Transported Asset Protection Association Europe Middle East & Africa (TAPA EMEA)

"Changing Trends in Supply Chain Crime"

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Regional Security Solutions & Support Manager,
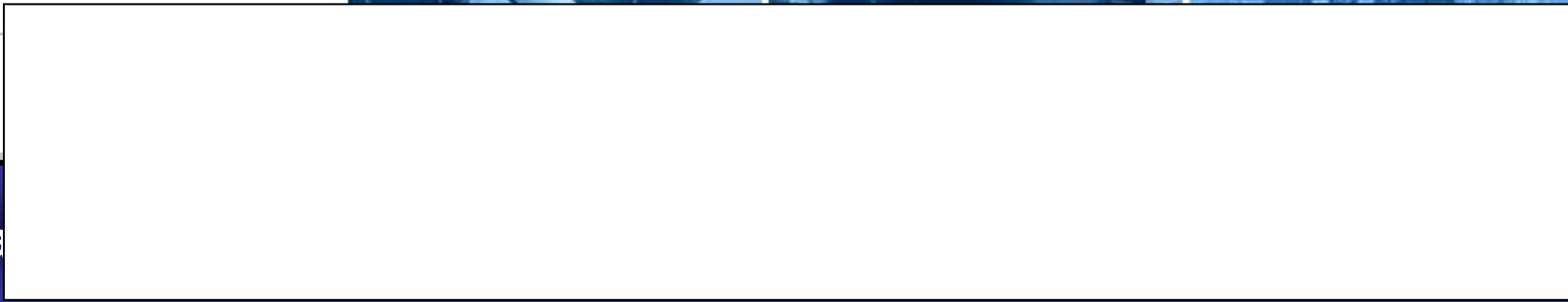**DHL Express Europe**

Agenda

- Background
- Activities
- Incidents Information Services (IIS)

TAPA background

- In the 90's increased hi-tech theft trend (smaller, expensive & attractive products)

- Manufacturing security measures pushed crime to supply chain - weakest link.

- '97 North America - Trend led to set up of TAPA by security managers from Intel, Compaq, Sun ….

- Since its foundation, TAPA expanded to APAC and in EMEA.

- TAPA worldwide 700+ members (250+ EMEA) including high value manufacturers / distributors, carriers / freight forwarders, insurers, auditors, police and select security service providers.

- Vision
  - TAPA to positively effect the reduction of losses in the manufacture, transportation and distribution of high value products

- Mission
  - To establish and maintain best practice asset protection for industry and related logistics and freight service providers

- Goals
  - To prevent major financial losses from acts such as theft of high-value products in storage or during transportation
  - To promote standardization, certification & regulation in SC
  - To influence authorities to focus in combat crimes against SC
  - To share information, initiatives, best practices and resources with LEA in order to reduce cargo crimes

The threat

- Value and desirability of products
  - Technology goods, watches, MP3's, high value clothes and shoes
  - Metals, basic consumer goods …anything that can be resold

- Risks of the supply chain
  - Organized criminals and gangs operating locally & worldwide
  - Insider knowledge & involvement a threat
  - Some self-insurance is now common place

- Double Trouble
  - Stolen products can be replaced – missed sales opportunities cannot be recovered!

