

TSA/CBP

Air Cargo Security Workshop

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U.S. Customs and Border Protection
2008 Trade Symposium

U.S. Customs and Border Protection Created in 2003

U.S. Customs and Border Protection (CBP) was created under the new Department of Homeland Security (DHS) to prevent terrorists and terrorist weapons from entering the United States. It consolidated Customs, the Border Patrol, and the inspectional functions of the Immigration and Naturalization Service and the Agriculture and Plant Health Inspection Service (APHIS) into one organization.



Post 9/11 - Change in Focus

We are the guardians of our Nation's borders.

We are America's frontline.

We safeguard the American homeland
at and beyond our borders.

We protect the American public against terrorists
and the instruments of terror.

We steadfastly enforce the laws of the United States
while fostering our Nation's economic security
through lawful international trade and travel.

We serve the American public with
vigilance, integrity and professionalism.



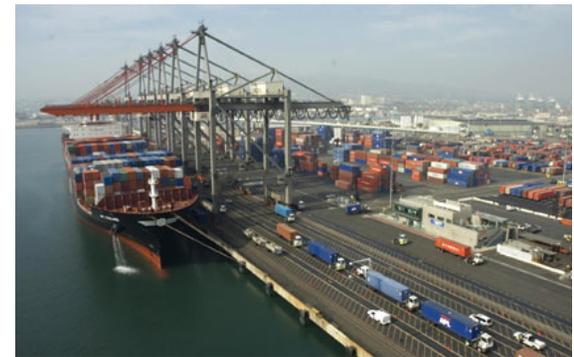
CBP - America's Frontline

- U.S. Customs and Border Protection Protects more than:
 - 5,000 miles of border with Canada
 - 1,900 miles of border with Mexico
 - 95,000 miles of shoreline
- Employs approximately:
 - 19,750 CBP Officers
 - 17,500 Border Patrol Agents
 - 2,300 Agriculture Specialists
 - 750 Air and Marine Officers
- Manages:
 - 327 Ports of Entry
 - 20 Sectors with 35 Border Patrol checkpoints



Customs and Border Protection Workload

- ❑ In FY 2008 CBP Officers processed:
 - 1,057,968 arriving private and commercial aircraft
 - 94.6 million air passengers and crew
 - 288 million land travelers including POV passengers and pedestrians
 - 109.4 million POVs
 - 25.1 million total containers arrived in the U.S.



Customs and Border Protection Workload

- ❑ Interdicted 224,448 inadmissible aliens
- ❑ Conducted 25.6 million agriculture interception
- ❑ Executed 27,296 arrests at ports of entry
- ❑ Seized 938,046 lbs. of narcotics
- ❑ Processed 26,632,833 formal entry summaries



CBP's Air Cargo Layered Enforcement Approach

- ❑ Advance Information, Trade Act of 2002
- ❑ Automated Targeting System (ATS) & Advance Targeting Units
- ❑ Use of Non-Intrusive Inspection Technology (NII), K-9 detection teams and Mandatory Exams for All High Risk Shipments
- ❑ Partnering with the Trade Community



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Advanced Information, Analysis, Targeting

- ❑ Advance Information
 - ❑ Trade Act of 2002
 - Electronic submission of manifests, all transportation modes

- ❑ National Targeting Center (NTC-C)
 - ❑ Cadre of highly trained and skilled personnel dedicated to targeting air cargo

- ❑ Utilizes Automated Targeting System (ATS)
 - Enforcement tool – uses risk-based analysis
 - 100% screening of advance information on U.S. bound air shipments prior to arrival to identify high-risk cargo

Non-Intrusive Inspection (NII) Technology

- ❑ Use of Technology and specialized enforcement resources that augment technology enables CBP to leverage available resources
- ❑ Current Inventory:
 - Large-Scale NII Technology
 - Radiation Detection Technology
 - Small-Scale NII technology
- ❑ Mandatory minimum security inspection uses both large-scale imaging and radiation detection technology
- ❑ Physical inspection required if anomalies or unresolved radiation isotopes are detected
- ❑ K-9 Detection teams augment technology



Partnership – Expanding the Zone of Security

- ❑ Develop and enhance partnerships to strengthen air cargo security while continuing to facilitate the movement of legitimate trade
- ❑ CBP and TSA have engaged in and will continue their efforts to strengthen air cargo security through collaborative work groups
- ❑ Customs – Trade Partnership Against Terrorism (C-TPAT)
 - ❑ Trade Community in voluntary partnership with the Government
 - Securing the Supply Chain



C-TPAT

- C-TPAT is the largest government-private sector partnership to emerge from the terrorist attacks on September 11, 2001.
- C-TPAT was launched in November 2001 with seven major importers who also saw the need for the focus on supply chain security.
- The guiding principles for C-TPAT have been enhanced supply chain security, partnership, and a voluntary program.



