



CBRA Monthly

CBRA Monthly 1/2016

Blogs



Visit pages 2-5 for a featured blog

- 1 Chemical Security in Istanbul
- 2 Border Agency Cooperation Part 1 of 3
- 3 Border Agency Cooperation Part 2 of 3

Interviews



Visit pages 6-9 for two featured interviews

- 1 Dr. Federico Magalini on waste logistics crime
- 2 New approaches to border management by Mr. Tony Barone
- 3 Mr. Greg Schlegel on Supply Chain Risk Management
- 4 Updates with Customs brokers, by Ms. Carol West

CORE Observatory



Visit pages 10-12 for a full list of January 2016 Observatory entries, as well as to read the four featured entries

- 1 Drug trafficking in the Caribbean – the Full circle
- 2 Trade and money laundering uncontained
- 3 Introduction to Supply Chain Management
- 4 Supply chain finances and liabilities

Dear CBRA Monthly Reader,

It gives me a great pleasure to hand you this CBRA Monthly 1/2016, first edition ever. In this publication we share select extracts from our daily research and publishing work within the CBRA Blog, the CBRA Interviews and the CORE Information Observatory. We also share recent updates on our research projects; on upcoming events calendar; as well as future plans for Blogs, Interviews and CORE-Observatory entries. For now, we are committed to publish the CBRA Monthly throughout the year 2016. Based on your feedback during the coming 5-10 months, we will make our publication plans for year 2017, and onwards. If you would like to receive CBRA Monthly regularly by email, please register at the CBRA's website, www.cross-border.org (or, alternatively send an email to cbra@cross-border.org).

Regarding the just finishing month of January, we have been busy with our two FP7-projects – CORE and SAFEPOST – as well as with our first H2020-project SYNCHRONET. In CORE, our work has included book concept development, with a working title “CORE Flagship Textbook”. In SAFEPOST, our team has been busy in finalizing a survey form on postal supply chain security management, and SAFEPOST project outcomes – targeted for over 50 postal administration members of PostEurop. And in SYNCHRONET we have focus on developing a questionnaire on synchro-modality and slow steam shipping, targeted for key government agencies and experts both on EU- and on national-level. You can find the “CBRA Project Corner” – section on the second last page, where we will provide monthly updates, starting in CBRA Monthly 2/2016 issue. And, in Monthly 2/2016 there will be references also to two new projects, which have started just few days ago. On partner front, we have signed a cooperation agreement with the Supply Chain Risk Management Consortium, which consists of some 15 organizations providing a unique set of core competencies in the area of supply chain risk management.

One more thing, on the last page of this Monthly 1/2016 you can find the: CALL FOR PAPERS: 11th Annual WCO Picard Conference, Manila, Philippines, 27-29 September 2016. How about submitting paper or two – no later than 15 June 2016?

In Lausanne, 31.1.2016.

Dr. Juha Hints

Executive Director of Cross-border Research Association



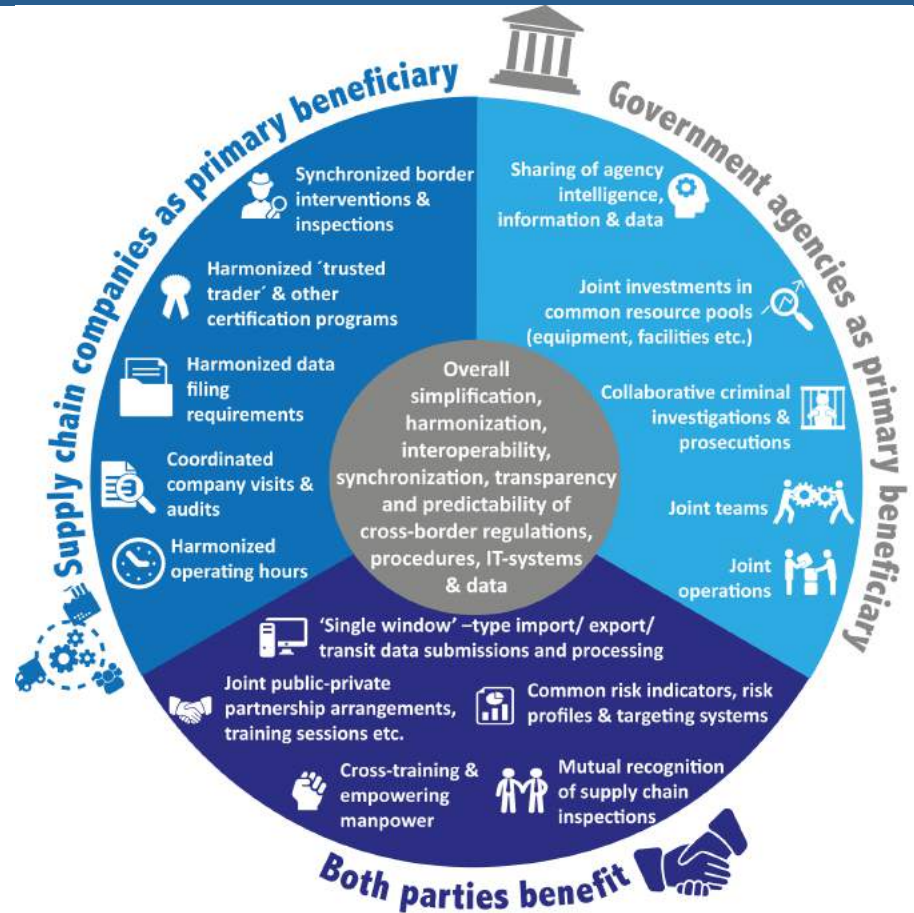
Blog: Border Agency Cooperation Part 2 of 3

Our second blog on Border Agency Cooperation (BAC) focuses on a conceptual model developed by CBRA. We have crafted this “CBRA-BAC15” diagram to visualize a set of key BAC actions and primary beneficiaries, with contributions by Dr. Toni Männistö (supply chain security post-doc researcher at CBRA), Mr. Gerwin Zomer (TNO, technical manager for the FP7-CORE project) and by Ms. Susana Wong Chan (education and training materials developer at CBRA).

