



Canada's Air Cargo Security Program

Information Session



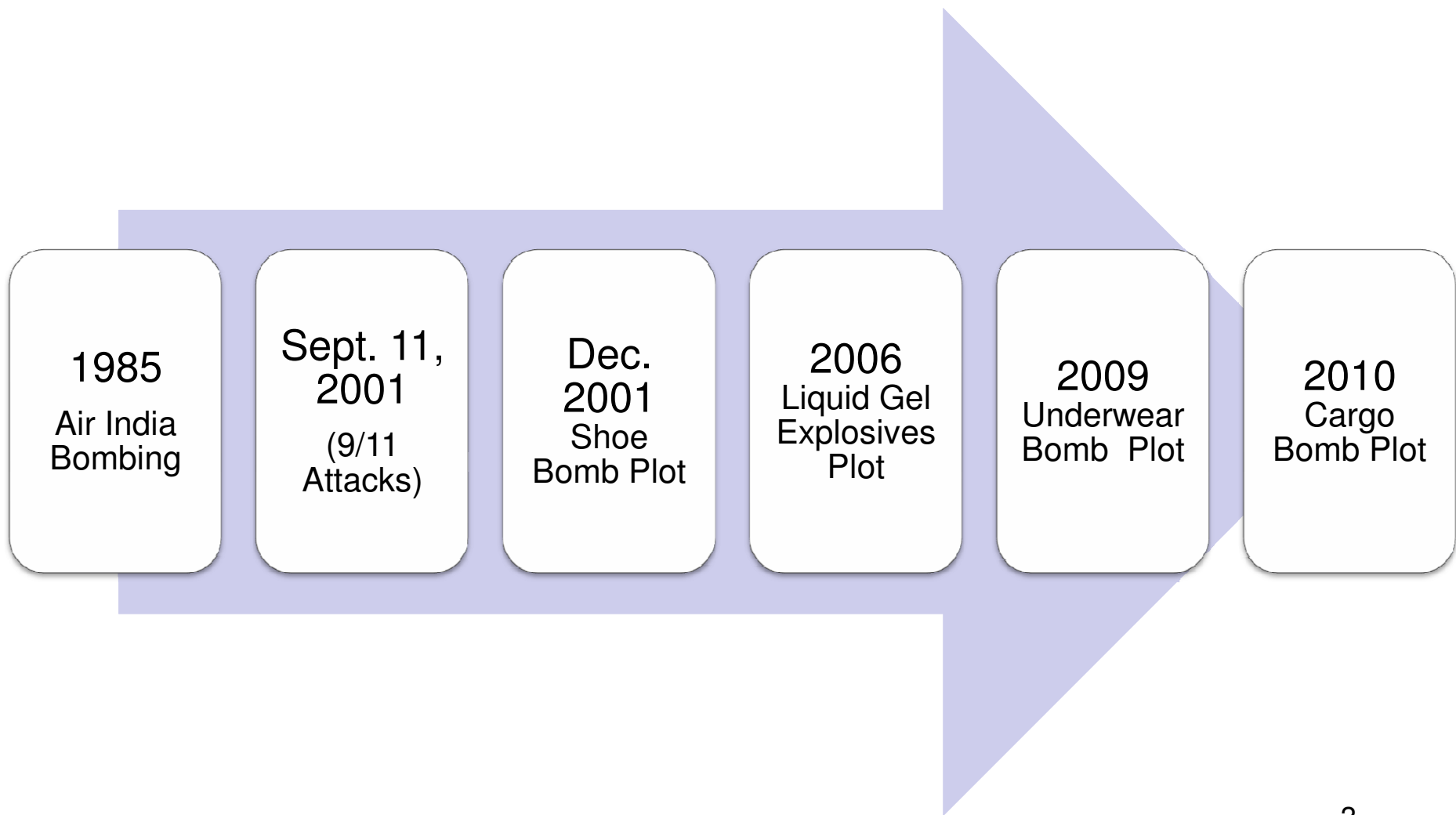


Security and the Economy

- Security threats are real and Canada remains a target.
- Air cargo is key to the Canadian economy.
- There is a need to balance security requirements with economic considerations to ensure the continued flow of air cargo.



