

100% Cargo Screening on Passenger Aircraft

December 2009

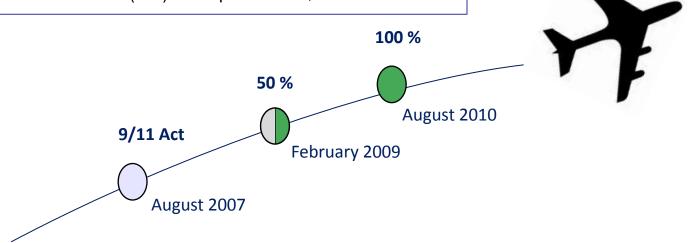


Law – 100% Screening Legislation



Legislation

- The Implementing Recommendations of the 9/11 Commission Act of 2007 were signed into law on August 3, 2007
- The law requires 50% of all cargo on passenger aircraft be screened 18 months after enactment and 100% by August 3, 2010. TSA implemented 50% on February 1, 2009
 - Level of security commensurate with checked baggage
 - Baggage screened at piece level
 - No Congressional funding
- TSA required to establish program to accomplish mandate
- TSA published Interim Final Rule (IFR) on September 16, 2009



TSA's Response - How Will the Mandate be Attained?





- An amendment was issued to the air carrier screening programs requiring 100% screening of cargo transported on all narrow-bodied passenger aircraft
- 100% accomplished by airlines on October 1st, 2008
- The goal was to protect the greatest volume of passengers as expeditiously as possible; 80% of passengers are carried on narrow-body aircraft (96% of flights), and 25% of cargo

TSA's Role

Amended security program and enforced compliance by airlines

<u>Certified Cargo Screening Program (CCSP)</u>

- Allows for all entities in the supply chain who meet standards to participate in the screening of cargo
- Enables entities such as shippers to incorporate physical screening into packing or process
- Enables businesses to choose the best and most cost effective business model for their business

TSA's Role

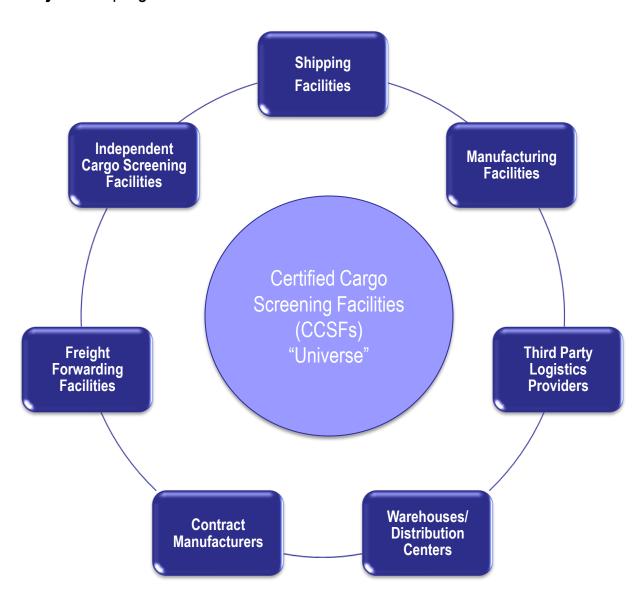
Created environment for all supply chain members to screen



Who Can Participate?



• The CCSP is a *facility* based program



How Will Screening be Done?



TSA Approved Screening Methods

Primary Screening

Technology

- AT X-Ray
- Explosives Trace Detection (ETD)
- Explosives Detection System (EDS)
- Other detection equipment approved by TSA in the future (specific vendors/equipment are approved for cargo)

Physical

- Physical search
- Other TSA approved methods

Secondary Screening

Technology

TSA operated canines

What is a Piece?



