

# **CUSTOMS TRADE PARTNERSHIP AGAINST TERRORISM (CTPAT) STATE OF THE PROGRAM**

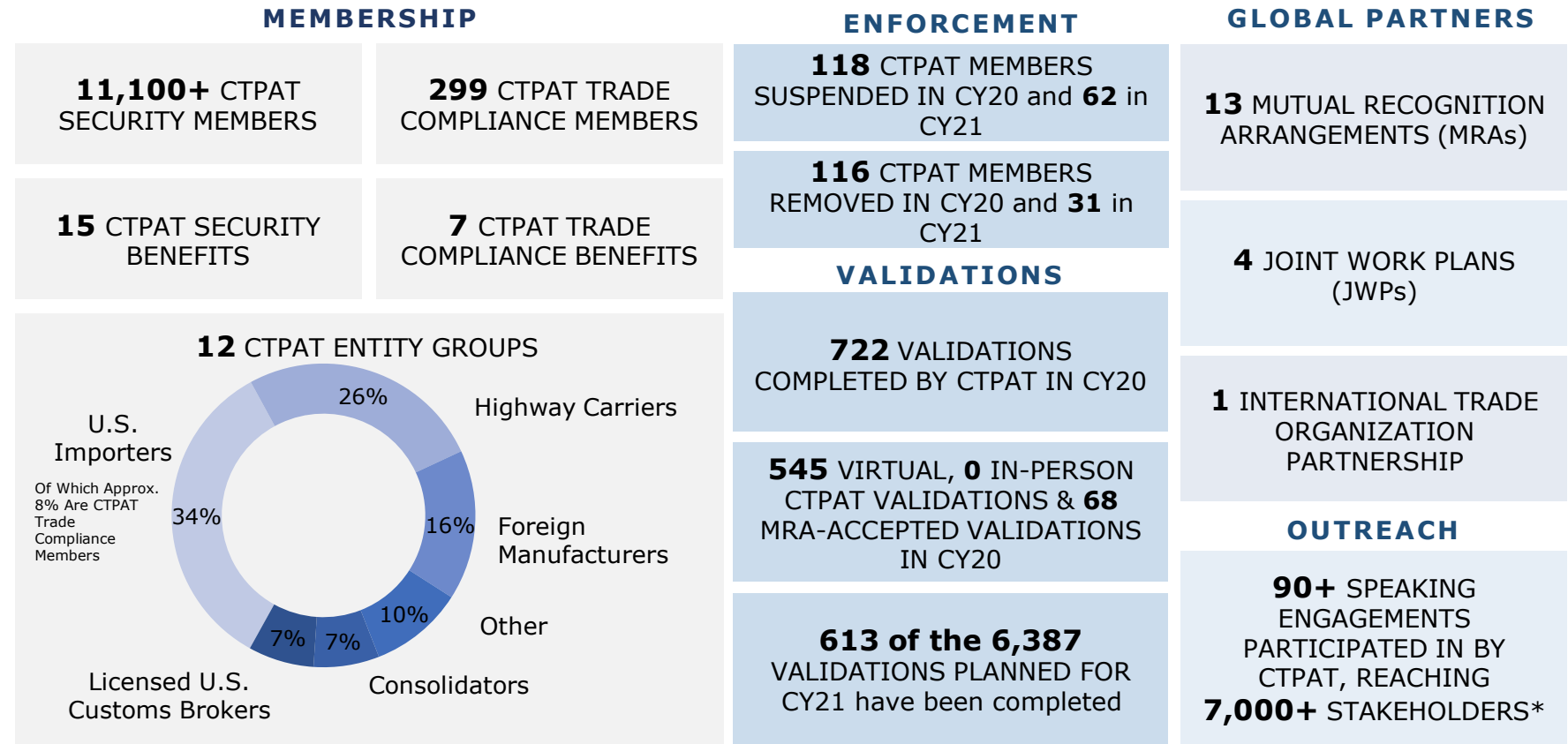
June 16, 2021



U.S. Customs and  
Border Protection

CTPAT has quickly adapted operations throughout CY20 and the COVID-19 pandemic while continuing to **enforce Program standards, deliver Member benefits, and virtually engage partners across government and industry.**