Aviation Security Incidents





Air Cargo Security Program Background

- **Phase One (COMPLETE):** Requirements established for air carriers and freight forwarders.
- **Phase Two (October 17, 2016):** Expanding the Secure Supply Chain (shippers and other cargo operators).
- **Phase Three (Expected 2017 / 2018):** Requirements enhanced for all-cargo air carriers and industry training.





Current Regulatory Framework

- Aeronautics Act
- Canadian Aviation Security Regulations, 2012
- Security Measures Respecting Air Cargo (SMRAC)



Air Cargo Security Program Approach

- Ensure robust supply chain security while reducing bottlenecks at airports by:
 - Allowing cargo to be screened (to make it secure) at a variety of points within the Secure Supply Chain; and
 - Once air cargo is screened and made secure, it is kept secure and free from tampering while moving through the Secure Supply Chain.





Air Cargo Security Program Approach (cont'd)

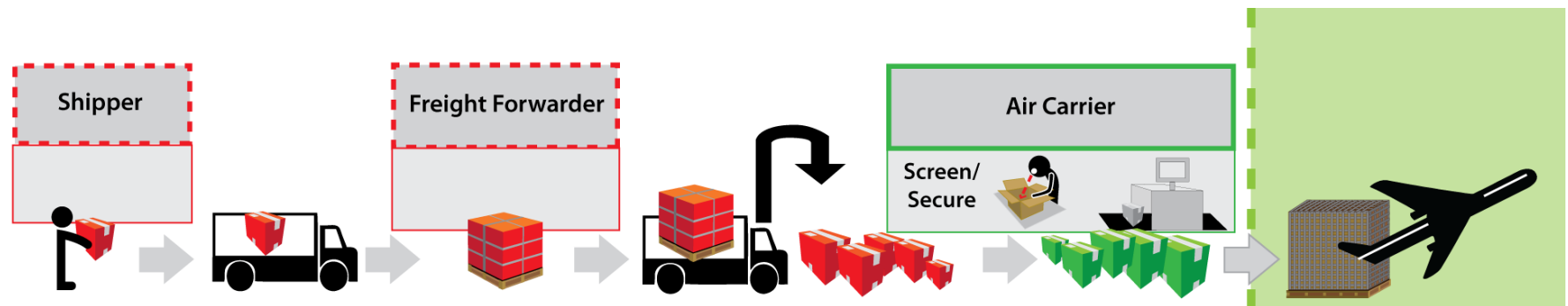
Key principles of the Program are:

- Participants in the Air Cargo Security Program are trusted. Applicants must go through a comprehensive application process, be thoroughly vetted by Transport Canada, and are subject to ongoing inspection and enforcement activities.
- Cargo must be screened and made secure by authorized Program participants using Transport Canada-prescribed methods to enter the Secure Supply Chain.
- Program participants ensure cargo maintains its secure status through verifiable chain-of-custody procedures.



Secure Supply Chain

- Cargo received from outside the Secure Supply Chain must be screened to make it secure.
- In the example below, screening is conducted by the air carrier.

