



## **Joint statement on supply-chain security**

The European Union and the United States face similar challenges and share a common approach to the security of the supply-chain.

We have witnessed several incidents, such as the October 2010 foiled sabotage of a U.S.-bound plane, where international cargo was used to attempt terrorist attacks. Our vigilance must be constant.

The terrorist threat must not be allowed to impair international trade and economic development. Security policies should be risk based, cost-effective and should facilitate as well as secure transport operations.

We also share the view that national supply-chain security policies will be ineffective unless they are supported by enhanced international cooperation to guarantee their coherence, compatibility and cost effectiveness.

Our recent transatlantic dialogue has heralded joint action in the area of supply-chain security. Building on the November 2010 EU-U.S. summit in Lisbon, where we focussed on the aspirations of our citizens for prosperity and security, we adopted the Toledo statement on aviation security; we also took a political commitment at the December 2010 Transatlantic Economic Council to deepen transatlantic cooperation on secure trade and supply-chain security policies.

Our cooperation effort should be applied in multilateral fora as well as in bilateral EU-U.S. relations. A robust response should aim to:

- Prevent the unlawful transport of dangerous and illicit material throughout the supply chain;
- Protect critical elements of the supply chain system from attacks and disruptions;
- Facilitate and expedite the smooth flow of legitimate international trade through the use of multilayered risk management tools;
- Reduce the costs of security controls by recognising the high standards of controls that each performs for cargo security;
- Build the resiliency of the supply chain.

To attain these goals, we support the work of multilateral organizations with responsibilities for components of the system such as the World Customs Organization (WCO), the International Civil Aviation Organization (ICAO), the International Maritime Organization (IMO), and the Universal Postal Union (UPU) in order to:

- Support the building of bridges and networks between these international organizations to enhance collaboration and reduce system vulnerabilities;
- Push forward the adoption of international standards, develop and adopt new security measures and controls and advance global best practices and guidelines to deliver both security and trade facilitation at all stages of the supply-chain;
- Encourage an integrated, intermodal approach to ensure that measures and standards developed within these international organizations for all modes of transport within the supply-chain - air, land, and sea - are compatible;
- Promote and support capacity building.

The EU and the U.S have the largest bilateral trade relationship and, together, account for about one-third of world trade. Other nations rely on transit through our airports, seaports and land border crossings. The partnership between the EU and the U.S. protects these vital economic ties, sets an example and promotes consensus in other organisations. We commit ourselves to continuing our robust dialogue. Through advance communication, prior to taking action, we can be better prepared to respond efficiently and in unison to new threats as they evolve.

We should:

- Develop bilateral, cross-agency cooperation and coordination to achieve better integration of customs security procedures with other border security controls, in order to enhance security and efficiency at a lower cost for trade and public authorities;
- Implement mutual recognition of EU and U.S. trade partnership programmes (AEO and C-TPAT) ;
- Streamline processes, leverage resources and expertise, and seek mutually recognized controls in aviation and maritime security to eliminate unnecessary duplication;
- Enhance the joint agenda on the future direction of security controls and detection technology, and share information on trials and research;
- Improve the quality of and share risk/threat information;
- Exchange experiences and promote mutual training of staff;
- Promote the adoption and implementation of higher security standards and best practices worldwide.

We have identified several areas, annexed to the present statement, for joint action.


This work is to take place in existing EU-U.S. bodies such as the Joint Customs Cooperation Committee, the Joint Committee under the Air Transport Agreement, the Transportation Security Cooperation Group, and the expert group on Explosive Security Cooperation. Designated senior officials are to ensure coordination and monitor progress.

Updates of our efforts should be provided to the Transatlantic Economic Council.

We acknowledge that the provisions of this Joint Statement express political intent and are not designed to create legal rights or obligations under international law.

This Joint Statement is signed in Brussels on 23 June 2011.

*For the European Commission*



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Vice-President responsible  
for Transport



Algirdas ŠEMETA  
Commissioner responsible for Taxation  
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*For the U.S. Department of Homeland Security*



Janet NAPOLITANO  
Secretary of Homeland Security

## **Annex: Areas for possible action**

### ***Improving and exploiting risk information***

Analyzing information about the goods moving in the global supply-chain and the entities involved in these transactions allows government authorities to focus resources on the greatest threats and speed delivery of lawful shipments. However, targeting capabilities are only as good as the data gathered, and this data is to be enhanced. Actions include:

- Support work in the WCO on ensuring and improving pre-departure information for all cargo under the SAFE Framework of Standards.
- Engage in bilateral risk information exchanges.
- Training of staff, including posting of EU officers at the U.S. National Targeting Center.

