

CTPAT ALERT

New Benefit as a Result of the CBP-World BASC Organization Action Plan: Business Partner Recognition

Last Updated: October 12, 2020



U.S. Customs and Border Protection's (CBP) senior leadership tasked the Customs Trade Partnership Against Terrorism (CTPAT) program to lead a CBP wide effort to further strengthen the working relationship between the World BASC Organization (WBO) and CBP. There is a long history of cooperation between the two organizations predating to the U.S. Customs Service, which was instrumental in the creation of the Business Alliance for Secure Commerce (BASC) in 1996 as a way to promote supply chain security by directly engaging the business community in Latin America in the fight against drug smuggling to the United States.

The WBO is a nonprofit organization with 3,500 member companies representing all sectors of the international supply chain, including exporters, importers, customs brokers, highway carriers, warehouse operators, logistics providers, and terminal operators. It operates 25 Chapters in 11 countries in Latin America and the Caribbean. One of its goals is driving the adoption of supply chain security practices and standards, playing a major role in helping protect the U.S. border and international supply chain by maintaining the safety and security of shipments destined to the U.S. from traditionally high-risk locations.

CTPAT worked diligently with the leadership of the WBO on a strategy that culminated in the *CBP-WBO Action Plan*. Under such a plan, both organizations identified nine objectives or areas of cooperation – including recognizing BASC certified companies as trusted companies and business partners that are in full compliance with CTPAT's minimum security criteria (MSC).



This recognition is based on several factors. First, it is based on the trust that has been built between the two organizations over the past 24 years and on the fact that BASC adopted CTPAT's security requirements in 2008 and is currently updating them to reflect the recently updated CTPAT MSC. CTPAT also considers the WBO a force multiplier of its efforts as BASC audits its companies every single year based on mutual security requirements and similar audit process. And finally, the WBO has actively promoted CTPAT's supply chain security standards throughout the world and supported CBP's efforts for a secure supply chain in international organizations such as the World Customs Organization and the International Chamber of Commerce.

As a result of this partnership based on trust, common security standards and validation or audit process, CTPAT Members who have a business partner that is also a BASC certified company will only need to document that this business partner is BASC certified in order to meet its CTPAT business partner monitoring and oversight obligations. CTPAT Members are required to upload to the Portal's Document Exchange section a copy of the BASC certificate. Your CTPAT Supply Chain Security Specialist will have access to the WBO's database to further corroborate that the business partner is in fact a BASC certified company in good standing.



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For CTPAT Members, this means that CTPAT MSC ID number 3.4 is extended to include BASC certified Members. This requirement reads:

The business partner screening process must take into account whether a partner is a CTPAT Member or a member in an approved Authorized Economic Operator (AEO) program with a Mutual Recognition Arrangement (MRA) with the United States (or an approved MRA). Certification in either CTPAT or an approved AEO is acceptable proof for meeting program requirements for business partners, and Members must obtain evidence of the certification and continue to monitor these business partners to ensure they maintain their certification.

CTPAT's requirement 3.5 is also met when a CTPAT Member engages a business partner that is also BASC certified. This requirement reads:

When a CTPAT Member outsources or contracts elements of its supply chain, the Member must exercise due diligence (via visits, questionnaires, etc.) to ensure these business partners have security measures in place that meet or exceed CTPAT's Minimum Security Criteria (MSC).

CTPAT Members are also encouraged to take the BASC certification as part of its risk assessment process when they screen new business partners and monitor current ones. Please see MSC ID number 3.1 under Business Partner requirements.

The CBP-WBO Action Plan, which was developed by both organizations, supports the U.S. Department of Homeland Security's (DHS) *National Strategy for Global Supply Chain Security*, which calls for Government agencies to work more "...closely with our international partners in the public and private sector to build a more resilient global supply chain." According to the Strategy, the path forward is to "develop, in concert with industry and foreign governments, customized solutions to speed the flow of legitimate commerce in specific supply chains that meet designated criteria and can be considered low-risk."

For more on the World BASC Organization, please visit its website at www.wbasco.org

CTPAT Appreciates Your Continued Efforts to Secure the International Supply Chain.

**CTPAT Program
CBP.GOV/CTPAT**

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U.S. Customs and
Border Protection