Membership Analysis

Nov 2007

209 x members

47 x Full members

136 x Associate members

11 x Honorary members

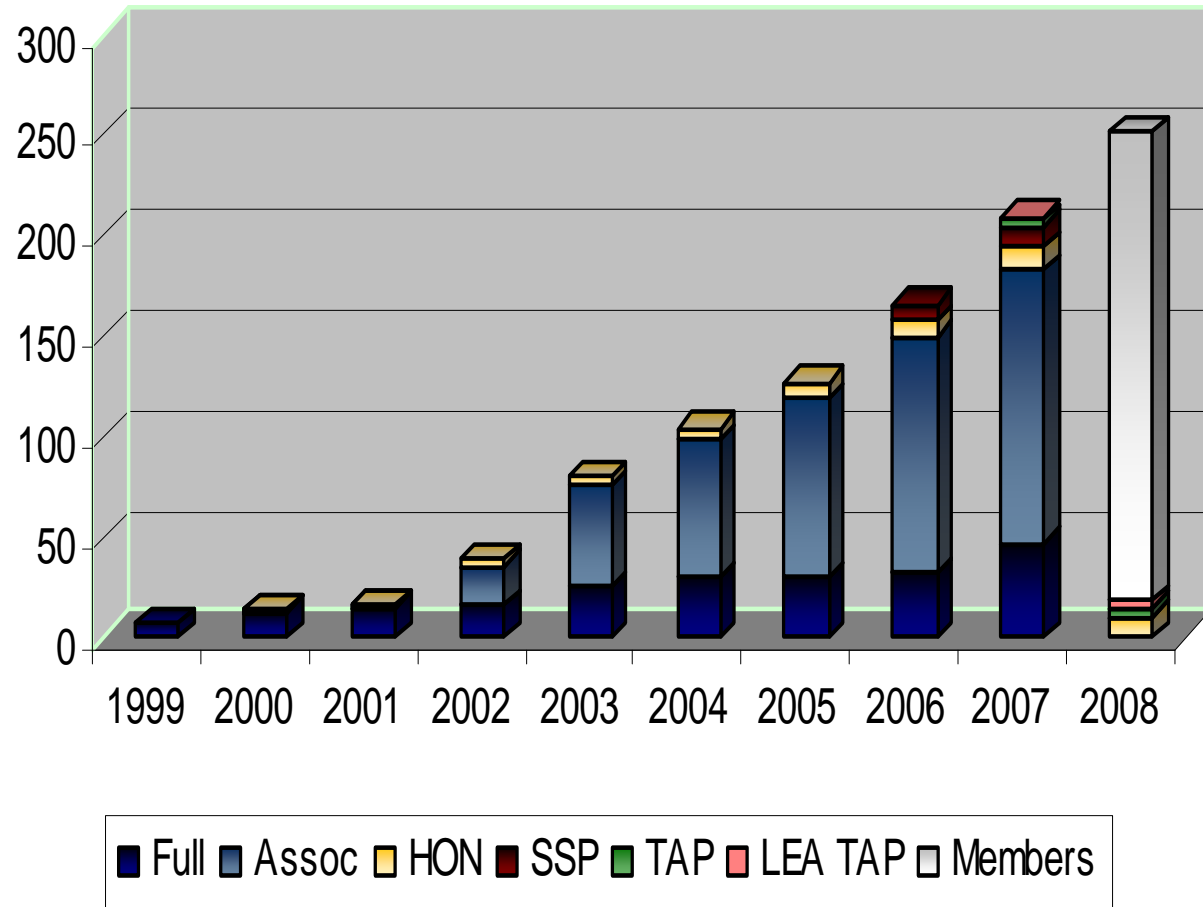11 x SSP

3 x TAP

1 x LEA TAP

Nov 2008

252 x members

213 x members

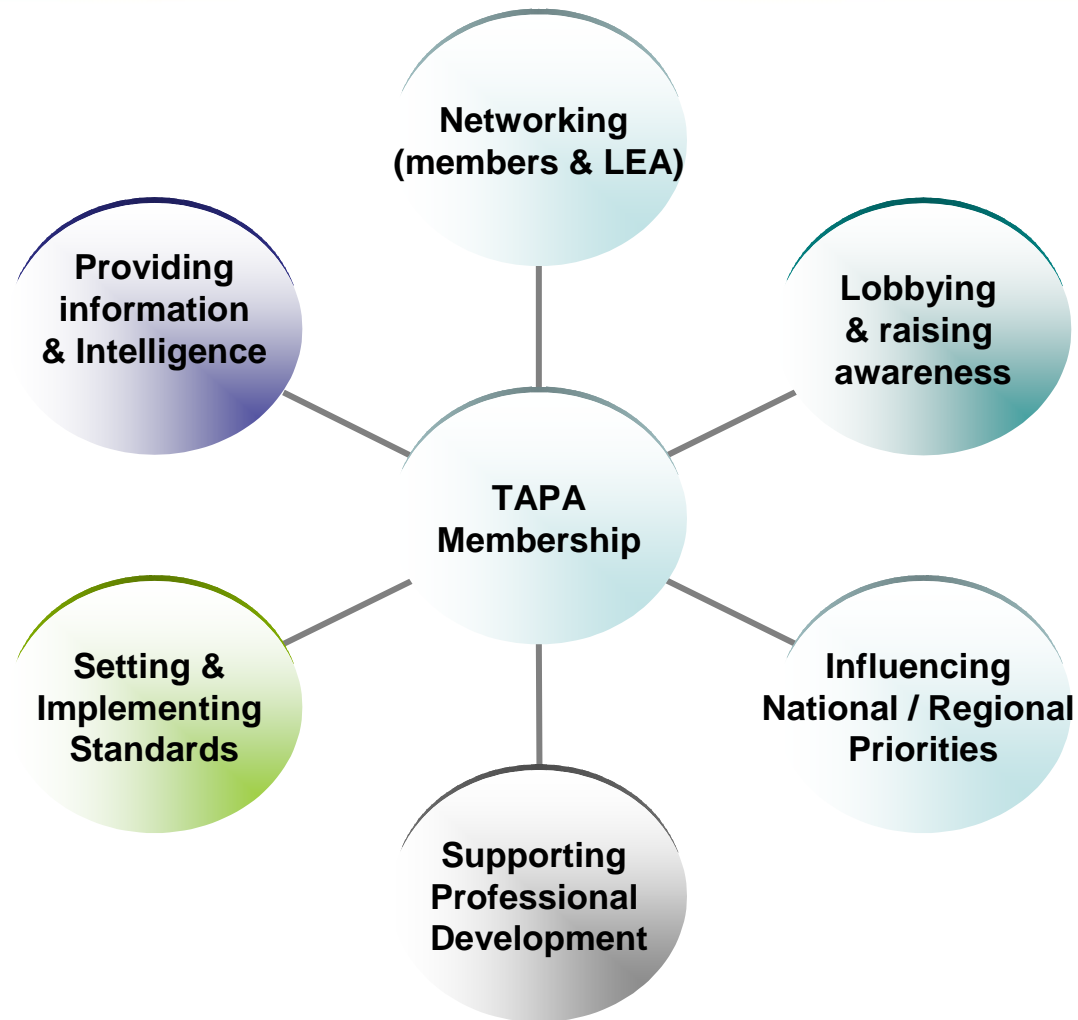20 x SSP

11 x Honorary members

4 x TAP

4 x LEA TAP

Legend: ■ Full ■ Assoc □ HON ■ SSP □ TAP □ LEA TAP □ Members

Activities

TAPA's activities

- Networking (members & LEA)
- Providing information & Intelligence
- Lobbying & raising awareness
- TAPA Membership
- Setting & Implementing Standards
- Influencing National / Regional Priorities
- Supporting Professional Development

FSR (Freight Security Requirements):	(2000). Minimum acceptable physical security standards and processes for facilities handling or storing sensitive goods. Including auditing process by external auditing bodies for TAPA certification.
TSR (Trucking Security Requirements):	(2006). Minimum acceptable security standards & processes for assets transported by road. Self-assessment compliance program.
Regulatory affairs:	Involvement in development and implementation of freight security legislation/regulation in the EU. i.e. Secure parking, theft of trucks and truck loads in the EU report, CEN freight security standard and AEO recognition of FSR.
IIS (Incident Information Service):	Information contributed to by members and LEA's is collated, analyzed & disseminated by email alerts, periodical bulletins and on-line database access Support W/G's, LEA & members crime and loss prevention measures.
TACSS (TAPA Air Cargo Security Standards):	TAPA WW, IATA, IAHA (Int'l Air handlers association), EU (DG TREN) and the WCO (world Customs org.) aimed to develop a TAPA approved minimum security requirement for air handlers in compared to AEO/CTPAT/CTBP
PSR (Parking Security Requirements) –	Secure parking W/G – set up standard for secure parking to have an auditable security level and to promote secure parking to support protecting valuable goods and drivers during transport on the road

