EU approach towards the use of technology

Wil van Heeswijk
Risk management and Security unit
My topics for today

I. Changing role of Customs

II. Some facts and figures

III. EU Policy and approach towards the use of technology

IV. From Theory to Practice - some examples

V. Challenges
Role of Customs – Objectives

Traditionally responsible for collection of duties and taxes

- Broadened to:
  - Emphasis on the protection of society
  - Security of the supply chain
  - Trade facilitation
  - Use of modern technologies

- NO WMD?

- CSD
  TRACK & TRACE

ANYTHING TO DECLARE?
Some facts and figures

- 2010 container traffic showed approximately 110 million shipments corresponding to a throughput of 380-400 million individual container movements.

- EU Customs process 220 million Customs declarations per year. This means one declaration every 7 Seconds

- EU Customs process daily EU exports and import flows of about 6 billion Euro per value.

- EU Customs administrations have employed 124 400 officials

- 13 027 AEO applications have been submitted
- 9820 AEO certificates have been issued
Security amendments to the EU Customs Legislation


- 3 main elements:
  
  ➢ **EU Customs Risk Management Framework (CRMF)**
    
    Is the backbone of the EU multilayered risk based approach aimed at focusing controls on high risk cargo whist facilitating low risk consignments and managing high volumes of goods
  
  ➢ **Advance cargo information**
    
    Must be provided to Customs for all goods entering or leaving the EU customs territory. This enables customs to carry out risk analysis for security and safety purposes
  
  ➢ **Authorised Economic Operator (AEO) Programme**
    
    Sets out a general trusted trader programme providing customs simplifications and benefits as regard security and safety measures
Why detection technology?

- Regulation (EC) 450/2008 (Modernized Customs code)

- The facilitation of legitimate trade and the fight against fraud require simple, rapid and standard customs procedures.

- Customs administrations are encouraged to take advantage of emerging technologies to enhance security in the supply chain.

- The Customs 2020 Programme will in particular focus on enhancing the use of Non Intrusive control techniques and technologies

- Detection Technology may help Customs to fulfil their tasks.
What do we expect from technology?

- Decision (EC) 624/2007 (Customs 2013 program)
- Protection of financial and economic Community interests
- Trade facilitation and co-operation
- Overall strategic and general support (work as if one)
- Strengthening security and safety
- Enlargement, integration of New Member States and relation with third countries

→ Detection technology may help to achieve customs policies
The International Dimension

- Standard 3 of WCO SAFE states that NII equipment and radiation detection should be available and used for conducting inspections.

- WCO strategic vision on customs for the 21\textsuperscript{ST} Century encourage administrations to fully exploit the potential of emerging technologies.

- **EU - US joint statement of Supply Chain security calls to:**
  - Extend and intensify cooperation on technology (incl. R&D, sharing best practices, opportunities for common certification practices and contributing to setting of international standards)
  - Collaborative testing of new emerging technologies toward the goal of identifying those that meet internationally agreed standards

- Border Monitoring Working group (DOE/SLD, DHS, DNDO, TAXUD, JRC, IAEA) → main focus on Radiation and Nuclear Detection
Use of modern Technology - EU Policy and Approach

- EU advocates comprehensive and effective multi-layered risk management approach using a range of methods and technologies to focus on the risk associated with specific consignments.

- Customs administrations are encouraged to take advantage of emerging technologies to enhance security in the supply chain.

- NII and radiation detection equipment is necessary to inspect high-risk containers quickly without disrupting the flow of legitimate trade.

- Customs community should monitor R&D of technologies and innovations and monitor the benefits customs can extract from its usage.

- The Customs 2020 Programme will in particular focus on enhancing the use of Non-intrusive control techniques and technologies.
From Theory to Practice – Some examples

- Customs Detection Technology expert Group
- Customs workshop Bratislava on the use of detection technologies
- Added value of Common Risk Management System (CRMS) in Fukushima crisis.
- Security theme of 7th Research Framework Programme (FP7)
Customs Detection Technology Expert Group

MAIN OBJECTIVES

- Platform for sharing information between customs technology experts
- Listing minimum set of detection technology and equipment required for customs controls
- Explore the possibilities to create a common training tool for screeners to improve image interpretation
- Encourage the participation in relevant research projects for the purpose of advancing the state of the art detection technology applications.
Minimum requirements

- Transport modes
  - AIR
  - MARITIME
  - LAND
  - RAIL

- Drugs, precursors, chemicals
- Tobacco, alcohol, IPR and Counterfeiting
- Weapons and Explosives, currency, CITES
- Tax and duty evasion (commercial fraud)
- Radiation and Nuclear

- THREATS

- Existing detection technology
Workshop on the use of detection technologies and equipment in work of customs services.