– **CTPAT At A Glance...**



– **Our Program Members...**



Represent **53%** of U.S. imports by value



Saved **\$65.9M** in FY20 through the benefit of reduced rate of exams



Saved **\$22M** in CY20 by receiving the AQUA Lane Member benefit



Have a **99.5%** Compliance Rate with the Established CTPAT Security Guidelines

*\*Operations impacted due to COVID-19*

## CURRENT VALIDATION PRIORITIES



**Leverage advanced, secure technology** for virtual validations to reduce validation backlog



**Continue to refine virtual validation process** that streamlines and automates actions for efficient validations



**Demonstrate Member and Program compliance** through analysis of data captured during virtual validations



**Reduce administrative burden** while maintaining rigor for CTPAT's validation process

## SHORT-TERM EXPECTATIONS

Expectation	Description	Ongoing Actions
Comparative Analysis of Virtual Validation Data & Feedback	Advanced analysis of data and feedback obtained from the 2021 virtual validations to assess overall success compared to in-person validations and identify opportunities to <b>refine, standardize, and scale virtual validation and data collection processes</b>	<ul style="list-style-type: none"><li>• Collect data from a variety of sources including the validation worksheet, validation analytic tool, and interviews with CTPAT SCSSs for qualitative feedback</li><li>• Define and track validation success metrics to assess any critical findings between data obtained in virtual and in-person validations</li></ul>
Virtual Validation Process & Outreach	Continue outreach tailored for SCSSs and Members to explain the virtual validation process, including technology best practices, roles and responsibilities, and data and documentation submission, to <b>communicate and scale guidance for the virtual validation process</b>	<ul style="list-style-type: none"><li>• Refine virtual validation process guidance for Field Offices, SCSSs, and Members informed by results of the virtual validation analysis</li><li>• Analyze and interpret feedback mechanism to further CTPAT's data-driven approach to assessing validation outcome and effectiveness</li></ul>

## LONG-TERM EXPECTATIONS\*

❖ **Secure Livestream Facility Tours and Member Interviews**

❖ **Intelligent Automation for Virtual Validation Processes**

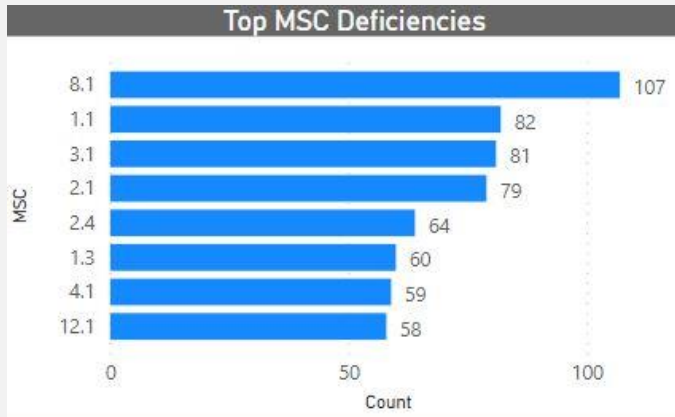
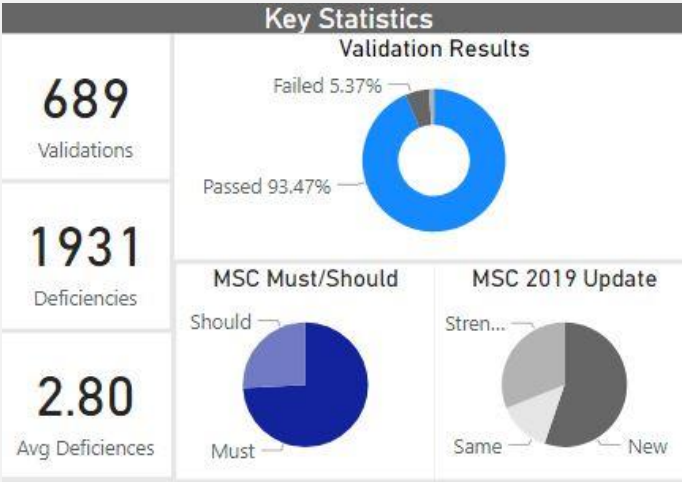
❖ **Cognitive Analytics & Anomaly Detection for Virtual Validations**

*\*Currently in progress*



The Program deployed a new internal data collection and analytic tool, **MSC Performance Tracking Dashboard**, that enables CTPAT to analyze Member validation performance, identify areas of improvement, and **capture historical data and compliance trends to inform future MSC updates**.

