

What are the Potential Impacts if US Requirements for 100% Container Scanning are Enforced?

Situation Seems Bizarre, as US Government Agencies Argue Against 2007 Law; Importers Should Prepare for the Worst

SCDigest Editorial Staff

Concern and protests continue with regard to the 2007 US law that mandates 100% electronic scanning of all containers bound for the US at port of origin – in some cases with the US government arguing with itself. (See [Will International Protests Scuttle US Plans for 100 Percent Container Scanning?](#)).

The scenario is a strange one, as even the US Customs and Border Protection agency apparently does not think the law is a wise.

"We believe strongly that those costs would be added to the supply chain," **Jayson Ahern**, deputy commissioner at the US Customs and Border Protection agency, recently said while in Europe, indicating that the cost of goods would go up.

"I don't think this is a wise use of US taxpayers' money," he added.

Ahern said that the current program of targeted screening, perhaps combined with higher percentages of scanned containers at more risky ports of origin, can provide sufficient protection. This "risk management" approach is favored it seems by almost everyone except lawmakers, including numerous US shippers and trade associations, as well as the World Customers Organization (WCO) and other international groups.

"One hundred percent scanning does not equal 100 percent security," Ahern said, noting the limits of current scanning technology and challenges detecting a suspicious load even when it is electronically scanned.

Meanwhile, in testimony before the US Senate that

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was reviewing its own law, **David Huizenga**, an assistant deputy administrator at the National Nuclear Security Administration, said the government has been working with industry to produce technology needed for port-appropriate scanning systems that don't interfere with logistics operations.

"Despite our best efforts, there are some things that can't be done and keep the port operating," Huizenga said. "It's a simple logistics issue, really." That's because there are issues with the quality of the electronic scans, questions about the ability of human screeners to interpret the images, and logistics flows that are more complex that legislators realize.

On the last point, the Department of Homeland Security recently produced a report on a pilot program called the Secure Freight Initiative, where scanners were deployed scanners at three selected ports.

Based on the pilot, 100 percent scanning is not currently possible because the technology doesn't yet exist, and processes are dynamic. For exam-

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ple, not all shipments go through a gate at a given port; many go through a process called transshipment, where the containers are transferred from one ship to another, without passing through a gate.

The mandated approach also brings visions of airport luggage screening – will local operators be skilled enough to clearly identify problem cargo? Will experts need to be consulted when a local operator, say in the port of Rio de Janeiro, can't make the determination?

Some believe digital images in that case will have to be sent to experts somewhere in the world for additional analysis. What this will mean to the flow of goods and the costs for screening are a wild guess at this point.

Given the domestic and international concerns, many hope the US Congress will amend the law. No one is quote sure what will happen if the

technology is not available – or if specific ports are unwilling or unable to comply with the deadline. Will US customs halt shipments from those ports in July, 2012?

“Though I suspect there will be some relief somehow, this is something US importers really need to keep on top of,” said SCDigest editor Dan Gilmore. “There is some possibility, even if it appears unthinkable right now, that imports from some countries will be barred because their ports aren't ready to comply in 2012, or that there are huge delays in container processing.”

