



SECURITY
CARGO SECURITY
AT THE HEART OF
EXPRESS DELIVERIES

INTRODUCTION

On 1 January 2000, the European Express Association (EEA) was created to represent numerous companies in the air express cargo industry, including four of the world's largest air express carriers, namely DHL, FedEx, TNT and UPS.

In the aftermath of 9/11, attention to cargo security regulations increased dramatically around the globe, resulting in various legislative initiatives which have had a profound impact on anyone involved in moving goods across borders.

Even well before 9/11, the Express industry has been implementing the most robust security programs in their supply chain. After all, security procedures are a vital component of smooth-running operations across the cargo transport sector. Nowhere is this more true than in the express industry. Harmonised security standards hold the potential to simplify express operations, impacting both cost-effectiveness and delivery time for the customer. This in turn encourages increased trade, investment and productivity in the EU.

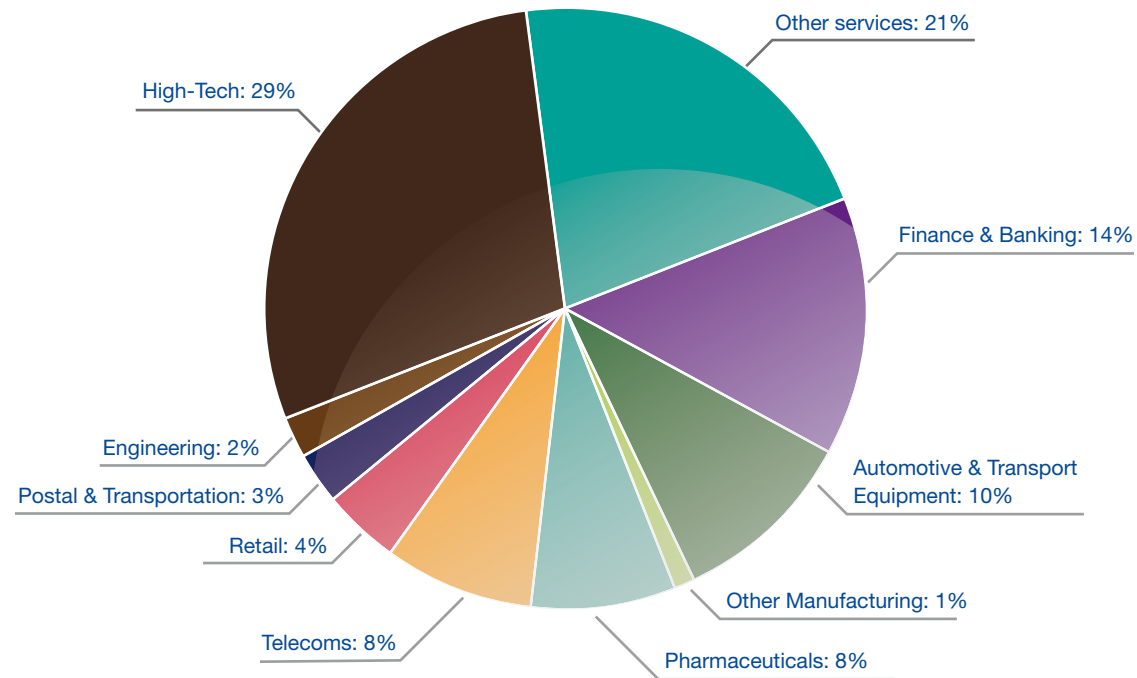
The entry into force of the Lisbon Treaty has given the EU increased powers in the security area and, consequently, the EU has an essential role to play in providing guidance and ensuring consistency on security standards across Europe.

Efforts to achieve mutual recognition and harmonisation of international security standards as soon as possible are an imperative for business efficiency and the competitiveness of European industry. The express industry stands ready to support EU initiatives in this direction.