Bratislava, Slovakia
6 – 7 October 2011
Workshop organised under the Customs 2013 Programme

PARTICIPATING COUNTRIES

- EU Member States Customs Administrations
- Candidate countries: TURKEY, SERBIA, CROATIA, FYROM
- USA Department of Energy, Office of the Second Line of Defence
OBJECTIVES OF THE WORKSHOP

- Enhance protection of the economic and financial EU interests as well as security and safety citizens
- Exchange of information and sharing of experiences in use of special technologies in performance of customs services
- Identification of best practice
- Identify detection capability gaps in existing non-intrusive control technologies and equipment
- Analysis of possibilities for coordinated actions and operative cooperation
BREAK-OUT SESSIONS

■ TOPIC A: Identify training needs for x-ray operators and officers using Radiation and Nuclear Detection equipments

■ TOPIC B: Creation of EU platform to share best practices, seizures, images and trends

■ TOPIC C: Procurement and financing of equipment

■ TOPIC D: Detection capability and performance standards
SOME CONCLUSIONS

- Tailor made training should be designed for the specific customs needs, especially for image analysing → EUSECTRA ??

- Quality of training provided by the manufactures appears to be major concern.

- Administrations are faced with lack of national funding

- Explore possibilities for joint tendering procedures for similar equipment in different countries

- Administrations should take advantage of WCO scanning Guidelines for purchase and deployment and of scanning and NII equipment

- Explore other ways to deploy equipment

- Joint procurement would enable manufacturers to deliver equipment compliant to specific customs needs

- One Customs voice is too small a market to influence developers, but several administrations together are likely to be more effective.
Common Risk Management System (CRMS)

Allows for dissemination of information to:

- National Risk Analysis Centres
- Ports
- Airport
- Land Border Crossings

Feedback is obligatory

Information is confidential
Radiation Detection Portals in Mega-ports

- EU Customs operate radiation detection portals in Mega-ports

- Established to prevent from importation of radioactive material by terrorists

- Very useful during to detect contaminated containers from Japan during Fukushima crisis

- Detection of various contaminated items (often Co-60)
Results

Belgium
7 containers surface contamination

Netherlands
16 containers surface contamination
1 container with contaminated cargo

Malta
Used vehicle contaminated with Cs 134
EU R&D: Framework Programmes

Policy objectives:

- Contribute to the setting up of a European Research Area,
- Support the implementation of EU policies,
- Support the competitiveness of the European Industry.
Framework Programme

- Joint decision of EU Parliament and Council: Legal basis, Budget, Areas of activity, Implementation modalities
- Implementation: via calls for proposals, based on annual work programs

PRINCIPLES:

- Collaborative research: Minimum 3 entities from 3 countries
- Grants (subvention): 50% funding (75% exceptionally),
- IPR belong to proposers
- Selection of projects based on independent peer review
Some FP7 Projects relevant to customs

- CASSANDRA
- CONTAIN
- Artificial Sniffer

- Research on "automated" comparison of x-ray images for cargo scanning with reference material
- Large scale Demonstrator on logistics and supply chain security
CHALLENGES in supply chain security

- Insufficient ENS data quality to perform adequate risk analysis "Who" is shipping "What" to "Whom", "When" and by "Which Means"

- International co-operation including harmonisation, standardization and interoperability of data and security systems

- Use of new emerging technologies and high efficiency tools to support Customs controls

- Detection capability and performance standards

- Identify training needs for X-Ray operators and officers using Radiation and Nuclear detection equipment

- Procurement and financing of equipment

- What will be new risks and threats requiring to secure supply chains in 2020? How to protect the EU and its citizens against these new threats?
Thank you for your attention!

Questions?

DG TAXUD

Unit B.2 Risk Management and Security

Wilhelmus.van-heeswijk@ec.europa.eu