

Import Compliance Office

Supply Chain Security in APEC: Government Industry Partnerships

Debbie Turnbull

Program Manager, IBM Supply Chain Security

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IBM Company Profile

- Manufacture and sell computer services, hardware and software
- World's largest consulting organization (IBM Global Services)
 - 320k employees
 - 160 countries
- 50+% revenues from sales outside the United States
 - direct sales
 - third-party distributors and resellers
 - e-business
- Global Volumes (2004)
 - 2500 Customs declarations / day
 - USD 68M / day
 - 2.5M kilos / day

Supply Chain Security Goals

- Implement a more secure supply chain that yields greater trade efficiencies
- Create Industry/Government Partnerships in the development of security and trade initiatives
- Achieve Global Commonality of Supply Chain Security Criteria, Customs Declarations Data and Processes
- Promote voluntary industry participation that provides collateral benefits



IBM Participation in Government Industry Programs

Early Adoption of Government Anti-Terrorism Trade Programs

Customs Trade Partnership Against Terrorism
(C-TPAT)

Partners in Protection
(PIP)
Canada

Business Anti Smuggling Coalition
(BASC)
Mexico

Participation in Voluntary Partnership Programs Benefits Governments and Industry

- Completing partnership application and security profile requires:
 - internal collaboration of multiple internal stakeholders (e.g., Import Compliance, Corporate Security, Procurement, Personnel, Global Logistics, Legal, etc.)
 - engaging our supply chain partners
- Validation process with government is a two-way learning experience, promotes sharing of industry best-practices
- Voluntary partnership:
 - promotes stronger relationships and open communication that lead to continual learning and improvement of security practices as circumstances and threats change
 - enables flexibility to adapt program quickly
- Adoption of harmonized partnership programs by other countries will prevent conflicting requirements and unnecessary inefficiencies in a global supply chain

Encourage Industry Participation Through Research, Conferences and Trade Publications

Research

Report on Enhancing Supply Chain Security with Michigan State University

Report on Supply Chain Security Return on Investment (ROI) research with MIT

Quantitative supply chain security ROI research study with Stanford University

Conferences

IBM Supply Chain Security supplier conferences April 2004 and June 2005

New York Times

Financial Times

Journal of Commerce

Publications

WCO Magazine

Logistics Quarterly

Cargo Security Int'l

Encourage Partnership Programs through Collaboration with Customs

Strengthen relationships with 20 Customs organizations in countries most critical to IBM's Supply Chain

- Promote partnerships between customs and industry on supply chain security
- Discuss support needed for common standards and mutual recognition – e.g., WCO Framework
- Expedite implementation of supply chain security programs as outlined in the WCO Framework

Customs Organizations		
United States	Canada	Korea
Mexico	Japan	Brazil
European Commission HQ	Taiwan	India
Germany	Singapore	Russia
United Kingdom	Malaysia	France
Ireland	Thailand	Hungary
Australia	China	

IBM views Supply Chain Security as an Industry Competitive Imperative

Efficiency

- Faster goods movement at border
- Reduced cycle time
- Streamlined global processes

Responsiveness

- Faster customer deliveries
- Improved customer satisfaction

Productivity

- Lower inventory costs
- Lower cost of doing business

Image

- Customs relationship
- Protects brand image

Partnership Programs Can Generate Benefits for Governments

Efficiency

- Need less time to clear shipments from program participants
- Opportunity to streamline processes

Responsiveness

- Faster customs clearance for program participants
- Improved importer satisfaction

Productivity

- Focus Customs resources on shipments from less known importers
- Potentially less overtime / reduced Customs costs

Image

- Enhanced country image
- Viewed as industry partner

In Summary, Security Protects but also Makes Good Sense for Industry and Governments

IBM is committed and passionate about Supply Chain Security

- Import across 160+ countries
- Industry and governments need to work together to assure supply chains are secure
- WCO framework creates opportunity for common standards globally
 - Establishes uniformity and predictability
 - Reduces multiple and complex reporting requirements
 - Provides opportunity for mutual recognition

Result is greater resilience, continuity and competitive advantage



Maritime & Supply Chain Security: *An Industry Perspective*



Earl Agron
APL Limited
VP Security
25 February 2006



APL Overview

- **APL Terminals: 9**

- San Pedro
- Seattle
- Dutch harbor
- Oakland
- Yokahama
- Kobe
- Kaohsiung
- Laem Chabang
- Ho Chi Minh City

- **APL Container Vessels:**

- Around 100
- 50% owned/50% chartered

- **APL Container Fleet: 400,000**

- **500 Vessel calls per week**



Moving Business Forward



APL Logistics: Supply Chain Mgmt.