Jaap Mulders
Chairman, EEA

THE EXPRESS INDUSTRY IS ESSENTIAL FOR INTERNATIONAL TRADE, WITH 30 MILLION SHIPMENTS DAILY TO 220 COUNTRIES AND TERRITORIES (A GREATER MEMBERSHIP THAN THE UN)

DELIVERY SERVICES HANDLE HIGH-VALUE, TIME-SENSITIVE CARGO:



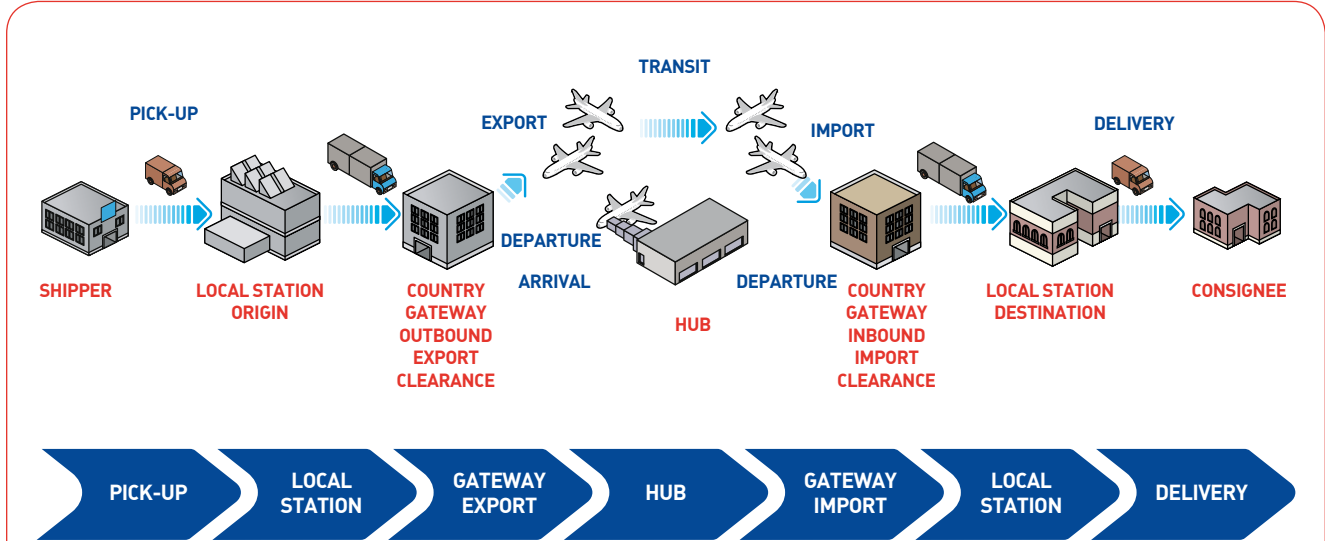
85% of EU shipments are delivered within Europe – the US, Asia and the Middle East are the most important destinations outside Europe

THE EXPRESS INDUSTRY

- Operates and owns more than **1,200 aircraft** globally;
- Utilises more than **2,000 commercial flights** daily;
- Operates and owns more than **200,000 trucks and delivery vehicles**.

