Canada's Air Cargo Security Program
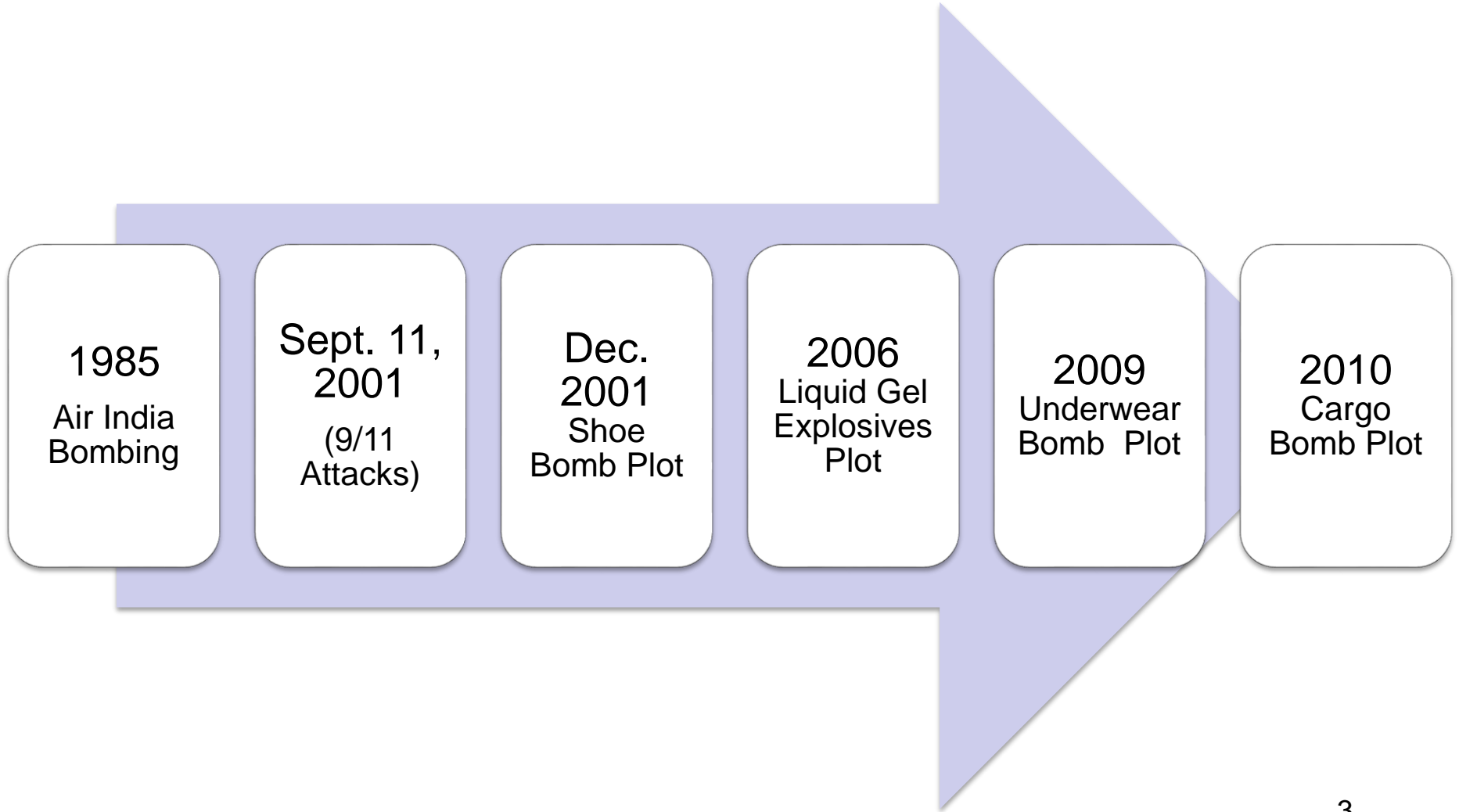
Presentation to NATA
April 28, 2015

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

1985 Air India Bombing	Sept. 11, 2001 (9/11 Attacks)	Dec. 2001 Shoe Bomb Plot	2006 Liquid Gel Explosives Plot	2009 Underwear Bomb Plot	2010 Cargo Bomb Plot

Air Cargo Security Program Background

- **Phase One (COMPLETE):** Requirements established for air carriers and freight forwarders.

- **Phase Two (Expected Fall 2016):** Expanding the Secure Supply Chain (shippers and other cargo operators).

- **Phase Three (Expected 2017):** Requirements enhanced for all-cargo air carriers and industry training.

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.

Why Supply Chain Security?

