

How can AI be leveraged without compromising the responsible supervision and control obligations mandated by 19 CFR Part 111?

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Abstract

Artificial intelligence (AI) is being included into customs brokerage and logistics to expedite entry processing, minimize mistakes, and detect compliance problems. However, brokers are legally accountable for any transactions conducted under their license. Under 19 CFR Part 111, brokers must maintain responsible supervision and control over customs business and employee work. This essay discusses about how to use AI while still keeping enough regulatory control by requiring human review, written procedures, training, audit trails, limited permissions, and constant performance monitoring. AI could make things more efficient and make sure that U.S. trade regulations are followed, as long as the right restrictions are in place.

How can AI be leveraged without compromising the responsible supervision and control obligations mandated by 19 CFR Part 111?

Artificial intelligence (AI) is becoming part of almost every industry. The international trade world is also using AI. As a result, customs brokerage and logistics companies use AI tools to scan documents, check compliance risks, process entry data, and even give classification recommendations (Cao & Zheng, 2024; Descartes Systems Group, 2025). The new reciprocal tariffs and Section 232 trade remedies make these AI tools even more useful (U.S. Customs and Border Protection, n.d.). AI tools save time, reduce errors, and help move shipments faster. Brokers and brokerage employees will see an improvement in productivity (Balkanlı, 2024). In an environment where deadlines, holds, and compliance requirements create pressure on brokers and brokerage employees, through this improvement helps them get the work done.

Customs brokerage is not just paperwork. Customs brokerage is a profession with many responsibilities and regulations. The law holds a customs broker responsible for the quality and legality of every transaction filed under the broker's license (U.S. Customs and Border Protection, 2026). For that reason, 19 CFR Part 111 is very important; 19 CFR Part 111 defines what a customs broker may do and what obligations a customs broker must follow when conducting customs business (U.S. Customs and Border Protection, 2026). For instance, 19 CFR § 111.28 states that brokers must maintain supervision and control over all customs businesses. It also states that brokers must oversee the work performed by the company and its employees (U.S. Customs and Border Protection, 2025).

Even if AI tools help with operations, brokers cannot rely on AI blindly or use AI in a way that weakens oversight. The real question is not whether AI should be used, but the real question is how AI can be used responsibly. AI must improve compliance and efficiency, while

still meeting CBP requirements and regulations. With the right policies, strong review systems, and proper training, AI can strengthen responsible supervision without replacing it.

Responsible Supervision and Control Under 19 CFR Part 111

Under 19 CFR Part 111, customs brokers must ensure proper supervision of employees and control of customs transactions (U.S. Customs and Border Protection, 2026). CBP does not expect brokers to be involved in every small detail personally, but CBP does expect brokers to have a structure in place that ensures work is being performed correctly and legally (U.S. Customs and Border Protection, 2025). The regulation explains that supervision should ensure employees deliver “substantially the same quality of service” that the broker would provide.

CBP also lists factors that may be considered when evaluating supervision and control. These include training employees, giving them written instructions, lowering the number of rejected entries, keeping the Harmonized Tariff Schedule (HTS) and regulations accessible, making sure that employees' work is reviewed and evaluated, and responding to CBP notifications (U.S. Customs and Border Protection, 2026). Supervision is more than just looking over employees; it also needs a system that makes sure quality control, education, and accountability are all in place. This goes along with 19 CFR §111.28 because responsible supervision and control is not just about keeping an eye on employees; it is also about having policies in place that make sure everyone follows them and stays accountable (U.S. Customs and Border Protection, 2025).

AI can improve speed, but it can also create risk if it leads to careless filing or reduces human review (Descartes Systems Group, 2025). If an AI tool suggests an HTS code, or auto-populates entry data, and staff simply “click submit” without verification, the broker may still be

liable. Responsible supervision and control mean the broker must still be able to explain, support, and defend the transaction, even if AI was involved in the process.

Document Intelligence and Data Extraction

Furthermore, AI can be helpful in customs brokerage only if we operate in a responsible and proper way. Customs brokers may employ AI to enhance compliance rather than facilitate shortcuts. AI is useful in three main ways: it helps people make decisions, it makes things more efficient, and it finds possible risks (Cao & Zheng, 2024). Many problems with customs happen because paperwork is missing or inaccurate information is entered (Descartes Systems Group, 2025). AI-based OCR (Optical Character Recognition) can scan shipping documents including commercial invoices, pack lists, and more to find critical information like quantities, values, product descriptions, and addresses (Cao & Zheng, 2024). For this reason, it saves time and may decrease the mistakes made by people while they type. However, the extracted information must never be considered automatically “correct.” Brokers should treat AI as a tool that speeds up the process, but not one that eliminates verification (Cao & Zheng, 2024). As a customs brokerage team within a logistics company, our validation process is essential before submitting any type of entry to CBP (Customs and Border Protection).