The diagram is cut to three sectors: on left side, the supply chain companies are the primary beneficiaries of BAC actions; on the right side, the government agencies form the primary beneficiary group; and on the bottom area, both supply chain companies as well as government agencies benefit from BAC actions. Each of these three sectors contains five examples of concrete border agency cooperation actions – 15 in total – explained in a moment by using real examples, whenever available in the literature or by expert suggestions. In the center of the diagram lies a circle with the more generic “smart cross-border improvement actions”, applicable to virtually any work in global trade facilitation.

The diagram should not be considered exhaustive, when it comes to all optional actions to improve BAC in a given country or region or globally. Some of the 15 key actions may be strongly interconnected, or, partially overlapping. Some of them may apply mainly on national multi-agency environment, and some of them mainly on international e.g. customs-to-customs environment. Also, the division of the key actions into the three beneficiary groups can and should be challenged, by the interested audiences. But, let’s start now by listing and illustrating the key 15 BAC actions:

Supply chain companies as the primary beneficiary (left sector in the diagram). The



Hints J., Key Actions and Beneficiaries in Border Agency Cooperation, Chemical Security Program Workshop, Istanbul, Turkey, 14-17 December 2015



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following five BAC actions can bring immediate benefits to the companies operating in supply chains, in terms of saving administrative costs and speeding up the supply chain – less work dealing with various certifications and audit visits, less variation and IT costs with import/export data filing and less waiting times at the borders.

- **Harmonized 'trusted trader' & other certification programs:** In the European Union, the European Commission's implementing regulation (No. 889/2014) updates the references to the aviation security legislation in force, including recognition of the Known Consignor (KC) status and its relevance to Authorized Economic Operator (AEO), and framing the scope of recognition of the common requirements between the respective programs.
- **Coordinated company visits & audits:** Closely linked to the previous BAC-action, in the

Netherlands, the Dutch Customs executes joint audits on AEO security (customs) and known consignor/regulated agent (air cargo) with the Dutch Immigration and air-police agency - during the application phase, as well as during periodical audits.

- **Harmonized data filing requirements:** Despite a global, harmonized data model, harmonized tariff codes and standards on clearance procedures, there are many differences in operational import, export and transit procedures and information requirements between countries. This results in additional complexity of IT systems for globally operating traders and logistic service providers. An example is the pre-arrival security declarations, where harmonization would be most useful e.g. between the Importer Security Filing, “10+2” in the US and the Entry Summary Declaration in Europe - Multiple Filing, supported by Standard Trader Interface, under development within the Union Customs Code, UCC.
- **Synchronized border interventions & inspections:** The Article 4 of the Greater Mekong Sub-region Cross Border Transport Agreement on Facilitation of Border Crossing Formalities calls upon the contracting parties to progressively adopt measures to simplify and expedite border formalities by carrying out joint and simultaneous inspection of goods and people by respective competent authorities of agencies such as customs, immigration, trade, agriculture, and health. It further provides for single-stop inspection and urges the national authorities of adjacent countries to carry out joint and simultaneous inspections.
- **Harmonized operating hours:** This applies particularly in the context of two neighboring country customs offices – having same opening hours across the border helps to maximize the daily throughput volumes. As the Article 8 of the World

Trade Organization’s Trade Facilitation Agreement puts it, “Each Member shall, to the extent possible and practicable, cooperate on mutually agreed terms with other Members with whom it shares a common border with a view to coordinating procedures at border crossings to facilitate cross-border trade. Such cooperation and coordination may include: ... alignment of working days and hours ... “. In the ASEAN region, the Article 7 of the ASEAN Framework Agreement on the Facilitation of Goods in Transit urges the contracting parties to “coordinate working hours of the adjacent border posts”.

Government agencies themselves as the primary beneficiary (right sector in the diagram). The following five BAC actions can provide instant benefits for the cooperating government agencies, in terms of cost savings and improved efficiency – in other words, identifying more violations and catching more bad guys with less total spending.

- **Sharing of agency intelligence, information & data:** Customs Mutual Assistance Agreements (CMAAS), signed bilaterally by Canada Border Services Agency (CBSA) and eight counterparties during years 1979-2010 (European Community, France, Germany, Mexico, the Netherlands, South Africa, South Korea and the United States) provide Canada with a legal basis to share customs information to prevent, investigate and combat customs offences, particularly customs fraud, and to provide reciprocal mutual assistance to ensure the proper application of customs laws. Under CMAAs Canada may share customs information pertaining to: persons, goods and means of transport; activities planned, on-going, or completed, that constitute or appear to constitute a customs offence in the territory of the country requesting the data; proven law enforcement techniques; new and emerging trends, means or methods of committing customs offences; and facilitation of risk assessment activities, within the mandate and authority of the CBSA.

- **Joint investments in common resource pools (equipment, facilities etc.):** In Finland the Customs Administration and the Border Guard share common premises and equipment. Each authority has



a designated role in the servicing and maintenance of the equipment. X-ray machines are largely the responsibility of Customs. Road-testing equipment, such as lorry brake-testing pads, is also maintained by Customs. All equipment can be shared and operated by each agency upon request. Thus, although the equipment belongs to one agency, it can be easily relocated to the other agency, enabling smoother processing of the workflow without unnecessary and lengthy administrative procedures, thereby reducing costs

- **Joint teams:** In the Netherlands, “HARC” - Hit and Run Cargo Rotterdam team, is a joint operation of Dutch Maritime Police, Dutch Customs, the Fiscal and Economic Crime Agency and the Ministry of Justice collaborating operationally in narcotics enforcement. Joint teams differ from Joint operations below by being a long-term / permanent set-up; while Joint operations “come and go”.
- **Joint operations:** A joint operation Meerkat, (23-27 July 2012) involving the World Customs Organization and INTERPOL against the illicit trafficking of cigarettes, tobacco and alcohol in East and Southern Africa, resulted in the seizure of tons of illicitly traded products in seven countries. Operation Meerkat saw Customs and police authorities carry out some 40 raids at seaports, inland border crossing points, markets and shops in Angola, Kenya, Mozambique, Namibia, South Africa, Tanzania and Zimbabwe. More than 32 million cigarettes – equivalent to 1.6 million packets, 134 tons of raw tobacco and almost 3,000 liters of alcohol were seized, resulting in national authorities initiating a number of administrative investigations into tax evasion and other potential criminal offences.
- **Collaborative criminal investigations & prosecutions:** In the United States the Border Enforcement Security Task Force (BEST) units gather officers from more than 100 different law enforcement agencies under one roof. The objective is to identify, investigate, disrupt and dismantle transnational organizations posing the greatest threat to border security, public safety and national security, by employing the full range of federal, state, local, tribal and international law enforcement resources. Over the years, the BEST has become a successful interagency law enforcement collaboration model that’s keeping the US safer.