- This approach allows air cargo to be kept secure and free from tampering while being handled at multiple stages of its journey.

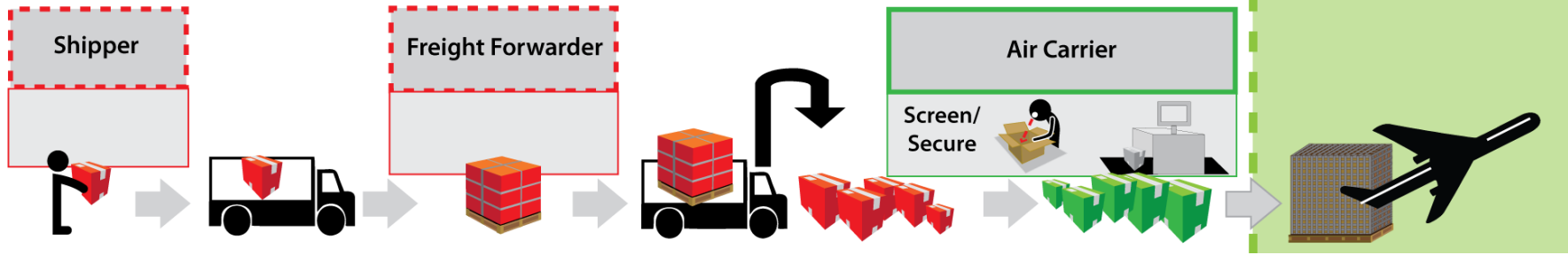- The use of a Secure Supply Chain has potential to reduce screening bottlenecks at airports.

Secure Supply Chain

- Cargo received from outside the Secure Supply Chain must be screened to make it secure.

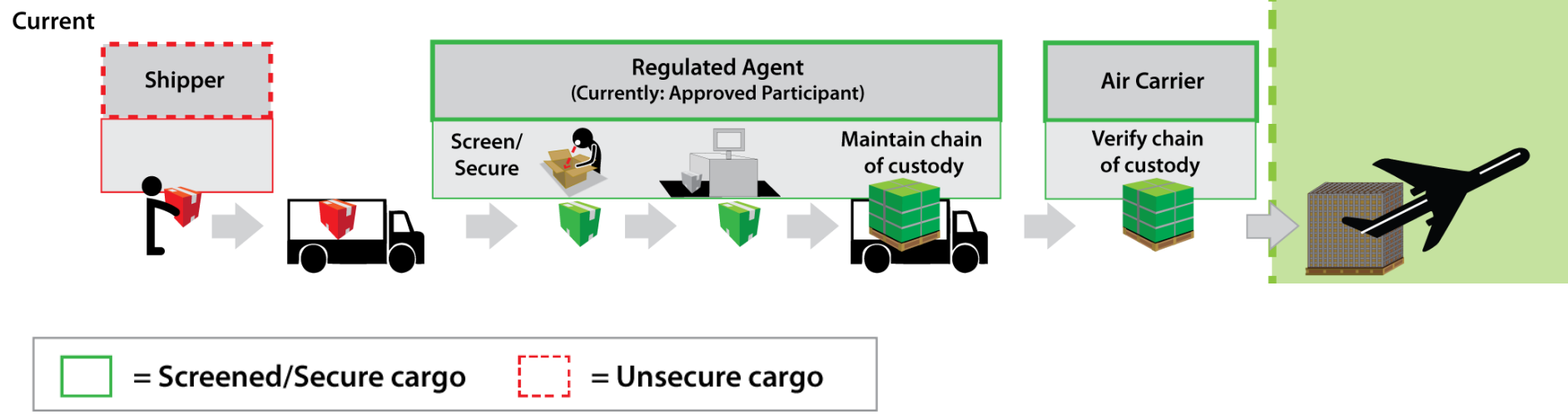- In the example below, screening is conducted by the air carrier.

Current

□ = Screened/Secure cargo   ⬚ = Unsecure cargo
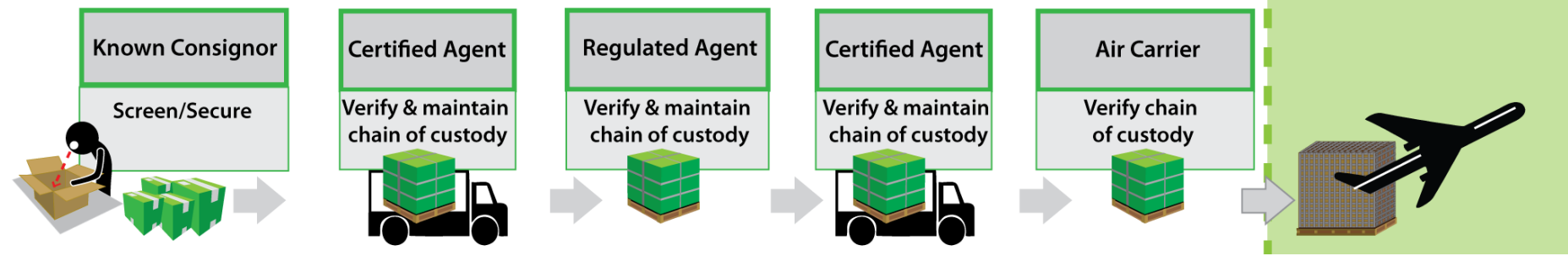
Secure Supply Chain

