 - Mitigates errors with automated calculations and system integration
 - Eliminates paper 368 receipts







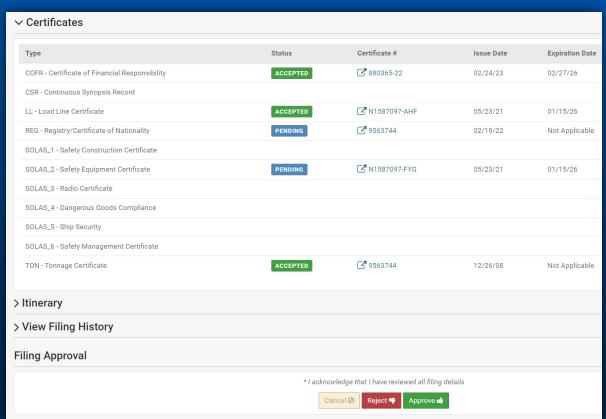
Document Imaging System (DIS) and the Vessel Entrance and Clearance System (VECS)



Prior to VECS, each vessel certificate was reviewed for validity upon every arrival at a U.S. Port of Entry

Utilizing DIS with VECS to store images of vessel certificates allows CBP to review and validate each certificate for the life of the certificate

This new process reduces the amount of time spent associated with gathering the required vessel certificates for Vessel Agents, and the amount of time spent in the review process for CBP.





Electronic Export Information (EEI): Paperless Vehicle Export Pilot – January 2023

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- EEI provides a streamlined export process, allowing vehicle ownership documents to be uploaded into DIS
 - Available at all Ports of Entry
 - Available for all modes of transport
 - Reduced duplicate reporting to multiple government agencies
 - Reduced processing time by CBP
 - Reduced cost to exporter
 - Reduced cost to taxpayers as CBP hard copies are not warehoused
- Interested parties should contact the CBP Los Angeles/Long Beach (LA/LB) Auto Desk at lalb.autodesk@cbp.dhs.gov



Long Beach FP&F 2023 Paperless Seizure Process Pilot

- Benefits to trade:
 - Reduced case processing time
 - Approximately 572 employee work hours saved per year
 - Cases can be accessed by paralegals remotely, increasing telework capability
 - Faster internal audit process
 - Searchable electronic documents rather than manual search through paper files
 - Reduced downtime for audits
 - Reduction of duplicative efforts with other government agencies
- Reduced taxpayer burden:
 - E-petitions process eliminates paper seizure folders
 - Decreased cost of paper, ink, toner, printer service
 - Eliminates 5-year paper storage warehousing requirement
 - Reduced destruction cost of expired paper files by \$1000-\$2000 annually
 - Destruction cost will continue to decrease until all paper documents are destroyed in 5 years





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Trade Enforcement















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Questions

What should I do if I observe suspicious activity? For urgent matters, call the LA/LB Seaport

Watch Commander: <u>562-366-5591</u>

Who do I contact for non-emergency cargo concerns at the LA/LB Seaport?

Contact the LA/LB Trade Interface Unit at LALB-TIU@cbp.dhs.gov



The Area Port of Seattle:

Innovation Drives
Our Future

Presenter:

J. Rene Ortega

Area Port Director, Seattle

jose.r.ortega@cbp.dhs.gov



Area Port Overview

- 12 Ports of Entry encompassing an area of 300 miles. (Air and Sea)
- Over 400 CBP Employees.
- 2.4 million pax FY23 at the Seattle International Arrivals Facility (IAF).
- 5th largest Seaport in the US, 650,000 containers FY23.
- 1.3 million cruise ship pax (300 cruise ships) FY23.