Shift in Supply Chain Security

From Traditional “Single Point” to “End-to-End”

End-to-End Supply Chain
Security Solution



Securing the entire supply chain from end-to-end – C-TPAT type measures.

Validations

- The purpose of the validation is to ensure that the C-TPAT participant's international supply chain security measures that are contained in their security profile have been implemented and these measures are in accordance with established C-TPAT security criteria or guidelines.
- The validation is an opportunity to develop a strong working relationship between CBP and C-TPAT member.
- Foreign manufacturers/companies are encouraged to develop strong relationships with their government agencies.
- Allows for CBP and C-TPAT partners to jointly discuss security related issues and share best practices.
- A forum to review security related issues.
 - Identify supply chain security vulnerabilities & weakness.
 - Provide feedback on immediate actions required or recommendations to address security issues.



Development of C-TPAT Air Carrier Minimum-Security Criteria

Previous Air Carrier Security “Guidelines” were established very early in C-TPAT program and needed updating/conversion

As with other sectors of the C-TPAT program, Air Carrier Security “Guidelines” have now been converted to much stronger “Minimum-Security Criteria”

*****CBP worked closely with the Transportation Security Administration (TSA) to ensure that these minimum-security criteria complimented current TSA regulations and to prevent the duplication and/or contradiction of current regulatory compliance efforts of a C-TPAT Air Carrier participant.*****



Air Carrier Minimum Security Criteria (cont)

Summary of TSA/CBP efforts:

The main concern was to *not conflict with or duplicate* a programs processes, within the scope of each program.

It is fully understood that satisfactory compliance with a TSA regulation may satisfy some of the C-TPAT Air Carrier Minimum-Security Criteria. While this will not imply automatic C-TPAT acceptance (anymore than it would automatic TSA regulatory compliance) it is believed that successful TSA compliance will lead to a successful C-TPAT validation, as well as expedite the overall validation process.

It must also be remembered that as C-TPAT is **not** a regulatory program it therefore allows for some flexibility in the meeting of it's minimum-security criteria, while regulatory programs (such as TSA) must ensure strict compliance of their regulations.

TSA and CBP both agree that this cooperative effort should continue and CBP hopes to further expand this philosophy to other regulated sectors (example: currently CBP observes MTSA and ISPS compliance in the Sea Carrier and Port Terminal Operator Validations).



Mutual Validation Activity

In August of 2007, C-TPAT conducted a validation of program member at their USA facilities.

As part of a unique pilot project, members of TSA joined the C-TPAT validation team at the validation in order to discuss and coordinate identifying what processes of the validation were unique to CBP, already accounted for by TSA regulation, as well as how TSA could be involved in future Air Carrier validations by the C-TPAT program in order to prevent duplications, conflicts and to inform of issues or concerns.

The air carrier allowed this mutual visit to occur and commented favorably that both agencies were working together to prevent visits by each agency that would simply repeat previously discussed information.



Mutual Validation Activity (continued)

TSA and CBP held discussions on the outcomes of this mutual validation project and agreed that the continued support of this process was an important part of any validation activity.

Finally, CBP normally provides the trade with an opportunity to examine and comment on all final draft minimum-security criteria and followed that tradition by taking input from the COAC on the Air Carrier draft. However, an additional step was taken in that TSA was also provided the final draft of the Air Carrier Minimum-Security Criteria for comment and review.