TAPA Requirements & Standards

Supply Chain Segment:

Security Standards / Requirements

Under development

Supply Chain Segment	TACSS	FSR	TSR
Airside	Yes	No	No
Ground Handler	Yes	No	No
Aviation Express Handler	Yes	No	No
Bonded Warehouse	Yes	Yes	No
Distributor/Forwarder Facility	Yes	Yes	No
Road Express Trucking	No	Yes	Yes
General Trucking	No	Yes	Yes

- Introduced '01, revised '05, '07 & '09
- WW minimum standards for freight forwarders' facilities handling hi-tech / high value products.
- Levels 'A' 'B' 'C' decided in partnership between shippers and LSP's
- 'A' and 'B' certification from independent audit bodies
- Recognized by Customs authorities C-TPAT/AEO
- Knock on effect – crime displacement to the road
- Current number of facilities in EMEA:
  - 273   TYPE A
  - 41   TYPE B

- Formulated due to 'displacement effect'
- Rolled out on a w/w basis in 2006 & revised 2008
- Level 1,2,3 (1 is highest level)
- Self assessment process - required level agreed between buyer and supplier
- Still in early stages of 'buy in' and implementation across Europe
- Considerations for change to formal audit process

- Airport Initiatives Operation Grafton / LHR WG FRA & AMS

- Local initiatives in NL, ES, FR, GR, RO

- ZA chapter - Fighting crime in South Africa – JNB Airport
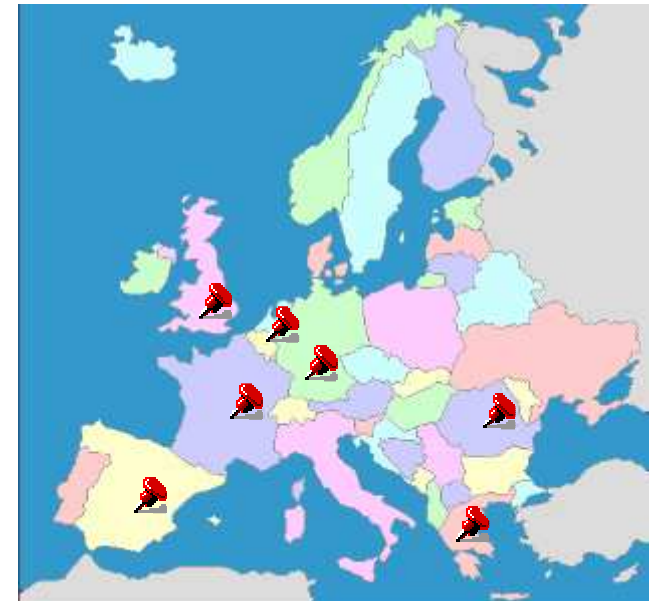
Regulatory Affairs

- TAPA EMEA is contributing to EU & w/w initiatives
  - FSR an integral part of Government Projects/Regulations on Supply Chain Security
  - Working to be a credible and authoritative 'partner' to Regulatory Bodies
- Involved in
  - Supply Chain Security (DG TREN)
  - Secure Parking (DG TREN)
  - Civil Aviation Security revisions (2320; 831; EC300/2008)
  - Authorized Economic Operator (DG TAXUD)
  - Europol – Cargo Theft WG
  - Supply Chain Security standards CEN

IIS – Incidents Information Services

IIS Data Base Update

- 8,166 Incidents
- 1,125 Major Incidents
- Total loss value of more than 603 Mio € (Excluding recoveries)