Both supply chain companies as well as government agencies as beneficiaries (bottom sector). The five BAC actions can bring instant benefits to all parties in cross-border supply chains, in terms of lowering costs and improving performance, from supply chain company and from governmental agency perspectives.

- **‘Single window’ -type import/ export/ transit data submissions:** In the Netherlands, the authorities have designed Digipoort, the government’s ‘electronic post office’ for businesses. It provides the communication infrastructure for the exchange of digital information between companies and government authorities. Digipoort enables companies to submit import and export information at a single entry point aimed at multiple government authorities.
- **Common risk indicators, risk profiles & targeting systems:** In Finland, common databases are linked to the different agencies’ operational and risk management databases, leading to a common approach when a ‘signal’ is recorded. Some control and enforcement officers have access to each other’s systems on a need-to-know basis, with levels of restricted access determined by rank and functional responsibility.
- **Mutual recognition of supply chain inspection procedures & outcomes:** As part of the European Union funded research and development project FP7-CORE (<http://www.coreproject.eu/>), the phytosanitary and customs administrations in Kenya and the Netherlands are working towards mutual



recognition of controls carried out by Kenyan authorities, as well as the exploitation of digital phytosanitary certificates and other trade documents, between the two countries. Outside of the research world, mutual recognitions (MR) of customs inspections are being explored in the context of EU MR Agreements, for example with Japan.

- **Cross-training and empowering manpower:** In Finland, Customs officers have been trained by the Border Guard to inspect identification documents and visas, among other procedures. Border guards have, in turn, received basic Customs training, which includes the search of vehicles and the recognition of prohibited and restricted goods, such as drugs, alcohol, and counterfeit items.
- **Joint public-private partnership arrangements, training sessions etc.:** In 2011 in Hong Kong, the Customs and Excise Department established a Joint Liaison Group with the representatives of shippers, freight forwarders and truck drivers for exchanging operational views and comments on the Road Cargo System “ROCARS”. Moreover, Customs also launched an extensive publicity program and established outreach teams to assist the industry stakeholders to get used to the ROCARS. Following other government departments are listed on the ROCARS web-site <http://www.rocars.gov.hk/> : Commerce and Economic Development Bureau, Census and Statistics Department, and Transport Department.



Finally, the center circle of the CBRA-BAC15 diagram highlights the basic, classical principles of trade facilitation – naturally in the context of multiple agencies dealing with cross-border regulations, procedures, IT-systems and data requirements:

- **Simplification & Harmonization:** agencies work together with the first aim to streamline certification requirements and procedures, to minimize the number of data elements required from traders etc.; and the second aim to unify the rules and requirements facing supply chain companies.
- **Interoperability & Synchronization:** agencies invest in improving interoperability between their inspection technologies, IT-systems etc.; they also work together to better synchronize their supervision and control processes, particularly for the benefit of supply chain companies.
- **Transparency & Predictability:** agencies keep each other well informed of their current regulations, procedures, operations etc., as well as planned future changes – such proactive approach helps to minimize surprises and related hassles.

This concludes the second of three parts of our Border Agency Cooperation (BAC) blog. In Part 3 – to be published sometime in February – we focus on the overarching institutional arrangements on Border Agency Cooperation, including establishment of single border agencies (e.g. in the US and Australia); creation of one-stop border posts, OSBPs (multiple examples across the world); carrying work permanently on behalf of other agencies etc. We also plan to discuss bit more on the benefits and costs of BAC, as well as the main challenges and obstacles in BAC-projects across the globe.

CBRA Blog by Juha Hintsa

Main sources for the practical examples on BAC: “Coordinated Border Management”, WCO News, February 2015, No. 76.

Jain, S.R. “Coordinated Border Management: The Experience of Asia and the Pacific Region”, World Customs Journal, Vol. 6 No.1. 2012.

Interviews with Dutch Customs and supply chain experts.



Interview with Ms. Carol West, IFCBA

Hi Carol, and thanks for joining a CBRA Interview – can you first tell a bit who are you and what you do?

I am the President of the Canadian Society of Customs Brokers and the Secretary of the International Federation of Customs Brokers Associations, IFCBA. My office is in Ottawa, Canada. I have spent my professional life in the world of Customs, border management and trade facilitation. I am an advocate for the value and importance of customs brokers and I am passionate about the possibilities of Customs-business partnership, in Canada and worldwide. I believe strongly that building knowledge, investing in technology and managing relationships are critical to effective border management.

IFCBA and CBRA produced jointly the first survey study on future roles of customs brokers around 2004-2005. Looking now, in 2016, at the study outcomes: do you see that anything has changed or evolved in the “world of customs brokers” the way we anticipated a decade ago?

It is difficult to generalize as the role of a customs broker still differs so much between countries. The regulatory framework for licensing customs brokers and their scope of practice may be different, and the level of automation of a country's Customs administration may influence the role of customs brokers in effective border management. Having said that, I believe that in the last decade the role of a customs broker as a trade facilitator has been even more effective than we had anticipated. Both importers and Customs recognize that knowledgeable, regulated customs brokers not only provide expedited navigation through and compliance with complex Customs requirements, they are widely used by businesses looking to reach new markets, with a minimum of cost and delay.