Global Suppliers
Vendor Management



Consolidation



Air/Ocean
Transportation



Document
Delivery



Deconsolidation
Distribution



Domestic Multi-
Modal Transportation



Warehousing & DC's



Delivery to Point-of-Sale

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Transportation Security Incidents

New York, USA
WTC Terrorist Attacks
September 11, 2001

Madrid, Spain
Train Bombings
March 11, 2004

Yessentuk, Russia
Commuter Train Bombing
December 5, 2003

Port of Ashdod, Israel
Double Suicide Bombings
March 14, 2004

Port Aden, Yemen
USS Cole Bombing
October 12, 2000

Gulf of Aden, Yemen
M/V Limburg, Bombing
October 6, 2002

Straits of Malacca
World Hot Spot for
Piracy Attacks

Singapore
Al Qaeda suspected of
planned attacks on ships



Moving Business Forward



Balance Trade and Security

- > Protect the supply chain
- > Facilitate trade



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Supply Chain Is Large and Complex

- > 15 million containers circulating throughout the world
- > 1.2 million multinational seafarers
 - Limited risk assessment and security training
- > Thousands of vendors
- > Approx 200 data elements for each shipment
- > Typical door-to-door move involves
 - 100s of people
 - 12 to 15 locations across international boundaries
 - Myriad rules and regulations



Alliances

Grand Alliance



129 Vessels
22 Strings
660,000 TEU

CHKY Alliance



177 Vessels
29 Strings
775,000 TEU

New World Alliance



90 Vessels
14 Strings
447,000 TEU

Cooperate in selected trades



25 Vessels
4 Strings
72,000 TEU

Maersk Line



203 Vessels
32 Strings
943,000 TEU

Evergreen Group



77 Vessels
12 Strings
337,000 TEU

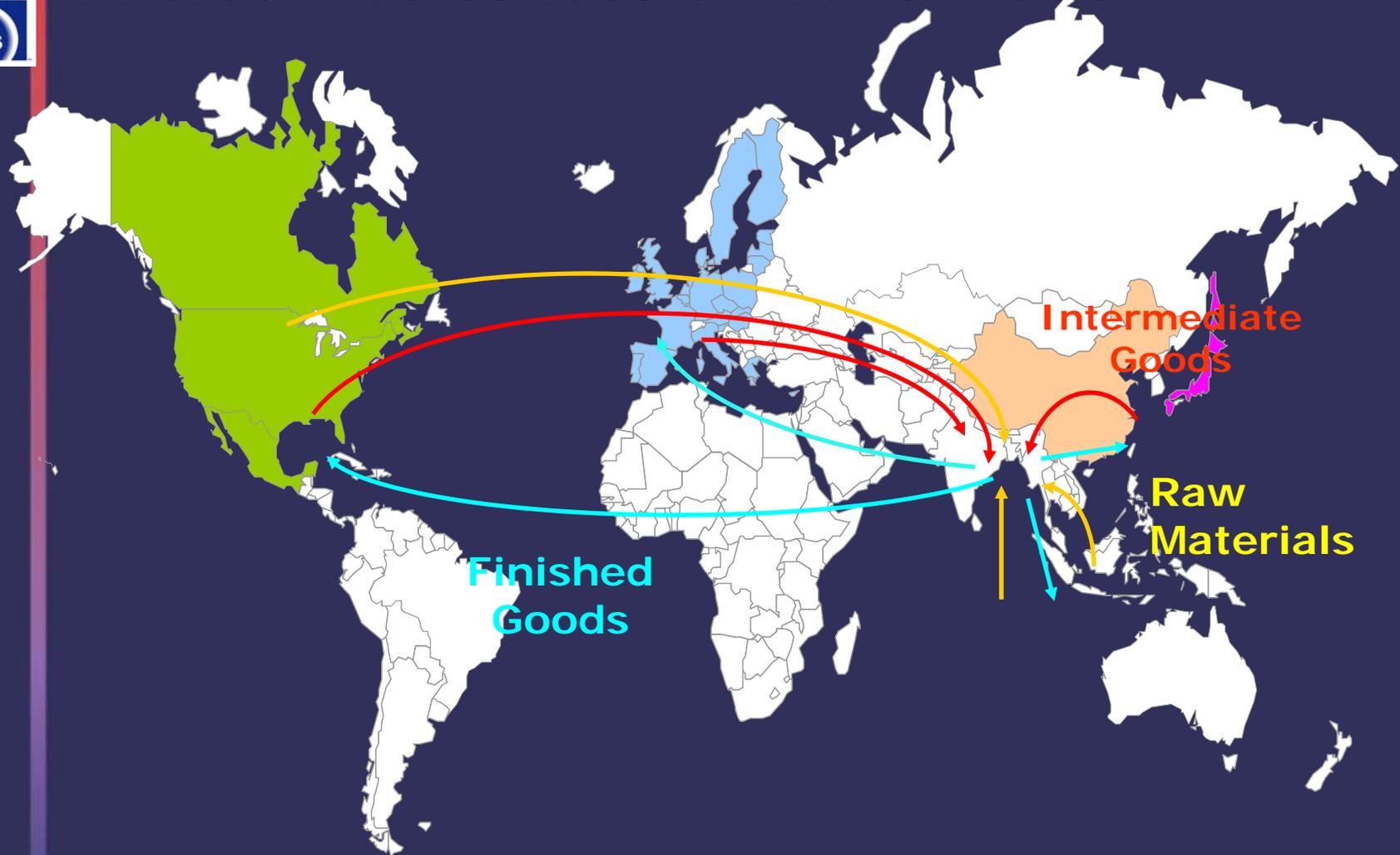
Source: MDS/Alphaliner

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APL
Logistics

Interconnectedness of World Trade



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International Cooperation is Vital



Cooperation among all supply chain stakeholders and government authorities is critical in securing global trade.