Definition

- Individual item (i.e., box, carton) within a shipment
- The number of pieces is identified on the shipping documentation
- · Skids with multiple shrink-wrapped or banded items do not constitute a piece





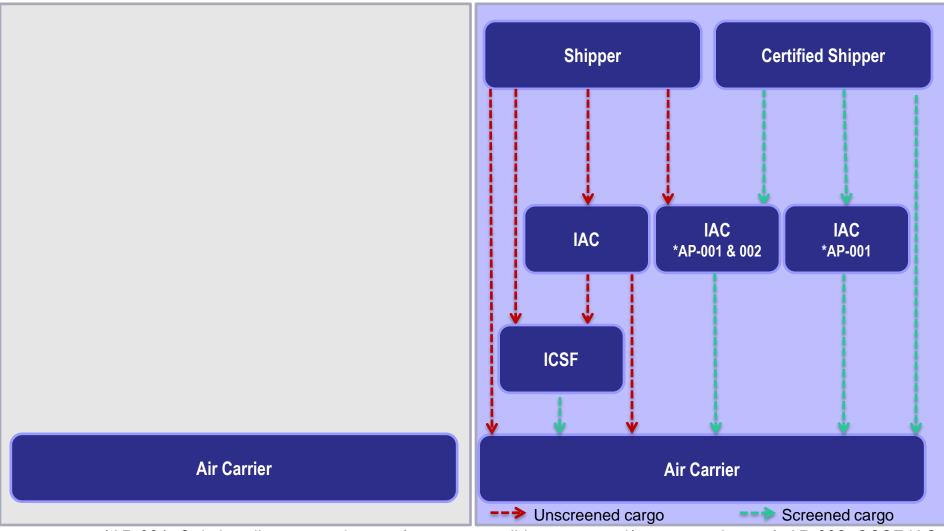
Previous vs. New CCSP Air Cargo Screening Environment

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Goal: Distribute screening technology across the supply chain

Previous Environment

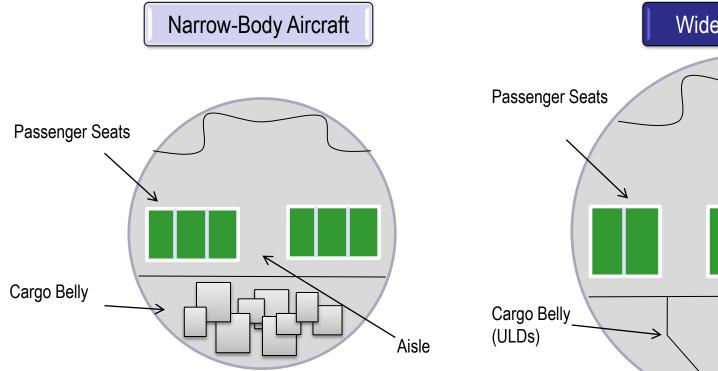
New CCSP Environment

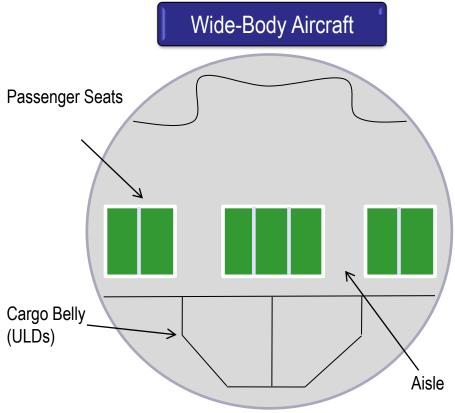


*AP-001: Only handle screened cargo (cannot consolidate screened/unscreened cargo); AP-002: CCSF IAC