TSA Air Cargo Programs Overview



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Agenda

- 100% Screening Legislation
- TSA's Approach to 100% Screening
- Certified Cargo Screening Program (CCSP)
- Narrow Body Screening Program
- IAC Screening Pilot
- Chain of Custody
- Summary



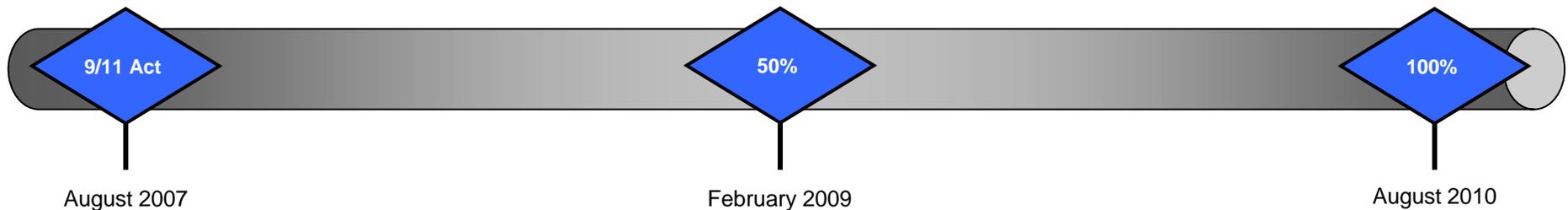
100% Screening Requirement

Background

- President Bush approved Implementing Recommendations of the 9/11 Commission Act of 2007 on August 3, 2007.
- The legislation mandates 100% screening by August 2010 and requires TSA to:
 - Establish a system to *screen* 100% of cargo transported on passenger aircraft.
 - Provide a level of security *commensurate* to that of passenger baggage.
 - Meet screening benchmarks.



Congressionally Mandated Cargo Screening Benchmarks



100% Screening Requirement

Impacts

- ❑ All cargo must be screened at the piece level by TSA-approved methods prior to being loaded on a passenger aircraft.
- ❑ Screening capacity at a single point in the supply chain is not sufficient enough to accomplish this requirement.
- ❑ Significant carrier delays, cargo backlogs, and transit time increases are expected.

