

**Statement of Robert Cintron
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Before the Permanent Subcommittee on Investigations of the
Homeland Security and Governmental Affairs Committee
United States Senate
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Good morning, Chairman Portman, Ranking Member Carper, and members of the Subcommittee. Thank you, Chairman Portman, for the opportunity to update Congress on our progress in implementing the STOP Act. My testimony, and the testimony of my fellow panelists, will describe real success in our shared goal of keeping opioids out of the U.S. Mail, but I also want to highlight some of the challenges we will face as we continue to implement the provisions of the STOP Act.

My name is Robert Cintron, and I am the Vice President, Logistics, for the United States Postal Service. I became the Vice President, Logistics, in August 2019, and in this position, I oversee the Postal Service's Surface Logistics, Air Logistics, International Logistics, Systems Integration Support, Logistics Modeling and Analytics, and the Headquarters National Operations Control Center. Previously, and when I last testified before you, I served as the Vice President for Network Operations, where I was responsible for the Postal Service's national distribution network, including international operations. For international mail, Network Operations was responsible for the mail once it arrives at one of our International Service Centers (ISCs) and after it is cleared by U.S. Customs and Border Protection (CBP), up until it has been sorted and transported and is ready to be sent out for delivery.

In May 2017 and in January 2018, I testified before this Subcommittee about our efforts to combat opioids in the mail, highlighting advancements in the collection and receipt of customs advance electronic data (AED). These data are provided by foreign postal operators to the Postal Service and include fields such as the item identifier, sender's full name and address, recipient's full name and address, stated content description, unit of measure and quantity, weight, declared value, and date of mailing. As the Postal Service receives AED, it is passed along to CBP to aid its screening efforts.

In October 2018, Congress passed, and the President signed, the STOP Act. That law set numerical milestones and requirements for the collection of AED for incoming shipments from abroad, which could then be used by CBP to better interdict and stop the flow of illicit mail, including deadly opioid drugs.

Success in Driving Opioids Out of the Mail

Before I describe in more detail our efforts to increase AED, I first want to highlight genuine success toward our shared goal—stemming opioids in the mail. While CBP can best testify to the specifics, since 2018, we have seen a dramatic decline in the number of seizures of

suspected fentanyl or synthetic opioids in inbound international mail. Increased efforts to inspect and screen more potential targets undoubtedly contributed to this decline.

According to United States Postal Inspection Service data, if we use Fiscal Year 2018 as a baseline, we saw a 71 percent drop in international seizures in 2019, followed by a 93 percent drop in 2020. As the Postal Service, CBP, and others have increased our efforts, illicit drug producers and smugglers have seemingly responded by shifting out of international mail.

The decline in international seizures, however, has been countered with a significant increase in seizures of opioids from the domestic mail. In Fiscal Year 2020, the Inspection Service achieved a new record in the number of synthetic opioid seizures, while the total weight seized more than doubled from Fiscal Year 2019. Now, over 97 percent of the seizures come from the domestic mail stream. Many of these seizures are originating in jurisdictions near the Southwest Border and the Postal Inspection Service is deploying resources accordingly. This shift may suggest synthetic opioids are increasingly entering the country through means other than international mail before being distributed through the domestic Postal Service network, the express consignment carriers, or traditional drug distribution networks.

While we recognize that the decrease of opioids in the international mail system is a welcome development, we also recognize that we must continue our efforts, along with our law enforcement partners, to keep and build on these gains. We also recognize that the fight against fentanyl and synthetic opioids is far from over, though it appears that international mail is less frequently the delivery vehicle of choice for the trafficking of illicit drugs to the United States.

The Growth in AED

While CBP is better situated to describe counter-narcotics efforts, I can provide the context for AED and its status. Beginning in 2015 and through 2016, the Postal Service increasingly recognized the need for greater AED to accompany packages entering the United States and transiting our network. In May 2017, the United States and a number of other industrialized countries improved technical capabilities to provide AED, and in early summer 2017, the Postal Service improved its methodology for calculating AED percentages to reflect more accurately the types of mail being received. We made internal improvements to allow for a more rigorous methodology for accounting for all received volume at the ISCs.

Passage of the STOP Act in late 2018 reinforced the importance of these efforts. Working with CBP, and the State Department we have:

- Introduced and published requirements for international expedited mail items (known as EMS) to be accompanied by AED;
- Published formal notifications shared with all Universal Postal Union (UPU) member country operators regarding the requirements of the STOP Act for letter post and parcels;
- Collaborated on methodologies to identify foreign country postal operators that would

- be eligible for exemptions based on their risk, volume, and capacity profile; and
- Developed draft communications regarding STOP Act requirements for exempt operators, as well as airlines and ground handlers that are contractors for the foreign postal operators, which are planned to be distributed later this month;

Since the start of Fiscal Year (FY) 2017, these robust joint efforts achieved a 41 percent increase in AED collected on packages inbound to the United States and a 19 percent increase in USPS capture of CBP holds since January 2018. In six years, we have gone from collecting almost zero AED, to receiving AED for 67 percent of incoming packages in January 2020, when that number peaked prior to disruptions brought on by COVID-19.