With Customs administrations automating their systems for risk management and implementing coordinated border management processes, there is also more focus on gathering information on the goods being imported prior to arrival, for admissibility and security purposes. In this context, the automation of carrier and cargo information is more important than it was ten years ago. With that in mind, the role of a customs broker is even more crucial today as the broker acts as a hub for all the



data relating to a client's transaction, ensuring its accuracy and compliance with Customs requirements.

Ten years ago, we thought that, by now, we would have made more progress with consistency of data requirements globally. There has been great work done by the World Customs Organization with its data model, but we still find that data requirements are not as harmonized or standardized as they could or should be.

From a business process standpoint, where licensed customs brokers exist they are used by the majority of importers - large multinational companies as well as small to medium enterprises. In a competitive marketplace, customs brokers are seeing more emphasis on performance measurement and key performance indications during the procurement process as well as in standard operations. Today, there is greater uncertainty in the business environment and increased complexity of the global supply chain. We think this also reflects the maturation of the brokerage industry where business managers focus on continuing improvements to their processes to reach maximum efficiencies in delivering value to clients.

By the way, are you aware of any recent research focusing on customs brokers, either on global or on national level?

The World Customs Organization, WCO conducted a survey of its members in 2015 on the subject of customs broker regulation and had an outstanding response rate. With many models of customs broker regulatory regimes among the WCO members, from no regulation to the mandatory use of a licensed

customs broker, the results of the survey point to some opportunities for cooperation between Customs administrations and customs brokers, and, based on existing best practices, suggests considerations for a model for establishing a broker licensing system, particularly valuable where none exists today. It also offers ideas on engagement with customs brokers and other private sector players to enhance compliance and trade facilitation. We see this as a positive indicator of interest in issues that are of critical importance to the international customs broker community, and a sign that there is value in doing some additional work in this area.

From a customs broker’s perspective, which areas of global trade facilitation and supply chain security do you see as most important in 2016? What about the most difficult or challenging ones?

A very important development that might impact global trade is the Trans-Pacific Partnership, TTP. I say might because coming into force depends on the US Congress ratification of the agreement, and currently the rhetoric coming from Washington shows little support for it. I guess we’ll have to wait and see what happens. But assuming the TPP is ratified by the 12 signatories, even though it means elimination of tariffs and tariff barriers, it also means a more complex environment to navigate the multiple free trade agreements for the multi-national importers. Customs brokers as experts in rules of origin and compliance, in general will continue playing a very important role in the trade chain.

Looking a bit further out, one of the most

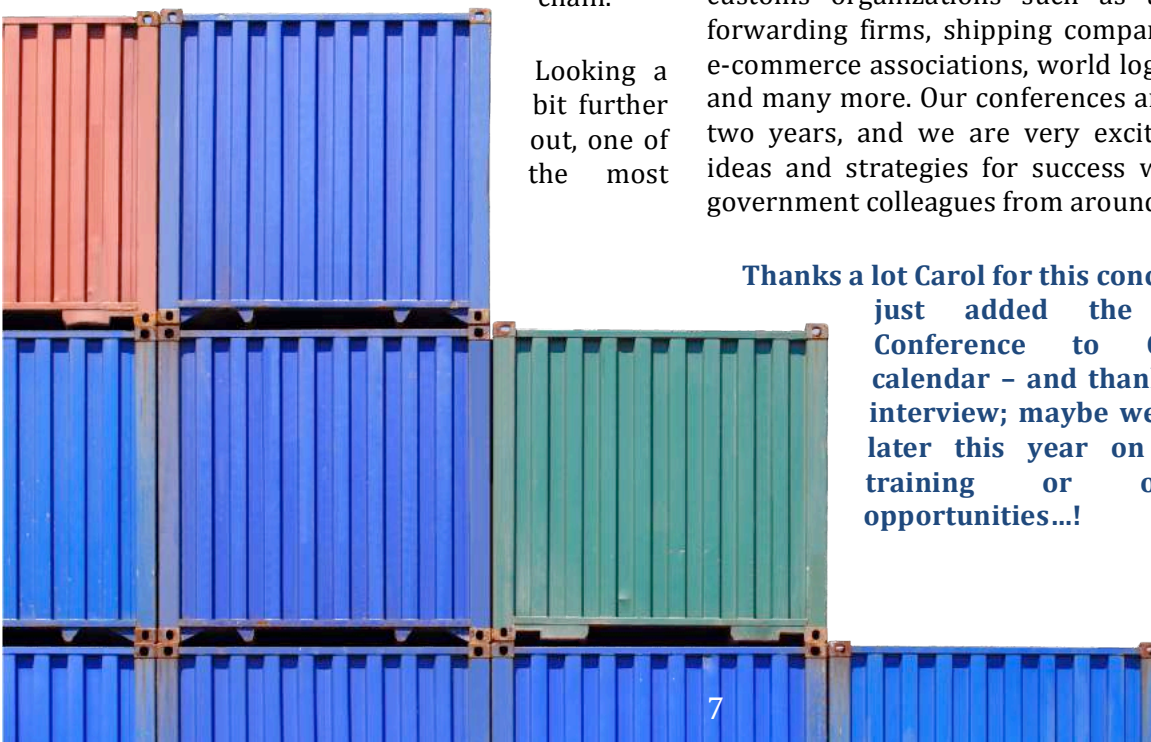
challenging issues of the next 5 years will be the immense growth in e-commerce globally, and the pressure put on governments world-wide by online retailers to increase the de-minimis thresholds. It is projected that the online sales will reach US \$3.5 trillion by 2020. That represents a lot of import duties that may not be collected and remitted if the de-minimis thresholds are increased or standardized. We expect that the impact of this will be seen differently depending on positions taken by national administrations given their own economic situations and pressures for competitiveness. Customs brokers will no doubt integrate any such changes into their compliance models and service offerings, keeping their clients’ interests and obligations foremost.

We can’t speak of challenges without mentioning the global trade slowdown we’ve experienced since the 2008 global financial crisis. Many factors seem to be contributing to the continued sluggishness which some consider cyclical others structural in nature. Regardless, governments have to remember that trade can be a powerful tool in their policy toolkit and customs brokers are natural allies in promoting its growth.

Any other greetings you would like to send to the CBRA Interview and Blog readers?