**~12 million pounds
moves on PAX daily.**



**August 2010
100% Screening Required
by Congress**

**Cargo must be broken down
to piece level and screened
by piece.**



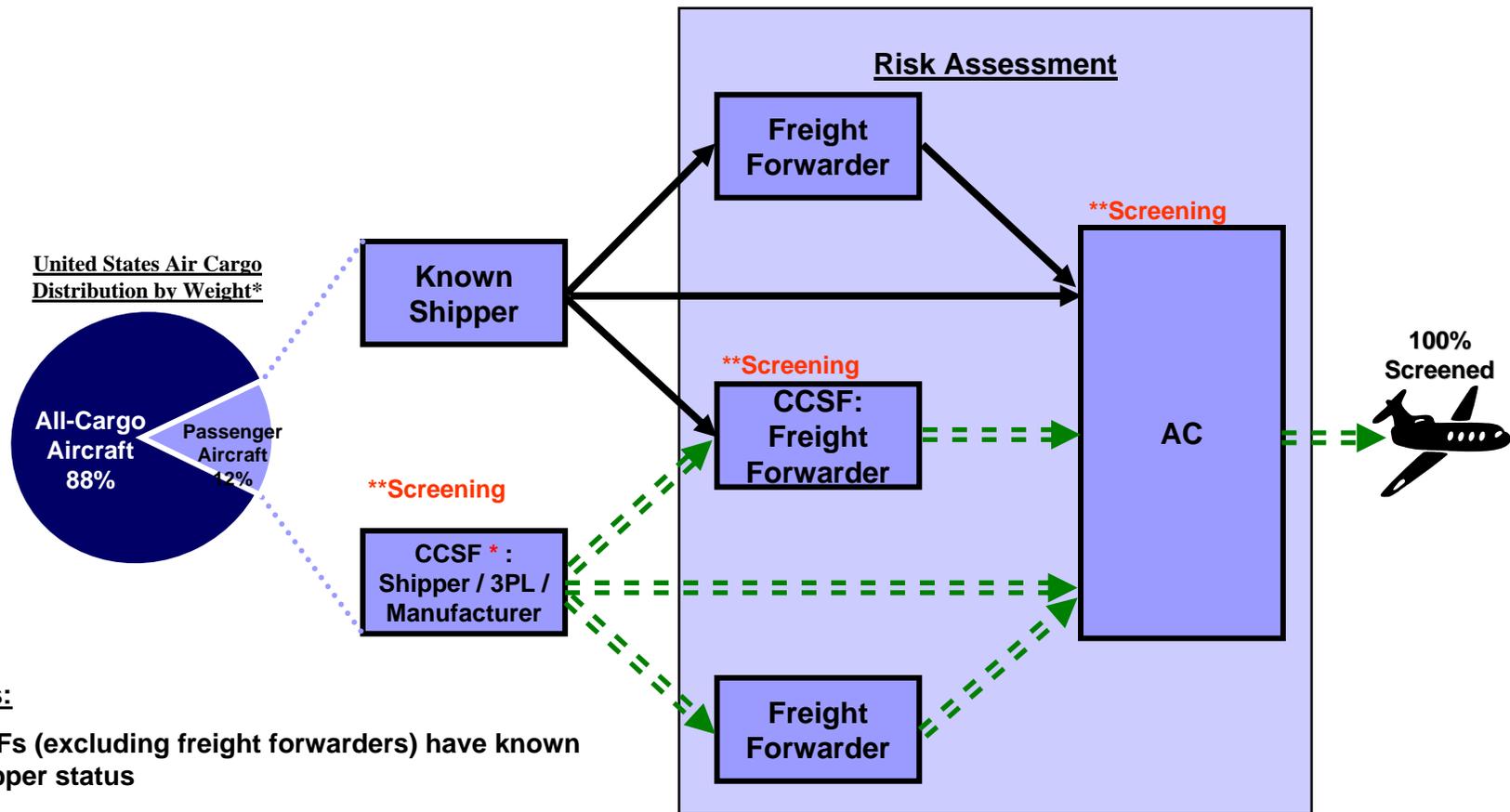
TSA's Layered Approach

- TSA's Air Cargo Security Strategy is a layered approach:
 - **Vetting** to ensure entities and people meet security standards
 - **Screening** cargo using approved screening methods and technologies
 - **Targeting** cargo shipments for risk-based and random secondary screening
 - Assess regulated entity **compliance** with security requirements



Future Air Cargo Supply Chain

In the future, screening responsibility will be allocated across the supply chain.



Notes:

*CCSFs (excluding freight forwarders) have known shipper status

**Screening must occur prior to consolidation. Physical screening methods: electronic, manual, and canine.

Ensure Chain of Custody →



TSA's Approach to the 100% Screening Requirement

- TSA is pursuing the following initiatives to aid industry in achieving the 100% screening requirements and milestones:
 - Certified Cargo Screening Program (CCSP)
 - IAC Screening Pilot



