



## World Port Summit - Secure Freight Initiative Pilot

---

March 11, 2008

# AGENDA

---

- Background & Objectives
  - Port Security
  - Secure Freight Initiative
  - 7 Pilot Ports
- SFI Operations
  - Hong Kong
  - The Concepts
  - The Equipment
  - Lessons Learnt
- 100% Scanning

# Background & Objectives

## Post 9/11 Maritime Transportation System

---

- The World lacks confidence in the traditional maritime transportation system
- Initially, Industry took the lead and were pushing different security solutions
  - Integrated Container Inspection System (ICIS)
- US Government came up with some piecemeal programs but were not addressing core issues
- US Government has since stepped up with the SAFE Port Act and various initiatives that followed

## Background – SAFE Port Act

---

- On October 13, 2006, US President George W. Bush signed into effect the Security and Accountability for Every Port Act (a.k.a. the SAFE Port Act). This bill aims to:
  1. Harden critical infrastructure,
  2. increase port defenses against possible attack,
  3. to raise the standards of maritime container security
- Department of Homeland Security (DHS) developed the Container Security Initiative (CSI) and Department of Energy (DOE) with The Megaports Initiative
- Secure Freight Initiatives (SFI) is building on the efforts of CSI and Megaports Initiative Programs

# Background – SFI Building Blocks

## Secure Freight Initiative

- Build on efforts of CSI & Megaports
- Strengthen cargo screening & targeting
- Integrate data from both programs to provide a new level of protection
- 7 overseas ports
- G2G relationship

### Department of Homeland Security Container Security Initiative (CSI)

- 24hrs Rule
- Targeted screening
- At 56 overseas ports
- Manifest data+ to determine whether scanning is necessary
- WMD & Conventional Threats

### Department of Energy Megaports Initiative

- At 8 overseas ports & operational testing in 4
- Scan containers with Radiation Portal Monitors regardless of destination
- Radiological & nuclear aspects of WMD

## SAFE Port Act

- Harden critical infrastructure,
- Increase port defenses against possible attack,
- Raise the standards of maritime container security

## Secure Freight Initiative – Pilot Ports

---

- Currently, SFI deployed in 7 overseas ports:
  - Port Qasim, Karachi, Pakistan
  - Puerto Cortes, Honduras
  - Southampton, England, United Kingdom
  - Hong Kong (**Modern Terminals**)\*
  - Singapore (Brani Terminal)
  - Salalah, Oman
  - Busan, Korea (Gamman Terminal)
- Qasim, Cortes, and Southampton are scanning 100% of US bound containers
- Hong Kong\*, Singapore, Salalah, & Busan are on a limited capacity basis

