

Air Cargo Advance Screening Pilot Strategic Plan



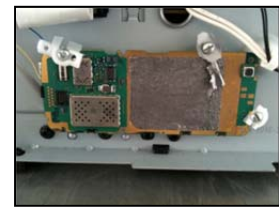
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*U.S. Customs and Border Protection
Transportation Security Administration*

Air Cargo Advance Screening Strategic Plan

Introduction

In October 2010, authorities discovered two U.S.-bound packages from Yemen containing viable bombs capable of bringing down aircraft. Forensic experts said the two bombs were designed to detonate in mid-air over Chicago, and attributed this plot to Al Qaeda in the Arabian Peninsula (AQAP).



In response to this attempted terrorist attack, U.S. Customs and Border Protection (CBP) and the Transportation Security Administration (TSA) have enhanced air cargo supply chain security and implemented programs to jointly target air cargo shipments inbound to the United States through the Air Cargo Advance Screening (ACAS) pilot project.



ACAS allows CBP and TSA to receive advance security filing cargo data as a means to target cargo shipments inbound to the United States that may be high risk and require additional physical screening under the appropriate regulatory framework and protocols.

ACAS enables express carriers, passenger air carriers, freight forwarders, and all-cargo air carriers to send and receive advance security filing data and related action messages for all air cargo through CBP's Automated Targeting System (ATS), based on three ACAS filing options:

- Two-Part Carrier Filing – Air carrier transmits advance shipment data for security filing while subsequently transmitting post-departure Automated Manifest System (AMS) data in accordance with Trade Act requirements.
- Forwarder and Carrier Dual Filing – Freight forwarder may transmit House Air Waybill (AWB) data directly to CBP to meet pre-loading targeting and manifest requirements; forwarder and carrier receive ACAS responses prior to consolidation and delivery to air carriers. Air carriers accept forwarder cargo for transport after confirming successful ACAS transmission, and perform required screening.
- Single Filing of ACAS and AMS data – Air carriers transmit the AMS manifest to CBP prior to loading of cargo, and perform all required screening. The pre-loading AMS manifest transmission would be used by CBP to satisfy both ACAS and AMS requirements.

Implementation of a two-way electronic messaging capability will further allow CBP and TSA to automate the ACAS referral process to request additional data, refer a shipment for screening, or in the case of a serious unmitigated threat, deliver a Do Not Load instruction.

Background

CBP and TSA view the primary threat to passenger aircraft posed by cargo to be in the introduction of Improvised Explosive Devices (IED) contained in cargo shipments. While passenger aircraft have been considered the primary target, the October 2010 Yemen incident demonstrated that all-cargo aircraft are also a significant target of IED attack.

In November 2010, following the AQAP bomb plot, CBP and TSA began meeting with various trade partners and government stakeholders to better understand individual business practices and to collectively develop a mechanism to collect cargo data as soon as possible in the supply chain. The integrated express carrier companies voluntarily partnered with CBP and TSA to explore ways to increase air cargo security by implementing targeting in the pre-loading air cargo environment. These efforts became known as the ACAS pilot project which, initiated with UPS, FedEx, DHL, and TNT, tested the collection of cargo data, refined targeting procedures and rules, and streamlined joint response procedures and screening protocols at non-U.S. locations.



The success of the ACAS pilot project in the express carrier phase laid the framework for the expansion of the program in late 2011 to include passenger air carriers and freight forwarders. TSA and CBP are expanding the pilot to incorporate heavy all-cargo air carriers.



CBP and TSA are encouraged by the progress achieved in this initial phase of the pilot, but additional work remains before the full efficacy of ACAS can be determined. Several challenges affect the full implementation of ACAS across the broad spectrum of the air cargo industry: information technology requirements; industry system communications; industry operational challenges; and variations in business models between integrated express carriers, passenger air carriers, and all-cargo air carriers. CBP and TSA are actively working in partnership with industry to address these challenges.

Air Cargo Advance Screening Strategic Plan

Collecting Pre-Loading Advance Information

Identifying high-risk shipments as early as possible in the air cargo supply chain provides CBP and TSA targeters an opportunity to conduct a comprehensive review of cargo data without unduly impacting the flow of commerce into the United States. A comprehensive data-driven



program that leverages historical shipping information, government certifications (e.g. Authorized Economic Operator (AEO), Customs-Trade Partnership Against Terrorism (C-TPAT)), as well as intelligence reporting, will allow CBP and TSA to make more informed decisions on inbound international air cargo. Submitting pre-loading data directly supports risk-based decision making to determine the appropriate level of screening for particular cargo shipments internationally.