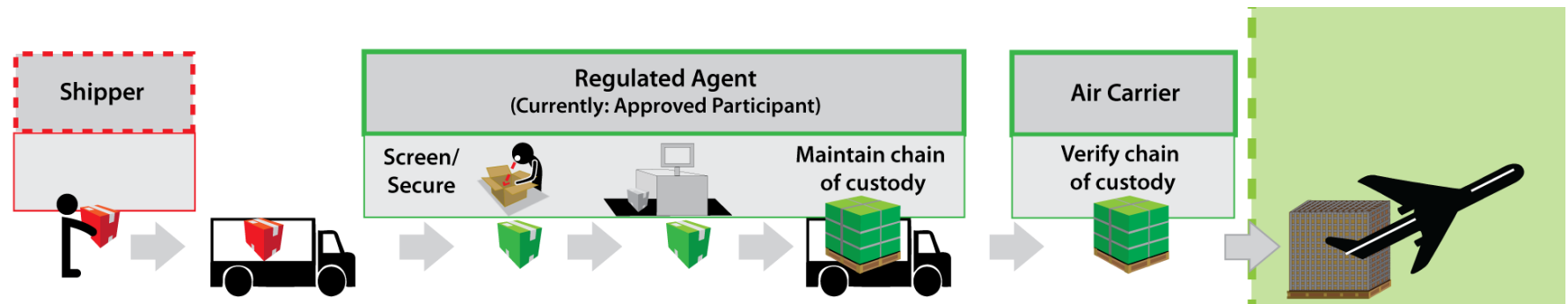


 = Screened/Secure cargo  = Unsecure cargo



Secure Supply Chain

- Currently and continuing in fall 2016, screening can be conducted by a Regulated Agent (currently an Approved Participant) when cargo is received from outside the Secure Supply Chain. Once screened, the cargo can continue as secure to the air carrier, so long as the chain of custody can be maintained.
- Starting on October 17, 2016, an Approved Participant that screens and secures air cargo on behalf of others will be called a “Regulated Agent”.

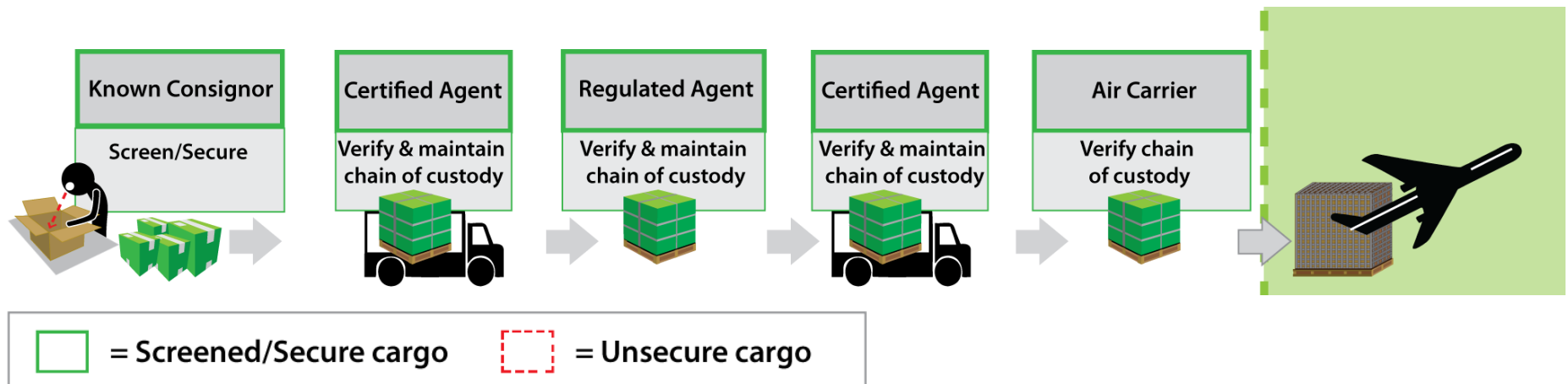


 = Screened/Secure cargo  = Unsecure cargo



Secure Supply Chain

- Starting on October 17, 2016, shippers or “Known Consignors” will be able to secure air cargo through a screening process applied at the time of packing.
- Once screened, the cargo can continue as secure to the air carrier, so long as the chain of custody is maintained.

