



CARGO SAFETY & SECURITY

BEST PRACTICES FOR SECURING A PLANT, DISTRIBUTION CENTER, TERMINAL OR WAREHOUSE

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Outline of Presentation

- Transportation Security – Our Brand New World
- Common Findings – Systems and Controls
- The Way Forward – Effective Security Program Design

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Transportation Security

Our Brand New World

Transportation Security – Some Background

- ⊕ Prior to September 11, 2001, we were mainly concerned with protecting cargo from getting stolen.
- ⊕ After the September 11, 2001, we are now concerned with the tampering to our cargo
- ⊕ Today, transportation security has taken on an entirely new meaning and form. Today, securing the supply chain has become a national and international obsession.
 - The initial emphasis of the government agencies charged with advancing transportation security was on passenger and baggage security.
 - *Prior events dictated renewed emphasis on protecting these two very vulnerable areas*
 - In 2003, Cargo security will become the new imperative
 - Regulations quickly established in 2002 will be enhanced and a program of inspections will be instituted
 - Security programs that do not conform to the new imperative may face penalties

Transportation Security

- ④ The Department of Homeland Security and Transportation recognize that
 - Enhanced security must not destroy the value proposition of the industry that has enabled the global economy
 - The supply chain in today's economy is truly global and international cooperation, e.g. Container Security Initiative, is required
 - Cooperation between industry stakeholders and government, such as CTPAT, is critical and welcomed
 - Further industry/government cooperation can best be achieved if the industry can be focused – One vision, One Voice
 - The NCSC supports this position

NCSC – Working for a Realistic Solution to Cargo Security

Transportation Security

- ④ Leadership at the Departments of Homeland Security and Transportation has stated that cargo security will be guided by these basic principles
 - Cooperative intelligence must be used to focus inspection and enforcement efforts on those shipments that pose potential threats
 - Advanced technology must be evaluated and best of breed used to increase inspection effectiveness and speed
 - Every link in the supply chain, whether in ports, vessels, warehouses, overland or aviation, are, and have been, fertile ground for threat migration
 - Every hand-off between supply chain stakeholders can be a weakness and must be secured
 - Technology and the human component must be integrated

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Common Findings - Systems and Controls

Common Findings – Organizational Issues

➤ **Safety & Security Culture**

- Many Organizations Do Not “Embrace” Safety or Security – Consistently!
- Lacking Documented Safety/Security Program, Standardized Procedures, Risk Assessments, Vulnerability Reporting, Voluntary Disclosure, and Root Cause Analysis
- Focus must be on theft and tampering – Getting Something In!
- Safety & Security Vision not making it to the Front Lines

➤ **Staffing – Limited Resources**

- Aggressive Competition Drives Allocation of Resources
- At the CAA Level, Staffing is also an Issue – Oversight is lacking
- Encourages Non-Standard Practices.

Common Findings – Systemic Problems

➤ Human Factors

- Electronic Surveillance is diminished by inadequate human intervention
- Human Nature – Short Cuts and Breaches – Non Standard Practices
- Awareness Levels – Cyclical
 - *When it is important, then they are observant.*
- More Aggressive Program Development – For Sustainability
- Technical Procedures Vs. Technician Perception
 - *Employees think they know how to do it better – faster!*
- Root Cause Analysis – Focus is on “the Micro Event”
 - *Has been to discipline the Individual – Not Fix the Procedure*
- Systemic Problems Need to Be Fully Examined