Tariff Classification Support and HTS Recommendations

Classification is one of the biggest compliance responsibilities in customs work (U.S. Customs and Border Protection, 2026). A wrong HTS code can lead to incorrect duty payment, Section 301 tariff errors, holds, penalties, or even audits (U.S. Customs and Border Protection, 2026). Some AI tools can suggest classifications based on product descriptions and past shipments, which is especially helpful when, when staff handle high volume of transactions (Descartes Systems Group, 2025). Nevertheless, classification should never become “AI decides.

AI can suggest, but the broker (or trained staff under broker supervision) must confirm. AI is useful because it can identify red flags faster than humans (Cao & Zheng, 2024). For instance, AI can identify inconsistent product descriptions, unusual shipping values, persistent compliance issues, or tendencies that could lead to PGA problems like FDA or APHIS (Cao & Zheng, 2024). Instead of being reactive, these technologies can assist brokers in becoming proactive.

Compliance Screening, Anomaly Detection, and Risk Identification

Even though AI can be helpful, it also creates real vulnerabilities if used incorrectly (Descartes Systems Group, 2025). In customs brokerage, the biggest concern is that AI errors can multiply across many transactions and create a pattern of noncompliance. Some AI tools, especially generative AI, can produce information that sounds correct but is not, which becomes dangerous in compliance environments (Descartes Systems Group, 2025). If AI suggests an HTS code incorrectly or provides outdated compliance guidance, and employees trust it, that mistake can become a filing issue (Descartes Systems Group, 2025). Brokers must remember that AI does not “know” the regulations, it predicts text and patterns.

Consequently, brokers must be able to prove why a classification was selected or why a filing was made (U.S. Customs and Border Protection, 2025). If CBP questions an entry, it is not acceptable to respond by saying, “the system recommended it.” Supervision and control demand the broker to explain and justify choices with appropriate documentation (U.S. Customs and Border Protection, 2025). AI depends on data, if the data is incomplete or outdated (for example, before HTS changes or PGA rule changes), the system may consistently recommend wrong results (Cao & Zheng, 2024). That is why AI use must include ongoing monitoring and re-validation.

Control Frameworks That Enable AI Use While Preserving Part 111 Compliance

In addition, Artificial Intelligence can be utilized responsibly, but only if brokers put solid restrictions in place around it. The most effective way to do this is to use AI in the compliance process rather than replacing it (Cao & Zheng, 2024). The most important thing is that AI cannot fill out forms on its own. Before filing, any result that comes from AI must be checked by a person (U.S. Customs and Border Protection, 2025). The broker must to make clear what qualifies for automatic approval, staff review, supervisory review, or licensed broker review, especially for entries that are very risky. Brokers must write Standard Operating Procedures (SOPs) that explain the AI tools that are used, what staff can and cannot depend on, which parts need to be checked by hand, and what paperwork needs to be kept up to date (U.S. Customs and Border Protection, 2025). This is because CBP places a lot of importance on training and documentation.

Audit Trails and Recordkeeping

AI-assisted workflows must maintain accessible records, including AI suggestions, staff modifications, approval authorities, and submission timestamps (U.S. Customs and Border Protection, 2025). Brokers cannot demonstrate that they are in charge and responsible without audit trails. Not all employees need the same level of access. Role-based controls can make sure that only particular personnel can submit and approve entries, that AI overrides are checked, and that a supervisor has to approve significant decisions (U.S. Customs and Border Protection, 2025). Brokers can also check AI accuracy on a regular basis by looking at results such as CBP rejections, post-entry reviews, and internal audits (Balkanlı, 2024). If AI performance goes down, the system needs to be modified, or its use needs to be limited to avoid possible penalties and entry rejections. (2025, U.S. Customs and Border Protection)

Conclusion

AI can improve the customs brokerage industry in many ways by helping companies process entries faster, reduce errors, and identify compliance risks early (Cao & Zheng, 2024; Descartes Systems Group, 2025). However, customs brokers must never forget that they remain responsible for everything filed under the broker's license. 19 CFR Part 111 and § 111.28 (Responsible Supervision and Control) make it clear that customs brokers must maintain oversight over all customs business and employee work. Setting up strict controls is the best approach to employ AI without compromising the regulations. Some of these controls are human review, documented processes, training, audit logs, limited permissions, and frequent performance checks (U.S. Customs and Border Protection, 2025). When these limits are applied correctly, AI is a tool that helps with supervision, not a technology that takes its place. AI works, and it can help with new ideas to accelerate processes while still protecting compliance, trust, and the integrity of U.S. trade regulations (U.S. Customs and Border Protection, 2026).

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