

June 5, 2009

## **TSA is concerned about lack of US shipper's 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 excluded 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 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 would not have resources to certify them in time for 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](http://www.tsa.gov/what_we_do/tsnm/air_cargo/index.shtm) or to request an application, email [ccsp@dhs.gov](mailto: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!**