IFCBA will be holding its next World Conference in Shanghai 17-21 May, 2016, and the theme is “Facilitating Trade Through the Customs-Business Connection”. Hundreds of delegates from all regions of the world will be in attendance representing national customs brokers associations, international customs organizations such as the WCO, freight forwarding firms, shipping companies, cross-border e-commerce associations, world logistics enterprises, and many more. Our conferences are held only every two years, and we are very excited about sharing ideas and strategies for success with business and government colleagues from around the world.

Thanks a lot Carol for this concluding note – we just added the IFCBA World Conference to CBRA’s Events calendar – and thanks for the whole interview; maybe we can explore bit later this year on joint research, training or other project opportunities...!





Interview with Mr. Anthony Barone

Today we discuss with Mr. Anthony Barone how to modernize border management techniques. Mr. Barone is a writer and adjunct professor. He has served at the WCO and American Federal Advisory bodies and held senior positions in both the industrial and logistics industries most recently at Pfizer.

Tony, it seems that we are living in a fairly dangerous world today. Threats to society arise from globalized terrorism, organized crime and individual criminal acts, such as the commission of fraud. How do border management techniques address these threats?

Not very well, I'm afraid. Border management techniques that are used today to identify and interdict criminal activities are based on technologies and concepts that are out of date. They cause unpredictability in supply chains, discriminate against smaller companies and opportune official corruption.

The absence of real time information exchange between countries, and even within countries among different departments of border management, is complicating the inherent challenges faced by border management authorities. Unfortunately crime has

globalized, but law enforcement has not.

The supply chains are internationalizing rapidly, so all nations need to find ways that facilitate legitimate trade and simultaneously disrupt criminal activity hidden in commercial supply chains. Can emerging technologies be the solution?

Newly emerging technologies present both new threats and new opportunities. Threats arise from the criminal use of new technologies such as the use of social media by terror organizations and bitcoin money exchange by drug cartels. Opportunities to leverage technology arise from the ubiquitous use of integrated supply chain technology within the private sector, relatively inexpensive cloud based processing capabilities and a variety of hardware developments, such as Machine to Machine data processing or Internet of Things.

Emerging technologies may make it possible to accomplish the dual goals of facilitation and security, but certain prerequisites must be addressed in order for such solutions to succeed. The innovations must benefit both the private sector and governments in several different ways. There must be real economic value in transformative strategies. Political leadership must see a match to public policy goals and developers must see profit opportunity in the development of tools.



As you said, various public and private stakeholders may have different interests and priorities, and on top of this private citizens have increasing and legitimate privacy concerns. What should we do that real issues are accommodated despite these potentially contradictory goals?

The importance of engaging the private sector as agents of change cannot be understated. Both goods shippers and logistics service providers must find benefit through significantly reduced costs. And those savings must outweigh out-of-pocket investments that are needed to achieve them.

Articulating possible solutions faces significant headwinds. Among these are the investments made in current practices on both the private and public side. Reluctance to change is further bolstered by financial considerations including possible costs of transformation and the loss of revenue derived from existing systems.

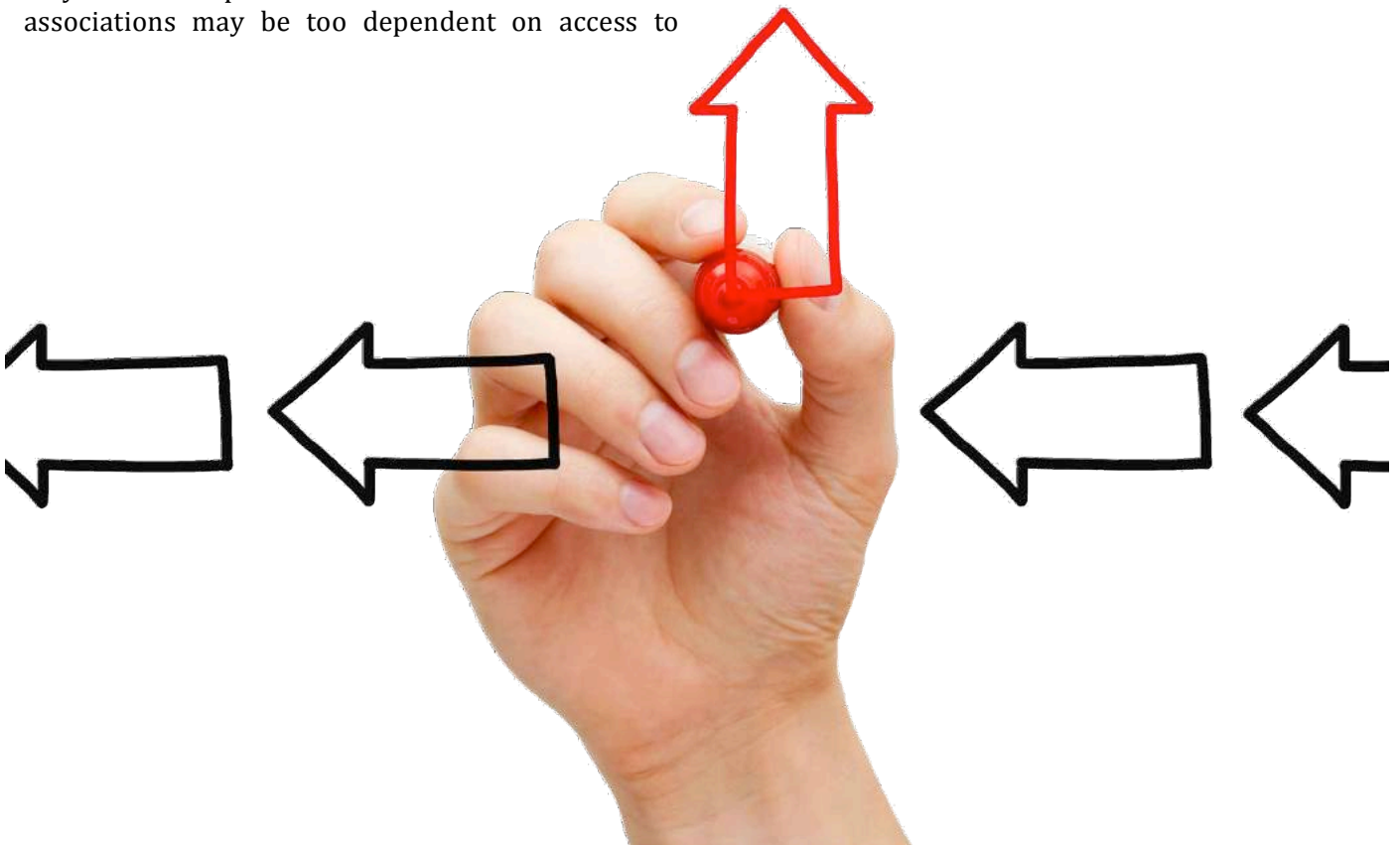
Additionally, authorities charged with these responsibilities may feel threatened by criticism of programs they administer. Importers and exporters may fear reprisal from authorities. Trade associations may be too dependent on access to