Wide-Body vs. Narrow-Body







25% of cargo

75% of cargo

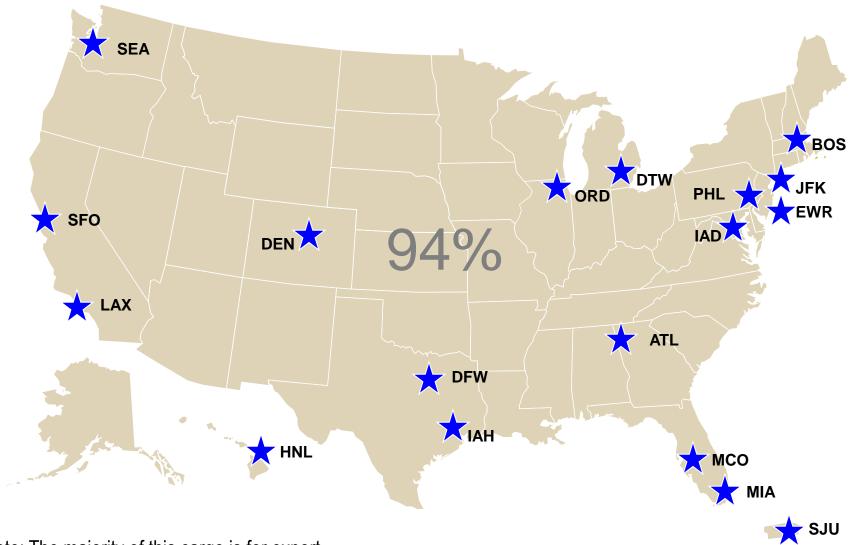
80% of Passengers

20% of Passengers

Where Does Wide-Body Cargo Originate?



Approximately 94% of all cargo on wide-body passenger aircraft is uplifted from 18 major gateways