Incident Growth
1999 - 31.10.2008
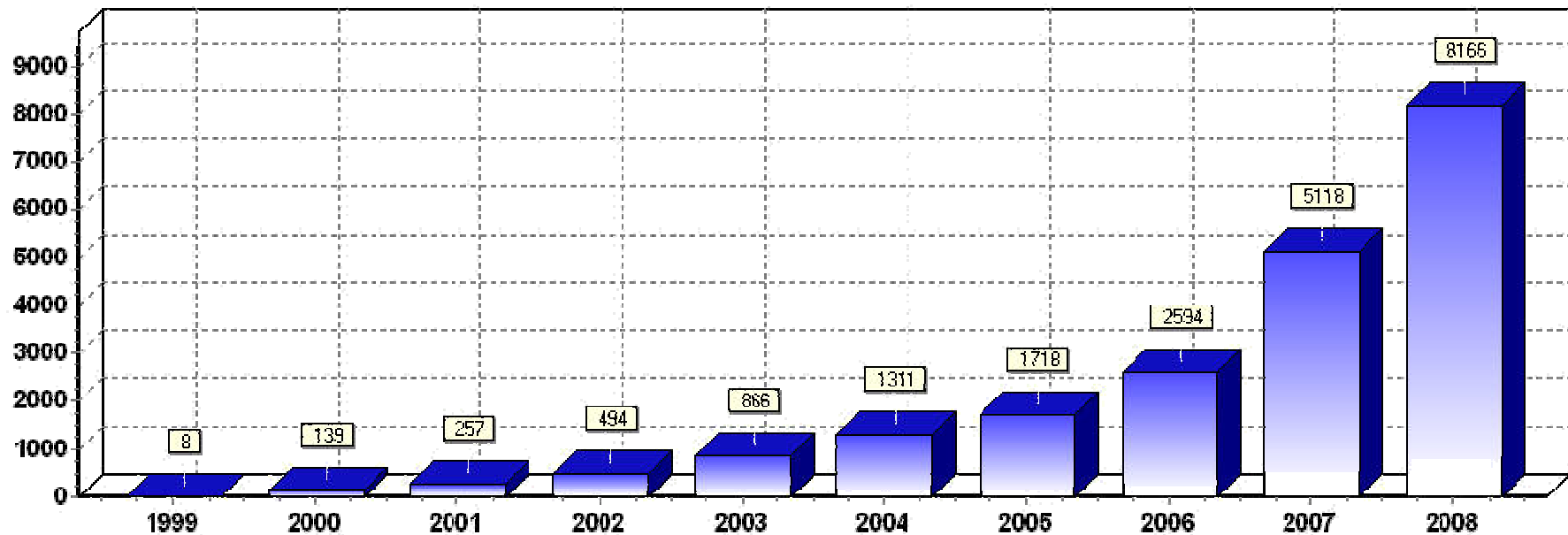
Recently LEA TAP and members provided **500** incidents occurred in 2008 and **1300** incidents occurred in 2007.