## KEY VALIDATION INSIGHTS

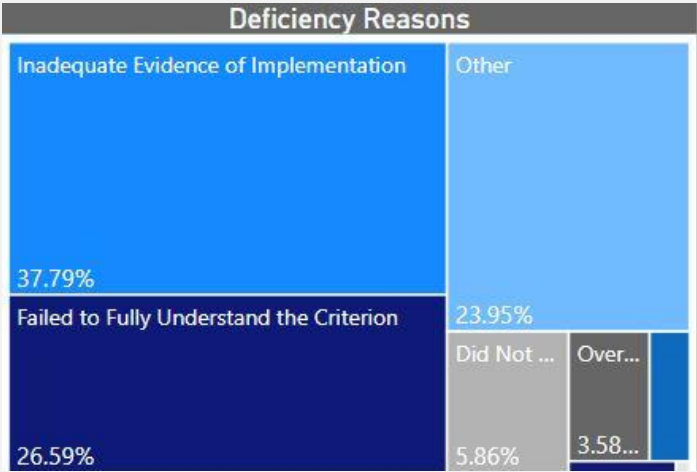


**Key Statistics:**  
Provides **summary validation information** and insights at a high level using key performance indicators and visualizations

**Top MSC Deficiencies:**  
Shows **specific MSC that have the highest rates of deficiency** and the number of deficiencies within each category

Deficiencies by Criteria Category		
Criteria Category	Count	Percentage
1. Security Vision and Responsibility	200	10.36%
10. Physical Access Controls	89	4.61%
11. Personnel Security	51	2.64%
12. Education, Training, & Awareness	201	10.41%
2. Risk Assessment	188	9.74%
3. Business Partner Requirements	212	10.98%
4. Cyber Security	248	12.84%
5. Conveyance and IIT Security	243	12.58%
6. Seal Security	99	5.13%
7. Procedural Security	157	8.13%
8. Agricultural Security	107	5.54%
9. Physical Security	136	7.04%
Total	1931	100.00%