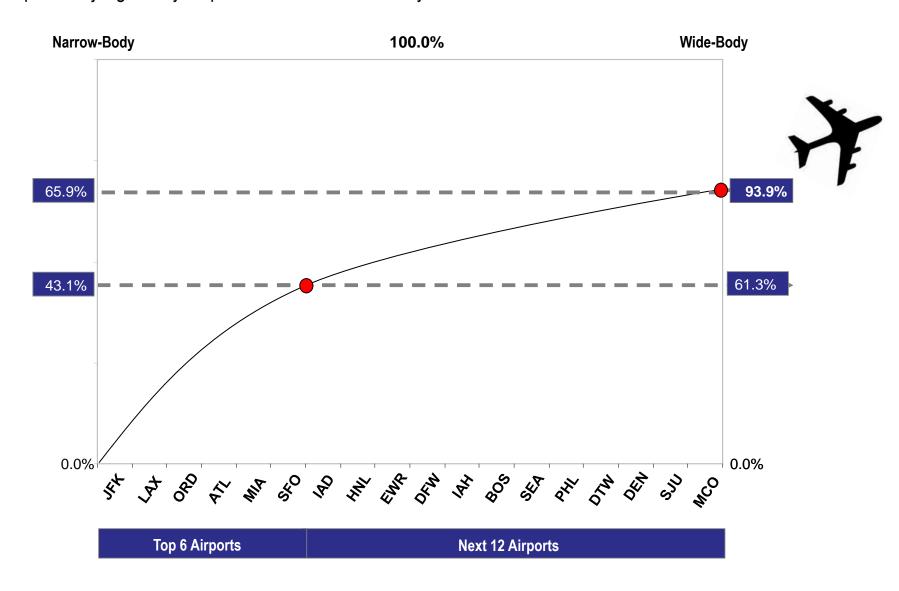


Note: The majority of this cargo is for export

Wide-Body Volume Data by Gateway



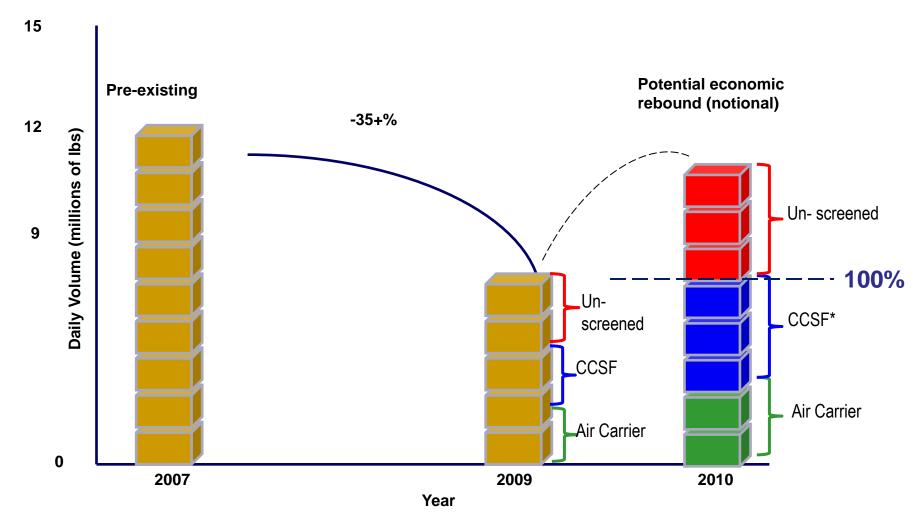
• 18 airports/major gateways represent 93.9% of wide body lift



Economic Environment for 50% Screening



- A variety of factors including the decrease of air cargo made achieving 50% screening "seemingly easy"
- Potential burden could fall on air carriers and CCSF's as volume increases



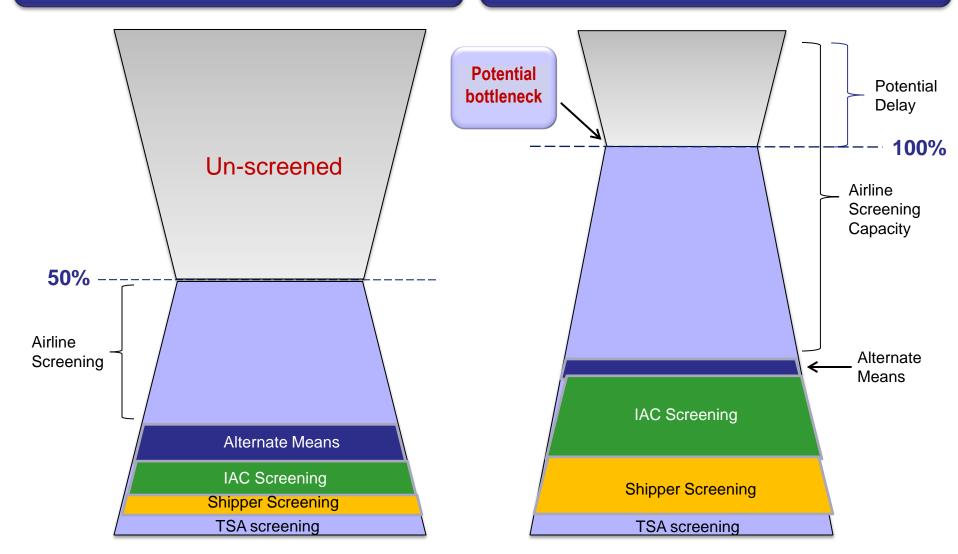
^{*} Potential CCSFs based on current certification rate and maximum air carrier screening capability, as advised by the air carrier community

Cargo Screening Issues at 50% vs. 100%



50% was reached with help from industry participants; few delays were experienced. *However...*

100% will require additional participation beyond air carrier screening to mitigate potential bottlenecks



Steps From 50% to 100% Screening



Achieving 50% vs. 100% Screening

50%

- Perception that achieving 50% screening was easy
- TSA saw a decrease in CCSF applications
- Airlines approaching their screening limit with technology investments for 50%
- TSA provided Air Carriers and IACs flexibility when determining what to screen at 50%
- Narrow body shipments counted toward 50%

100%

- Economic recovery could lead to increase in volume
- Insufficient availability of technology may cause backlogs
- Without proper preparations, cargo may be delayed or damaged if broken down or specially screened
- Potential cargo damage during physical inspection if contaminated in transit to carriers