Number of incidents per incident category
January - October 2008
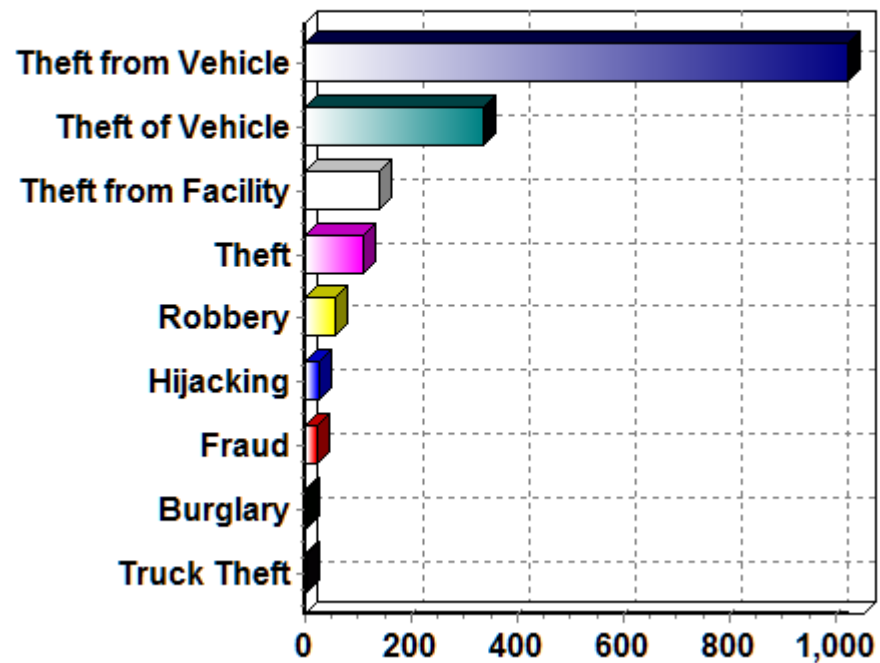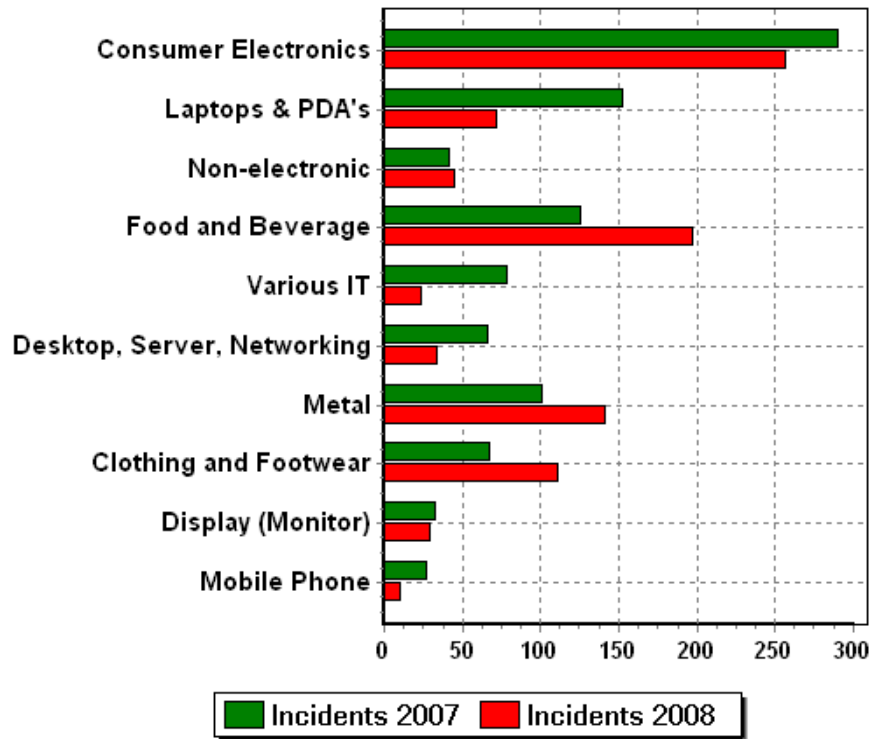

