



AIR CARGO SECURITY PROGRAM

SUPPLY CHAIN MEMBER FACT SHEET



The Air Cargo Security Program Mandate

Transport Canada and the air cargo industry maintain an Air Cargo Security Program (“the Program”) that:

- meets the highest aviation security standards;
- reduces risks to the safety and security of the traveling public; and
- keeps goods moving in and out of Canada efficiently.

This will help our economy and position Canada as a strong partner in global efforts against terrorism.

The Air Cargo Secure Supply Chain

A Secure Supply Chain is a practical approach for moving air cargo. It keeps air cargo secure and free from tampering while being handled at different stages of its journey. Starting October 17, 2016, air cargo can be screened and made secure as early as the time it is packed, and up until the time it is tendered to an air carrier. If a business wants to be involved in screening, storing, transporting, tendering and / or accepting secure air cargo, it can apply to participate in Transport Canada’s Air Cargo Security Program.

Transport Canada’s Air Cargo Security Program works to **ensure supply chain security** while reducing cargo screening bottlenecks at airports. We:

- Allow authorized Program participants to screen and make cargo secure at a number of points within the Secure Supply Chain; and
- Ensure, through regulatory requirements, that once cargo is screened and made secure, it remains secure and free from tampering and / or unauthorized access while moving through the Secure Supply Chain.

This approach is based on three key principles:

1. **Participants in the Air Cargo Security Program are trusted.** Applicants must go through a comprehensive application process, be thoroughly vetted by Transport Canada, and are subject to ongoing inspection and enforcement activities.
2. **Cargo must be screened and made secure by authorized Program participants** using Transport Canada-prescribed methods to enter the Secure Supply Chain.
3. **Program participants ensure cargo maintains its secure status** through verifiable chain-of-custody procedures.

Regulatory Changes

As part of the ongoing enhancement and implementation of the Air Cargo Security Program, Transport Canada has amended the *Canadian Aviation Security Regulations, 2012* to expand the air cargo Secure Supply Chain. On October 17, 2016, Canada's air cargo industry will have more options to determine where within the supply chain authorized Program participants can screen cargo **to make it secure** for air transport on flights carrying both passengers and cargo. These changes will allow:

- Shippers / originators of cargo that has been made secure through a screening process applied at the time of packing, to avoid potential security delays and additional screening fees for air cargo; and
- Cargo operators, such as ground transportation companies and warehousing facilities, to accept, store and / or transport cargo that has been screened and made secure by other authorized Program participants.

Members of the air cargo industry can now apply to participate in the Air Cargo Security Program under new participant categories. Participation is voluntary for supply chain members, so that shippers and other cargo operators can base their decisions on the nature of their goods and their business needs. Authorized Program participants must meet ongoing oversight and inspection requirements once accepted into the Program.

What does this mean for members of the supply chain that accept, store, transport or screen air cargo?

Supply chain members that accept, store, transport or screen air cargo will have to decide which participant category best reflects their business and cargo activity.

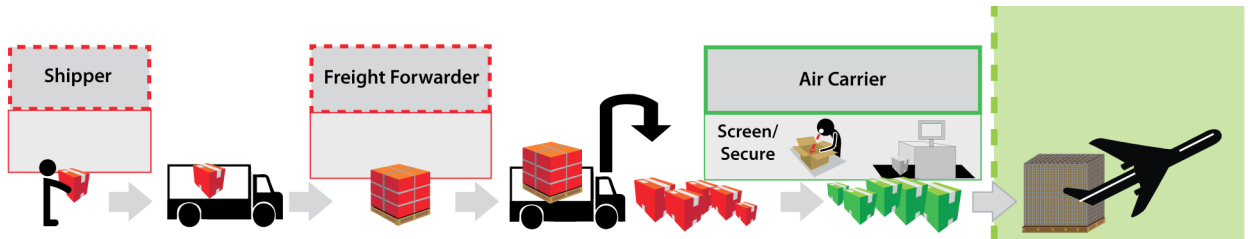
| IF A MEMBER OF THE AIR CARGO SUPPLY CHAIN PLANS TO... | THAT BUSINESS COULD APPLY TO THE AIR CARGO SECURITY PROGRAM TO BECOME A / AN... |
|--|---|
| Store, transport and / or accept cargo that an authorized Program participant has screened and made secure, | Certified Agent. |
| Screen cargo on behalf of others to make it secure and subsequently store and / or transport the secure cargo, | Regulated Agent. |
| Direct the movement of secure cargo without coming into contact with it (i.e. provide logistics services without screening, storing and / or transporting the secure cargo), | Authorized Cargo Administrator. |