- Currently, screening can also be conducted by 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.

- Expected Fall 2016, an Approved Participant that screens and secures air cargo on behalf of others will be called a "Regulated Agent".

Current

Shipper	Regulated Agent (Currently: Approved Participant)		Air Carrier
	Screen/ Secure	Maintain chain of custody	Verify chain of custody

☐ = Screened/Secure cargo   ☐ = Unsecure cargo

Secure Supply Chain

- Expected Fall 2016, shippers or "Known Consignors" will be able to screen air cargo by way of packing it to make it secure.

- Once screened, the cargo can continue as secure to the air carrier.

Coming into force on October 17, 2016

Known Consignor	Certified Agent	Regulated Agent	Certified Agent	Air Carrier
Screen/Secure	Verify & maintain chain of custody	Verify & maintain chain of custody	Verify & maintain chain of custody	Verify chain of custody

= Screened/Secure cargo   = Unsecure cargo

Proposed Northern and Remote Communities Strategy for Air Cargo Security

Context

- New enhanced screening requirements for air cargo uplifted onto passenger flights are expected to come into force in fall 2016
    - The secure supply chain will be expanded and screening to secure air cargo will be allowed to take place at a variety of points along the supply chain

- Northern and remote communities present a unique context:
    - Need to be aware of the size of operators, the impact of regulations, and the level of aviation security risk
    - Recognize limited screening options beyond the aerodrome

- The majority of reported enplaned cargo at designated aerodromes is being transported <u>south to north</u> versus north to south*:
    - Approx. 94% of reported enplaned cargo at designated aerodromes is going north
    - Approx. 6% of reported enplaned cargo at designated aerodromes is going south

* Based on data from 2012

Proposed Northern Strategy

- Differentiation of security requirements for cargo uplifted on passenger aircraft to and from certain northern or remote Class 3 aerodromes

- Under the proposed Strategy, cargo could be uplifted for transport by air without additional screening if:

  o The cargo originates from entities "known" to Transport Canada (i.e, approved participants in Transport Canada's Air Cargo Security Program);

  or

  o The cargo originates from a consignor that is listed through an air carrier as being a <u>Northern Registered Consignor</u>

- The proposed Strategy would include all routes in and out of the specified aerodromes

Proposed Northern Strategy

- In order to be included in the proposed Northern and Remote Community Strategy for air cargo, the aerodrome from which the air cargo originates would need to:

  - o Represent a very low aviation security risk; and
  - o Be a Class 3 designated aerodrome located in a northern and/or remote area

- Aerodromes meeting this criteria need to be identified quickly

Considerations and Timelines for the Northern Strategy

- Cargo coming from a shipper listed through air carrier's Northern Registered Consignor list would not be considered "secure" for the purposes of transiting for uplift elsewhere.

- Further consultation is also required to better understand and clarify business impact

- Aerodromes and Air Carriers interested in the Northern and Remote Communities Strategy need to contact Transport Canada before end of May 2015

Regulatory Timelines

- Amendments to the *Canadian Aviation Security Regulations* (Air Cargo) expected to be published in June 2015

- Updated *Security Measures Respect Air Cargo Security*

- Expansion of the Secure Supply Chain Expected Timelines:

  – Fall 2015: Application period for new applicants; conversion of existing participants

  – Fall 2016: Coming-into-force of regulations and measures

Questions on the Northern and Remote Communities Strategy?

Wendy Nixon
Director, Program Development
Aviation Security
613-990-1282
wendy.nixon@tc.gc.ca

Chris Hynes
Chief, Air Cargo Program Policy
Aviation Security
613-993-2552
chris.hynes@tc.gc.ca

Information on the Air Cargo Security Program

- Air Cargo Security Support Centre
  - 1-866-375-7342
  - aircargo-fretaerien@tc.gc.ca

- ACS website: www.tc.gc.ca/aircargosecurity