Excluded "Truck Theft" incidents with no load
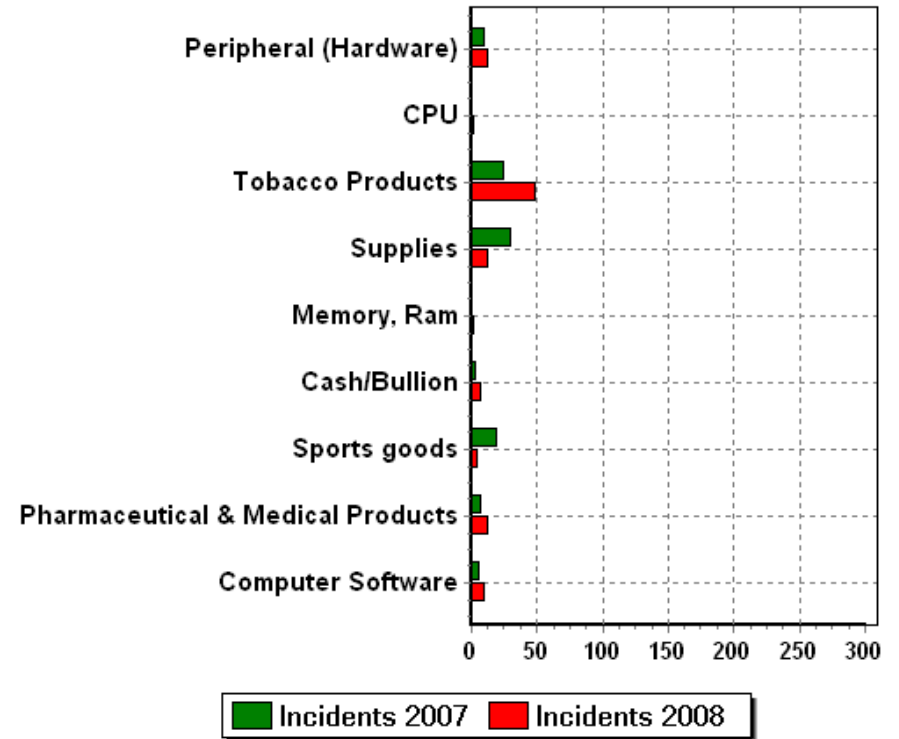
Based on Date of Incident

Affected products

Incidents per product category (Ranking 1-10)
January - October, 2007 vs. 2008

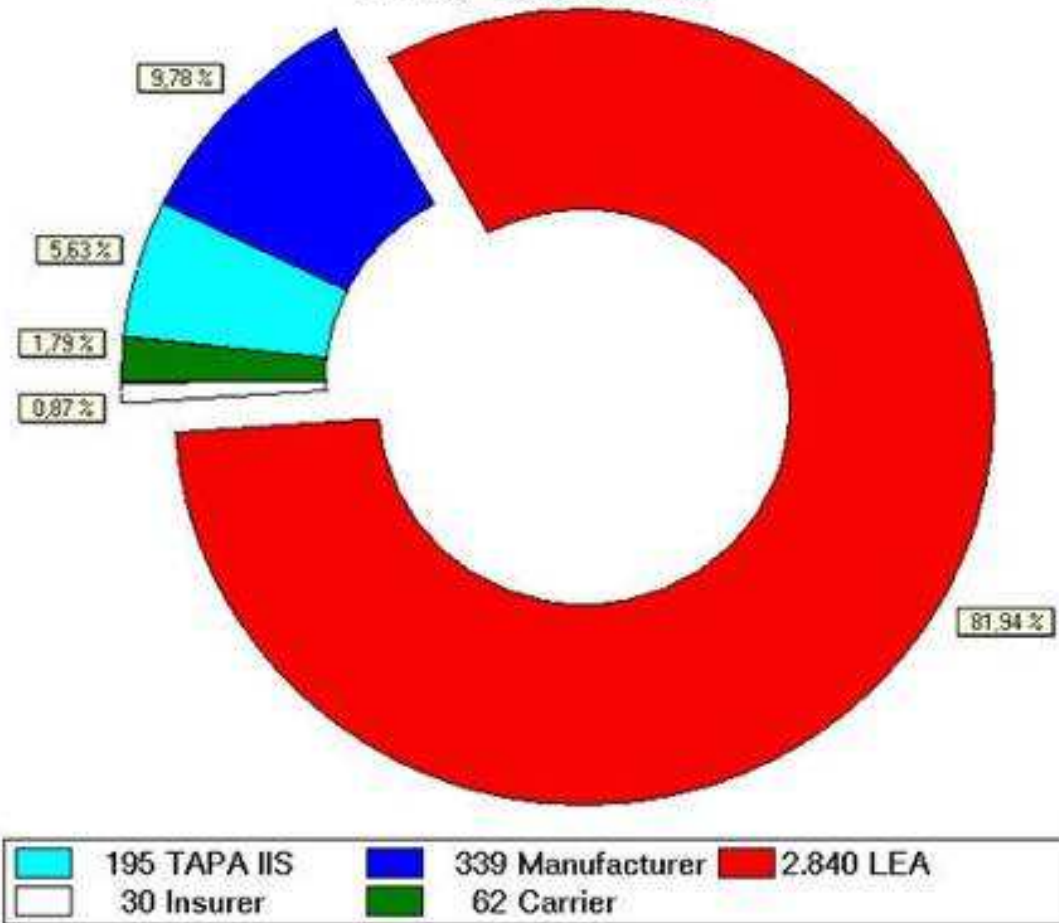Incidents per product category (Ranking 11-19)
January - October, 2007 vs. 2008