\* - operational

Partner with **the Best**

# SFI Operations

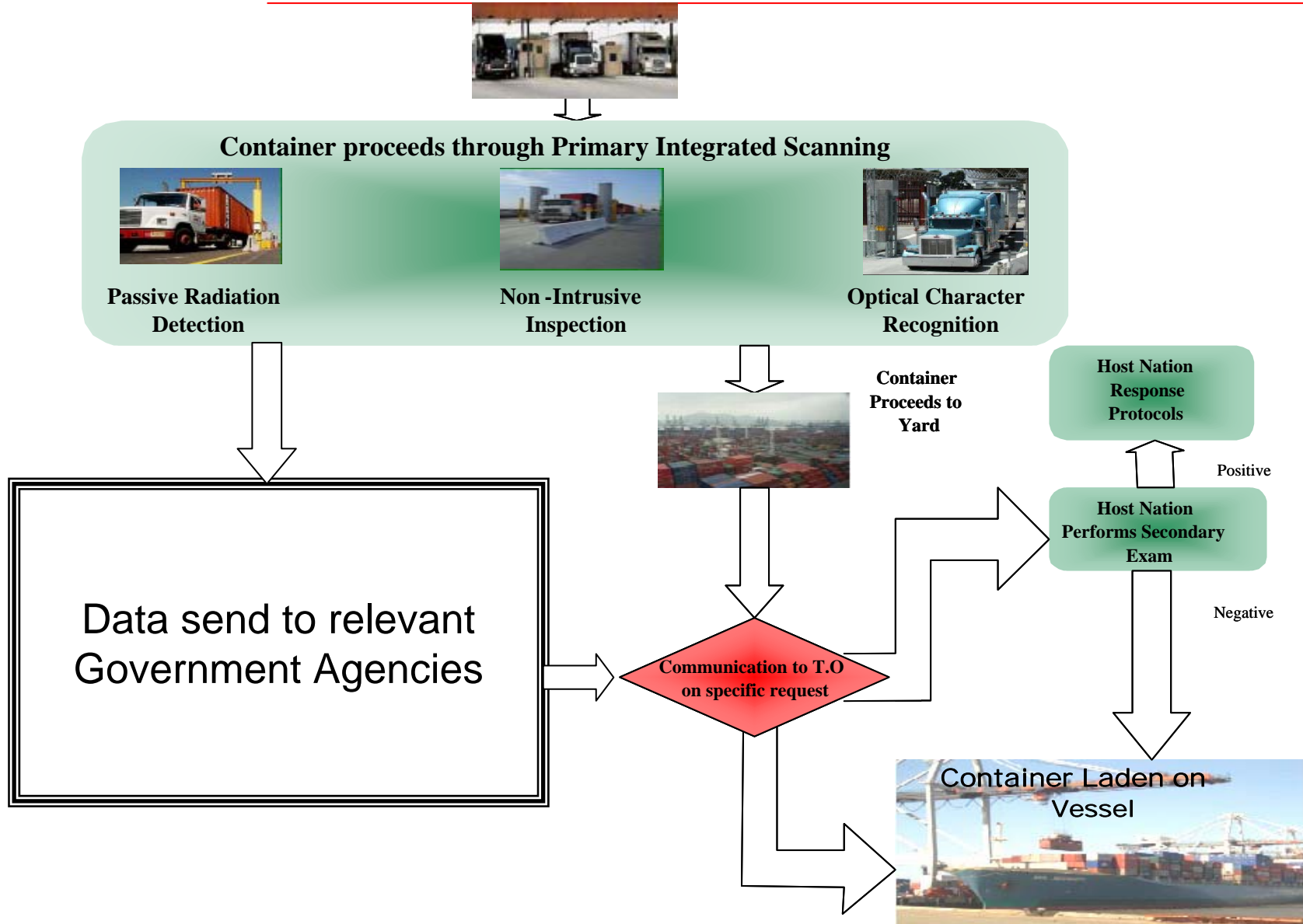


## SFI – Hong Kong

---

- Before SFI, in September 2004, **Modern** Terminals took the lead along with HKCTOA with the implementation of the ICIS pilot in Hong Kong
- Hong Kong started the SFI pilot at **Modern** Terminals on November 19, 2007
- Outbound containers delivered by trucks at the in-gate of **Modern** Terminals T125 facility are subject to be scanned on a voluntary basis
- **Modern** Terminals to operate the NII ensure the scanned data be sent to HK Customs & Excise and US SFI Team
- Hong Kong Customs & Excise will take follow up actions for all containers triggered off an alarm
- The pilot is scheduled to end April 30, 2008