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Port of Singapore Authority

- > 200 shipping lines
- > Linked to 123 countries
- > 60,000 containers per day
- > 60 vessel calls per day
- > 112 gantry cranes
- > 37 berths/10,000 meter quay length





Global Regulations

Each nation may issue its own container security regulations in order to protect itself.

But regulations need to be harmonized otherwise we will face two major consequences:

- Misallocation of priorities
- Miss the terrorist threat when it comes





Security Initiatives

- > International Maritime Organization's International Ship and Port Facility Security Code (ISPS)
- > World Customs Organization's Framework for Standards to Secure and Facilitate Global Trade





ISPS – Ship and Terminal Security

- > Security assessments and plans
- > Access control
- > Training
- > Cooperation between public and private sectors



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World Customs Organization

Framework of Standards to Secure and Facilitate Global Trade



Effective implementation of Framework will:

- Optimize resources in meeting security requirements
- Help organizations focus on the actual terrorist threat
- Balance security and facilitate trade

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WCO Framework: Implementation Needed

- > Not legally binding
- > Not prescriptive
- > Customs Administrations need to ensure consistency and work toward mutual recognition
- > Private sector has important role





Mutual Recognition and Consistency Critical

An administrative nightmare would occur if each of the 140 countries required separate protocols and procedures.



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Public-Private Cooperation Example

- > Supply Chain Security Management , Assessments and Plans (ISO 28001)
 - WCO, EU & USA involvement from public sector
 - Auditors, ocean carriers and importers from private sector
 - Input still lacking from trucking, rail, barge and other inland transportation providers

- > Balloting begins end of March 2006

- > Input will still be accepted

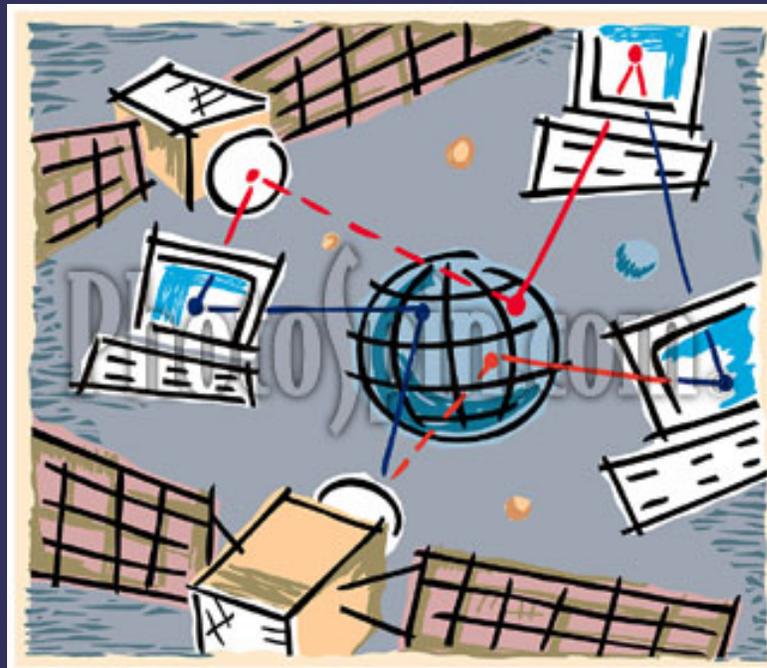


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Sharing Information

- > Sharing information between private and public sectors is critical if we hope to mitigate risk.
- > Trust between the public and private sectors is key to success.



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Advance Manifest 24-Hour Rule

- > The US 24-Hour Rule looks at detailed information to help identify the riskiest containers bound for the US.
- > Improvements to this Rule are being considered by US Customs with consultation with the private sector.
- > Asia not protected in same manner
- > Mutual recognition is key as other advance manifest initiatives are introduced.



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Security and Technology

- > The transportation industry has demonstrated that it will accept change when there is a strong reason to change.



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Technological Changes



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Technology

- > Problem definition comes first.
- > Identification of solutions should follow with public sector collaboration with supply chain stakeholders.
- > Technologists have a key role to play AFTER the problem is defined and the solutions identified.





Security's Key Question:

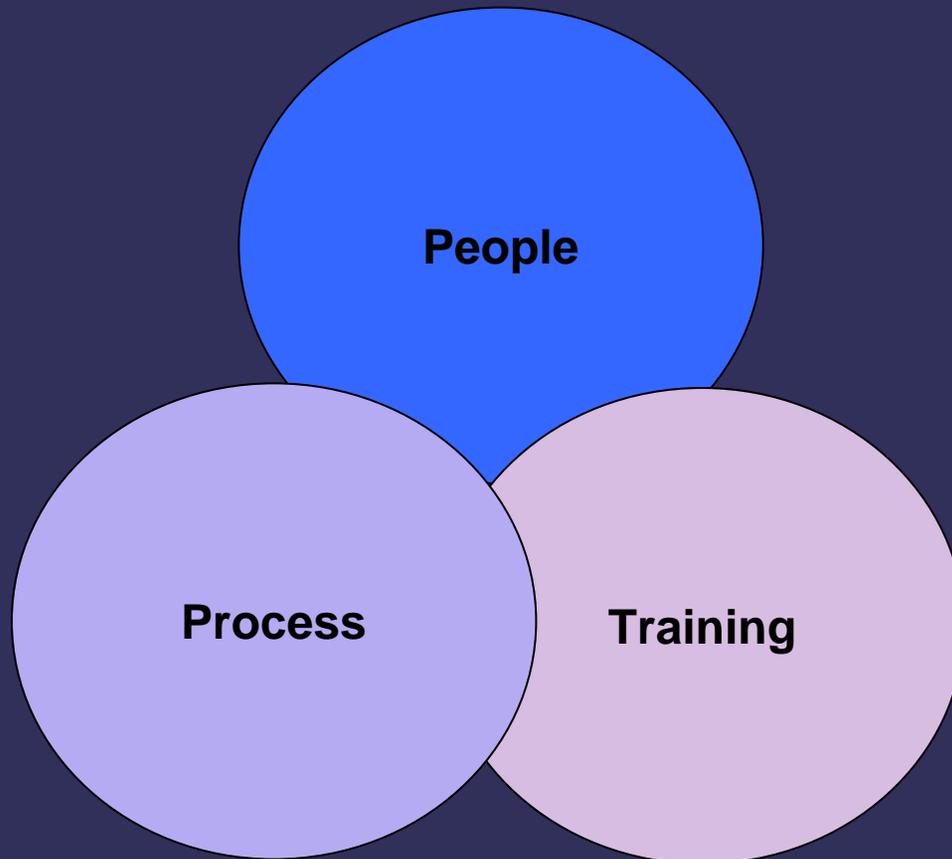
What's in the Box?



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As Important as Technology:



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“The greatest resource we have in the war against terror is the intelligence and common sense of our people.”

-- General Benjamin Defensor



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Conclusion

- > Avoid expensive approaches that add relatively little to security
- > Continue balancing security with trade
- > Continue to cooperate – governments together, government and private sector



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**The Fourth Conference on Secure
Trade in APEC Region (STARIV)**
Hanoi, Viet Nam, 24 – 25 February 2005

**Maritime Security Round Table 1:
Facilitating Trade While
Implementing Maritime Security**

**REGIONAL EXPERIENCE IN THE IMPLEMENTATION OF INTERNATIONAL
SECURITY REQUIREMENTS ON SEAGOING VESSELS VIA PORT STATE CONTROL
MEASURES IN THE ASIA PACIFIC REGION**

*By Dr. Vitaly Klyuev,
Head of the Asia-Pacific Maritime Information and Advisory Service,
Ministry of Transport of the Russian Federation*

1 In accordance with the international regulations stipulated by International Conventions in the maritime field the main responsibility for ship safe condition is addressed to the flag State – the State under which flag the ship is registered. The flag State may act by itself in relation to providing implementation of international requirements by its vessels or may transfer a part of this activity to a Recognized organization in the most cases being classification societies. Transferring the activity the flag State continues to be responsible for ship safe operation at any time. Port State control (PSC) comes into the scene when shipowners, classification societies and flag State administrations have failed to comply with the requirements of the international maritime conventions.

2 Although it is well understood that the ultimate responsibility for implementing conventions is left to the flag States, port States are entitled to control foreign ships visiting their own ports to ensure that any deficiencies found are rectified before they are allowed to sail. Port State control is regarded as measures complementary to the flag State activity. The rights for that control are provided by the conventions themselves.

3 In recent years, the importance of port State control has been widely recognized and there has been important movement in various regions toward establishing a harmonized approach to the effective implementation of the control provisions. Currently the following PSC regimes are established in the world.

- *Paris MOU (Europe and North Atlantic region)*
- *Acuerdo de Vina del Mar (Latin American region)*
- *Tokyo MOU (Asia-Pacific region)*
- *Caribbean MOU (Caribbean region)*
- *Mediterranean MOU (Mediterranean region)*
- *Indian Ocean MOU (Indian Ocean region)*
- *Abuja MOU (West and Central African region)*
- *Black Sea MOU (Black Sea region)*
- *Ryhad MOU (Persian Gulf region)*

- *United States*

4 The main ideas of establishment of a regional PSC regime may be summarized as follows:

- **every Maritime Authority establishes PSC system on its national level;**
- **agreed relevant instruments are used for ship control activity;**
- **common and coordinated PSC procedures are applied during PSC inspections;**
- **actions against substandard ships are harmonized and coordinated;**
- **mutual comprehensive information exchange is provided.**

5 Since 1st April 1994 in the Asia Pacific region operates a regional international organization named Memorandum of Understanding on port State control in the Asia Pacific region (Tokyo MOU). The task of this organization is coordination of control of foreign vessels visiting ports of member States for compliance with international requirements in maritime safety and maritime environment protection. Particulars of the Tokyo MOU are provided in Annex 1.

6 The Tokyo MOU on Port State control is a system of harmonized inspection procedures designed to target sub-standards ships with the main objective being their eventual elimination.