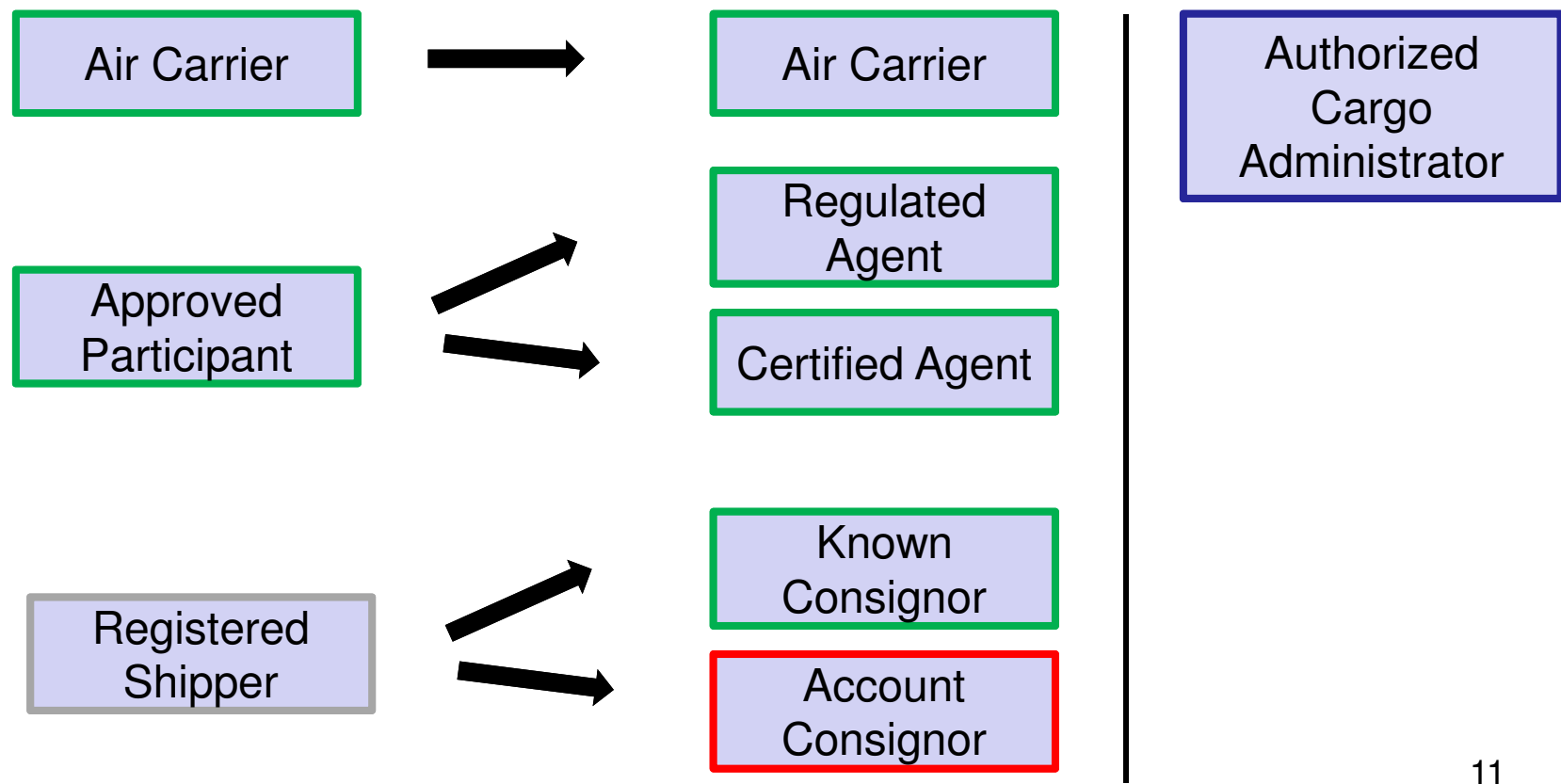




Changes in Program Participant Categories

Previous

Future





Future Program Participant Categories

(October 17, 2016)

Known Consignor

Originates air cargo that has been made secure through a screening process applied at the time of packing

- Shippers (including Account Consignors) wanting to screen their own cargo should apply to become Known Consignors.
- Screened cargo must be tendered to / accepted by, stored and / or transported by an authorized participant in the Air Cargo Security Program. If not, screened cargo falls out of Secure Supply Chain (needs to be rescreened).
- Cargo must originate from an Account Consignor or Known Consignor in order to fly to the United States (some exceptions).



Future Program Participant Categories

(October 17, 2016)

Account Consignor

Originates cargo and has it screened by an authorized participant in the Air Cargo Security Program to make it secure

- Former Registered Shippers have been transitioned to Account Consignor status.
- Cargo must originate from an Account Consignor or Known Consignor in order to fly to the United States (some exceptions).