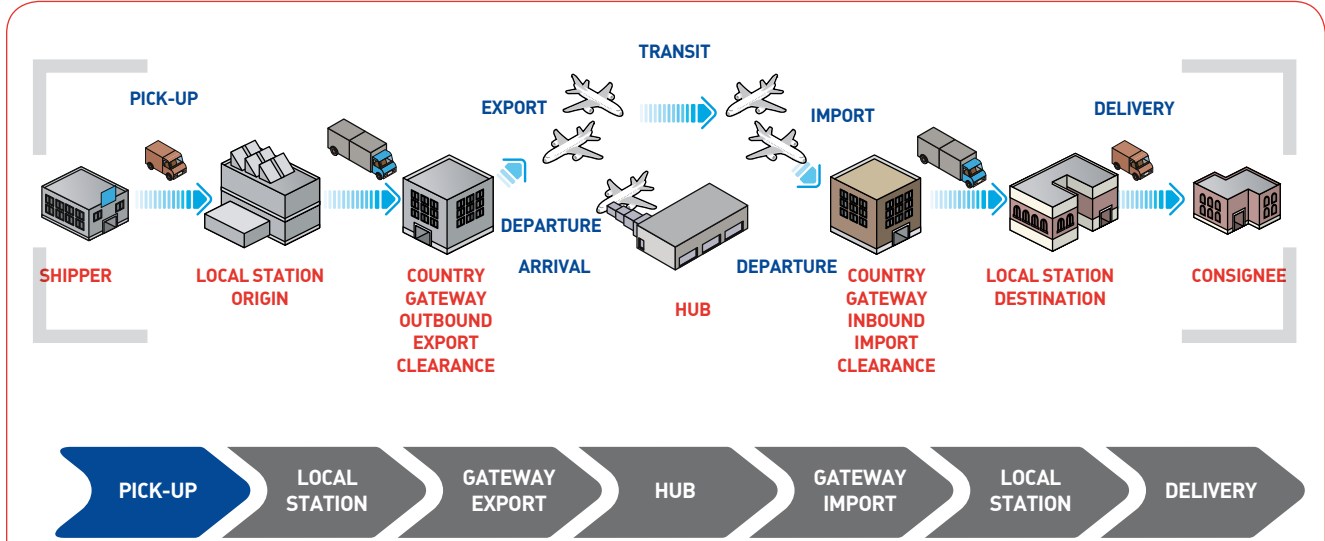


THE KEY STEPS OF A SECURE SUPPLY CHAIN



FAST AND RELIABLE, PACKAGES PASS THROUGH THE SUPPLY CHAIN OVERNIGHT AND – DEPENDING ON THE DESTINATION – CAN BE DELIVERED THE NEXT DAY.

BEGINNING ESSENTIALS



1. AUDIT TRAIL

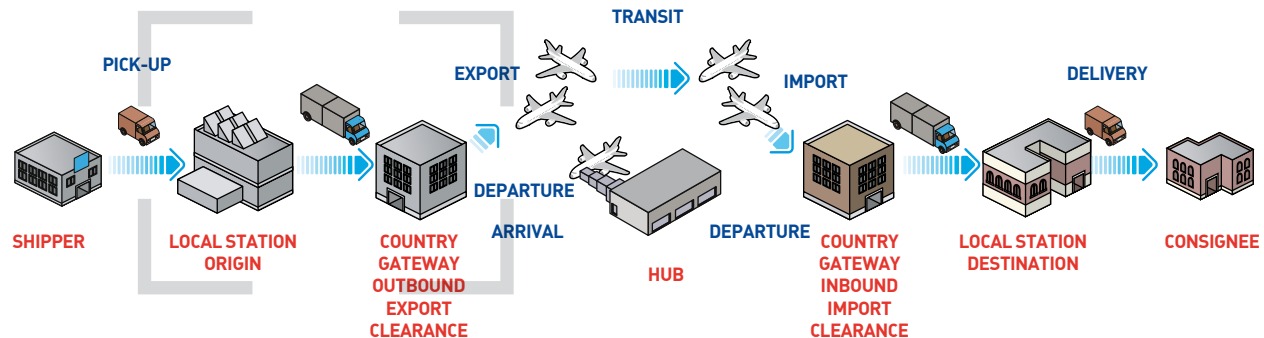
EXPRESS OPERATORS CONTROL THE ENTIRE PROCESS:

- Running track and trace of each individual consignment throughout the chain
- Using Standard procedures worldwide
- Established EDI (Electronic Data Interchange) links with all customs authorities in major European markets
- With fast, reliable internal communication

2. PICK-UP

PRIOR TO AND AT INDUCTION, OPERATORS ENSURE:

- security procedures are applied
- cargo is physically secured while transported
- necessary documentation accompanies the shipment



3. LOCAL STATION

Local stations feature controlled access to cargo, trained staff and certified cargo handlers and screeners.