Securing Cooperation from Foreign Postal Operators.

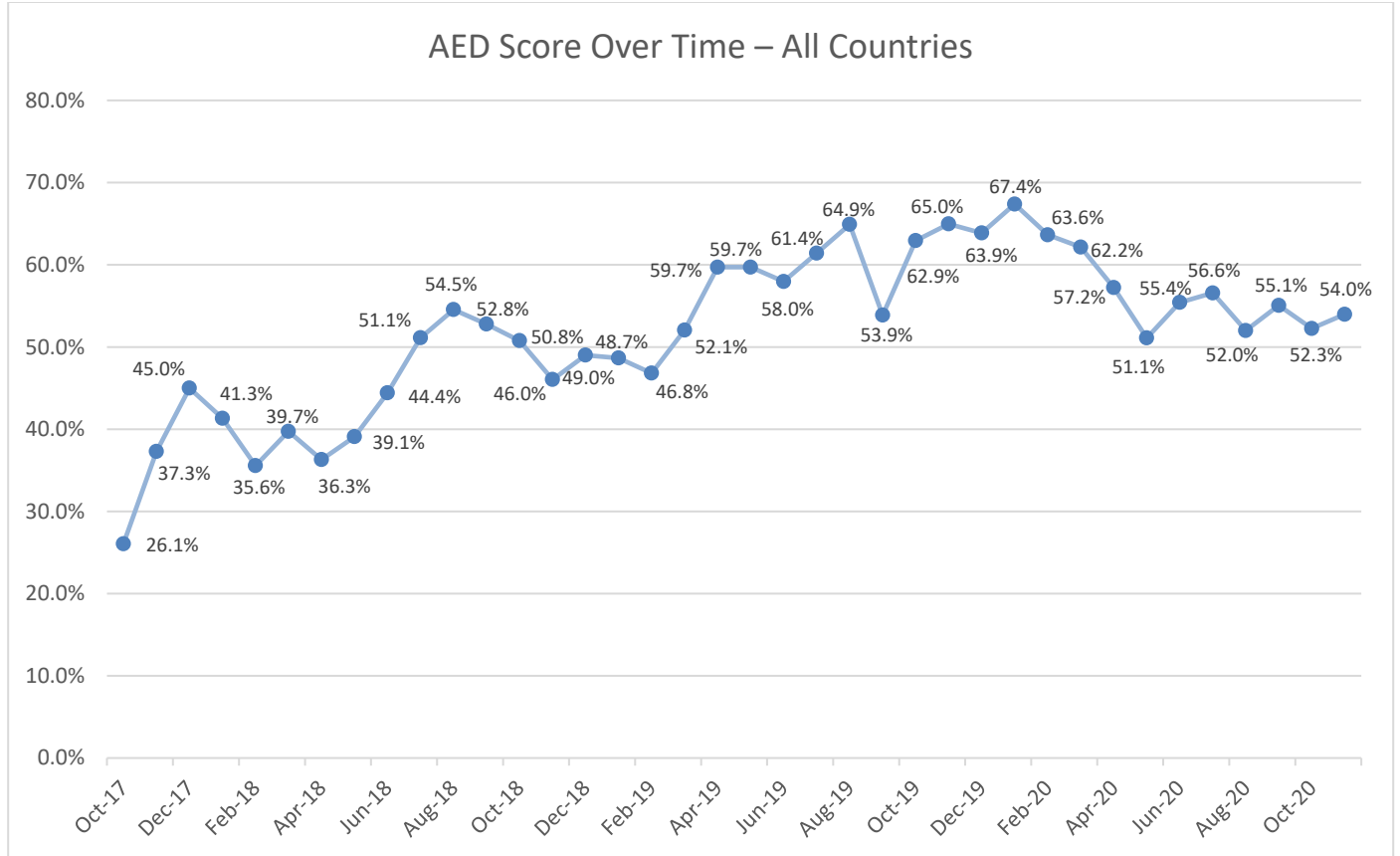
As mentioned previously, it is important to note that the Postal Service must rely on foreign postal operators (FPOs) to collect and transmit AED for their U.S.-bound international packages. Though the STOP Act sets requirements on the Postal Service for the percentages of AED accompanying inbound packages, these data must be collected and transmitted by the FPO, a process the Postal Service does not control. Even so, the Postal Service currently receives AED from 96 designated postal operators, and we are in the process of acquiring data from other nations, working on two mutually reinforcing paths to secure greater AED compliance.