7 Port State control is carried out by properly qualified Port State Control Officers (PSCO), acting under the responsibility of the maritime authority.

8 The Port State Control Committee is the executive body of the Tokyo MOU. The Committee deals with matters of policy, finance and administration. Daily activity of the Tokyo MOU is supported by the permanent Secretariat located in Tokyo, Japan.

9 A port State control visit on board normally starts with verification of international certificates and documents. When deficiencies are found or the ship is reportedly not complying with the regulations, a more detailed inspection is carried out.

10 Only internationally accepted conventions shall be enforced during port State control inspections. These conventions are the so-called “relevant instruments”.

11 Flag State which are not a Party to conventions shall receive no more favorable treatment.

12 When serious deficiencies are found, the ship shall be detained. The captain is instructed to rectify the deficiencies before departure.

13 From 1st July 2004 the international security requirements to ships and port facilities stipulated by Chapter XI-2 of SOLAS 74 Convention as amended and associated International Ship and Port Security (ISPS) Code have become mandatory for all vessels engaged in international voyages.

14 In spite of the fact that the main responsibility of implementation of security requirements is addressed to the vessel flag States appropriate procedures for control of security condition of vessels visiting foreign ports are introduced by Regulation 9 of Chapter XI-2 of SOLAS Convention. This regulation gives a right to a port State to verify whether a vessel intending to visit or visiting a port of the State complies with the international security requirements.

15 The security control procedure and possible actions by port States against vessels having security defects are quite new for traditional port State control regimes. In accordance with the existing practice of control of vessels by port States a vessel is subject for control only when she is in a port and the main action against non-safe vessel is a detention until rectification of deficiencies detected by port State control officers during appropriate inspection activity. The new Chapter XI-2 of SOLAS Convention introduces some additional security related actions including even expulsion of a vessel from a port.

16 Taking into account that maritime security requirements are incorporated in the SOLAS Convention, which is a relevant instrument for the Tokyo MOU, this organization in cooperation with other similar port State control organizations, such as Paris MOU and US Coast Guard, has developed and implemented its regional port State security control procedures utilizing already existed infrastructure for regular port State control.

17 As a preliminary measure the Tokyo MOU arranged advanced verification of implementation of the security aspects by the vessels operating in the Asia Pacific region with issuance of Letter of Notification to those vessels which had been found not prepared for implementation of security requirements.

18 Starting from 1st July 2004 the Tokyo MOU conducted three-months Concentrated Inspection Campaign (CIC) focused on checking implementation of security aspects by the vessels in the region. The questionnaire used for the CIC is attached to the submission as Annex 2. The results of CIC inspections were collected and analyzed by the Tokyo MOU and the summary is published via dedicated press-release, which is attached as Annex 3 to the submission.

19 The Tokyo MOU has developed and introduced Guidelines for port State control (PSC) officers on security aspects. The main idea of the Guidelines is that the regular PSC officers during ordinary PSC inspections make simple (initial) verification of implementation of security requirements by the inspected vessels. In case of any difficulties in security control or in case of detection of serious non-compliance with the requirements the PSC officers are recommended to inform appropriate competent security Authorities for further control measures.

20 In accordance with recommendations of the Tokyo MOU the regular PSC officers among other things are requested:

- i while approaching and boarding the ship and moving around the ship to take note of the security aspects taking into account the security level imposed by the port and ship. The officers are not required to test the security system and should only consider those aspects which arise during the course of their normal business on board;
- ii to check that the International Ship Security Certificate (ISSC) or the Interim ISSC is on board, valid and has been issued by the ship's Administration, an organization authorized by it or by another Contracting Government at the request of the Administration;
- iii to ask the master with which security level the ship is complying and confirm that this is at least the level imposed by the port;
- iv when checking other documentation to ask for evidence that security drills have been carried out at appropriate intervals and to seek information on any exercise involving the ship;
- v to check the records of the last 10 calls at port facilities including any ship/port or ship/ship interfaces which should include for each interface:
 - security level at which ship operated,
 - any special or additional security measures that were taken,
 - that appropriate ship security measures were maintained during any ship/ship activity;
- vi to assess whether key members of the ship's personnel are able to communicate effectively with each other.

21 Subject to national arrangements the competent security Authority may request the PSC officers to make further verifications before coming to a decision or until Officers Duly Authorized for Security can board the ship. These verifications is limited to:

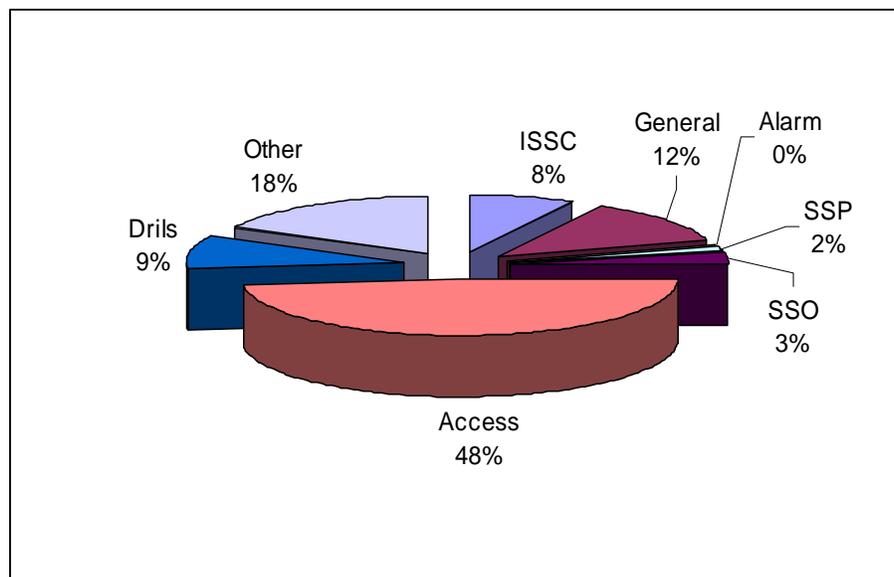
- i verifying that a security plan is on board and that a ship security officer (SSO) is on board;
- ii verifying that the master and ship's personnel, in particular the SSO, duty officer and person(s) controlling access, are familiar with essential shipboard security procedures;

- iii verifying that communication has been established between the SSO and the Port Facility Security Officer;
- iv verifying that records exist for maintaining the ship's security system including:
 - internal audits and reviews of security activities,
 - periodic review of the ship security assessment,
 - periodic review of the ship security plan,
 - implementation of any amendments to the ship security plan,
 - maintenance, calibration and testing of any security equipment provided on board including testing of the ship security alert system;
- v checking records of any:
 - security threats,
 - breaches of security,
 - changes in security levels,
 - communications relating to the direct security of the ship.

22 Details of International Ship Security Certificate and all security related deficiencies discovered by PSC officers during the inspection are to be recorded in the regular inspection report forms prescribed by the Tokyo MOU with the following categories:

- i International Ship Security Certificate;
- ii Ship Security defects (with additional explanations);
- iii Ship security alert system
- iv Ship security plan;
- v Ship security officer;
- vi Access control to ship;
- vii Security drills.

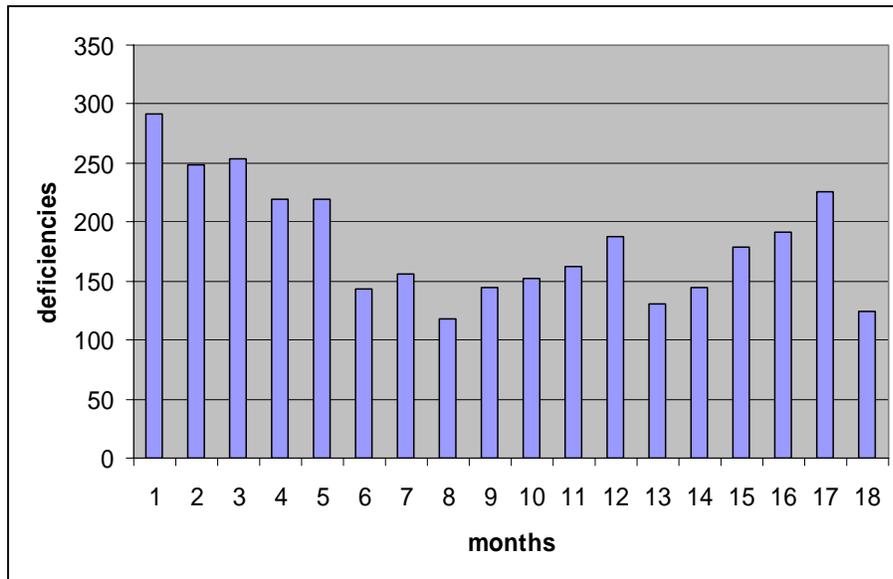
23 Deficiencies detected by the PSC officers on the vessels during initial check of the security requirements are divided on the categories mentioned above as follows:



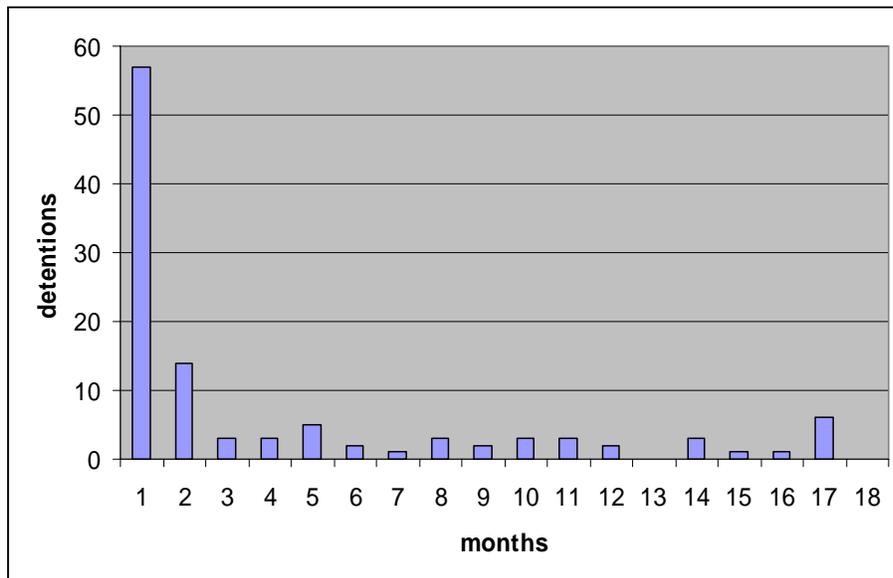
24 All the inspection details including security related data are recorded in the Asia Pacific Computerized Information System (APCIS), which is a regional PSC information system for the Tokyo MOU with the central site located in Vladivostok, Russia. The security inspection results are available for all Tokyo MOU PSC officers and member State maritime Administrations on authorized basis.

