



21st Century US-MX Border Action Plan

Mexico and the United States have a rich history of cultural, economic, and social integration binding these two countries in unique and significant trade and immigration challenges and benefits. North American business across the US-Mexico border has increased exponentially since the introduction of the North American Free Trade Agreement (NAFTA) in 1994, and Mexico continues to appeal to US and global businesses seeking to open new locations or relocate existing manufacturing facilities. While supply chain integration between Mexico and the US evolves, there still remain many challenges to improved goods movements, efficient border management and enhanced security.

Inconsistency and unpredictability contribute to costly operational issues that negatively impact North American supply chains, driving up costs for getting goods to market. While both the US and Mexican governments work to address these issues, there is a need for increased collaboration from both governments with each other and with industry partners. Technological advancements need to be leveraged increasingly across all MX-US ports and more consistent application of policy across the MX-US border would provide substantial benefits for cross border business.

North American stakeholders doing business across the US-MX border have expressed a keen interest in working alongside government to achieve common goals, such as identifying and expediting low risk border crossing shipments while focusing resources on higher and unknown risk. However, the programs created to facilitate trade while enhancing security have been underutilized. Finding creative ways to leverage existing technology and partnering with industry provides an opportunity to divert limited government resources towards ports, cargo, people and goods that warrant further inspection allowing legitimate trade and commerce to function in a more seamless, efficient border.

This report outlines a series of NASCO member recommendations for departments and agencies with jurisdiction over immigration, transportation and customs to improve the day-to-day functioning of the border. Immediate actions include joint efforts by government and industry to launch increased outreach to stakeholders to increase baseline knowledge of import/export requirements, targeted marketing to increase participation in low risk Authorized Economic Operator (AEO) programs, ensuring all lanes of entry are open at high volume ports in peak traffic hours, and leveraging existing technology such as radio frequency identification (RFID) to acquire advance information on goods, people, and volumes to improve border resource management. Medium term goals include stronger regulatory cooperation, harmonizing import/export requirements and establishing dedicated spending for infrastructure improvements. Finally, the report outlines an aspirational vision for the border of the future

including holistic compliance-based profiling of trade partners, increased funding from US congress for border resources, and harmonizing AEO programs between the US and Mexico, to name a few.

NASCO Recommendations

SHORT TERM (IN NO PARTICULAR ORDER)

- US Customs and Border Protection (USCBP) and Mexican (Customs Authority) work towards increasing availability of stakeholder outreach and training with a goal to ensure broad common knowledge of processes affecting business lines.
- Customs Agencies work with industry to prioritize a targeted marketing campaign in an effort to increase number of applicants and members in Customs Trade Partnership Against Terrorism or AEO program. Increase available lanes for trusted traffic.
- Expand the availability of Unified Cargo Processing for members in trusted (AEO/OEA) programs at all ports of entry. Include cargo entering or exiting inland ports like Interpuerto Monterrey. Introduce program evaluation on a monthly basis.
- Unified Cargo Processing (UCP) requires Mexican cargo to enter directly into USCBP control where Mexican Aduanas and USCBP risk assess and verify cargo resulting in reports of up to 50% reduction in cargo processing times.
- UCP locations should be on either U.S. or Mexican territory.
- Customs Authorities should increase use of non-intrusive inspection technology and introduce metrics to benchmark use of the technology and subsequent improvements to use of customs resources as well as expedited commercial clearance. Consider opening parallel lanes during peak empty trailer return times.
- Establish a protocol for information exchange between those approaching the border and the Customs Authorities. Once established, leverage technology to exchange information and streamline cargo movement including increased use of existing apps and development of new apps designed to provide origin to destination transit information and facilitate cargo clearance time frames.

For example: Colombia Bridge has an app (CODEFRONT) that tracks traffic from Monterrey to Colombia Bridge. The app includes features such as emergency calls, trip status notification to friends and family and allows the Colombia Bridge Administration to monitor the volumes of cars or trucks approaching the border, providing an estimated time of arrival which allows the bridge authority to communicate more effectively with

border agencies and make determinations in respect of number of open booths, required resources.