Challenges

- Synthetic Drugs
- Export of Stolen Vehicles
- Shipments in violation of Russian Sanctions
- Section 321 loop holes
- Human Trafficking
- Gateway for Invasive Species from Asia



Advancing Innovation



Seaport Command Center (i.e.; Remote Operated RPM's)



Data and Analytics



Touchless Portals Global Entry - IAF



Handheld X-Ray Devices



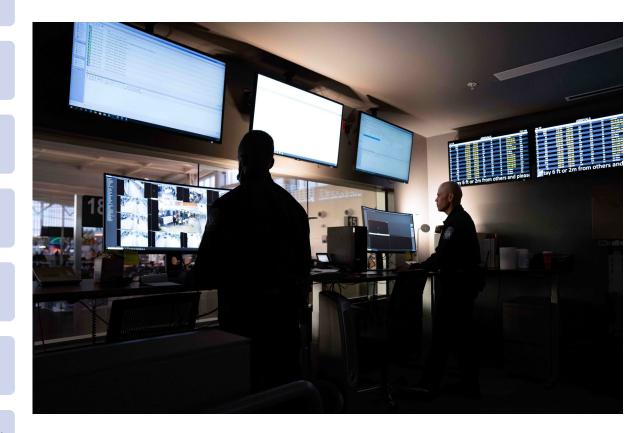
Gemini Narcotics Detection Device



Vessel Entrance and Clearing System (VECS) automated process



Air CES bid proposal ongoing (consolidation of resources for air cargo)



Leveraging Partnerships

- Partnership with US Forest Service, Fish and Wildlife and foreign law enforcement representatives regarding the illegal importation of exotic wood products into the US.
- Staff from the Centers of Excellence and Expertise (CEE) co-located with CBP staff at our Centralized Examination Stations (CES).
- Half of detained shipments involve collaboration with our partner agencies, (i.e.; Consumer Product Safety Commission (CPSC), Food and Drug Administration (FDA), etc.





Countering Emerging Threats



Master Cartons



Fentanyl



Transnational Crime



Forced Labor













Seized 1.259kgs of Fentanyl and 2.114kgs of Heroin manifested as toys and clothing – seizure street value over \$100,000



Path Forward

- Mobile Laboratories (precursors)
- Collection Modernization (automated)
- Trade Liaison (enhance communication)
- Increase Outreach and Awareness (stakeholder experience)
- More focus on Intel driven Inspections
- Layered enforcement operations
- VECS implementation (automated and streamlined)
- Support Environmental Programs (cruise related emissions)
- By 2050 Seattle will become the greenest port in North America







THANK YOU

Area Port of Portland

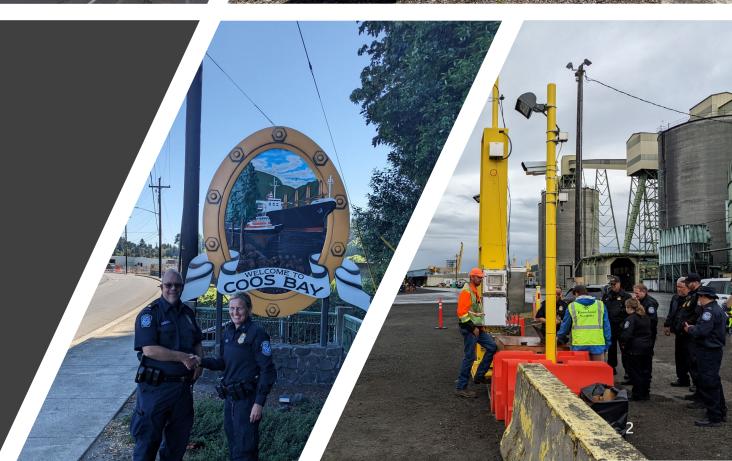






Who We Are

- Portland Airport and Seaport
- Hillsboro Airport
- Astoria Seaport
- Coos Bay Seaport
- Newport Seaport
- Longview Seaport
- Boise Airport





Our Scope

Containers (Full)	
Terminal 6	

Import Value 2904 (Seaport) 2910 (Air) Vancouver Longview Total

Estimated Duty 2904 (Seaport) 2910 (Air) Vancouver Longview Total

FY 2021 19,480

FY 2021
\$12.9 billion
\$121.6 million
\$128.9 million
\$293 million
\$13.4 billion