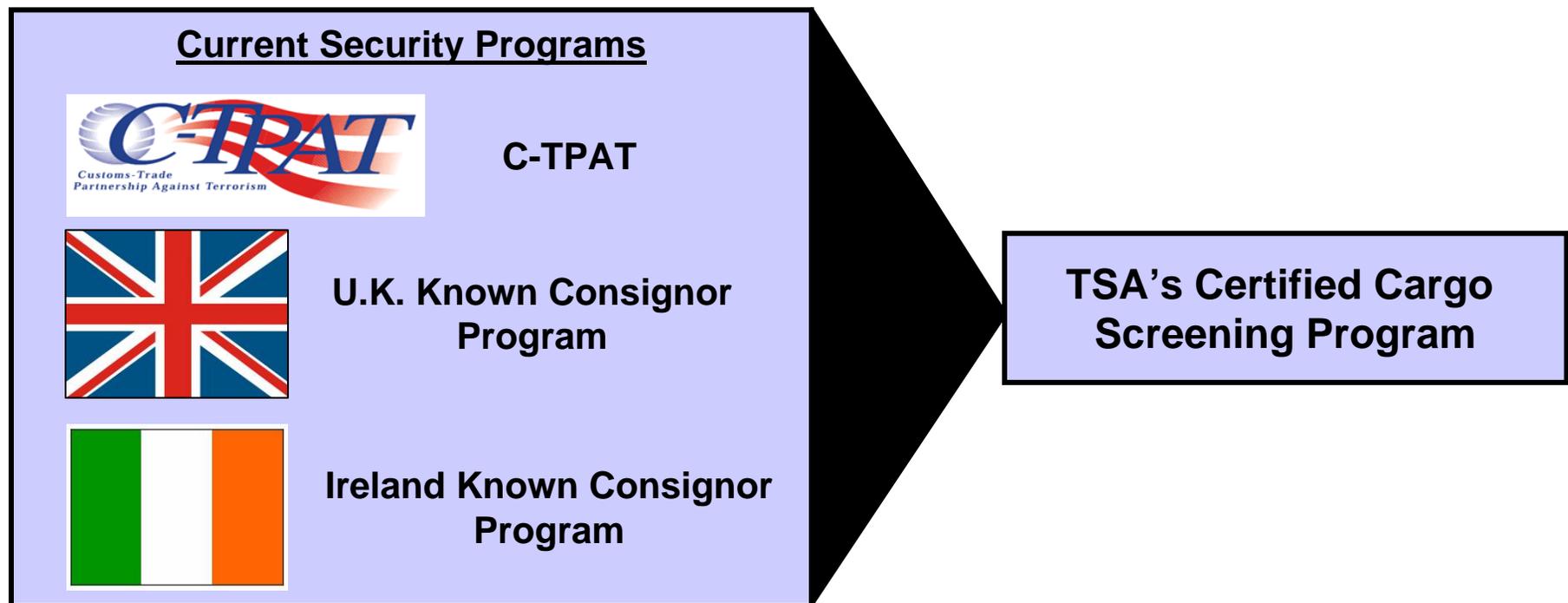
Certified Cargo Screening Program



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Certified Cargo Screening Program Background

- The Certified Cargo Screening Program (CCSP) is a key component of TSA's approach to enable industry to achieve 100% screening while still allowing for the flow of commerce.
- TSA developed the philosophy behind CCSP by working closely with U.S. and international agencies and associations to incorporate key aspects of commensurate security programs:



Key Distinctions between C-TPAT and CCSP

- C-TPAT:
 - Company-wide accreditation
 - Background checks
 - Facility security guidelines

- CCSP:
 - Facility specific (USA only)
 - TSA-approved (STA) background check
 - Requires specific security measures
 - Requires specific threat screening/training
 - Fully regulated/enforceable



**Transportation
Security
Administration**

Certified Cargo Screening Program Overview

The Certified Cargo Screening Program (CCSP) is a facility based program.

CCSP was developed to:

- Allow screening of cargo early in the air cargo supply chain by a trusted, vetted, and audited facility.
- Establish the integrity of a shipment through enhanced physical and personnel security standards at Certified Cargo Screening Facilities (CCSFs).
- Maintain the integrity of a shipment throughout the supply chain by utilizing stringent chain of custody methods.

Participation in CCSP is voluntary, but once in, CCSFs must:

- Adhere to increased TSA-directed security standards.
- Share responsibility for supply chain security.
- Employ chain of custody.
- Permit onsite validations.
- Submit a Facility Security Plan (FSP).
- Be subject to TSI-C inspections.



Who can become a Certified Cargo Screening Facility?

Facilities screening under the CCSP will be known as Certified Cargo Screening Facilities (CCSFs).

- Facilities currently applying to become Certified Cargo Screening Facilities:

Shipping
Facilities

Freight Forwarding
Facilities

Third Party
Logistics Providers

Manufacturing
Facilities

Warehouses

Distribution Centers



- Independent facilities may emerge to screen cargo for other entities.
- Any entity with a desire to screen cargo must have a secure facility.
- CCSFs must be no more than one node back from a currently regulated entity (freight forwarder/air carrier).
- Facilities that are not currently regulated by TSA will become regulated under the program.

Certified Cargo Screening Program Outreach Update

- TSA engaged and deployed nine Transportations Security Inspectors – Cargo (TSICs) to help shape and develop Certified Cargo Screening Program (CCSP)
- The CCSP Team completed outreach in the nine Phase One Deployment Cities (ORD, PHL, SFO, JFK/EWR, MIA, SEA, ATL, DFW, LAX)
- >1800 outreach participants representing the following industry groups:
 - 7 Associations
 - 100 Air Carriers
 - 550 Indirect Air Carriers
 - 225 Shippers (to include 3PLs, WHS, Distribution Centers)



