



December 6, 2021

**Re: USCIB Written Comments and/or Suggestions Concerning the Department of Homeland Security,
U.S. Customs and Border Protection Federal Register Notice related to the Global Business
Identifier (GBI) (OMB Control Number 1651-ONEW).**

USCIB promotes open markets, competitiveness and innovation, sustainable development, and corporate responsibility, supported by international engagement and regulatory coherence. Its members include U.S.-based global companies and professional services firms from every sector of our economy, with operations in every region of the world, generating \$5 trillion in annual revenues and employing over 11 million people worldwide. As the U.S. affiliate of the International Chamber of Commerce, the International Organization of Employers, and Business at OECD, USCIB provides business views to policy makers and regulatory authorities worldwide and works to facilitate international trade and investment.

The USCIB Customs and Trade Facilitation Committee (CTFC) promotes eliminating trade barriers and harmonizing global customs and border procedures and is composed of USCIB member companies representing a broad range of business and industry sectors. The Committee provides technical, subject matter and practitioner knowledge on customs and trade facilitation matters.

We appreciate the opportunity to provide written comments and/or suggestions concerning the Federal Register Notices (FRNs) related to Entry / Immediate Delivery Application and ACE Cargo Release (OMB Control Number 1651-0024) and the Global Business Identifier (GBI) (OMB Control Number 1651-ONEW) for interested parties to review and comment on aspects provided in Federal Register / Vol. 86, No. 191/ Wednesday, October 6, 2021.

Our comments will be focused on the GBI FRN due to the potential overlap in content and context.

I. General Additional EPoC

The FRN for GBI seeks “Written comments and suggestions for the public and affected agencies should address one or more of the following points: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) the accuracy of the agency’s estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (3) suggestions to enhance the utility and clarity of the information to be collected; and (4) suggestions to minimize the burden of the collection of information on those who are to respond, including through the issue of appropriate automated, electronic, mechanical, or other technology, e.g., permitting electronic submission of responses. We understand that all comments submitted will become a matter of public record. Thank you again for this opportunity to express the views of members.

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Global Business Leadership as the U.S. Affiliate of:
International Chamber of Commerce (ICC)
International Organization of Employers (IOE)
Business and Industry Advisory Committee (BIAC) to the OECD
ATA Carnet System

USCIB and our members appreciate the dialogue with CBP, to date, on the topic of GBI and the E-Proof of Concept (EPoC). To support addressing the topics of the utility and clarity of information to be collected, members have posed the following clarifying questions:

- What is the scope of the Evaluative Proof of Concept (EPoC)?
- Would participating companies be requested to submit the GBI for their vendors or would the GBI be included as part of an entry submission?
- If a company is submitting the GBI outside of an entry, how exhaustive a list must they provide?
- Do all of our entries go through the EPoC? Or is it just those entries related to the identified countries and sectors (i.e., specific trade flow)?
- If a member chooses to participate in the EPoC, does their customs broker (s) also have to participate?

It would be useful to understand which entries will go through the EPoC? Do participating companies get to select which entries from particular countries and/or sectors will be part of the EPoC? Members believe that this approach would be preferable as they would get the opportunity to test the following:

- Simple supply chain process vs. complex process
- Related vs. unrelated
- Advanced producer vs. unsophisticated producer

Members, some of whom may be considering EPoC participation, are also interested in learning:

- What are the criteria for being selected?
- Do all requested participants get approved?

USCIB members have echoed the view that the EPoC has broader impacts on such things as:

- Impact on ERPs such as SAP
- Impact on EDI with brokers
- Impact to the business/vendors/suppliers
- Impact to timeliness of documents (if applicable)

As CBP looks to move through the EPoC and determine the ultimate make-up of any future GBI, members believe these impacts, some of which are financial costs and business process impacts, should be taken into consideration as part of the assessment process.

Members have also raised additional questions related to, among others, FDA registration. For example, how would FDA registration be managed? Would this also be needed separately?

II. Global Business Identifier

Again, USCIB appreciated the continued dialogue with CBP on GBI.

GBI aims to provide a single identifier solution that uniquely covers primary legal entity and ownership; specific business and global locations; and supply chain roles and functions. Participants in the EPoC must obtain and submit all three GBI identifiers (i.e., LEI, GLN, and DUNS). The identifiers provide additional information about trade entities and supply chain locations associated with U.S. imports, to CBP for determining enrollment into the GBI EPoC and, if selected, during the entry process.