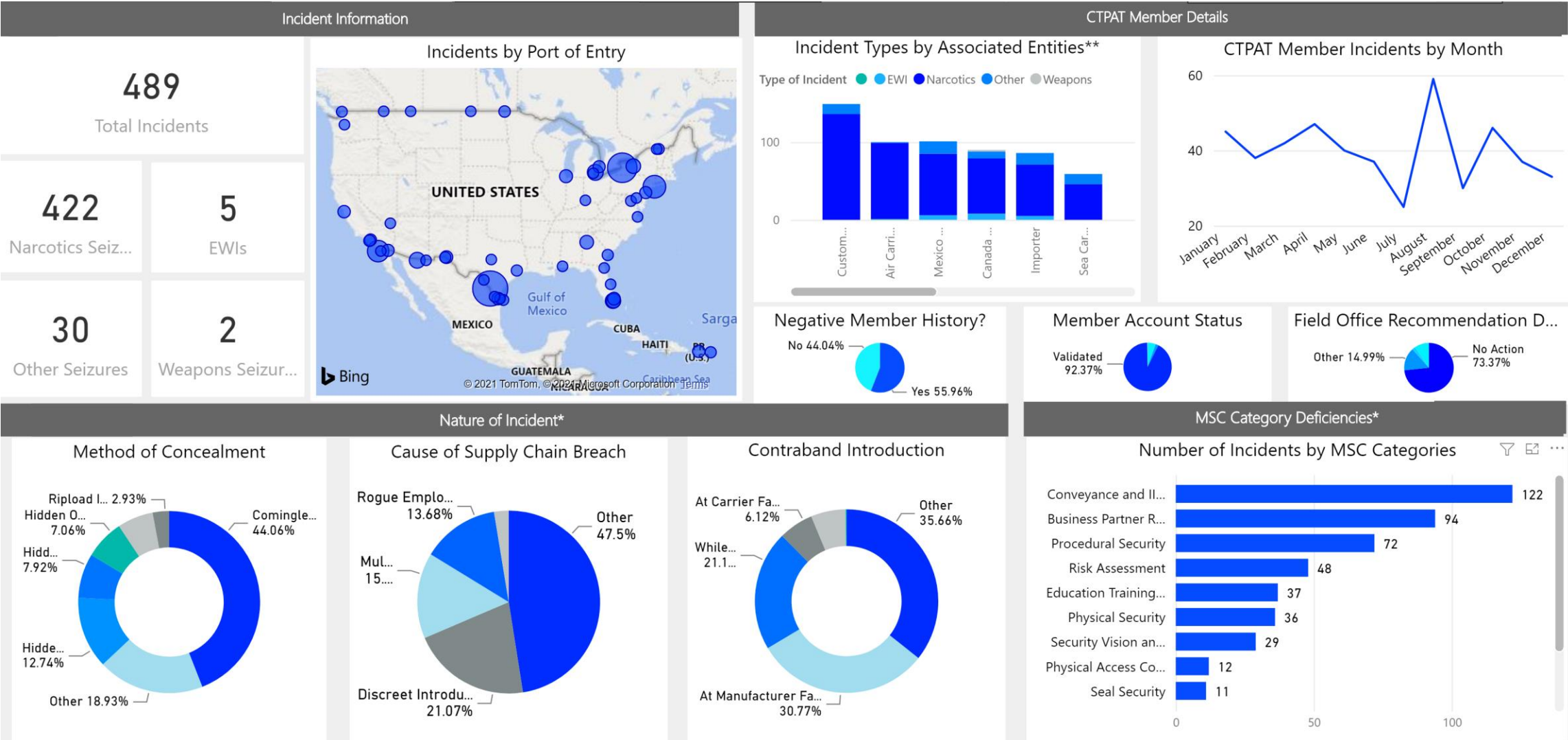
**Deficiencies by Criteria Category:**  
Demonstrates the number of **deficiencies within a specific criteria category** and compares the **percentage of deficiencies** within each category



**Deficiency Reasons:**  
Details **why MSC deficiencies occurred** and the **percentage of total deficiencies** that the specific reasoning represents

The Program deployed a new internal data collection and analytic tool, **CTPAT Member Incident Dashboard**, that enables CTPAT to analyze Member incidents, concealment method, cause of supply chain breach, mode of incident, and **capture historical data and compliance trends to inform the trade community.**

## KEY INCIDENTS INSIGHTS



CTPAT is continually **assessing the unique challenges and threats its Members face within the maritime environment** to understand proactive measures Members can take to secure their supply chains globally.

## Maritime Environment Challenges

Ensuring CTPAT Members can effectively secure their supply chains in the maritime environment is uniquely challenging compared to other modes of transportation because:

- 1** Sea Carriers are **vulnerable to internal conspiracy breaches**, especially on routes originating from South and Central America

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- 2** **Significant resources are required** to identify maritime breaches due to the large volume of cargo per vessel

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- 3** **Internal conspiracies and neglected access control** procedures at foreign MPTOs allow smugglers to gain access to ocean containers and clone/compromise affixed seals

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## CTPAT Members in the Maritime Environment

CTPAT's partnership includes Members in all stages of maritime transportation, emphasizing the need for comprehensive security requirements to address vulnerabilities across the supply chain.



## **Maritime Security Unit (MSU) - 2020 in Review**

- Established in April 2020 by Director Garza
- One Supervisor, eight SCSSs and four CTPAT Field Offices
- Promoting communication channels between CBP and Maritime entities
- Establishing communication channels between Maritime entities and other government agencies (NTC, DEA, FMC, etc.)
- Has initiated approximately 70 post incident analysis and requests for information
- Has worked with CBP's manifest branch to research seals that have been tampered/cloned for illicit smuggling attempts
- Introducing Maritime entities to CSI contacts at foreign seaports
- Collaborating with World Shipping Council (WSC) and its members
- Collaborating with the World Business Alliance for Secure Commerce (BASC)
- Working on improving the AQUA Lane benefit
- Provided three webinars covering important topics for the Maritime community



# CTPAT Q&A

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