WHAT HAPPENS AT THE LOCAL STATION:

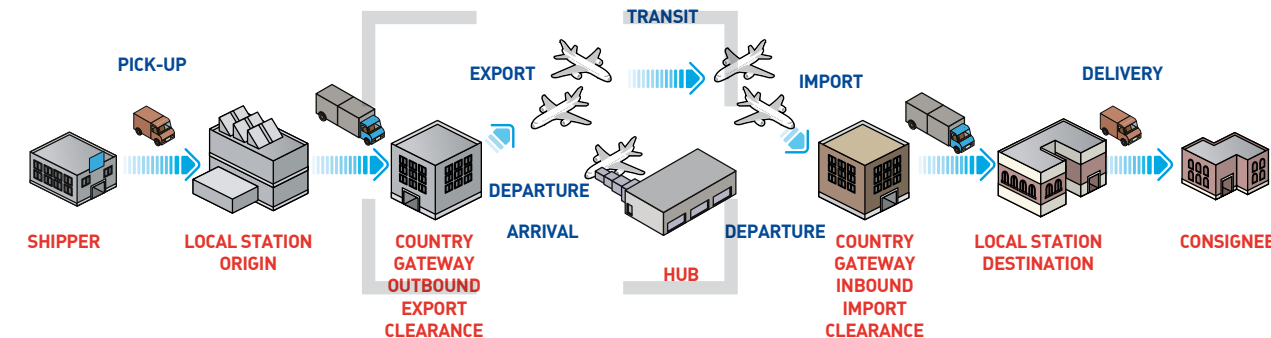
- Determine status of cargo (known consignor vs. unknown consignor)
- Determine necessary handling requirements (screening, etc.)
- Ensure necessary documentation

If a consignor is unknown, the shipment is searched by hand or physical check; X-ray; or by other means, both technical and bio-sensory (e.g. trace detectors).

4. GATEWAY EXPORT

PRIOR TO AIRCRAFT LOAD, OPERATORS:

- **Control access** to aircraft and other non-public secured areas
- **Screen individuals**, as appropriate
- Perform **aircraft searches**
- Control **access to cargo** via seal control, etc.
- **Screen** appropriately and ensure necessary **documentation**

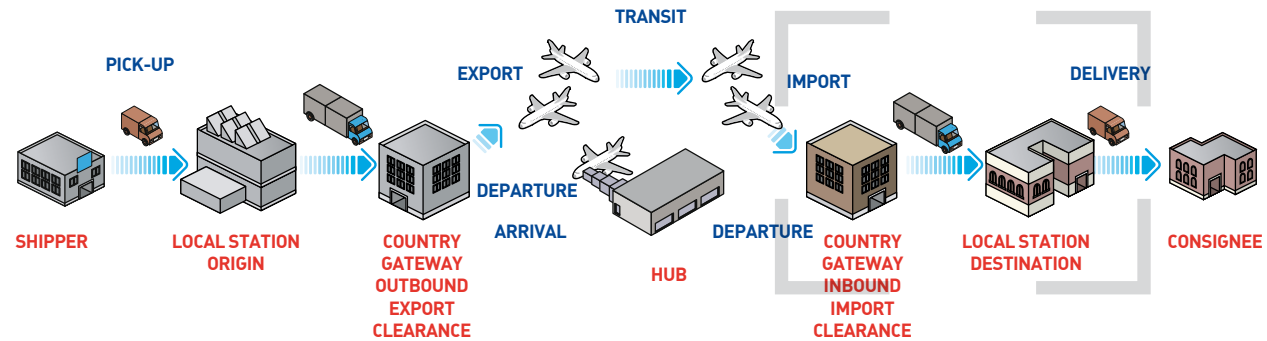


5. THE HUB

AT THE HUB:

- **Access is controlled** to aircraft and other non-public secured areas
- **Individuals are screened**, as appropriate
- **Aircraft searches** are performed
- Access to cargo is controlled