CBP and TSA envision implementing an automated, data-driven international inbound “Trusted Shipper” concept utilizing pre-loading advance information based on criteria outlined in the existing air cargo Security Directives/Emergency Amendments (SDs/EAs) for passenger and all-cargo air carriers transporting cargo inbound to the U.S. Presently, this data includes a sub-set of Trade Act filing data to include: shipper name and address, consignee name and address, cargo description, weight, and piece count.

Over time, TSA will integrate these criteria into its Standard Security Programs (SSPs) for passenger and all-cargo air carriers, and CBP would incorporate the criteria into its Automated Targeting Systems (ATS). Integration with ATS will enable the “Trusted Shipper” concept to move from a system that requires the air carrier to determine whether a particular shipper is "trusted," to an automated data-driven "trusted shipper" determination made by CBP and TSA.

This system will also allow the input of specific intelligence-based information to determine shipper status and the associated levels of required screening. Based on these criteria, a shipper's status as "trusted" will determine the type of screening procedures to be applied to that shipper's air cargo shipments.



This “Trusted Shipper” concept would include criteria for shippers, as well as air cargo shipments.

A "trusted shipper" is currently defined in TSA's SD/EAs. In the future data-driven environment, the determination of “trusted shipper” or “trusted shipment” will be based on the same criteria plus the historical data residing in CBP's ATS.

Enhancing Risk-Based Targeting

Using advance shipment information submitted through ATS, CBP and TSA analyze international inbound air cargo shipper and shipment information against intelligence and other available historical data, and applying risk-based targeting algorithms to assist CBP and TSA officers to identify shipments, prior to loading, that may pose an elevated risk to aviation. Such shipments can then be segregated for enhanced screening measures outlined in TSA Security Programs, or may otherwise be prohibited from being transported onboard aircraft bound for the United States.

Streamline Customs Entry Requirements

CBP is also proposing a Simplified Entry pilot in parallel with ACAS. This pilot will leverage the use of additional data received through current trade filings, conceptually providing enhanced analysis of additional shipment information, with possible improvements in the processing of both ACAS shipment verification before loading, and release of import shipments upon receipt of the wheels-up message.

Harmonization of International Air Cargo Security Standards

Terrorism is a global security challenge. Other countries and regions are faced with similar threats to aviation from air cargo, which underscores the need for a global solution. A critical step to achieving this global solution is international cooperation on standards for data collection that promote a uniform approach to reduce the cost impact of multiple international air cargo regulatory regimes. CBP and TSA are proposing the use of ACAS as a model to the international community as an effective way to increase air cargo security by implementing baseline threshold targeting in the pre-loading air cargo environment without unduly burdening air carriers. If this effort is successful, it is anticipated that advance data collection and submission will expand to other areas of the globe, thereby further enhancing security worldwide.



Additionally, the United States has engaged the Universal Postal Union (UPU) on mail arriving to the U.S. onboard passenger aircraft. The U.S. offered a resolution to expand the use of electronic data interchange (EDI) for postal shipments, which was unanimously adopted and endorsed by the UPU Congress. There has been significant progress on the postal side in exchanging customs data, and developing standard messages and system interfaces. The Department of Homeland Security (DHS) and the

United States Postal Service (USPS) and the United States Postal Inspection Service (USPIS) are working actively with Canada Post, Deutsche Post (Germany), and Royal Mail (U.K.) on pilot exchanges and are also working with other UPU groups on these efforts.

ACAS Implementation

CBP and TSA have developed the following phased approach to expand ACAS to include passenger air carriers, freight forwarders, and all-cargo air carriers. CBP and TSA will continue to work with industry to seek voluntary participants in the ongoing pilot while working concurrently toward implementation of mandatory standards for ACAS usage. The endeavors should take approximately 28 months total to conclude. The implementation of the pilot's notional phases is contingent upon the industry's resource availability to operationalize ACAS data transmission, screening, and response protocols:



Phase I: Initial Expansion to Passenger Air Carriers and Freight Forwarders and Amend TSA SSPs

- Expansion of ACAS pilot program to include freight forwarders, and passenger air carriers, in the initial phase of the carrier/forwarder pilot.
- This phase will be guided by lessons learned from the integrated express carrier stage of ACAS operations.
- Phase I will be the most comprehensive phase, as industry pilot participants help to determine the appropriate and attainable advance data filing options.
- CBP and TSA will measure progress by tracking and reporting data transmission, along with the date and carrier/forwarder.
- Initiate passenger air carrier phase of ACAS pilot to work through ATS challenges.
- Initial expansion includes domestic and foreign passenger air carriers and freight forwarders.

