

# 3rd Global AEO Conference



 **WCO | MÉXICO**  
2016



**Cancun Quintana Roo, Mexico. May 11th to 13th, 2016**

Post-Incident Analysis and Evaluation of AEO Trading Partners

Presented by: Paul Allen, Canada Border Services Agency

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## What is a Post-Incident Analysis (PIA)?

- A review of a member following a security-related incident.
- The purpose of a PIA is to assess compliance with program security requirements following a breach of supply chain security.



The PIA is conducted when:

Information is received from the company contact concerning a security breach in their supply chain.

An AEO Officer discovers a security breach in the company's supply chain; and/or

HQ is notified by the field of an incident concerning a security breach in a company's supply chain.



Incidents that require a PIA may include:

(a) a violation of the *Customs Act* or any of its regulations, or of any legislation enforced by the CBSA or other international customs organization;

(b) a violation of the Terms and Conditions or of PIP program policies; or

(c) a perceived weakness in a PIP program member's supply chain.



How can Incidents be identified?

- (a) voluntary disclosure by the business or its authorized representative;
- (b) communications with CBSA operations, including border services officers;
- (c) exchange of information with any other AEO program under an established MRA;
- (d) court decisions or legal publications; and/or
- (e) information in news media or other open sources.



## A Post Incident Analysis will:

- *a)* identify the source of the incident;
- *(b)* assess the member's response and cooperation with customs regulations and law enforcement (including self-reporting); and
- *(c)* ensure the implementation of proactive measures to prevent future incidents.



Membership benefits may be maintained or suspended throughout the duration of a PIA:

- Depending on the severity of the incident
- At the discretion of the Agency



## The Outcome of a PIA may consist of:

- An awareness presentation or training session given by an AEO officer to the business and its employees to promote greater understanding of security-related issues and vulnerabilities;
- An action plan to outline corrective measures in response to the incident; and/or
- Suspension or cancellation of program membership.





## Membership Suspended or Cancellation

- The program member gives an unsatisfactory explanation as to the possible cause(s) of the incident;
- If member fails to respond effectively to the incident; and/or
- If member is unwilling or unable to participate in a PIA.



During the site visit, the following is completed:

- Verify the company's assessment of the security breach;
- Make an inquiry about the normal function of the participant's supply chain;
- Ask the company how the breach could have occurred;
- Complete an evaluation of the criteria elements; and
- Determine what the participant has implemented to prevent future occurrences.



## When a PIA has been concluded:

- A letter of notification is sent to the program member.
- The letter will state the outcome of the PIA and will provide an effective date for the Agency's decision.
- A decision affecting PIP program membership as a result of a PIA is subject to appeal.

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