Common Findings - Security

⊕ Security – Facility and Aircraft Protection

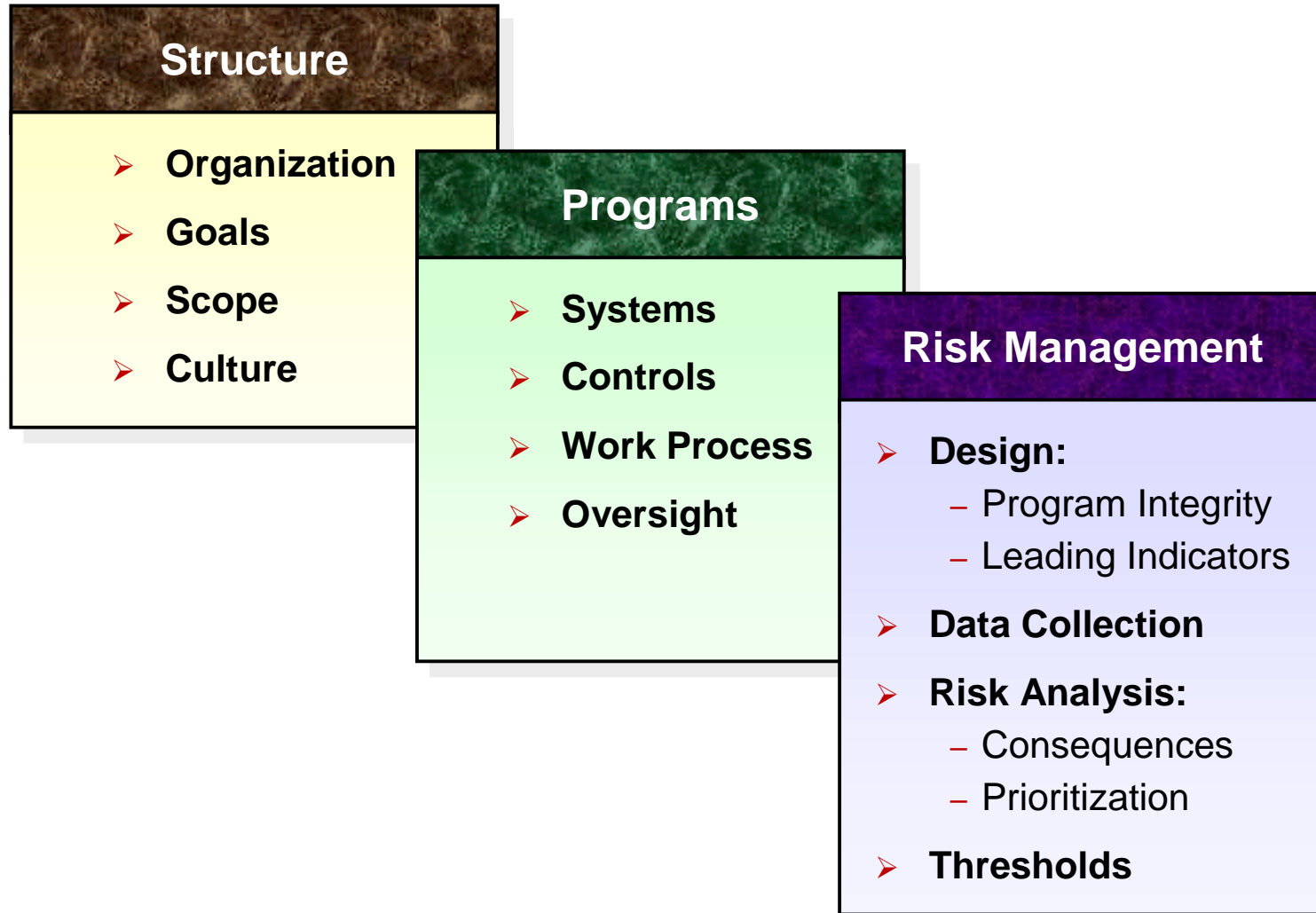
- Facility Security, historically not a part of the FAA Requirement
- TSA and the Department of Homeland Security – New Area of Focus
- Security Oversight Must Be Coordinated
- Opportunities to Improve Cargo Facility Security
 - *Written Security Program - Comprehensive with Clear Duties and Responsibilities*
 - *Standardized Policies, Procedures and Practices*
 - *Employee and Vendor/Contractor Background Checks*
 - *Access Control Systems and Controls*
 - *Perimeter & Internal Security*
 - *Video CCTV Surveillance*
 - *Employee Awareness Programs*
 - *Oversight, Oversight, **OVERSIGHT !***

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The Way Forward – Effective Security Program Design

Effective Security System Design



Effective Program Design

Systems

- **Organization**
- **Policies**
- **Procedures**
- **Documents**
- **Records**
- **Credentials**

Controls

- **Key Procedures**
- **Technology**
- **Decision Makers**
- **Periodic Review**
- **Ongoing Data Analysis**
- **Independence**

