

June 5, 2009

TSA is concerned about US shipper's lack of impact awareness about 100% screening issues (August 2010)

Background

The *Implementing Recommendations of the 9/11 Commission Act of 2007* legislation mandates 50% screening of cargo that is transported by a passenger carrier by February 2009 and 100% screening of 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.

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. Airlines and groups such as the Air Transport Association, and Air Forwarders Association continue to confirm this concern

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.

Who Can Become a Certified Cargo Screening Facility (CCSF?)

Facilities that volunteer to participate in the CCSP program will be able to tender cargo directly to a passenger air carrier or freight forwarder. This includes: Manufacturers, Warehouses, Distribution Centers, Third Party Logistics Providers, and other similar facilities.

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.
- Airlines still lack space/facilities to "de-palletize", screen, and re-configure large shipments.
- Some commodities were screened by an alternate means for a limited time frame (until August 31st, 2009).
- 85% of current screening entities (airlines and CCSF freight forwarders) utilize ETD as their primary method of screening. Alarm resolution for ETD (other than physical search) is challenging. ***There is a high risk of a physical inspection (opening boxes and removing content) resolution as a result of "contamination" while shipments are in forwarder or airline vehicles/docks***
- Overall, airlines would not have attained the required percentage without the screening percentages contributed by CCSP freight forwarders, who also use ETD as primary method of screening.

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, skidded cargo still lies ahead
 - Most shipments screened today are not skidded/move on narrow body aircraft
- Economic recovery will lead to increased cargo volume
 - Screening 100% of 15 million pounds per day in August 2010 vs. screening 50% of 9 million pounds per day now represents a **300% increase in cargo requiring screening** (return to 2007 levels)
- Possible insufficient availability of screening technology (backlogs) for forwarders and airlines
- High risk of airlines/forwarders opening shipments to resolve “contamination” alarms
- If too many shippers wait until the “last minute” to recognize challenges and apply for CCSP, TSA may not have resources to certify them in time for the August 2010 mandate.

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

Shippers who apply and commit prior to September 2009, will be entitled to additional benefits.

Additional Information

For additional information or questions, shippers should 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.

Things to consider

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

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