Phase II: Expansion to Additional Passenger Air Carriers and Freight Forwarders

- Expansion of ACAS pilot program to include additional freight forwarders and passenger air carriers.
 - CBP/TSA will measure progress by tracking and reporting data transmission.
- Initiate heavy all-cargo air carrier phase of ACAS Pilot to work through ATS challenges.



Phase III: Incorporating Trusted Shipper Concept into ATS

- Manage ongoing program implementation and work towards a data-driven "Trusted Shipper" concept.
- Coordinate with CBP C-TPAT, Targeting & Analysis Systems Program Office (TASPO), and TSA to outline a framework to combine the C-TPAT / "Trusted Shipper" benefits into ACAS.

Phase IV: Expansion to



Remaining High Cargo

Volume Passenger Air Carriers and Freight Forwarders

- Expansion of ACAS pilot program to include remaining passenger air carriers and freight forwarders with higher volumes of cargo.

Phase V: Expansion to Small/Medium Cargo Volume Passenger Air Carriers and Freight Forwarders

- Expansion of ACAS pilot program to include all remaining smaller passenger air carriers (carriers with a limited number of flights into the United States) and small and medium freight forwarders.
- It is expected that private industry may develop a web portal to streamline communication between CBP and smaller passenger air carriers and freight forwarders to facilitate pre-loading ACAS transmissions.
- This will further assist ACAS messaging responses back to the passenger air carrier/freight forwarder.

Phase VI: Expansion to Heavy All-Cargo Carriers

- Expansion of ACAS pilot program to include heavy all-cargo air carriers – Global Implementation.

Goals and Measures:

The following are Goals and Measures to track and report on milestones of the ACAS Program:

- Establish a Tiered Implementation Plan by Country
- Establish an Implementation Timeline
- Develop and track data transmissions by date and carrier
- Establish electronic messaging between CBP and carriers
- Collect and communicate operational impacts by trade participants
- CBP draft a Notice of Proposed Rulemaking (NPRM) for data submissions
- TSA issue revised security programs to implement risk-based tiered screening protocols



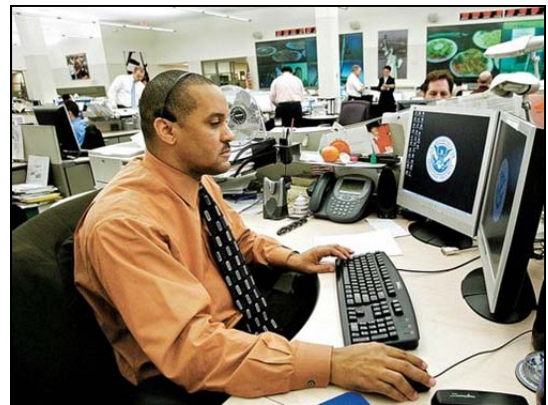
Future ACAS Rulemaking

ACAS is currently a pilot project and rulemaking will be required to trigger mandatory submissions of data. DHS recognizes the importance of public participation in the design of this rulemaking process. Consistent with Executive Order 13563, CBP recognizes that the rulemaking process should not only protect the public health and welfare but also promote economic growth, innovation, competitiveness, and job creation. CBP will

actively engage the public during the drafting process with a goal of making certain the NPRM is informed and improved by public comment. TSA may not implement formal rulemaking, but will issue SSI security programs to regulate industry screening procedures and incorporate the usage of ACAS procedures.

Conclusions

CBP and TSA remain committed to supporting a supply chain system that is able to deliver the goods necessary to our way of life in a secure and expedited manner. We will continue to identify, assess, and prioritize efforts to manage risks to the homeland through layered defenses, enhanced information-sharing, and instituting an ability to readily adapt to the changing security and operational environment. ACAS serves to support this risk management approach by providing an additional layer of security to enhance the secure and efficient flow of air cargo into the United States. ACAS, through pre-loading data collection and partnership with the international community, will implement enhanced targeting and dynamic response protocols to enhance air cargo security.



The “Trusted Shipper” concept is an essential element in enabling passenger carriers to attain 100 percent screening of inbound cargo without disruption to the global air cargo supply chain. The concept, currently implemented as standards in TSA security directives that require air carrier determinations, may in the future be implemented through ACAS to provide an automated, data-driven, neutral platform for the determination of “trusted” shipper/shipment status. Automated segmentation of these shipments will more readily enable industry to apply appropriate tiered screening protocols, assisting both passenger carriers and all-cargo carriers in processing “non-trusted” shipments for additional screening measures outlined in the appropriate security program.

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