

BPE Global Hot Topic – September 2020

Grounded? Five Factors to prepare us for “Lift Off”



Have you been grounded? Literally? Have you joined the ranks, whether it be personal or corporate choice, of those who will not be flying the friendly skies anytime soon due to COVID? We at BPE Global, as well as many companies we work with, are grounded. With calendars cleared of transit time and employees being more “accessible” than before, we’ve been surprised to notice some recurring trends across our clients globally who’ve chosen to dedicate this time towards corporate and self improvement. It’s a

“silver lining” approach that resonates with us and that we’d like to pass on to you. The following are the core areas our clients are tackling while they’ve got bandwidth and boots on the ground:

1) CTPAT – updating the new MSC

In early 2020, US Customs and Border Protection announced that all current Customs-Trade-Partnership Against-Terrorism (CTPAT) members will need to comply with new Minimum Security Criteria (MSC). Partners must complete and submit an updated security profile once a year. The CTPAT anniversary date is used as the security profile due date. The new MSC not only renamed and added several new sections, but also added several new criteria within each of these sections. There is a large focus on Management commitment and extensive updates to the Cybersecurity, Education and Training and Physical Security sections, amongst many others. Correctly addressing the criteria for the portal involves several stakeholders across the business- your IT experts, Security, Upper Management, Human Resources...in a pre-COVID world, navigating calendars to address these criteria would have been tedious. With everyone grounded and working together to address the MSC, we have been able to streamline these profile updates to make molehills out of the mountain of new criteria.

2) Audit

You’ve heard it at every trade-compliance conference you’ve been to and every “smart practice” blog post you’ve read- auditing your trade compliance program is the foundation of a healthy trade compliance program. It’s a mitigating factor, it’s an opportunity for process improvements, an opportunity for cost savings, it’s a case builder for more headcount...but who had time/resources/budget before COVID? Even taking the time to conduct a targeted, smaller assessment of your import and export operations pays off. From assessing import or export risk to just procedural review, having bandwidth to evaluate the people, processes and systems of your organization has been unprecedented and should be taken advantage of.

3) Training

Global organizations are accountable for compliance with constantly evolving trade compliance regulations. Ignorance is a risk and knowledge establishes a solid corporate compliance foundation and a competitive edge. We’re finding companies are taking the time to conduct virtual training sessions with their workforce and are even requesting modular training sessions to incorporate into their Learning Management Systems. Now is the time to refresh your Sales team on the basics of export compliance, make sure your Engineering team is familiar with your controlled technology and trained on the concept of deemed exports. You could also designate an in-house trainer to be trained with “train the trainer” methodology so that they can deliver the annual and functional trainings required in a trade compliance program.

4) Desk-Level Documentation

Unfortunately, some organizations are finding that employees will not be returning to their roles following the COVID shut-down. Are you prepared to lose tribal-knowledge of key policies and procedures of your trade compliance program? Recordkeeping is a regulatory requirement for import and export compliance worldwide, but checking that box is not enough. Are your exports filed in-house? How? How much of your trade compliance program are you having your broker handle? How do you monitor your broker? How are you staying abreast of the ever-changing marking regulations throughout the world? How is classification assigned and who is applying for licenses? Who is making sure there's no transfer of technology? Documenting these processes is an investment in your company's current and future state. It gets waylaid often and with extra time, call upon those involved with trade compliance functions to document their process.

5) Give Back!

We would be remiss to not address the greatest recurring theme we've noted throughout our clients globally which is the concept of giving back. We view this concept as two-fold: first is the giving back to specific causes and the second is giving back to themselves in the form of self-care. In the former, organizations have identified, both locally and globally, different programs and causes to contribute to. We have never seen such "top-down" commitment to supporting such a variety of causes. For the latter, we're learning about virtual learning platforms such as [Masterclass](#) or that virtual painting and cooking classes can be found on YouTube. Family members are able to connect across oceans and to play virtual games and folks are able to try out new fitness and wellness programs that they'd never have the opportunity to experience in a pre-COVID world.

COVID has without a doubt brought its share of heartbreak and hardship. The ongoing fight in support of the Black Lives Matter movement, paired with the devastation of unprecedented wildfires and storms throughout our nation; all capped with a heightened anxiety of the election, makes it challenging to find positivity and motivation in our day to day operations. The lesson we've learned these past few months is that we've all got to stay grounded so that when it's time for lift-off, we'll never be more prepared.

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