authorities to seriously challenge extant programs. Without a political constituency and given these challenges, introducing and implementing game changing ideas will be difficult.

So, what would you propose to modernize border management techniques? It seems to require radically transformative ideas.

I propose that we get together a group of independent experts who are willing to explore radically new approaches to border management. They would be tasked to investigate how supply chain facilitation as an open source capability could simultaneously block criminal activity and reduce the costs of border administration. They should consider both private and public sector effects and have a global focus so that all nations can benefit from their work.

Thank you, Tony, for the interview. CBRA team is interested to join the group of independent experts you suggested – hopefully we can get together on this, already during the first couple of months in 2016!



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CORE Information Observatory, January 2016 entries

1 COMMISSION IMPLEMENTING REGULATION (EU) No 889/2014 of 14 August 2014 amending Regulation (EEC) No 2454/93, as regards recognition of the common security requirements under the regulated agent and known consignor programme and the Authorised Economic Operator programme, 2014 (CORE1069)

2 Supply Chain Security: DHS Should Test and Evaluate Container Security Technologies Consistent with All Identified Operational Scenarios to Ensure the Technologies Will Function as Intended, GAO, 2010 (CORE1068)

3 AVIATION SECURITY – Transportation Security Administration Has Strengthened Planning to Guide Investments in Key Aviation Security Programs, but More Work Remains, GAO 2008 (CORE1067)

4 SUPPLY CHAIN SECURITY: Feasibility and Cost-Benefit Analysis Would Assist DHS and Congress in Assessing and Implementing the Requirement to Scan 100 Percent of U.S.-Bound Containers, GAO (October 2009, CORE1066)

5 Zambia and Zimbabwe’s single-stop solution to boosting intra-African trade, The Guardian 2012 (CORE2008)

6 Review on “MARITIME CRITICAL INFRASTRUCTURE PROTECTION – DHS Needs to Better Address Port Cybersecurity”, Report to the Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, United States Government Accountability Office, June 2014 (CORE1098)

7 Review on Consideration and Adoption of Amendments to the International Convention for the Safety of Life at Sea, 1974, International Maritime Organization (CORE1097)

8 Review on “Contributing to shipping container security: can passive sensors bring a solution?” G. Janssens-Maenhout a, F. De Roob, W. Janssens, Journal of Environmental Radioactivity, 2009 (CORE1096)

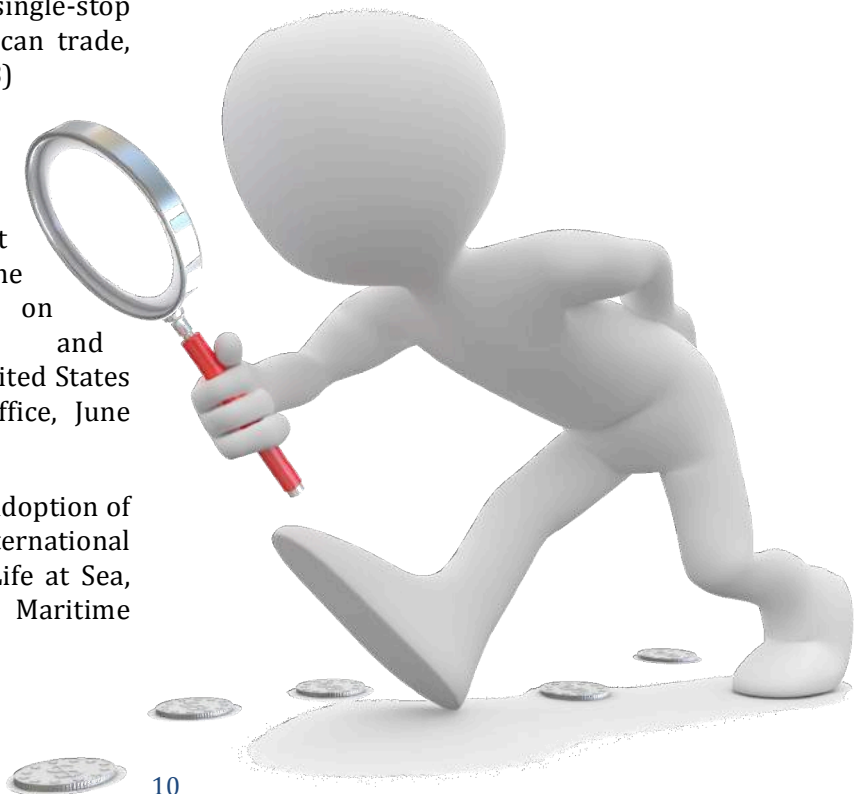
9 Review on The Critical Infrastructure Gap: U.S. Port Facilities and Cyber Vulnerabilities, Policy Paper, July 2013, Center for 21st Century Security and Intelligence (CORE1095)

10 Supply chain finances and liabilities (CASSANDRA Compendium Chapter 3 – CORE2007b)

11 Introduction to Supply Chain Management (CASSANDRA Compendium Chapter 2, CORE2007a)

12 Trade and money laundering uncontained (the Economist, May 2014, CORE2006)

13 Drug trafficking in the Caribbean – the Full circle (the Economist May 2014, CORE2005)





COMMISSION IMPLEMENTING REGULATION (EU) No 889/2014 of 14 August 2014 amending Regulation (EEC) No 2454/93, as regards recognition of the common security requirements under the regulated agent and known consignor programme and the Authorised Economic Operator programme, 2014 (CORE1069)

Existing customs Regulation ((EEC) No 2913/92 establishing the Community Customs Code) and aviation legislation (Regulation (EC) No 300/2008) provides for certain recognition of the certifications under the respective programmes, in particular with regard to the security examinations done for each of them. Regulation (EU) No 889/2014 is necessary for the recognition of the known

consignor status with its relevance for the AEO as well, frame the scope of recognition of the common requirements between the respective programmes and allow for the necessary exchange of information between customs and aviation authorities. The 889/2014 is available for download at: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0889&from=EN>.

