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## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

#### **Discontinuation of Customs Broker Importer Self-Assessment Pre-Certification Test**

**AGENCY:** U.S. Customs and Border Protection; Department of Homeland Security.

**ACTION:** General notice.

**SUMMARY:** On April 17, 2013, U.S. Customs and Border Protection (CBP) announced a test allowing customs brokers to pre-certify importers for participation in the Importer Self-Assessment (ISA) program. The Customs Broker Importer Self-Assessment Pre-Certification (Broker ISA PC) test was intended to leverage customs brokers' relationships with importers to facilitate and promote importer participation in the ISA program. Unfortunately, there was minimal importer participation in the test; thus, CBP has determined that it is not effective to continue with the Broker ISA PC test. This notice announces CBP's intention to discontinue the test and not to move forward with a permanent Broker ISA PC program.

**DATES:** As of [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], the test is discontinued.

**FOR FURTHER INFORMATION CONTACT:** Lori Mennitt, Acting Chief, Trade Compliance Branch, Cargo & Conveyance Security, Office of Field Operations, 202-344-3285, [lori.mennitt@cbp.dhs.gov](mailto:lori.mennitt@cbp.dhs.gov).

## **SUPPLEMENTARY INFORMATION**

### **BACKGROUND**

#### *The Broker ISA PC Test*

On April 17, 2013, U.S. Customs and Border Protection (CBP) announced a test in the *Federal Register* (78 FR 22895) allowing customs brokers to pre-certify importers for participation in the Importer Self-Assessment program. The primary goal of the test, known as the Customs Broker Importer Self-Assessment (ISA) Pre-Certification (Broker ISA PC) test, was to leverage customs brokers' relationships to facilitate and promote importer participation in the ISA program, especially for small and medium enterprises. The Broker ISA PC test allowed selected brokers, referred to as ISA pre-certifiers, to pre-certify importers for the ISA program.

The ISA program was established in 2002 to enable interested importers to voluntarily participate in a program that allows them to self-assess their own compliance with customs laws and regulations on a continuing basis. *See* 67 FR 41298 (June 17, 2002). The ISA program is a joint government-business trade facilitation partnership program that recruits trade compliant companies to build cooperative relationships that strengthen trade compliance. It is based on the premise that importers with strong internal controls are more likely to achieve a high level of compliance with customs laws and regulations; thus the program enables CBP to recognize and support importers who have implemented such programs. Importers wishing to participate in the ISA program submit a complete application package to CBP. CBP then reviews the application and begins the vetting process including a risk assessment and a determination of the applicant's readiness to assume the responsibilities of ISA.

When the Broker ISA PC test was in operation, importers interested in applying to participate in the ISA program had the option of using either the Broker ISA PC services (most

likely for a fee) of an ISA pre-certifier to facilitate participation in the ISA program or the importers could continue to apply for participation in the ISA program without the services of a pre-certifier. Under the Broker ISA PC test, an interested importer who wished to use the services of a pre-certifier submitted a complete ISA application package to both CBP and the ISA pre-certifier whom they selected. If an importer used the services of an ISA pre-certifier, the importer noted this at the time it submitted its ISA application. The key benefit of using the services of an ISA pre-certifier was the facilitation of the ISA application process. In the April 17, 2013 *Federal Register* notice, CBP anticipated that the use of an ISA pre-certifier would reduce the time period from application to presentation to the ISA Review Board from the average processing time for CBP which is between 9 and 12 months to between 90 and 120 days.

#### *Discontinuation of the Broker ISA PC Test*

CBP announced in the April 17, 2013 *Federal Register* notice that it would review the effectiveness and feasibility of the Broker ISA PC test one (1) year after the date of the ISA Pre-Certifiers Orientation and that based on the results and lessons learned from the test, CBP would determine if the Broker ISA PC would be fully implemented as a permanent program.

While a total of 23 brokers volunteered to participate in the test and 9 brokers were selected to participate in the test per the guidelines of the notice, the test proved unsuccessful as there was little participation from importers. Several importers expressed reservations about securing the services of a broker to conduct the ISA evaluations and indicated that the broker fees were cost prohibitive. Only three (3) importers signed up to be reviewed by the brokers. Because of the low participation rate, CBP has determined that the test and test program are not effective and has decided to terminate the test. As a result, the Broker ISA PC test is

discontinued effective immediately and the test program will not be implemented as a permanent program.

The discontinuation of the test and the publication of this notice will have no effect on the ISA program.

Dated: September 18, 2018.

Todd C. Owen,  
Executive Assistant Commissioner,  
Office of Field Operations.

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