



# Strengthening the Customs-Trade Cooperative Partnership

## REVALIDATION PREPARATION WORKSHOP



# Overview

- Discuss preparation for revalidation of Tier 2 and Tier 3 importers, highway carriers, etc.
- Organization
- Communication
- Revalidation process
- Important tips
- Report
- Follow-up/Key concerns
- Questions

# Revalidations

## Safe Port Act: Section 219

- (1) A revalidation process for Tier 2 and 3 partners
- (2) A framework based upon objective criteria for identifying partners for periodic revalidation not less frequently than once during each 3 year period following the initial validation....”

The Secretary, acting through the Commissioner, shall develop and implement:

# Frequency

- Importers will be revalidated within a three-year period from the time of the initial validation
- Highway carriers (Mexico) will be revalidated annually



- Highway carriers (Canada) will be revalidated within a three-year period from the time of the initial validation

# Organization

- Assemble data on your trade lanes
- Identify your countries of origin
- Identify your suppliers in the top countries
  - Also carriers, warehouses and freight forwarders
  - Identify the ports used in foreign country and the U.S.
- Forward information to SCSS in timely manner
- SCSS will select one site for revalidation
  - Typically this will be a new site (different from the initial validation)\*
  - SCSS has a lot of behind the scenes planning to coordinate. We are often planning several site visits for each overseas trip

**\*Under certain circumstances, the same country and/or manufacturing site could be visited**

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# Organization/Preparation

Your SCSS will need at least the following information:

- Name of the facility(ies) that will be visited
- Full address of the facility – physical location – not a head office, front office, etc. (unless a visit to this address was previously agreed to)
- Name and phone number of the facility's point of contact
- Many companies maintain a corporate office in large cities and have production plants at other locations. They often use the address of the corporate office. Ensure the address they provide is for the actual site to be visited
- You may be asked to provide copies of documents related to a recent shipment from this supplier

# Organization

- Ensure you have verified your business partners' adherence to the minimum security criteria.
- Have security questionnaires (or contracts\*) and other pertinent materials available
- Highway carriers: will visit another yard/terminal, if possible
  - Must be engaged in international traffic

\*SCSS





# Organization

Who should be involved?

- Company management
- Stakeholders with working knowledge of your company's supply chain/trade lanes
- More than one company point of contact
  - Several instances of primary POC leaving company, extended leave, frequent travel. Good idea to have a backup.



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# Site Selection (cont'd.)

- Various factors determine how a site is selected for validation

Some factors include, but are not limited to:

- Security related anomalies or incidents
- Strategic threat (based on geographic location or risk related info)
- Import volume
- Country blitzes
- Input from C-TPAT partner
  - Partner's own risk assessments



# Communication (Preparation)

- It is not too early to prepare for the revalidation
- You are already a leg-up – you have been through one validation



# Communication



- Communication is key to smooth validation
- Major benefit to all stakeholders when company representative attends foreign validation.
- Company representative acts as conduit/liaison between SCSS and foreign supplier(s) and partner(s)
- Save time by asking your foreign partners for driving times between sites, especially when a separate warehouse, port, trailer yard or other location needs to be visited in addition to the supplier's site.

# Communication

- Ask your foreign partners to verify where your product goes after it leaves the production facility (Consolidation, transfer yard, alternate inland port, etc)
- Advise your foreign partners on the validation process
  - Company representatives that need to be in attendance
  - Information that needs to be supplied
  - Any transportation arrangements
  - Meeting times/locations
- Ensure that the SCSS will visit the site where the high security seal is affixed! (Is it done at the manufacturing site, a consolidation warehouse or other?)
- Your SCSS will let you know which sites will need to be visited.

# The Revalidation

- The revalidation's foreign site visit will mirror the initial foreign validation
- The company's security infrastructure will be examined
- Foreign partner will be asked to identify their relevant business partners and provide information on their partners' security practices
- They should have a copy of a recent shipping package available
  - This should be drawn from a recent shipment from this supplier
  - BOL's, pre-alerts, manifests, packing slips, etc.
- SCSS's may need to meet with other business partners
- SCSS may need to visit the port, consolidation warehouse, etc.

# The Revalidation

- Actions Required and Recommendations noted on initial validation report will be reviewed.
- Evidence of implementation
- Discuss any relevant changes to company policies/procedures
- Review and assess relationship with foreign supplier(s) and partner(s)



# Post-validation

- If company representative does not attend foreign site visit, SCSS will contact the POC and provide relevant information
- Report will be issued (via Portal)
  - Will only reflect foreign site visits
  - Exceptions
- Partner will be required to respond to any Actions Required/Recommendations
- Importer's Tiered status will be re-evaluated





# Post-validation

- Best Practices will be identified
- Actions required and recommendations will be discussed with C-TPAT partner
- Please respond to all Actions Required and Recommendations on one document.
- You may be required to upload several supporting documents, but please include one validation response document

# Conclusion

- Supply chain security is an ongoing process for your company and your SCSS
- C-TPAT-related work does not end with the validation
- It is a commitment that requires continued maintenance/oversight
- Keep the portal up to date
  - POC's
  - Security Profile
  - IOR's
  - Addresses
- Questions
- Comments