First, the Postal Service works closely with the Department of State, which has the responsibility for representing the United States Government in the UPU. This 192-member international organization is charged with facilitating the exchange of mail among member countries through treaty agreements. At the UPU, United States initiatives are focused on advancing AED requirements. Recently, as a result of the compromise on self-declared rates for small packets, the Postal Service is now making investments of roughly \$18 million over the next five years for postal security and the provision of advance electronic data. We expect these investments will provide returns in the form of enhanced capacity among FPOs, particularly in developing countries.

The second avenue to increase AED is through bilateral and multilateral commercial contracts. In particular, the Postal Service works directly with postal operators to execute bilateral agreements, or alternatively, works with groups of foreign postal operators in multilateral settings and agreements. As a result of the introduction of self-declared rates for small packets, which became effective on July 1, 2020, the Postal Service took the opportunity to introduce more robust contract clauses in key bilateral and multilateral agreements with major trading partners. These provisions not only raised awareness of upcoming mandates for the production of AED, but also served to create binding commitments to promote compliance. These agreements now cover a substantial portion of our inbound mail flows. In addition to the commercial contracts, the Postal Service has also collaborated with postal operators to execute data sharing agreements, which are a key prerequisite for the exchange of electronic data. Such data sharing agreements are now in effect with over 135 foreign postal operators. The Postal Service also uses forums created through multilateral arrangements, such as the UPU, as well as the International Post Corporation and the Kahala Posts Group, to build awareness of requirements and construct tracking tools to measure performance.

Status of AED Compliance

As mentioned previously, the AED percentage for all inbound international packages peaked at 67 percent in January 2020. To track AED, the Postal Service relies on monthly data, and a historical graph of these data is as follows:



It should be noted that, prior to January 2020, the all-country AED percentage trend was steadily increasing. After the beginning of 2020, however, international mail was severely disrupted by the global COVID-19 pandemic, and as international mail volume dropped to historic lows, the progress in AED acquisition reversed course. We expect once international mail begins to recover, the AED score will resume its upward trajectory. Moreover, our most recent report in October shows that China Post is closing the gap and is nearly fully achieving the prescribed level of AED. This is a major accomplishment, and likely due to cooperative efforts over the course of several years.

Challenges Ahead

As previously mentioned, the STOP Act sets certain milestones and requirements that the Postal Service must achieve. The most pressing is the requirement that, by December 31, 2020—21 days from now—100 percent of all inbound international items containing goods must be accompanied by AED, unless the origin country's operator is exempted from the requirements, though other available remedial measures may serve as options to address noncompliant shipments.

As my preceding testimony makes clear, while we have made strides in acquiring greater AED compliance, on January 1st, it is probable and foreseeable that a portion of international packages will not be accompanied by AED.

This places the Postal Service in a difficult position. If inbound shipments containing goods are not accompanied by AED, we face the prospect of disrupting inbound mail volumes by refusing and returning shipments to origin. This could also affect letter and flat volumes from countries whose operators combine all shapes into single receptacles. On the other hand, applying alternative procedures may require burdensome and labor intensive procedures for both CBP and the Postal Service. We are in constant communication with the State Department and CBP to determine the best path forward that meet the requirements of the STOP Act, while at the same holding the disruption of the exchange of international mail to a minimum. We look in particular to CBP for guidance on whether it can offer remedial measures that could be applied to inbound shipments containing goods that are not accompanied by AED. Absent alternatives, noncompliant shipments will be refused.

Of course, the amount of disruption depends greatly on the response by foreign postal operators and their willingness and capacity to provide the data once the 100 percent requirement is in place. For this reason, the Postal Service and CBP are planning communications to air carriers and ground handlers for the purpose of informing them of the requirements and urging them, as the major choke point for inbound volumes, to take steps to prevent noncompliant shipments from being entered into the United States.

Conclusion

In conclusion, I want to highlight the described success in our national goal of keeping opioids out of international mail. As the Postal Service, CBP, and others have increased our efforts, illicit drug producers and smugglers have seemingly responded by shifting out of international mail, and this success is due, in part, to the tools created by the STOP Act. The Postal Service—and its partners at CBP and the State Department—continue to work to fully implement the provisions of the STOP Act. Even so, I want to caution that the looming December 31 deadline for 100 percent AED compliance from foreign postal operators presents challenges. A portion of inbound international packages will not be accompanied by AED, and the Postal Service stands ready to keep these packages out of the U.S. mail stream. **Absent alternatives, this will disrupt—to one degree or another—the flow of international mail.**

Again, I want to thank you for the opportunity to testify, and I look forward to your questions.

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