FY 2021 \$443.2 million \$4.5 million \$6.3 million \$42.2 million \$496.2 million

\$14.8 billion \$192 million \$708.7 million \$343 million **\$16 billion FY 2022** \$473 million

FY 2022

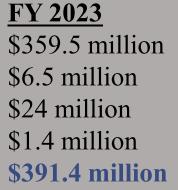
FY 2022

48,682

FY 2022	<u>F)</u>
\$473 million	\$3
\$5.2 million	\$6
\$54.1 million	\$2
\$32.3 million	\$1
\$564.6 million	\$3

FY 2023 33,344 FY 2023

<u>r 1 2023</u>
\$11.8 billion
\$173.1 million
\$316.2 million
\$159.4 million
\$12.5 billion





Suspected Flighted
Spongy Moth (FSM)
intercepted on
10/19/23



Enforcement

- FY23 IPR Seizures: 29
 - MSRP: \$2.6 million

• FY23 UFLPA Detentions: 29











Relationships

COLUMBIA RIVER STEAMSHIP OPERATORS' ASSOCIATION

















PORT OF SAN FRANCISCO

PRESENTER:

Bruce Murley
Area Port Director



Green Trade Vision: Green Trade Strategy



Establish CBP as a champion for the green economy and a leader in the fight against climate change by facilitating the global transition to green trade and serving as a responsible steward of our own environmental footprint

Port initiatives towards the Green Trade Vision:

- Port implemented initiatives to reduce reliance on paper forms, such as eliminating the requirement for paper declarations from passengers, digitizing immigration-related files, and automating the permit to transfer process.
- Remote radiation portal monitors (RPM) project will centralize the process, reducing vehicle operations.
- CBP Trade works with EPA to restrict illegal importations of chemicals and harmful products that can have adverse effects on our environment. EPA recently provided our CBP Trade teams a Bulk Hydrofluorocarbon (HFC) Imports Enforcement Training.
- CBP will be hosting a training by Brazilian Government Officials and a U.S. Fish and Wildlife Service Forensics team this month on detecting and enforcing illegal trade in Brazilian timber products. Destruction of the Amazon causes vast environmental impacts and can displace threatened and endangered species.
- Future efforts include automation of the vessel entrance and clearance process.

Trade Community Outreach

- CBP held a virtual townhall with the Customs Brokers and Forwarders Association of Northern California (CBFANC) on March 29, 2023, providing an overview of Trade, Agriculture, and Tactical operations in the maritime environment.
- CBP Air Cargo conducted a broker's seminar on June 21, 2023, at Grosvenor Hotel in South San Francisco.
- Port Director provides "State of the Port" presentation at the annual event hosted by CBFANC.



Cruise Ship Operations

 A 15% increase in cruise ship arrivals is expected during 2024.





Terminal Operations

 Port of Oakland Import TEUs down 18%, export TEUs down 7%.

Trade Operations - UFLPA/WRO

- 84 Ocean shipments held for UFLPA/WRO during FY23, a 54% increase over previous FY.
- 51 Air Cargo shipments held for UFLPA during FY23.
- Imports commonly affected by UFLPA/WRO
 - Solar Panels
 - Cotton
 - Tomato based products
 - Vinyl tile flooring







- Importers have two CES options for Seaport Trade and Agriculture exams:
 - Pacific Coast Container (PCC)
 - Custom Specialized Services (CSS)

Agriculture Operations

 Ecommerce shipments containing prohibited agriculture products has increased in both pathways.
 Air Cargo saw a 37% increase in Emergency Actions.

 Increased scrutiny for Fresh Fruits and Vegetable shipments and vessel stores due to local Fruit Fly outbreaks.

 Anticipating an increase in fresh commodity imports via ocean during FY2024.



THANK YOU

