

Statement for the Record of Mr. Brandon Fried, Executive Director,

The Airforwarders Association

Securing Air Cargo: Industry Perspectives

House Committee on Homeland Security, Subcommittee on Transportation and Protective Security

July 25, 2017

Chairman Katko, Ranking Member Watson Coleman and members of the subcommittee, thank you for this opportunity to present the views of the Airforwarders Association (AfA) on air cargo security.

The Airforwarders Association (AfA) represents 250 airfreight forwarders and supporting companies employing tens of thousands of employees and dedicated contractors. Our members range from small businesses employing fewer than 20 people to large firms employing well over 1,000 and business models vary from domestic only operations to worldwide operations. Additionally, a few of our members operate their own aircraft. In short – [we are the travel agents for cargo]. We move cargo throughout the United States and the world in the most time and cost efficient manner be it on aircraft, truck, rail or ship.

Security is at the forefront of our business.

We have worked closely with TSA since its inception, and we have committed several million dollars over the past 16 years to ensure that our role in the security chain is secure. For example, our members have invested millions of dollars in security screening equipment; secure systems and facilities, employee background checks, maintaining compliance with the Known Shipper Management System and the Indirect Air Carrier Management System along with annual security training to secure our portion of the global supply chain. In short, we play an integral role to ensure the safety and security of shipments traveling on both domestic and international airlines. We take this role seriously. We know that terrorists remain interested in airplanes and therefore are looking for any possible vulnerabilities in the system. Throughout the past 16 years, we have rolled up our sleeves to meet the requirements of Aviation Transportation Security Act, the 100% screening requirement for all shipments on passenger planes and finally the initiatives following the 2010 Yemen incident. We know what is at stake and we will do our part.

Today I would like to focus on three key points.

Consistent Interpretation of Regulations is Essential

Our members operate facilities throughout the United States, and therefore many inspectors inspect the facilities. Like any business investigated by the United States government, we rely on the consistent interpretation of regulations from facility to facility. We understand that people are people and 100% consistency is not attainable. That is why we urge the new prospective Administrator when confirmed to move the inspectors under the policy division at TSA.

Interpretation of policy and implementation of policy should be joined at the hip. At the end of the day, security deteriorates when operators do not have a clear understanding of regulations due to inconsistent policy interpretations.

Standardized Form of Training is Critical

Properly trained employees are the backbone of security. Our community has relied on the TSA to provide training materials to assist Indirect Air Carriers with the training requirements in the regulations but recently we have learned that the agency will no longer provide this training curriculum. The absence of this standardized educational tool will likely lead to stakeholder confusion and misinterpretation of vital security elements inherent in the program.

Known Shipper Program Needs to be Updated

The Known Shipper program traces its origin to the Aviation Transportation Security Act. In 2001, e-commerce was a nascent industry. Per the Census Department – e-commerce had almost \$500 billion of U.S. retail sales over the past year. We are not advocating for the elimination of Known Shipper, but we firmly believe that the Known Shipper program needs to be reframed to reflect today's e-commerce reality.

I would also like to comment on a couple additional security items.

The attempted printer cartridge bombings of all-cargo flights from Yemen in 2010 taught us that while 100% physical screening of cargo is essential, such inspection does not mean our skies are 100% secure. We are therefore supportive of the government's Air Cargo Advanced Screening (ACAS) initiative in which vital information from the Bill of Lading analyzed for threat assessment. A few our members have participated in the ongoing Voluntary ACAS pilot. Our only comment is that forwarders should not be the only ones required to submit data and this task should be accessible through a readily available government portal.

Finally, we have long been supportive of adding additional tools to the security toolbox. Private, third party provided canines for air cargo screening is a relatively inexpensive tool that we have long advocated for, and we are encouraged by the recent developments signaling that third-party canines for air cargo screening will finally become a reality. However, Congress must assure that TSA receives the necessary oversight funding to manage the program and hold the agency accountable for its swift implementation.

Thank you for this opportunity to share the Airforwarders view.