



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