Read the full review at: www.cross-border.org

Drug trafficking in the Caribbean – the Full circle (the Economist May 2014, CORE2005)

Anti-drug officials report rising cocaine imports into the US through the Caribbean islands. The officials ascribe the increasing popularity of the Caribbean route to the strengthened enforcement of alternative trafficking routes. The South American cocaine smuggling routes have displaced several times over the years due, and now again the Caribbean route is the same one than traffickers used two decades ago. The new wave of trafficking through is expected to increase violence and undermine anti-corruption efforts in the Caribbean.

The drug traffickers move significant amounts of their cocaine from Colombian coca farms and laboratories to Venezuela by jungle trails, riverboats and small aircraft. From the Venezuelan coast, the contraband is smuggled to Caribbean islands by speedboats, planes, sometimes hidden inside commercial cargo. The cocaine traffickers use then yachts, mules, cruise ships, fast boats and commercial cargo vessels to smuggle the illegal drugs into the US and Europe. The new wave of trafficking through is expected to increase violence and undermine anti-corruption efforts in the Caribbean.



Read the full review at: www.cross-border.org



Supply Chain Security: DHS Should Test and Evaluate Container Security Technologies Consistent with All Identified Operational Scenarios to Ensure the Technologies Will Function as Intended, GAO, 2010 (CORE1068)

This report reviews container security technologies that the Science and Technology (S&T) Directorate of the US Department of Homeland Security (DHS) has evaluated and tested between 2004 and 2009. These container security technologies aim to (1) detect and report unauthorized intrusions into the shipping containers and (2) to track the movement of the containers through the supply chain. As of 2009, DHS has funded and tested four different container security technologies. So far, none of the candidate technologies meet all desired functional requirements: main problems are high false alarm rates,



low detection probability, and difficult installation and calibration. Besides the unsatisfactory test results, the report points out problems of conducting the phase II practical “trade lane” testing in the context of the maritime transport only. The report recommends to test the technologies “across all operational scenarios,” considering contextual differences across different modes of transport. Once the technologies would pass this extended trade lane testing, the DHS should (1) obtain support from the trade industry and international partners, (2) develop a concept of operations (CONOPS) for using the technology, and (3) certify the container security technologies for use. The source document is available at: <http://www.gao.gov/products/GAO-10-887>.

Read the full review at: www.cross-border.org



Introduction to Supply Chain Management (CASSANDRA Compendium Chapter 2, CORE2007a)

The second chapter of the CASSANDRA compendium gives a general outlook on the theory and practice of modern supply chain management. Written in lay-man’s language, the text explains a broad range of strategies for managing supply chains, from lean management to agile and responsive logistics. The chapter also defines fundamental supply chain terminology and discusses current trends in the logistics, including synchromodality, use of 4PL logistics service providers, and green logistics. The chapter

introduces several supply chain reference frameworks that illustrate a series of interdependent activities and stakeholders involved in the international transport of cargo. The CASSANDRA compendium is available for download [here](#).

Read the full review at: www.cross-border.org



in CBRA Monthly 2 & 3/2016

Blogs



- 1 Border Agency Cooperation, Part 3 of 3
- 2 SIECA roundtrip in Europe (June 2015)
- 3 Power of Visualization
- 4 Customs Risk Management
- 5 Security vs. safety

Interviews



- 1 Mr. David Hamon , VP for Strategic Initiatives at the Economic Warfare Institute, and Advisor on International Security Politics for CBRA, Washington DC, USA. The upcoming CBRA Interview with Mr. Hamon focuses on ‘criminalization of global supply chains’ - a phenomenon happening as we speak; while not all stakeholders are ready to admit it...
- 2 Mr. Mike Ellis, Assistant Director, Illicit Trade and Anti-counterfeit Sub-crime Directorate at INTERPOL, Lyon, France. The upcoming CBRA Interview with Mr. Ellis covers public-private-academia collaboration on fight against counterfeit products and other illicit trade activities.
- 3 Dr. Vittoria Luda di Cortemiglia, Program Coordinator with the Emerging Crimes Unit at the United Nations Interregional Crime and Justice Research Institute, UNICRI, Torino, Italy. The upcoming CBRA Interview with Dr. Luda di Cortemiglia covers a crucial illegal supply chain topic of “Illicit Pesticides, Organized Crime and Supply Chain Integrity” – how bad is the situation today, and what can we do to improve it in the future.
- 4 Professor Guido Palazzo, Full Professor in Business Ethics at the Department of Strategy, Globalization and Society, at the Faculty of Business and Economics, at the University of Lausanne, Switzerland. The upcoming CBRA Interview with Professor Palazzo focuses criminal activities in toxic waste logistics, and what can be done about it in the future...
- 5 Mr. Tom Butterly, Director and Lead Consultant at TDAF Consulting, Geneva, Switzerland. The upcoming CBRA Interview with Mr. Butterly focuses on the challenges and potential benefits with the World Trade Organization’s Trade Facilitation