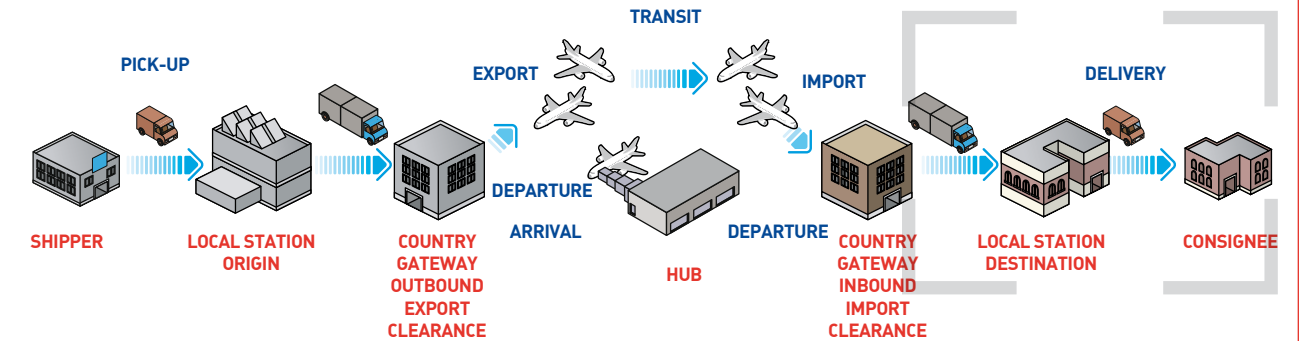
6. AIRCRAFT UNLOAD AT AIRCRAFT UNLOADING:

- **Access is controlled** to aircraft and other non-public secure areas
- Documentation integrity is checked



7. PREPARATION FOR DELIVERY

- **Access** to non-public secure areas is controlled throughout the preparation for delivery



8. DELIVERY DOCUMENTATION INTEGRITY IS CHECKED UPON DELIVERY



EEA SECURITY PRIORITIES

Central to our philosophy is the “one-stop security” concept supported by the EU. Sharing security responsibilities amongst different parties in the supply chain allows for a seamless transfer of consignments from one entity to another and faster transit without the need to perform security controls at every point of transfer.

Harmonised security standards hold the potential to simplify express operations, impacting both cost-effectiveness and delivery time for the customer.

The EEA further supports the concept that security controls that form part of these programs are threat based and risk managed.



THE EU SHOULD STRIVE FOR THE MUTUAL RECOGNITION OF SUPPLY CHAIN SECURITY PROGRAMMES GLOBALLY, MEANING A CONSISTENCY IN IMPLEMENTATION, DOCUMENTATION, HARMONIZATION OF STANDARDS AND TECHNOLOGY AND TRAINING.

- Despite EU 300/2008 and EU 185/2010, which detail the common basic standards for aviation security across the 27 Member States, there remain differences in implementation and technology and training standards across the Member States.
- To avoid disruptions, risk profiles need to be established in consultation with industry, through shared intelligence and at the origin pick-up point of the cargo – before the cargo enters the global supply chain.
- European Commission should give clear guidance as to high-risk origins, which criteria will determine that an origin is cleared, the process through which such criteria is elaborated, as well as how and when such information will be shared with carriers.
- We advocate for one agency in Europe that communicates and enforces across all 27 Member States.



FACTS AND FIGURES - THE EXPRESS INDUSTRY

- Operates in more than 220 countries world-wide;
- Has combined revenues of more than \$90 billion per year (DHL, FedEx, TNT and UPS);
- Moves more than 30 million packages a day globally;
- Can connect 90% of world GDP within 24-48 hours;
- Delivers 85% of its EU shipments within Europe – the US, Asia and the Middle East are the most important destinations outside Europe;
- Derives 28% of its total revenues from the European market;
- Grew by 7% annually between 2003 and 2008 in the EU and continues to be a fast growing sector;
- Employs 1.3 million people world-wide, more than a quarter million in the EU and continues to grow swiftly;
- Operates global, electronic track and trace networks, which monitor the movement of each individual consignment during transportation;
- Provides an EU wide and global shipping platform for European small and medium sized exporters.



ABOUT THE EUROPEAN EXPRESS ASSOCIATION

The express industry is a fast-growing business sector which not only provides vital services for the European economy, but which also plays a large role in making the global marketplace a reality.

Being a multi-modal operator, the express industry is impacted by issues which cut across a broad range of policy sectors. The European Express Association (EEA) represents express delivery companies and associations, both large and small, in Europe. By communicating on behalf of the express industry with one single voice, the EEA works to ensure that policy-makers fully understand the challenges we face as an industry and as a result, that policy is implemented in a way which maximises the benefits for all involved.



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