- In key urban areas, where infrastructure permits, install electronic signage along approaches to border crossings or leverage smart phone apps to communicate traffic status updates and, where needed, divert traffic to other available ports
- Install Radio-frequency identification (RFID) readers at the busiest land ports of entry to provide immediate advantage to trucks already equipped with transponder technology. Eventually explore a movement away from transponders towards a requirement for a mandatory RFID-equipped border crossing identification card for all commercial drivers.
- Improve the use of existing border resources by ensuring all lanes are open 24/7 at the busiest ports of entry particularly during peak traffic times.
- Introduce a “Border Master Plans” that is updated every two to five years, that outlines a holistic view of border needs and sets forth priority projects.
- Increase flexibility of permanent or temporary visas for the tri-lateral movement of skilled professionals throughout North America. This could be achieved in the USMCA by enhancing the list of professionals eligible for temporary entry visas.
- Eliminate SENTRI car vetting; NEXUS does not require travelers to register the vehicle and wait for the vetting process by USCBP. SENTRI car vetting can take weeks until USCBP has completed the car “vetting” process and the traveler is then able to cross using SENTRI. SENTRI is a far more efficient program if car vetting is eliminated from the process.
- Introduce a mechanism where customs authorities share statistical information about wait times per lane type (passenger vehicles, pedestrians, cargo and rail) on a daily and weekly basis, including VISA types or other documentation used to cross the border.
- Customs authorities in the US should provide monthly statistics on type of document used to cross into the U.S. at each port, e.g., SENTRI card, I-94 Tourist visa, Passport books, passport cards, Commuter cards, Legal Resident (Green Card) cards, birth certificates, drivers’ licenses, investor visas, student visas. If the idea is to move more people from the slowest lanes to the fastest, it is critical to see this information.
- Mexico’s Instituto Nacional de Migración should provide daily and weekly data for number of vehicles, passengers and pedestrians entering the country.
- Introduce a CBP “innovation schedule” to understand current proofs of concept, companies involved, status and deployment dates along the entire border to support and accelerate the realization of these projects.

- Align import/export requirements; one country's import information should be automatically shared as the other countries' export information.
- The Colombia Bridge should be updated (modernized) and broadened with more inbounds (northbound) lanes at US Customs, allowing among other things for the increase of trade and shipments at the Laredo Port, preventing the concentration of commercial crossings in one bridge and on its adjacent area, which is harmful and chaotic on some peak hours and period of times. With respect to oversize loads crossing at Colombia Bridge, when USCBP officials are notified of oversize/overweight loads that will be crossing, dedicated USCBP officers should be allocated to and release the oversize loads quickly.
- Consideration should be given to expanding available ports for the cross-border transport of Hazardous Material (HazMat). Current restrictions of HazMat imports and exports through the World Trade Bridge should be eliminated, opening this facility to this demographic of commercial traffic
- CBP interact with Mx Customs with the electronic files from Mexican XML-CFDI invoices to CBP validate some information and take EDI information from e-files to pre-alert or pre-clear shipments in US, i.e. HTS Code, Description, unit value, etc. Send the information in advance will avoid substantially delays on the Mexican border side.
- Interaction from DODA (Current Mx Export Pedimento) with 3461 Manifest from US to EDI link the information and pre-clear Customs.
- Participate in a certified program to certify customs paperwork (US and MX) to verify and match merchandise to import into Mexico. This will help to determine trusted shippers reducing the amount of time Mexican customs broker and Mexican Customs Authority inspect merchandise and determine HTS Code before entering into Mexico. Leverage this collaboration to continue the tri-national efforts to North American Single Window.
- Introduce a pay-as-you-go toll lane for passenger vehicles in busiest ports for those who wish to cross quickly and are willing to pay high fees for it. Same for a Southbound lane into Mexico. This is not a SENTRI lane but a special lane for people wanting to cross almost immediately. This could be handled by regional mobility authorities in Cameron, Hidalgo, Webb, and El Paso counties.
- Secure necessary authorization and appropriation legislation for the North American Development Bank's capital increase in the USMCA implementation legislation, while also allow expanding eligible sectors to include: natural gas, with an emphasis on cross-border energy distribution and consumption while ensuring the energy security of the United States and Mexico; as well as the expansion or new construction of international land border

crossings and through pipelines in the case of oil or gas to facilitate the lawful flow of goods and travel across the U.S.-Mexico border.

