

**TESTIMONY OF  
THE  
EXPRESS ASSOCIATION OF AMERICA  
TO THE  
COMMITTEE ON WAYS AND MEANS  
SUBCOMMITTEE ON TRADE  
UNITED STATES HOUSE OF REPRESENTATIVES  
Hearing on Advancing the U.S. Trade Agenda: Benefits of Expanding U.S.  
Agriculture Trade and Eliminating Barriers to U.S. Exports  
June 11, 2014**

Express Association of America (EAA) members are DHL, Federal Express, TNT and UPS, the four largest express delivery service providers in the world, providing fast and reliable service to the U.S. and more than 200 other countries and territories. These four EAA member companies have estimated annual revenues in excess of \$200 billion, employ more than 1.1 million people, utilize more than 1700 aircraft, and deliver more than 30 million packages each day.

EAA strongly supports the mission of the U.S. Government to protect the agricultural industry in the United States and ensure the safety of the U.S. food supply. But EAA also believes U.S. agricultural trade is hampered by the fact that the U.S. Department of Agriculture (USDA) does not have an international trade facilitation strategy that centers on risk management and rapid clearance of highly compliant shipments from certified operators. The lack of this policy creates barriers for exporting and importing. U.S. Customs and Border Protection (CBP) manages the procedures for clearing agricultural shipments across the U.S. border in accordance with policies determined by the Animal and Plant Health Inspection Service (APHIS) of USDA. This clearance process is highly inefficient and does not employ modern concepts of risk management that provide segmentation of high and low risk shipments, with inspection resources focused on the high risk while allowing expedited clearance of the low risk. For example, in the hubs and facilities of EAA's four members, U.S. Customs and Border Protection (CBP), in accordance with APHIS policies, currently is stopping 3,000 to 5,000 shipments per week for some type of inspection, document review or other purpose. Of these, less than 2 percent, or 50-70 shipments per week, are found to be non-compliant products that are denied entry. This is an extremely poor level of operational efficiency, which could be improved through refinements to targeting and selection procedures and a more focused approach to risk management. As it is, CBP agriculture inspectors are wasting significant amounts of their time on fully compliant shipments.

EAA recommends that Congress direct the GAO to conduct a review of the clearance process for agricultural shipments crossing the U.S. border with a view toward identifying approaches to improving the operational efficiency of the process and facilitating the clearance of low risk products. One such improvement would be creating a trusted trader program in which shipments from importers with strong security and product safety procedures in place and an established history of compliance would be accorded reduced inspections and expedited treatment at the border. The program would recognize that some trade pathways are inherently lower risk than others, for example products being shipped by express air services compared to trucks crossing the U.S.-Mexico border.

Improving the efficiency of the border clearance process for agricultural shipments would provide significant benefits for U.S. exporters and importers and would generate cost savings through more targeted utilization of Government inspection resources. The express industry is ready to assist in the effort to achieve these improvements through application of best practices developed through our extensive experience with facilitating trade.

For additional information or to answer any questions please contact:

Michael Mullen

Executive Director

Express Association of America

9893 Georgetown Pike, Suite 805

Great Falls, VA 22066

[michael.mullen@expressamerica.org](mailto:michael.mullen@expressamerica.org)

703 759-0369.