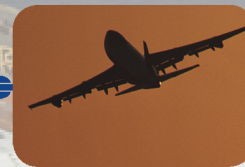
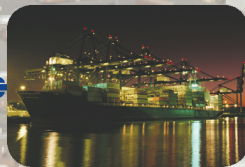


Supply Chain Security in a New Business Environment



C-TPAT and Global Initiatives

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



Supply Chain Security in a New Business Environment



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



Supply Chain Security in a New Business Environment



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



Supply Chain Security in a New Business Environment



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**



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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**



Supply Chain Security in a New Business Environment



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



Supply Chain Security in a New Business Environment



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)



Supply Chain Security in a New Business Environment



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



Supply Chain Security in a New Business Environment



European Union/European Commission (EU/EC)

- 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



Supply Chain Security in a New Business Environment





U.S. Customs and Border Protection

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Supply Chain Security in a New Business Environment