- Explore the autonomous transfer of empties being incorporated into the World Trade Bridge expansion plan.
- Increased State and Federal funding for Laredo Port Priority Road Infrastructure projects to improve the efficiencies of moving trade to destinations nationwide:
 - Vallecillo Road (from FM 1472 to I35)
 - Direct Connectors to and from I-69/I35
 - FM 1472 (Mines Road) Improvements and connectivity to World Trade Bridge
 - Improve Loop 20 from Havana Rd. to SH59 to Interstate Standards (Future I-69)

MEDIUM TERM (IN NO PARTICULAR ORDER)

- Automate payment of tolls (something already done in many crossing points). Include the option of remote tracking of trailer so the importer/exporter/custom broker/forwarder/logistic operator can know exactly where the cargo is at any given time.
- Establish a pilot program that would help pinpoint transit times of trailers/rail cargo from the moment they cross into the US to the moment they arrive at its final destination (this would allow a better understanding, via a GPS enabled app, of how long does cargo take from the POE to the importer/exporter). Implement on both sides of the border and allow voluntary participation to increase information sharing from interested trade partners.
- Introduce a single website with contact information for custom, immigration, security, environmental and brokerage/forwarding/logistics companies on both sides of the border. This would allow potential customers to evaluate the best crossing point, to also know who to call in case of additional information.
- Embracing technological change and introducing a requirement for CBP to deploy technologies that will reduce wait times by 50% at all ports of entry by 2023.
- Reinvigorate the Regulatory Cooperation Council with a new stakeholder consultation mechanism, timelines and accountability. This must include cooperation with states and provinces, other government departments, researchers and stakeholders.
- Mexico's Instituto Nacional de Migración must be given an additional budget to invest in small infrastructure needs in and around the ports of entry.

- Establish a forum of civic society members and private enterprise to establish a direct relationship with the Mexican Senate’s designation of leader for the “Comisión de Asuntos Fronterizos”, similar to the Texas Border Trade Advisory Committee and Texas DOT.
- Reinvigorate the US-Mexico High Level Dialog by engaging border Consulates. Border Consulates should be given more leeway to speak for border communities. The reinvigoration must open all Joint Working Committee meetings as well as Bridges and Border Crossing Groups to the general public including making allowances for commentary.
- Enhance collaboration on standards accepted by both countries between all government departments involved in regulating freight that is imported, exported or transhipped across and between Mexico and the United States. Cooperation between the Canadian Food Inspection Agency (CFIA) and United States Department of Agriculture (USDA) should serve as a model.
- All Mexican and US federal agencies that head any infrastructure projects at the ports of entry or near them should be assigned a project manager and timeline including requirements for monthly status reports to inform state and local governments as well as civic society.
- Apply the principle of “inspected once, accepted twice” to inbound cargo. Permit border inspections and examinations conducted by an agency (CFIA/USDA or CBSA/USCBP) to be accepted by the other countries’ regulatory equivalent.

LONG TERM (IN NO PARTICULAR ORDER)

- Harmonize all three AEO programs into one North American program to avoid each country having its own type of certification.
- Prioritize Regulatory Cooperation Council efforts and include import/export requirements to introduce tri-national standards and requirements for general products and avoid each country introducing different requirements.
- Evaluate, with a long-term vision plan, which infrastructure needs to be developed along the border. Seek appropriation by local communities/authorities of such projects, so they can follow-through until such facilities or infrastructure is completed.
- Eliminate and avoid duplication in inspection and enforcement of carriers, regarding the physical (mechanical) inspections to tractors, trailers and drivers particularly at the Colombia Bridge where the US DOT and the Texas DPS should work in collaboration instead of duplicating efforts.

- Align the Mexican HTS Code for 10 digits or US HTS Code to 8 digits to match same HTS Code determination or criteria.
- Prioritize the upload of the US and Canadian Criteria in Mexican Single Window VUCEM (Ventanilla Unica del Comercio Exterior Mexicano) and/or in the ACE Portal at the Southern Border, so every country is aware of next changes applicable for any OGA permits.
- Accept international permits for certain products made by other US Government Agencies such as Environmental Protection Agency, Food and Drug Administration, and other agencies involved in regulating imports, exports and transiting shipments.
- Introduce holistic compliance based on client records in Mexico (Export) and US (Import) where traders have a “profile” with the customs authorities that can be deemed to be in good standing considering all factors, such as, duties paid on time, few instances of non-compliance, systemic improvements towards compliance, members in AEO programs, driver and employee pre-screening programs, and other elements that demonstrate concerted efforts towards compliance and cooperation in all areas
- Border stakeholders collaborate continued efforts to lobby Congress for more funding for USCBP.