Challenges for Supply Chain – Potential Issues



• If you choose to have others screen on your behalf, be aware of the potential impacts

Challenges and Impacts to the Air Cargo Industry

Challenges

- Screening consolidated cargo (i.e. shrink wrapped/banded/skid level)
- Screening containerized/palletized cargo
- Screening and alarm resolution of Specialized Cargo (Hi-tech, pharmaceuticals, etc.)
- Cargo must be screened at piece level
- Cargo no longer subject to "Alternate Security Means"
- There is limited technology approved for screening cargo

Impacts

- With more to screen, airlines face potential backlogs – and earlier cut-offs
- Airlines lack space/facilities to "de-palletize", screen, and re-configure these shipments
- Potential damage to packaging and goods, especially "sensitive" goods
- Physical search often damages sensitive cargo

Unique Supply Chain Issues





<u>Hi Tech</u>: Static discharge may occur if screened by certain technologies. Physical search may damage cargo.



<u>Pharmaceuticals</u>: Products require refrigeration or are *FDA* sealed and cannot be opened without *damaging content*.



<u>Perishables</u>: Perishable goods may require refrigeration and may be difficult to screen with technology. Must comply with USDA/APHIS/CBP requirements.



<u>Museums & Galleries</u>: Fine art is fragile, *priceless*, and *unique* - requiring very *specific screening processes* and procedures. Often, only specialists can handle the cargo.



<u>Human Remains</u>: *Extreme sensitivity* to resolve alarm issues and inability to physically screen.

Why Should My Facility Get Involved Now?



• Early participation benefits available until the IFR is fully effective November 16, 2009

Early Participation	Future Participation
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- Extended period of time (90 days) to review regulatory documents before committing
- Free onsite facility assessments by TSA
- Free Security Threat Assessments for up to 200 individuals per facility
- Free TSA consultation services site visits, examples and templates, step-by-step guidance through certification
- Deferred screening start date option; shipper will have an extended period of time to attain 100% screening level post-certification

- Limited time allowed to review regulatory documentation before required decision
- TSA-Approved Validation Firms will perform facility assessment for a fee
- STA submission for a fee
- May need consultant support
- Required to commence screening and attain 100% within 90 days of certification
- Potential backlog of assessments

What is the Impact of the CCSP Interim Final Rule (IFR)?



- The IFR was published September 2009; effective date November 16, 2009
- Final Rule will be published by November 2010

Added Part 1522 – TSA-Approved Validation Firms (TAVF), to establish requirements for third-party validators.

Amends Part 1540 – Security
Threat Assessment, to include new individuals who must successfully complete an STA (i.e., Shippers, TAVF). Requires all parties to renew every 5 years (including current STA holders).

Key Features of the IFR

Amends Parts 1544 – Aircraft Operator and 1546 – Foreign Air Carrier, to specify that U.S. aircraft operators and foreign air carriers are responsible for meeting the 50% and 100% screening deadlines; defines screening.

Added Part 1549 – Certified Cargo Screening Program, to allow entities other than aircraft operators to conduct screening off-airport.

Facility Requirements: 4 Cornerstones of Participation



Participation is voluntary, but requires facilities to adhere to the following requirements:

Facility Security

Identify Designated Screening Area (DSA) and implement required access controls, etc.

Personnel Security

Submit Security Threat
Assessments (STAs) for
required direct employees and
authorized representatives

Employee Training

All employees and authorized representatives must be trained as outlined in the TSA security regulatory programs

Screening

Screen cargo in accordance with TSA screening standards and processes and initiate and maintain chain of custody on screened cargo

After the four primary requirements have been implemented:

- An onsite facility assessment will be conducted by TSA or by TSA-Approved Validation firms *
- Once certified as a CCSF, adhere to all program requirements; subject to periodic TSA inspections