# SFI – Concepts of Operations



# SFI – The Equipment

- Integration of large scale Non-Intrusive Inspection (NII) equipment

## Drive-Through

16 km/hr

>300 trucks/hr

**VACIS**  
(Radiographic Imaging)

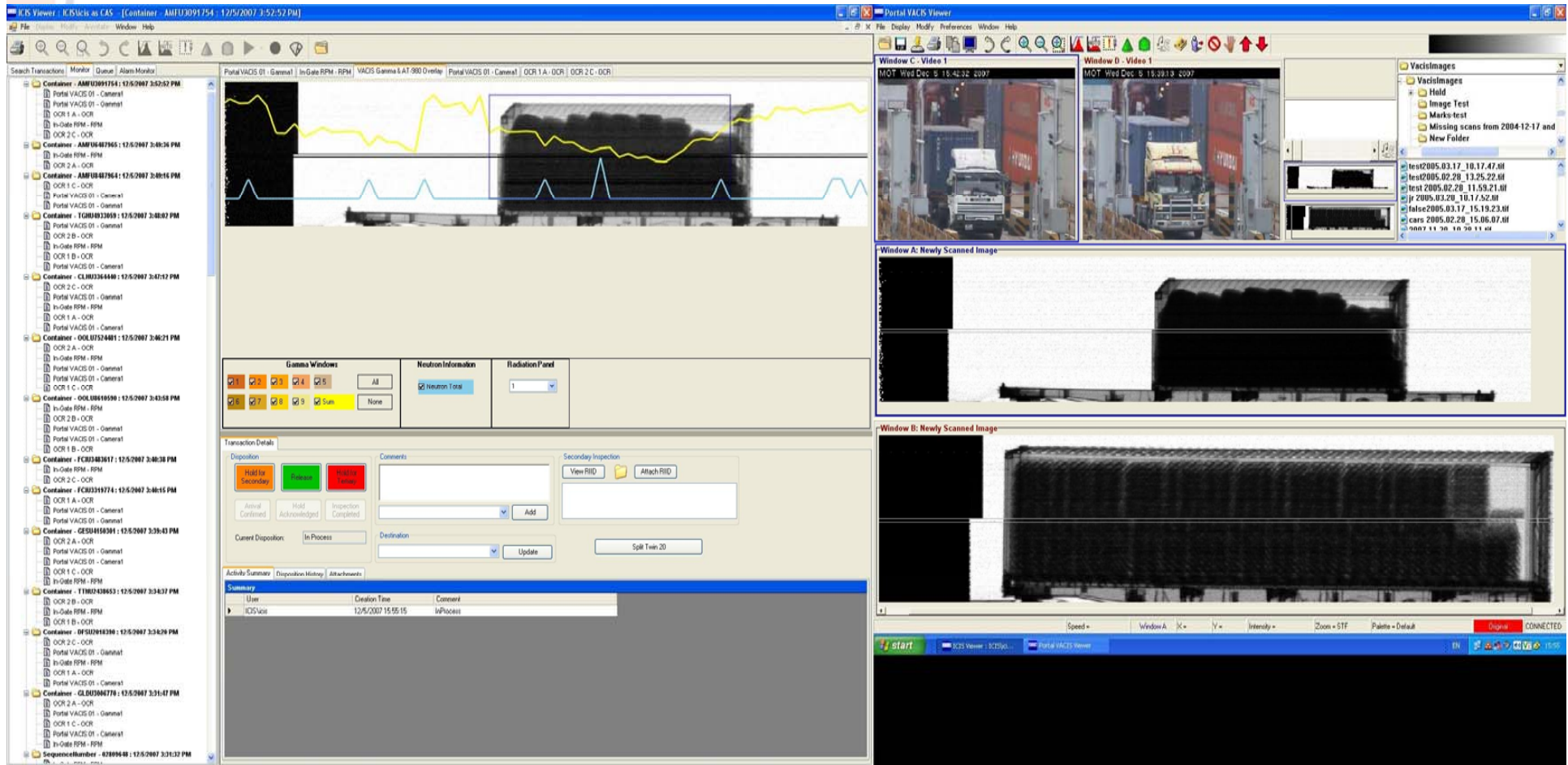
**RPM**  
(Radiation Screening)

**OCR**



# SFI – The Images

- Container image and radiation alarm profiles paired with manifest data will support targeting decisions under SFI.



The screenshot displays the Portal VACS Viewer software interface. The left sidebar lists various container transactions with details such as container ID, location, and time. The main area shows a radiation profile graph overlaid on a cargo image. The right sidebar contains video feeds and a file explorer. Below the main area are control panels for Gamma Windows, Neutron Information, and Radiation Panel. At the bottom, there is a Transaction Details section with buttons for 'Hold for Secondary', 'Process', and 'Release to Tally', and an Activity Summary table.

User	Creation Time	Comment
ICIS\vic	12/5/2007 15:55:15	InProcess

Radiation profile + cargo image + container ID + manifest = **What's in the box**  
 Partner with the Best

## Lessons Learnt, thus far

---

- With current arrangement, scanning containers when delivered by trucks is feasible and will not slow down terminal operation
- However, containers delivered by trucks only represent ~39% of total Hong Kong Container Terminals throughput
- Around 61% of Hong Kong throughput are Barge and Transshipment – Barge and Transshipment ‘moves’ must be piloted
- Trucking community needs to be further educated on the safety of the NII system
- Continue to stay engaged with US CBP to ensure new policies/procedures will not impact terminal productivity

100% Scanning

## 100% Scanning

---

- US President George W. Bush signed a bill on August 3, 2007
- Amends Sec. 232(b) of the SAFE Port Act
- Text of Language:
  - A container that was loaded on a vessel in a foreign port shall not enter the United States (either directly or via a foreign port) unless the container was scanned by non-intrusive imaging equipment and radiation detection equipment at a foreign port before it was loaded on a vessel
- Timeline – By July 1, 2012, **ALL** containers entering the US must be scanned by NII and radiation detection equipment at a foreign port
- A 2 years extension can be granted with certain conditions

## SFI – 100% Scanning

---

- Currently, there are more than 700 ports sending maritime containers to the United States
- The SFI team to submit a FULL RECOMMENDATION REPORT to the US Congress on the implementation of 100% Scanning in **April 2008**
- A subsequent report on the conclusion of the SFI Pilot Program to be handed to the Congress in **October, 2008**
- A Deployment Plan has yet to be developed....



## For the Industry

---

- This is a REAL business issue for the Industry
  - Maritime Transportation system has to change
  - Idea of ‘Shipper’s Load & Count’ no longer practical
- End goal is to get a significant security regime in place where operational efficiency will not be jeopardized
- US Government took a significant step to push security in our industry forward with the SAFE Port Act
- Industry must step up and engage to find a workable solution and must not shy away
- The Industry AND the US Government must collaborate to find an end to end solution



**Thank you**

---