

The Impact of the Implementing Recommendations of the 9/11 Commission Act of 2007 on US-based Shippers

President Bush approved the *Implementing Recommendations of the 9/11 Commission Act of 2007*, on August 3, 2007. The legislation mandates 50% screening of all cargo that is transported by a passenger carrier by February 2009 and 100% screening of all cargo that is transported by a passenger carrier by August 2010. TSA is required to establish a system to ensure 100% of cargo transported on passenger aircraft is screened at a level of security *commensurate* to that of passenger baggage. This requires screening at the piece level. Because this screening requirement is not supplemented by congressional funding, it is the air cargo industry's responsibility to bear all costs. The screening methods approved in the Act are as follows: Physical search (Includes opening boxes, removing and opening all inner cartons), X-ray, Explosives Trace Detection (ETD), Explosives Detection System, TSA operated canines and any other detection equipment accepted in the future by TSA.

Piece level cargo is the individual item within a shipment. Shipments tendered on skids and shrink- wrapped (typically transported on wide-body aircraft) must be taken apart so pieces can be screened. Most wide-body cargo flows through freight forwarders (consolidators), who typically "containerize/palletize" this cargo prior to tendering it to airlines. Airlines lack space/facilities to "de-palletize", screen, and re-configure these shipments, so if "airlines only" must screen all such cargo, they anticipate significant delays, increased processing/cut-off times and costs.

Certified Cargo Screening Program (CCSP)

TSA's approach to assist industry in attaining the screening mandates is the Certified Cargo Screening Program (CCSP). The CCSP was created to: allow screening of cargo early in the air cargo supply chain by a trusted, vetted, and audited facility; initiate and maintain the integrity of a shipment throughout the supply chain by utilizing stringent chain of custody methods; and enable entities such as shippers to incorporate physical screening into the packing process.

Participation in CCSP is voluntary, but requires the participant to implement and adhere to facility security standards and access controls, train employees and authorized representatives on CCSP and security responsibilities, obtain Security Threat Assessments for employees involved in screening and, screen cargo for transport on passenger aircraft in accordance with TSA screening standards and processes. They must also permit onsite facility assessments by TSA-Approved Validation firms and adhere to all program requirements, subject to TSA inspections, after certification.

Who Can Become a Certified Cargo Screening Facility (CCSF)

Facilities that participate in the CCSP program will be designated as Certified Cargo Screening Facilities (CCSFs). Any facility that tenders cargo directly to a passenger air carrier or freight forwarder may apply to become a CCSF. This includes: Manufacturers, Warehouses, Distribution Centers, Third Party Logistics Providers, and Freight Forwarders.

Industry Challenges for 100%

As of February 1, 2009, 50% of all cargo is screened at the piece level prior to being loaded on a passenger aircraft. It may appear to shippers that the 50% mandate was met without significant challenges, but TSA believes they should consider the following issues:

- The economic downturn caused a 35% drop in the movement of cargo compared with 2007.
- Screening technology may not be available to meet industry's need (manufacturing backlogs)
- Airlines lack space/facilities to "de-palletize", screen, and re-configure these shipments
- Some commodities were excluded for a limited time frame (until August 31st, 2009)

- 85% of entities utilize ETD as their primary method of screening. Alarm resolution for ETD (other than physical search is challenging). There is a high risk of physical inspection resolution as a result of “contamination” while in forwarder or airline vehicles/docks

As a result, TSA is concerned that shippers may wait until it is too late to surmount the challenges of August 2010, when 100% of all pieces must be screened individually. We have already seen a decline in applications for the CCSP, and believe shippers should consider these facts:

- Screening the difficult, complex cargo still lies ahead
 - Most shipments screened today are not skidded
- Economic recovery will lead to increased cargo volume
 - Screening 100% of 15 million pounds per day in 2010 vs. screening 50% of 9 million pounds per day now represents a 300% increase in cargo requiring screening
- Possible insufficient availability of technology (backlogs)
- High risk of airlines opening shipments to resolve “contamination” alarms

Only CCSF shippers can ensure the integrity of their shipments in August 2010!

TSA is providing an incentive for shippers to join CCSP now!

Early Participation	Future Participation
Extended period of time (90 days) to review regulatory documents before committing	Limited time allowed to review regulatory documentation before required decision
Free onsite facility assessments by TSA	TSA-Approved Validation Firms will perform facility assessment for a fee
Free Security Threat Assessments for up to 200 individuals per facility	STA submission for a fee (currently approx. \$28)
Free TSA consultation services – site visits, exams and templates, step-by-step guidance through certification	May need consultant support?
Deferred screening start date option - Extended ramp up period	Required to commence screening within 90 days certification

Additional Information

For additional information or questions, please visit our website at:

http://www.tsa.gov/what_we_do/tsnm/air_cargo/index.shtm or to request an application, email ccsp@dhs.gov.

Only Cargo that is 100% Screened at the Piece Level will be Uplifted on Passenger Planes on August 1, 2010!