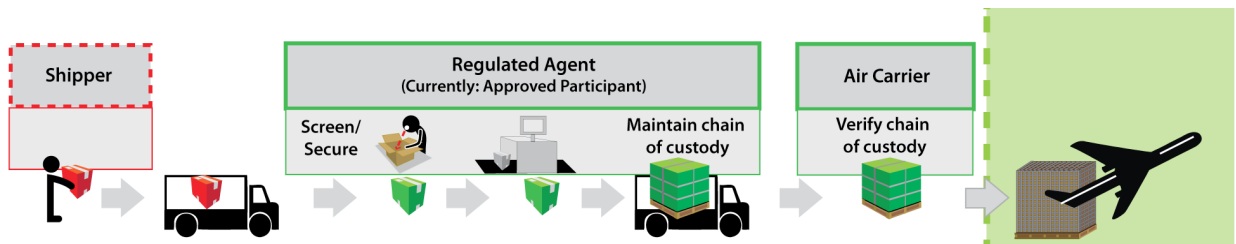
Roles in the Air Cargo Secure Supply Chain

The scenarios below illustrate changes to air cargo supply chain security coming into force on October 17, 2016.

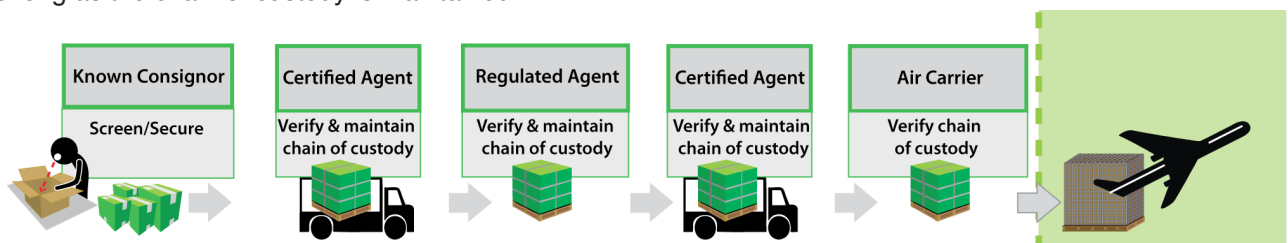
- (1) Currently and continuing in fall 2016, screening must be conducted by the air carrier when received from outside the Secure Supply Chain.



- (2) Currently and continuing in fall 2016, screening can be conducted by a Regulated Agent (currently an Approved Participant) when cargo is received from outside the Secure Supply Chain. Once screened, the cargo can continue as secure to the air carrier, so long as the chain of custody can be maintained.



- (3) Coming into force on October 17, 2016, Known Consignors, as originators of cargo, will be able to secure air cargo through a screening process applied at the time of packing. The air carrier can treat this cargo as secure, so long as the chain of custody is maintained.



= Screened/Secure cargo = Unsecure cargo



HOW DO SUPPLY CHAIN MEMBERS APPLY?

Transport Canada encourages supply chain members wishing to participate in the Air Cargo Security Program to contact our Air Cargo Security Support Centre, or apply directly through the Program website at www.tc.gc.ca/eng/aviationsecurity/asc-41.htm, to begin the application process.

For additional information, contact the Air Cargo Security Support Centre toll-free at **1-866-375-7342** or by email at aircargo-fretaerien@tc.gc.ca.