25 According to the data collected by the APCIS the Tokyo MOU member States during first eighteen months from the date of entering into force of international security requirements for the ships conducted 32 900 inspections and in 3 291 (10%) inspections 4 097 security related deficiencies were detected. In 109 (0,3%) cases the vessels were detained on security grounds. In 20 cases competent security Authorities were invited to make more detailed inspections and/or apply additional actions.

Trend of number of security related deficiencies



Trend of number of detentions on security ground



26 General trend of number of deficiencies is smooth decreasing of it. It means that the security requirements being new for the vessels at the beginning become more and more understandable and the vessels perform necessary tasks. Serious deficiencies caused detentions of the vessels are detected on the vessels in the region less and less. (See above diagrams)

27 As it is reflected in this submission the Tokyo MOU addresses the only initial security checks via existing PSC regime utilizing existing PSC officers additionally trained for security aspects. The detailed security inspections and security related actions other than detentions are left to dedicated competent security Authorities of relevant port States.

28 Respectively information exchange by security related data among port States arranged by the Tokyo MOU via its regional information system APCIS is limited within PSC procedures agreed by the Tokyo MOU.

29 It is unknown any other than the Tokyo MOU regional scheme for effective information exchange by ship related data including security aspects.

30 Summarizing the above the several important conclusions may be observed:

- i Internationally determined ship security requirements are recognized and addressed in the Asia Pacific region via flag and port States;
- ii Implementation of security aspects by vessels operating in the region are under monitor by relevant PSC regime on regional level with cooperation among States of the region.
- iii Relevant information exchange by security related data partly provided within scope of the PSC regime supported by the regional PSC organization – Tokyo MOU.
- iv Ship inspection procedures implemented on regional level are restricted within procedures of the Tokyo MOU and more detailed security inspections of the vessels are provided on national level only.

31 In spite of the fact that some control measures in relation to maritime security in the region is in place further improvement of the matter is required. As the most important issue the introduction of cooperation scheme among competent security Authorities of the region may be considered. This scheme consists of two parts. The first one is implementation of activity of the competent security Authorities on national level preferably basing on international recommendations of control procedures and coordination of this activity on the regional level. The second part is implementation of comprehensive information exchange by maritime security data in the region.

* * *

MEMORANDUM OF UNDERSTANDING ON PORT STATE CONTROL IN THE ASIA PACIFIC REGION (Tokyo MOU)

After three preparatory meetings, i.e. Tokyo (12-15 February 1992), Sydney (4-6 November 1992) and Vancouver (1-3 June 1993) meetings, the Memorandum of understanding on port State Control in the Asia-Pacific region was concluded at the fourth (final) meeting held in Tokyo on 1 December 1993, and was signed by sixteen Authorities out of eighteen Authorities attended. The two Authorities signed the Memorandum during 1st PSC Committee meeting in Beijing on 11 - 14 April 1994 since it remained open for signature until the end of the meeting. One more Authority adhered to the Memorandum as a full member in 2002.

Any Authority, which has signed the MOU and wishes to be a member of the MOU, is required to notify the Secretariat of its acceptance. Apart from the signature, any maritime authority may, with the unanimous consent of the Authorities present and voting at the Committee meeting, adhere to the Memorandum. Any maritime Authority wishing to participate as an observer will be accepted subject to the unanimous consent of the representatives of the Authorities present and voting at the Committee meeting. Currently the Tokyo MOU consists of eighteen member Authorities, four observer Authorities and seven international governmental organizations as observers.

A permanent Secretariat (called the Tokyo MOU Secretariat) was established in Tokyo, Japan, as an independent body to serve the Port State Control Committee and became operational in April 1994.

The new Asia-Pacific Computerized Information System (APCIS) was developed in 1999 and launched in productive mode from 1 January 2000 with the central site located in Vladivostok, the Russian Federation. Currently the most of the MOU Authorities are connected to the system and report inspection results to the information center on daily basis. The database contains about 150 000 inspection records reflecting more than 400 000 deficiencies. The Tokyo MOU decided that the only inspection reports recorded in the APCIS central database are to be included in the regional statistics and considered for any other purposes. The restricted inspection data are made available for public via relevant Internet services in real-time basis.

The Port State Control Committee is the executive body of the Tokyo MOU established under the Memorandum. It monitors and controls the operation and effectiveness of the MOU and takes decisions on policy, administrative and technical matters relating to the operation of the MOU. The Committee is led by the Chairman elected every three meetings.