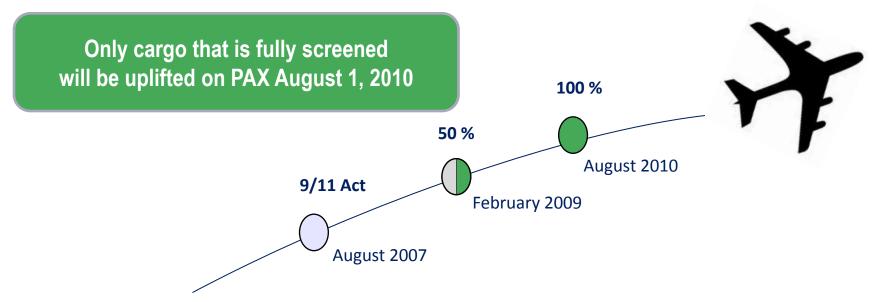
* See IFR

CCSP Summary



Reaching 100% requires a larger community effort to overcome industry challenges and TSA concerns

- CCSP is the solution for industry to meet the 100% screening mandate fully supported by the air freight and air carrier industries
- Only **shippers** who are **CCSF**'s can **ensure** the integrity of their shipments
- Most shippers can readily incorporate "physical search" into packing/shipping process without investing in equipment
- TSA is providing an incentive for shippers to join CCSP early
- CCSP is designed to allow for screening at the most efficient and effective point in the supply chain



How Can I Join CCSP?



Steps to Joining the CCSP _



- During Phase One, TSA performs assessments at no charge; after Phase One, TSA-Approved Validation Firms will perform this function
- Shippers sign Order and IACs comply with Alternate Procedure
- TSA reviews facility assessment and makes final certification decision

SAFETY Act and Screening Liability



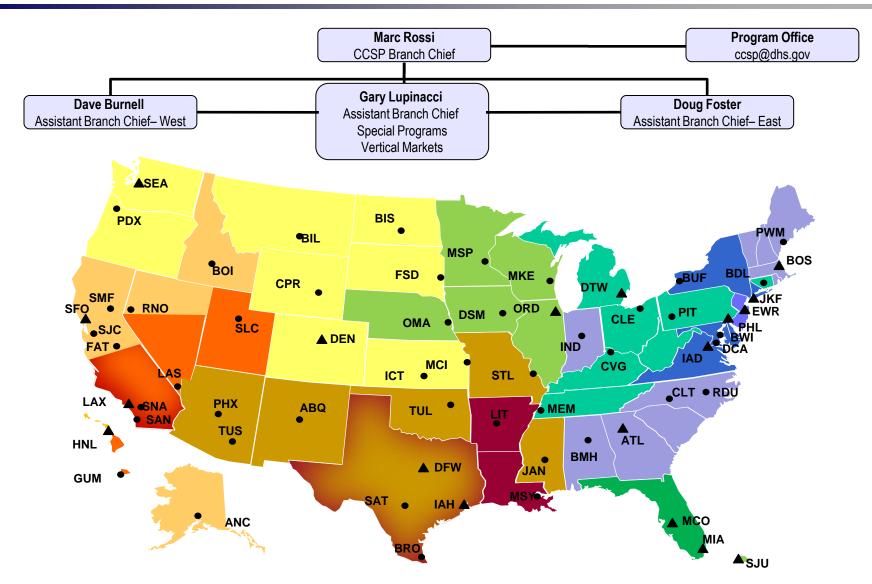


- The Support Anti-terrorism by Fostering Effective Technologies Act of 2002 (SAFETY Act) provides important legal liability protections for providers of qualified antiterrorism products (e.g., technologies) and services (e.g., processes)
- CCSP and its participants have been approved for pre-qualification coverage

For more information visit www.safetyact.gov

CCSP Regional Responsibility Map: 12 Regions





- ▲ Top 18 Airports Primary Assessment locations
- Other Airports

For More Information



Contact Us

- For more information, visit www.tsa.gov/ccsp.
- Apply directly to CCSP@dhs.gov