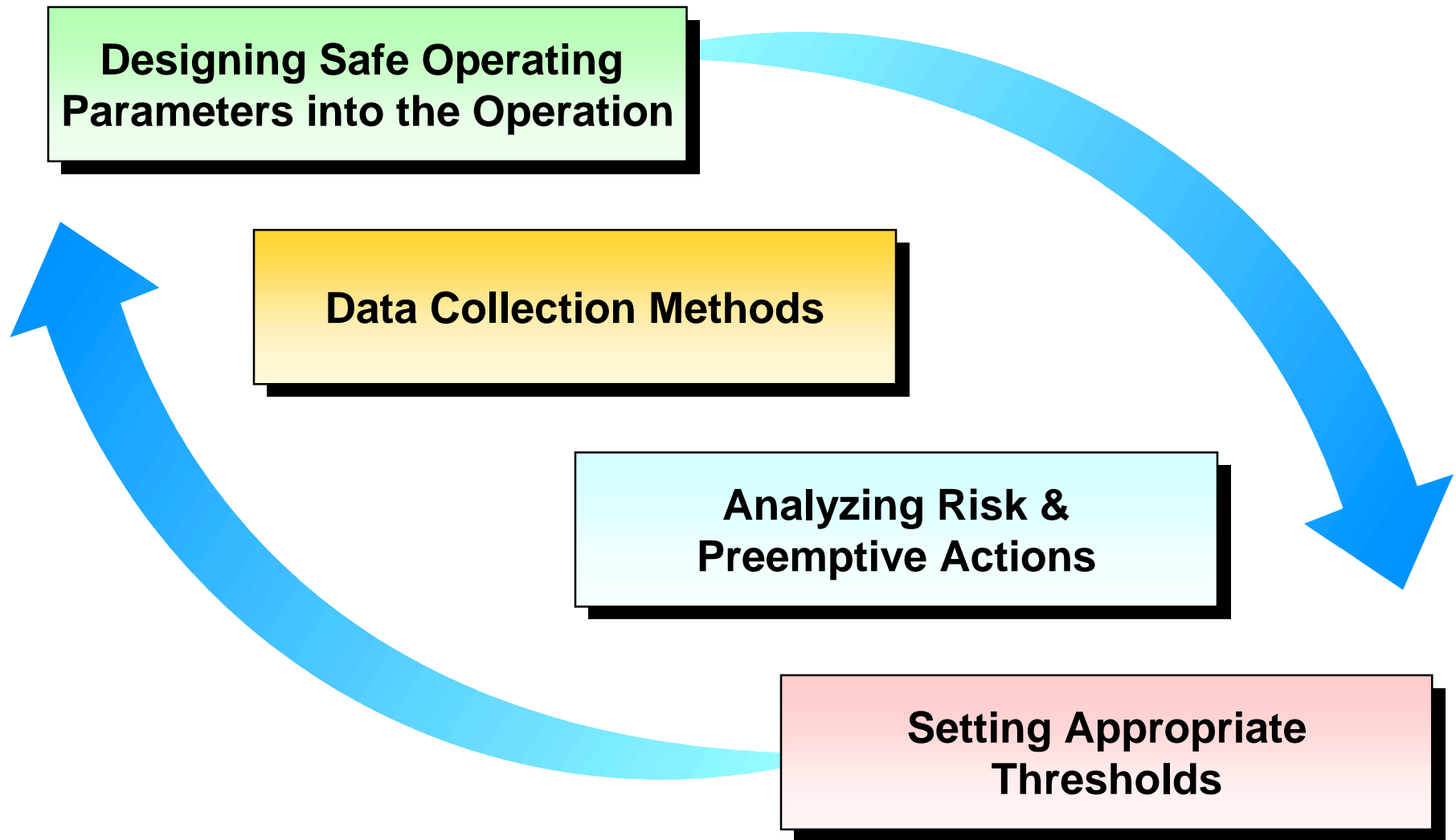
Work Process

- **Certification**
- **Trained & Qualified**
- **Correct Data**
- **Procedural Compliance**
- **Workmanship**
- **Document & Record**

Oversight Designed Around A Comprehensive Program

Frequent, Consistent and Thorough - Oversight

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Summary

- Effective Program Design for a Comprehensive Security Program
- Proactive Step in Preparation of Further Refinement
- Eliminates Non Standard Practices
- Enables Operator to Utilize Most Effective Security Tool

OVERSIGHT



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Thank You