For the purposes of the Memorandum, the following are the relevant instruments on which the regional port State control is based: LL1966; Protocol 1988 to LL1966; SOLAS1974; Protocol 1978 to SOLAS1974; Protocol 1988 to SOLAS1974; MARPOL1973/1978; STCW1978; CORLEG1972; Tonnage1969; and ILO147.

In application of these relevant instruments, each Authority is guided by the instructions of the Tokyo MOU PSC Manual, which contains IMO Resolution A. 787(19) as amended and Guidelines for procedure by ILO, the "Guidelines for Surveyors" and other procedures.

In selecting ships for an inspection the Authorities give priority to the ships prescribed in the Memorandum, which includes a category of ships flying the flag of a State appearing in the three-year rolling average table of above-average detentions published in the annual report of the Memorandum. Starting from year 2002 the Tokyo MOU publishes in the annual report a white-gray-black flag State list. From 1 March 2004 the Tokyo MOU introduced a computerized targeting system which gives a figure indicating level of potential priority of the ship to be inspected.

Further details of the MOU and its activity may be obtained via website www.tmou.org.

MEMORANDUM OF UNDERSTANDING
ON PORT STATE CONTROL
IN THE ASIA-PACIFIC REGION



CONCENTRATED INSPECTION CAMPAIGN
ON MARITIME SECURITY

Inspection authority
Port of inspection
Date of inspection

Ship name
Ship type
Flag
Call sign

IMO number
Name of company
Recognised security organisation
Target factor

		Yes	No
1	Is a valid ISSC or Interim ISSC on board and issued by the ship's Administration, an organisation authorised by it, or by another government at the Administration's request?		
2	If there is a subsequent Interim ISSC, is it clear that it was issued for a valid reason such as change of operator or flag (rather than as a means of avoiding full compliance with ISPS)?		
3	Is the ship currently operating at the same or higher security level than the port facility?		
4	Do records exist for the last ten calls at port facilities including the records of any ship-to-ship activities as appropriate? Note: The requirements under regulations XI-2/9.2.3 to keep records of past calls at port facilities commences on 1 July 2004 and only applies to calls on or after that date. If all port calls on 1 July 2004 have been recorded but there are less than 10 calls you should still answer "yes" to this question.		
5	Does there appear to be an effective system of control of access to the vessel?		
6	Does there appear to be an effective system of control of access to restricted areas such as the bridge, the engine room, etc. of the vessel?		
7	Are key members of ship's personnel able to communicate effectively with each other on security matters?		
8	Are records available to indicate that security drills have been carried out at the appropriate intervals, taking account of crew changes?		

If the answer to any of the above questions is "no" the Competent Security Authority must be informed (unless the PSCO also acts for the Competent Security Authority).

What further control action was taken?

None		Y/N
Further inspection by CSA/More detailed inspection	Y/N	
Detention on security grounds		Y/N
Detention on other grounds		Y/N
Restriction of operations including movement within the port		Y/N
Expulsion from the port		Y/N
Other lesser administrative or corrective measures (e.g. rectification of deficiencies)	Y/N	

PSCO



TOKYO MOU SECRETARIAT

Tomoecho Annex Building 6F
3-8-26, Toranomon, Minato-ku
Tokyo 105-0001
Japan

Tel: +81-3-3433-0621
Fax: +81-3-3433-0624
E-mail: secretariat@tokyo-mou.org
Web site: www.tokyo-mou.org

PRESS RELEASE

CONCENTRATED INSPECTION CAMPAIGN (CIC) ON THE IMPLEMENTATION OF THE INTERNATIONAL CODE FOR THE SECURITY OF SHIPS AND PORT FACILITIES (ISPS CODE)

The Tokyo MOU announced today the results of the concentrated campaign on the implementation of the ISPS Code, which was held by the eighteen Authorities in the Asia-Pacific region during period of 1 July – 30 September 2004. This campaign was held in conjunction with the Paris MOU. The results show that despite anecdotal evidence that many vessels would not be compliant on 1 July 2004, the contrary prevailed and rate of compliance was high.

The campaign targeted all vessels within the region which were required to be compliant with the ISPS Code on the 1st July 2004.

During the inspections, Port State Control Officers (PSCOs) used a standard questionnaire to verify the main elements relating to ensuring compliance with the ISPS Code. These being certification, security level the vessel was operating at, control of access to the ship and to restricted areas on board, communication between ship's personnel and whether the crew had taken part in drills to test the effectiveness of the vessels' security plan.

There are a total of 5,234 inspections conducted or 4,282 individual ships inspected by Authorities of the Tokyo MOU during the campaign. Some members such as New Zealand chose to inspect 100% of all first time callers during the period.

Out of 5,234 inspections, 53 detentions were made to ships that failed to comply with the ISPS Code, 236 were requested for more detailed/further inspection on security related items, 353 were given lesser administrative measures, 15 were restricted operations and 10 were expelled for breaches of the ISPS Code. The ISPS related detention percentage is about 1%, much lower than the overall detention rate of 5.9% in the region during the same period.

The results of the campaign were very encouraging especially after all the anecdotal evidence pointed to a vast non-compliance by the worlds' fleet.

16 December 2004