The GBI data element is currently not used in commercial transactions as part of buying, selling, and/ or shipping, so CBP should consider this as a new data element for businesses to manage and maintain. Adding this new complex identity indicator that is not considered commercially relevant to the successful completion of a company's transactions, creates a risk that it will not be consistently determined, applied, or validated. As a "foreign" or an unsupported data element, the use of GBI will potentially be plagued by frequent errors due to misinterpretation or misapplication.

Per the FRN, "GBI EPoC participants will also provide applicant information: Company/entity legal name, legal entity headquarters and/or manufacturing site address, business phone number (associated with provided address), company website, Manufacture/Shipper Identification Code (MID), and Authorized Economic Operator (AEO) identification number (optional).

By testing the identifiers CBP will take its first step in determining whether to amend regulations to mandate the GBI solution. Furthermore, CBP will understand the utility of collecting and/or combining the identifiers' data and will be able to make an informed decision on whether to mandate the use of the GBI solution as an alternative for the Manufacturer/Shipper Identification Code (MID)."

USCIB members recognize the value of U.S. Customs and Border Protection's (CBP) goal to develop a "systematic, accurate and efficient method for the U.S. Government (USG) to identify foreign business entities, supply chain roles, Authorized Economic Operator (AEO) program status, and foreign addresses." Members, operating across all sectors who may deal with specific agencies and identifiers, agree that there are challenges, and the number of identification systems could be consolidated and/or reduced. Further, members support tools that allow CBP and partner government agencies (PGA) to better target high-risk shipments. To accomplish these goals, it is apparent that CBP likely needs to supplement or replace the Manufacturer/Shipper Identification Number (MID) with a unique identifier for foreign entities that is consistent with global standards.

We support CBP efforts to ensure that any determined U.S. GBI is consistent with the World Customs Organization (WCO) TIN Framework.

While members agree to the need for a "common language" between the USG and trade, information has been shared overtime between members and government representatives regarding concerns related to some of identifiers under consideration. We have summarized the challenges and experiences that will be considered as part of the evaluation of respective identifiers determined to be the right combination for a future established GBI.

General comments:

- **U.S. and Global Customs Practices:** Governments around the world look to U.S. customs regulations as a global best practice. It is important that CBP and the trade remain conscious of the impact of this. In addition, Attention should be paid to assessing potential unattended consequences of proposed changes, as changes likely will be implemented by other countries, amplifying any increased trade costs and industry impacts. We support CBP's efforts to work with customs partners, including globally at the WCO, and recommend continued interagency collaboration and vetting.

- **More Data is Not Always Better Data:** Members continue to believe that there must be a thorough review and evaluation of the impact of any new data elements, including identifiers to be provided to CBP or partner government agencies (PGAs). As has been shared in many meetings with USG, including with CBP, each new data element costs companies to maintain, manage and provide. Moreover, members have also indicated that information can and does change, and these are factors which must be taken into consideration. Furthermore, members have requested information on the data and data elements that underpin each of the identifiers being considered as part of the GBI.
- **Data Sharing:** USCIB members are keen to understand data sharing and methods of data sharing even between U.S. government agencies. Our members are very concerned about protection of confidential business information (CBI) and how and to whom it can be securely and appropriately shared. Technical capability exists to share data between governments and U.S. domestic agencies, but practices have not been developed to do so securely.
- **Data Security:** As various indicators are being assessed, members emphasize the need to review and ensure data security and access as it relates to the respective indicators.
- **Data Ownership:** Members have stressed questions and seek clarification concerning data ownership, which needs to be considered. For example, members have expressed that with DUNs there are some change of record issues that result in allowing **any** employee can request change of address or change of contact info. Members have indicated that the control and data ownership is a critical point, which must be taken into consideration in the analysis phase. The general view is these aspects can lead to stability issues for members of the trade.
- **Proprietary Systems:** Members have expressed concerns on proprietary systems, noting the lack of data controls and management. Members also believe a GBI should be technology and vendor independent.
- **Data Creep:** “Data scope and collection creep” remains an interest of USCIB members. We appreciate CBPs awareness of these concerns and hope that the EPoC and any related analysis tied to GBI will help to deter “data creep”.
- **Costs:** CBP has discussed GBI at various trade related events (e.g., trade week, COAC public meetings) and has published numerous documents related to GBI (e.g., COAC documents, slick sheet). CBP has mentioned that it would or has been working with the suppliers of the indicators on cost structure, the cost of acquiring and, where necessary, maintaining the indicator access will fall on the trade. In addition, in discussing the concept with members, the general view is that large multinationals may have to carry the cost burden for their suppliers (e.g., MSME’s) participating in the EPoC and/or implementing any finalized U.S. indicator in the future. These financial costs are concerning for the trade, and along with other costs (e.g., who maintains databases) should be taken into consideration as CBP looks to assess which combination of the indicators will be included in the U.S. GBI. In addition to the aforementioned points, it has been noted that the GBI requirement could become an indirect tax on transactions, in particular for SMEs with small volume / value transactions.