### ***Further strengthening of air cargo security***

The global community's re-doubling of efforts to secure aviation resulted in an ICAO Declaration on Aviation Security and important changes to security standards within Annex 17 in 2010. It is now necessary to implement the new standards while considering evolving threats and the needs of customs and other government authorities to enhance efficiencies and security. Actions include:

- Promote, in concert with the business sector, the establishment of robust global pre-departure information requirements for air cargo that will allow the sending and receiving parties to conduct targeting and resolve concerns in cooperation with each other prior to loading; consider the unique requirements of global mail.
- Support work in ICAO and WCO to develop common definitions for high-risk cargo as well as standards and recommended practices in the handling of cargo deemed high-risk.

### ***Stemming the flow of illicit and dangerous materials***

The global supply chain is not only an attractive target for potential terrorist attack, but is also vulnerable to exploitation by those seeking to illicitly transport dangerous material around the world. International collaboration is needed to ensure that all nations have the resources, capabilities and authorities to combat the exploitation of the supply chain. Actions include:

- Expand participation in and support WCO capacity building efforts and development of implementation guidelines for program Global Shield; support the expansion of the joint WCO-United Nations Office on Drugs and Crime's (UNODC) Container Control Program (CCP).
- Support the International Atomic Energy Agency's (IAEA) ongoing work to develop implementation guidance for the above referenced "Nuclear Security Recommendations on Nuclear and Other Radioactive Materials out of Regulatory Control" for publication by early 2012.
- Continue to support the efforts of the trilateral Border Monitoring Working Group between the U.S., EU and the IAEA that focus on enhancing national-level nuclear and radiological detection capabilities around the world.

### ***Engaging in mutual recognition of trade partnership programmes and controls***

Mutual recognition of controls is to be achieved wherever possible in aviation and maritime security, supply-chain security and cargo screening requirements. Actions include:

- Implement the mutual recognition of the EU (AEO) and U.S. (C-TPAT) trade partnership programmes by end October 2011 contingent upon the completion of the agreed steps and work programme.
- Implement global guidelines under the WCO SAFE Framework of Standards for AEO programmes and mutual recognition. Explore opportunities for a global identification number for mutual recognition purposes.
- Seek mutual recognition of seaport, airport and customs security measures and controls to facilitate the efficient flow of commerce and focus resources on the highest risk; examine the future of the Container Security Initiative in the EU, considering the respective roles of U.S. and EU Member States customs.

### ***Connecting and streamlining trade partnership programmes***

An array of regulator-to-business programs currently exists throughout the global community. The development of global guidelines for these types of programs, across all modes of transport and applicable to both customs as well as security authorities, would enhance efficiency, leverage resources and expertise and minimize impact on industry. Actions include:

- Support efforts underway within WCO and ICAO to compare customs-oriented programs in the SAFE Framework to aviation security-oriented programs in ICAO's Annex 17; take advantage of lessons learned from domestic efforts to streamline the private-public partnership programs.

### ***Enhancing compliance with established standards***

To leverage resources and strengthen global ties there is a need to share experience and collaboratively seek to enhance compliance with established guidelines and standards. Actions include:

- Support WCO efforts to further develop and refine Coordinated Border Management within the SAFE Framework of Standards, or similar efforts to enhance and highlight the need for increased collaboration between customs and other government authorities.
- Support IMO efforts to help in the implementation of the International Ship and Port Security (ISPS) Code.
- Explore opportunities to share information and leverage resources to conduct joint seaport and airport assessments and provide support internationally.

### ***Exploring and Deploying New Technologies***

Technology plays a critical role in ensuring the security and efficiency of the supply chain. Global guidelines and standards for technology ensure the deployment of compatible and effective systems and processes and encourage continued technical innovation that can alter the way that the world does business. Actions include:

- Extend and intensify the bilateral dialogue and cooperation on technology (including R&D, sharing best practices, opportunities for common certification practices, and contribution to setting of international standards).
- Continue to test technologies collaboratively such as currently available radiological/nuclear detection technologies, toward the goal of identifying those that meet internationally recognized standards and explore novel approaches, e.g. in relation to monitoring container itineraries.

### ***Building a Resilient System***

The supply chain system must continue to function and be able to quickly recover from major disruptions, because the efficient functioning of the global logistics system is essential to the global economy. In the face of inevitable disruptions, either man-made or natural, international process and policies are to be in place to resume the movement of commerce and restore confidence in system security. Actions include:

- Refine and expand resiliency protocols within the IMO, ICAO, and WCO, to include developing guidelines that are applicable to air, land, and sea modes.

### ***Promoting Capacity Building***

The promotion of the objectives set out in the present statement requires carrying out capacity building actions. The WCO (Columbus programme), ICAO and IMO play a key role. It is also important to develop EU-U.S. bilateral cooperation. Actions include:

- Coordinate bilaterally and multilaterally capacity-building efforts.