



TRADE AND SECURITY

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Trade&Security: BUSINESSEUROPE Activities

- Customs security
- EU legislation
- Cooperation with the US Government
- Joint activities with US business
(US Chamber of Commerce)



Approach to Trade & Security

- ✦ Combine Security with Trade Facilitation
- ✦ Focus on risk
- ✦ Standardise to lower costs



AEO System

BUSINESSEUROPE Supports AEO

- ✦ Improve security
- ✦ Responsible companies
- ✦ Partnership Business + Government
- ✦ Only for Extra Europe (EU/EEA/TK)



Criteria for success

- ➡ Cost-effective programme
- ➡ Major simplification for controls
- ➡ Avoid complex procedures
- ➡ Clear benefits for AEO companies
- ➡ Ensure SMEs benefit/not harmed
- ➡ Mutual recognition with 3rd countries



US: The Positive Agenda on Trade & Security

- ✦ 30 April Transatlantic Economic Council (TEC)
- ✦ Includes cooperation on trade & security
- ✦ Cooperation on standards in WCO



US - Objective:

mutual recognition of CTPAT(US) and AEO (EU)

Customs-Trade Partnership against Terrorism

- Companies: info on imports to US
- Homeland Security: targets risky cargo

Authorised Economic Operator

- Companies: info on imports & exports
- EU Customs: target risky cargo

Cooperation & mutual recognition will reduce risk, speed up trade

Win-win for trade & security



Other possible partners

 Japan

 Russia

 China



US 100% Scanning Legislation

- ❑ August 2007: Congress adopted 100% scanning rule
- ❑ Implementation: delayed for 5 years
- ❑ MAJOR DISRUPTIONS TO INTERNATIONAL TRADE EXPECTED



Problems with 100% scanning

■ Delays

- ❑ 10 mins to scan 1 container
- ❑ US imports 11 million containers/year

■ Technological problems

- ❑ Technology for rapid scanning
- ❑ Too much information

■ Other problems

- ❑ Ignores risk-based approach
- ❑ Reduces cooperation on supply chain security



US Test cases: 100% Scanning

- Cost= **US\$ 577** per container
- EU Ports most affected:
 - **Bremen: 570,000**
 - **Antwerp: 450,000**
 - **Rotterdam: 400,000**



BUSINESSEUROPE Action

■ Cooperation with US Chamber

- Oppose 100 % scanning
- Support public-private cooperation on risk-based supply chain security

■ Future actions

- Create coalition on the issue
- Lobby new US Administration + Congress



THANK YOU !