In addition, members have expressed that systems acquisitions and maintenance costs should be considered as well.

- **Trade benefits:** USCIB members are quick to remind government partners that each company has separate processes and systems, and the costs can pose adoption challenges for the trade. Members encourage consideration and development of clear and measurable benefits to the trade.
- **Application:** Members have asked for clarification on how GBI and its application would impact such things as anti-dumping and countervailing, bonds, and the issue of licenses and such matters as denied party screening. Any additional information that can be provided to the trade will be greatly appreciated.

Specific comments:

USCIB members have provided some views regarding the respective indicators, that we believe should be considered as CBP undertakes the EPoC and / or conducts analysis of outcomes to determine the combination of indicators that will make-up the final GBI.

In relation to the costs identified above, members understand the costs to establish, access, and/or maintain the respective indicators varies. Some of the indicators may have a registration plus a maintenance fee, while other indicators will have a separate registration and maintenance cost structure.

- **MID:** CBP has expressed that the core intent of the GBI is the goal of replacing the Manufacture or Shipper ID. It has been noted that there is little to no data management with MID and it has been stressed that the MID does not provide underlying data. Clarity must be provided to the trade on how, in regulation and practice, the MID will be replaced. Certain sectors (e.g., textile and apparel) are bound by regulation to use the MID. During the EPoC we understand that the trade will continue to be required to maintain and report the MID, so we look forward to future clarity about CBP's approach to the challenges for all sectors, but specifically those sectors that are highly dependent upon the MID.

Members have expressed that the MID is the invoicing party and not necessarily the manufacturer. Related to the ingrained nature of MID, members would like to understand the future plan and approach to complete the 7501, where the MID is the invoicing party *except for* in the apparel and textile sector. In addition, members also stressed the MID link to quota and more.

- **LEI:** This is a financial indicator, which is being considered for incorporation to WCO TIN. The CBP EPoC will look to assess this indicator and its usefulness in the customs space.
- **GLN:** This is a private product-identifier. GSI, where the GLN resides, is linked to UPC bar codes. General assumptions on GS1 product use, including the GLN, have been made. From the materials on GBI, it is unclear if CBP has partnered with the GS1 U.S. and/or another national federation member in a 3rd country. We understand that the data elements of GLN may differ based on the national federation associated. With respect to GLN, members have expressed that this looks to

be retail and/or finished goods sector focused. Moreover, there could be use of the indicator with, for example, finished goods, but maybe not intermediary parties.

- **DUNS:** Dun and Bradstreet (D and B) provides DUNS numbers, which are used by businesses and business systems around the world. USCIB member companies have expressed challenges related to DUNS numbers, who can manipulate them, lessons learned with the U.S. Food and Drug Administration (FDA) FSMA use of DUNS numbers, concerns around the establishment and ownership of any database, among other aspects which should be taken into consideration in the evaluation of the respective identifier that when combined could meet the criteria for a U.S. established GBI.

Members have shared the following example: DUNs allow creation of a unique number per location (with limited change management) and with likely multiple DUNs per location. The experience with FDA was that they FDA pushed to have a DUNs for each plant but relented during the process and ultimately went to allowing a single DUNs number for FDA importer to be decided by the importer. (e.g., corporate HQ DUNs number). In addition, members have raised questions around who “owns” the DUNs number and the determination of “who” owns the number.