



## Changes to CBP Reconciliation Program in January 2017

U.S. Customs and Border Protection (CBP) will be implementing several changes to the reconciliation entry program as part of the conversion to the Automated Commercial Environment (ACE). These changes will be deployed in January 2017 on a date yet to be determined by CBP. CBP will no longer enter a blanket flag in a participating importer's profile, will no longer require an application to participate, and will require the electronic transmission of data that was previously submitted via a spreadsheet.

Importers currently participating in the reconciliation program should take **immediate action** to update their brokers regarding their entry summary flagging requirements.

- For importers that require all entries to be flagged for reconciliation CBP previously set a blanket flag within its system. That flag eliminated the need for the broker to manually flag every entry summary at the time of transmission. These importers should now provide the instruction to their brokers to set their system profile to flag all entries.
- For importers that require certain entries to be flagged (but not all), now is a great time to revisit those flagging criteria and communicate the requirements to all of their brokers.

Importers that wish to begin participating in the reconciliation program will no longer need to apply to CBP. However they will be required to have a continuous bond on file with a reconciliation bond rider.

Changes to the submission of the reconciliation entry will include the complete automation of the data transmission. This eliminates the requirement to submit the line item spreadsheet as a paper hardcopy and a soft copy on disc.

Some importers that have historically used the Importer Trade Activity (ITRAC) reports to identify entries flagged for reconciliation and to have visibility to the line-item level detail for each entry. Since CBP plans to eliminate ITRAC reports, these importers may wish to file in January 2017 a request for their calendar year 2016 data. Importers should prepare to utilize the reports in the ACE portal.

If you are participating in the reconciliation program, please be sure to contact your Schenker brokerage office by the end of December 2016 to provide entry summary flagging instructions.