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Concerns Raised Over Pace, Drafters of COAC De Minimis Recommendations

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Two members of the trade community expressed concern about recommendations adopted on de minimis by the Commercial Customs Operations Advisory Committee at the COAC meeting on Sept. 20. The working group made eight recommendations at the COAC meeting after only having met for the first time on Aug. 22 (see 2309120060), and the two officials cited both the pace of the recommendations, as well as the make up of the group that wrote them.

Steve Story of Apex Logistics International said that he had concerns about how the group was "rushed together". Story also said that he wants to know who was on the de Minimis Working Group and if there were any brokers "who actually perform de minimis transaction."

While Story didn't cite any specific concerns about the recommendations, he said they don't "have any teeth to them" for preventing "violative shipments" or what to do with the violative shipments that are found. That aspect was a part of the recommendations provided by now defunct eCommerce Working Group, Story said, noting that the previous recommendations, which went unmentioned in the new ones, addressed "where we do our shipments that we can't clear."

Felicia Pullam, executive director of the CBP Office of Trade Relations, responded by saying that the broker industry was represented on the de minimis panel, although she was not able to provide names or companies. Pullam also said that past recommendations remain as recommendations and that CBP is "appreciative" of the comments provided by the E-Commerce Working Group.

Marianne Rowden of the E-Merchants Trade Council echoed Story's concerns about the group coming together so quickly and coming up with recommendations. Rowden also said that it is important to know who is on the working group to make sure there is "proper representation". While the E-Merchants Trade Council understands that it is a process, she said that "by coming up with specific recommendations you are fixing the aperture of what could be considered as possibilities," which "will change based on who was in that workgroup." She also said that the E-Merchants Trade Council had asked to be on the working group twice.

"Unlike traditional trade, e-commerce is a much wider group of different types of companies and we can't look to the solutions that we've used in the past for managing the risks," Rowden said.