Future Program Participant Categories

(October 17, 2016)

Certified Agent

Stores, transports and/or accepts cargo that an authorized Air Cargo Security Program participant has screened and made secure,

- Screened cargo must be tendered to / accepted by, stored and / or transported by an authorized participant in the Air Cargo Security Program. If not, screened cargo falls out of Secure Supply Chain (needs to be rescreened).



Future Program Participant Categories

(October 17, 2016)

Regulated Agent

Screens cargo on behalf of others to make it secure and subsequently stores and / or transports the secure cargo

- Applicants need to be approved by Transport Canada and are subject to ongoing oversight.
- Screened cargo must be tendered to / accepted by, stored and / or transported by an authorized participant in the Air Cargo Security Program. If not, screened cargo falls out of Secure Supply Chain (needs to be rescreened).



Future Program Participant Categories

(October 17, 2016)

Authorized Cargo Administrator

Directs the movement of secure cargo without coming into contact with it (i.e. provide logistics services without screening, storing, transporting, or tendering secure cargo)



Applicant Information

Aside from contact and administrative information, Air Cargo Security Program applicants will be asked the following information:

1. **Personnel Security:** Information about personnel with access to secure cargo, and the types of background checks performed.
2. **Facility Security:** Details about the security of the facilities in which cargo is screened and / or stored.
3. **Chain of Custody:** Information about how the secure status of cargo will be maintained when secure cargo is accepted from another Program participant, as well as details about the type of cargo-related information to be provided at the time of tendering.
4. **Training:** Information about how personnel with access to secure cargo have been trained to perform their security duties. Program applicants will also be asked if they perform security exercises and / or audits to assess the effectiveness of their cargo security controls.



Applicant Information (cont'd)

5. **Screening** : Information about the procedures used to screen and make cargo secure, in accordance with Transport Canada prescribed methods. This includes screening via physical security controls or the use of certain types of approved screening technology.
6. **Ground Transportation:** Information about procedures and tools used to prevent and detect tampering or unauthorized access to secure cargo during ground transportation.
7. **Security Incident Response, Exercises and Audits:** Information about preparations and exercises for responding to incidents of tampering with or unauthorized access to secure cargo, and audits of these preparations and exercises.



General Application Process – Steps

1. Air Cargo Security Program applicant completes and submits an online application.
2. The Air Cargo Security Support Centre conducts an eligibility review, including a check of the Program applicant's information with the Canada Border Services Agency.
3. Program applicant is asked to sign General Terms and Conditions in order to gain access to the Air Cargo Security Program's secure website.
4. Program applicant completes a Shipping Profile and a Cargo Security Plan.
5. The Cargo Security Plan is reviewed by the Air Cargo Security Support Centre; the Program applicant is asked to make changes or adjustments where necessary.
6. An onsite assessment is conducted by a Transportation Security Inspector to determine whether the security controls and practices of a particular site are being carried out as indicated in the applicant's Cargo Security Plan, and meet the Program's regulatory requirements.
7. Program applicant is approved as a regulated entity under specific conditions, as outlined in a Canadian Aviation Document, and assigned a Program number for each site.

***Note: Authorized Cargo Administrators will only complete steps 1 to 3.**



Why Apply Now?

- How long does the application process take?
 - Average application usually takes about 6 months to finalize (depending on the responsiveness of the applicant)
- Applications should be received by **March 31, 2016** in order to be processed by the October 17, 2016 coming-into-force date for new air cargo security regulations.
 - Applications will continue to be received and processed after that date.
 - However, with the expected surge in applications over the coming weeks, Transport Canada cannot guarantee applications received after March 31st will be processed before the October coming-into-force date.



Future Regulatory Enhancements

- All-Cargo regulatory enhancements (Expected 2017 / 2018)
- Industry Training Requirements (Expected 2017 / 2018)



Questions?

More Information

- ACS Support Centre
 - 1-866-375-7342
 - aircargo-fretaerien@tc.gc.ca



- ACS website:
www.tc.gc.ca/eng/aviationsecurity/asc-41.htm