Supply Chain Security in a New Business Environment
C-TPAT and Global Initiatives

- World Customs Organization (WCO)
  - European Union (EU) / European Commission (EC)
World Customs Organization (WCO):

- Former Commissioner Bonner and US CBP were significant force behind development and ratification of Framework; Framework ratified June of 2005

- Established two pillars:
  
  Pillar I: Customs to Customs
  
  Pillar II: Customs to Trade
World Customs Organization (WCO):

- Development of Authorized Economic Operator (AEO) criteria
  - Establish minimum criteria
  - Solidify how authorizations or certifications are done and by whom (3rd party issue)
  - “Benefits” Structure and Application
  - Further develop concept of mutual recognition of individual Customs Administrations trade partnership programs on a global basis
World Customs Organization (WCO):

Some of the Goals of the Framework:

- Establish better communication between worldwide Customs Administrations
- Assist lesser developed nations in developing technology and partnership programs
- Provide nations access to data to allow risk analysis to occur as soon as possible
- Establish uniformity amongst worldwide Customs Administrations to help ensure global security and facilitate trade
World Customs Organization (WCO):

• Provide capacity building to member nations in the form of;
  • Training/assistance to countries Customs administration
  • Training for Customs personnel
  • Monetary assistance to ensure use of current technology
    X-RAY Technology
    Advanced Targeting
    Automated Data Transfer
World Customs Organization (WCO):

- Future:

  Members are currently addressing development of specific criteria to the Framework for AEO’s;

  Possible engagement of the Trade to assist in clarification & implementation of criteria.
European Union/European Commission (EU/EC)

- Ultimate goal is **mutual recognition** of trade partnership programs and uniformity of processes between member states and U.S.

- Continuing work on development of worldwide partnership programs with EC and member states

- Held meetings in both the US and Brussels to discuss “the way forward” (Jan. 2006 meeting in Brussels represented 7th)
European Union/European Commission (EU/EC)

- Joint study project undertaken to examine similarities and differences between AEO/Compact Framework and C-TPAT
- Conducted joint C-TPAT validations in the UK and Denmark, and joint AEO authorizations in the US
- Exchange of data and information to both assist in expedited processing of shipments and increase efficiency of war on terrorism
One of the conclusions of the project was that while some differences exist (regulatory v. voluntary; fiscal v. security) both concepts serve to enhance supply chain security and facilitation.

Way forward:

Continue work on mutual recognition, but to include WCO Framework concepts

Examine possibility of bi-lateral engagement among member states to expedite recognition process
U.S. Customs and Border Protection

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