IIS sources

Source of reported incidents
January - October 2008

Color	Legend
195 TAPA IIS	339 Manufacturer
30 Insurer	62 Carrier
	2.840 LEA

Percentages: 9,78 % · 5,63 % · 1,79 % · 0,87 % · 81,94 %

The complete IIS database visible in Google Earth !
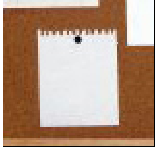
**Selectable by time
and/or incident category**

IIS tools

Recovered Goods DB		Allows users (members and non-members) from LEA's to report recovered or seized goods suspected as being stolen while allowing members to locate and identify their stolen property.
IIS alerts board		IIS Warning Messages with freight Crime Alerts received by members and LEA's warning against insecure parking areas, bogus police, suspicious persons / vehicles etc.
SOCA Alerts		SOCA is providing general Alert information that relates to a collaborative initiative, by divisions of UK LEA and UK private sector business, to prevent or detect crimes being perpetrated by criminals who are misusing false identity documents.
Incidents Trends Alerts		Review of the latest potential trends that were identified in the IIS database, when Major incidents reported, trends will be checked with the following trend criteria: •Radius of 100 km •Within last 2 months •Similar characteristics - Products, MO & Location Type
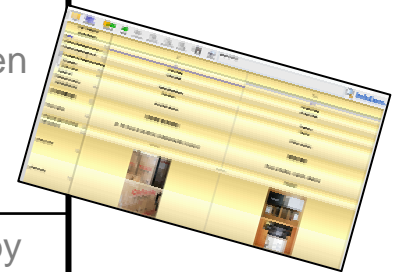
- "Cost assessment, effectiveness and potential spill-over effects (anti-theft) of the counter-terrorism measures defined in international Supply Chain Security Programmes"
  - Estimate and comment on the potential spill-over security benefits (anti-theft) of the counter-terrorism measures defined in the programmes under study
    - Relevant research questions
      - Can anti-terrorism measures be applied for theft prevention?
    - Methodology: quick scans (3)
      - **AvSec / TAPA FSR Comparison Matrix**
      - Crime scripts (2)
      - Theft occurrence questionnaire (IRU, EEA, CLECAT)

- Communication structure in the freight surface transport sector and its possible use for security warnings that require action by transport operators.

- GENERAL OBJECTIVES:
  - List & Analyse some communication structures in freight transport and their possible use for security warnings:

- Preliminary conclusions - Associations (1)
  - **TAPA (manufacturers and other shippers) have developed an advanced Alerting and Incident reporting system (IIS). Best system identified from Industry**

Summary
The Focus

- Improve in transit security to prevent cargo crime - constantly work to raise the focus of TSR to that of FSR

- Harden the road target against organized crime in joint interest with Law Enforcement

- Harmonise procedures to one acceptable level for all stakeholders

- Gather, analyze and share information to improve countermeasures and awareness

- Influence Governments/LEA's in relation to freight crime by way of pressure groups and Lobbying

Questions?

Thank you very much