IAC Screening Pilot



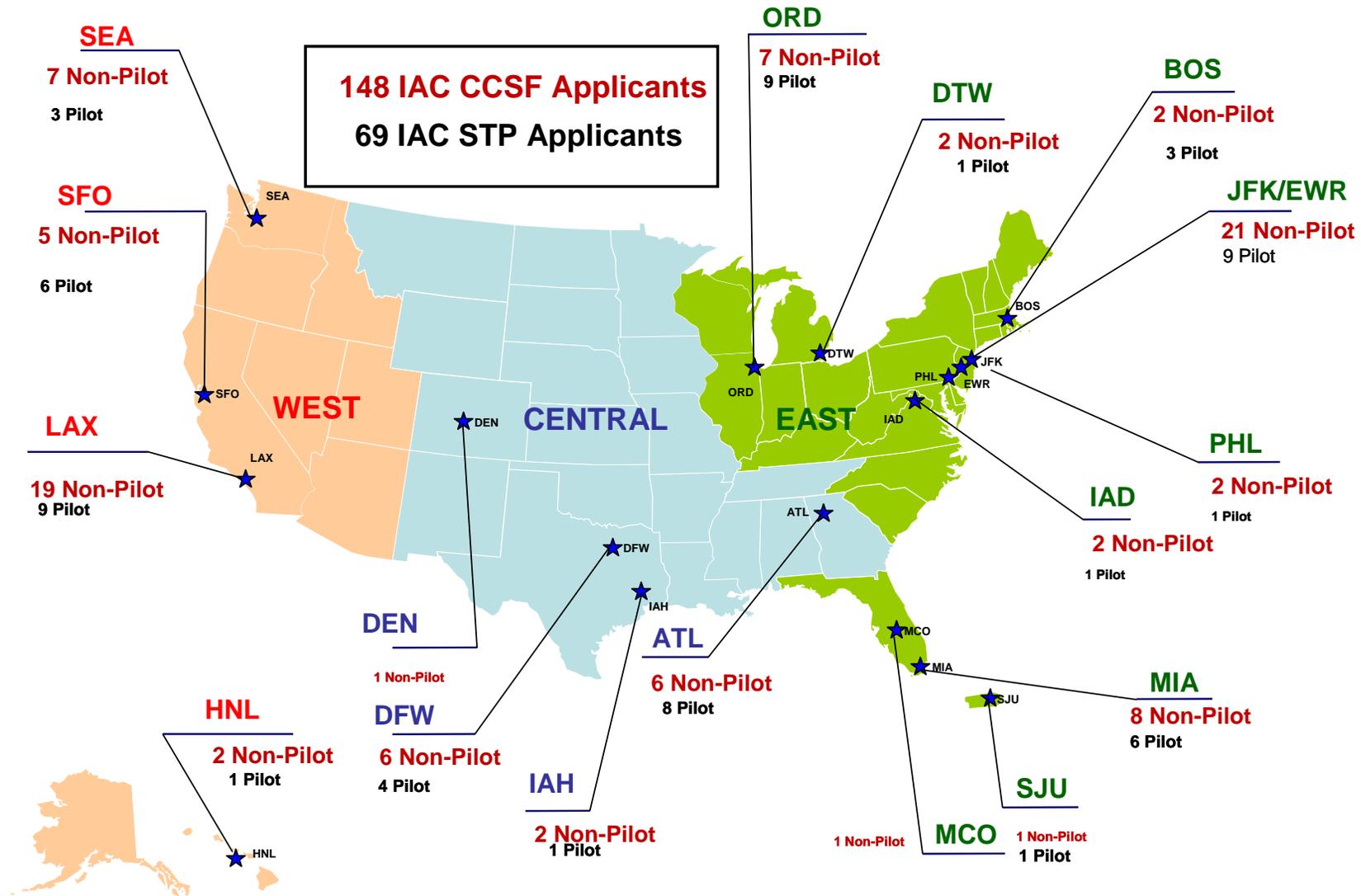
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IAC Screening Pilot

- TSA is conducting an IAC screening pilot with high volume forwarders at 18 airports.
 - Freight forwarder participation will be limited to those handling a minimum annual cargo volume of more than 200 containers at each facility.
 - Two types of equipment must be used to screen cargo (AT X-ray, ETD).
- TSA's objectives for this pilot are to:
 - Determine the IAC community's ability to screen cargo volumes.
 - Test chain of custody procedures.
 - Measure the effectiveness of screening technology on commodity types.
- IAC Screening Pilot includes 14 entities, 63 locations and 18 cities
- TSA successfully met with all 14 entities for preliminary discussions on technology requirements



IAC CCSF Applicants and IAC STP Applicants



In Summary

- The 50% and 100% milestones are fast approaching, congressionally mandated, and therefore not flexible.
- TSA will enable secure, audited, and certified facilities to screen cargo further upstream in the air cargo supply chain.
- Screening technologies will be evaluated for applicability in high-volume environments.
- Collaboration is essential through Phase One Deployment for CCSP to be effective.
- Tamper evident technologies and chain of custody are critical elements of CCSP.
- CCSP is a voluntary program and may not be applicable to all facilities.
- Cooperation and collaboration with CBP and foreign entities will be an integral component of TSA's strategy to secure inbound air cargo.