CORE- Observatory



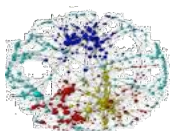
- 1 “Draft SADC guidelines for Coordinated Border Management: A Practical Guide on Best Practices and Tools for Implementation”, August 2011.
- 2 “Better Management of EU Borders through Cooperation”, Study to Identify Best Practices on the Cooperation Between Border Guards and Customs Administrations Working at the External Borders of the EU, 2011, CSD.
- 3 Delivering safety, security, and prosperity through collaboration, innovation, and integration”, Vision and Strategy 2020, US Customs and Border Protection Strategic Plan.
- 4 Barka, H.B. (January 2012), “Border Posts, Checkpoints, and Intra-African Trade: Challenges and Solutions
- 5 Hintsä, J., Ahokas, J., Gallagher, R., and Männistö, T., (2015), “Supply Chain Security: Survey on Law Enforcement Agencies’ Training Needs”, Proceedings of the Hamburg International Conference of Logistics (HICL), September 24-25, 2015, Hamburg.
- 6 MARITIME SECURITY - Progress and Challenges 10 Years after the Maritime Transportation Security Act, GAO (September 2012)
- 7 SUPPLY CHAIN SECURITY - CBP Needs to Conduct Regular Assessments of Its Cargo Targeting System, GAO (October 2012)
- 8 TRANSPORTATION SECURITY - Action Needed to Strengthen TSA’s Security Threat Assessment Process, GAO (July 2013)
- 9 Männistö, T., and Hintsä, J., (2015), “A decade of GAO’s Supply Chain Security Oversight”, Proceedings of the Hamburg International Conference of Logistics (HICL), September 24-25, 2015, Hamburg.
- 10 Hintsä, J. and Uronen, K. (Eds.) (2012), “Common assessment and analysis of risk in global supply chains ”, Compendium of FP7-project CASSANDRA, Chapters 3-5

Project corner

Starting with CBRA Monthly 2/2016, we plan to publish key updates with our main research projects, including these three European Framework Program 7 and Horizon2020 projects



FP7-project CORE: "Consistently Optimized Resilient Secure Global Supply-Chains". Date: 1.5.2014-30.4.2018
<http://www.coreproject.eu/>



synchro-NET

H2020-project SYNCHRO-NET: "Synchro-modal Supply Chain Eco-Net".
 Date: 1.5.2015-31.12.2018.
<http://www.synchro-net.org/>



FP7-project SAFEPOST: "Reuse and Development of Security Knowledge Assets for International Postal Supply Chains". Date: 1.4.2012-31.3.2016.
<http://www.safepostproject.eu/>



10th IATA World Cargo Symposium
 15- 17 March 2016
 Berlin, Germany
 More info: www.iata.org

TAPA Conference EMEA
 13-14 April 2016
 Paris, France
 More info: www.tapaemea.com

IFCBA World Conference "Facilitating Trade Through the Customs-Business Connection"
 13-21 May 2016
 Shanghai, China
 More information: <http://ifcba.org/node/1064>

UPU Postal Strategy Congress
 19 September-1 October (dates to be confirmed)
 Istanbul, Turkey
 More information: www.upu.int

11th WCO PICARD Conference
 27-29 September 2016
 Manila, The Philippines
 More information: www.wcoomd.org

TAPA EMEA Conference
 16-17 November 2016
 Amsterdam, Netherlands
 More information: www.tapaemea.com

Ops Conference 2016: "Managing Operations in a Changing World"
 18-20 April 2016
 Copenhagen, Denmark
 More information: www.iata.org

3rd Global WCO AEO Conference
 11-13 May 2016
 Cancun, Mexico
 More information: www.wcoomd.org



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CALL FOR PAPERS: 11th Annual WCO Picard Conference, Manila, Philippines, 27-29 September 2016

The World Customs Organization and the Philippine Bureau of Customs are pleased to announce the 11th annual WCO Picard Conference. The Conference will take place in Manila, Philippines, 27-29 September 2016.

You are invited to submit your research for presentation at the conference. Papers should focus on Customs or, more globally, the regulation, dynamics, and practices of international trade.

Although not required, writers could consider submitting research on the following topics: Digital Customs; security; taxation and other revenue matters, and illicit trade.

Digital Customs, which is the WCO's annual theme for 2016, refers to any automated or electronic activity that contributes to the effectiveness, efficiency, and coordination of customs activities, such as automated customs clearance systems, the single window concept, the use of "Big Data", electronic exchange of information, websites to communicate information and promote transparency, and the use of smart phones.

The Security topic refers to the contribution of customs to secure territories at the border and against threats accompanying trade flows, in different frameworks and environments: from borderlands where trade is highly facilitated to conflict and post-conflict zones where customs and civilian enforcement agencies seek to restore the presence of the State.

Taxation and other revenue matters include, but are not limited to, the sub-themes of the relationship between transfer pricing and Customs valuation, the use of taxation to reduce negative externalities and internalities, informal trade practices, classification and valuation, excise taxes, and VAT.

The illicit trade topic includes any international trade non-compliant with cross-border regulations, including both prohibited and legal goods.

The Conference in particular welcomes and encourages attendance and paper submissions from customs professionals as well as researchers from academic disciplines, such as anthropology,

criminology, economics, political science, geography, history, international relations and international trade, and law. The WCO Research Unit is particularly interested in an interdisciplinary approach with different perspectives, approaches, and methodologies regarding contemporary systems of regulation and control at borders, and papers co-authored by customs officials and academics. The WCO Research Unit has taken this approach at other research conferences with great success.

Please note that papers are required; abstracts alone will not be considered.

Alternatively or in addition, you are invited to propose a panel consisting of two or three speakers on a cohesive subject that would include the presentation of research already conducted or nearing completion by 15 June 2016. The WCO would like to encourage customs and academics to engage on comparative and policy relevant research on customs issues: panel proposals are an ideal format for such discussions to take place.

To respond to this Call for Papers, please submit papers or panel proposals by email to picard2016@wcoomd.org no later than 15 June 2016.

The WCO is particularly grateful to:

- The Philippine Bureau of Customs for hosting the Conference.
- The Korea Customs Service for its donor support.
- The Scientific Board Members, including Sam Bautista, Emmanuel Brunet-Jailly, Juha Hintsa, Alena Ledeneva, Mick Moore, Dennis Ndonga, Cedric Parizot, Gaël Raballand, Jeffrey Snyder, and David Widdowson, for participating in the selection of papers.

