



Virtual Validations

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CTPAT

Virtual Validations Overview

1 CTPAT explores validation alternatives prior to the COVID-19 pandemic

2 New business environment forces pivot to virtual world

3 Test virtual validations and analyze data and feedback

4 Standardize based on risk, train staff and partners

5 Communicate guidance

6 Virtual validations are introduced in 2020 to enable the continuation of validations during COVID-19

7 Leverage advanced, secure technology for virtual validations to reduce validation backlog and to provide business resumption capability

8 Develop feedback process to continually assess validation outcome and effectiveness

Virtual Validations Overview

1 CTPAT has performed enough virtual validations for a statistical sample size and analysis

2 Analysis of data for ongoing virtual validations provides insight into trends for future in-person validations

3 Assess and fine tune virtual validation process

4 Demonstrate member and program compliance through analysis of data captured

5 Reduce administrative burden while maintaining rigor of validation process

6 Identify trends – increase efficiencies in validation process

7 Promote better data-driven decisions for future validations

Data Analytics

1

CTPAT utilizes data analytics to enhance the program's operational effectiveness through two dashboards, the Member Incident Dashboard (MID) and the Minimum Security Criteria (MSC) Performance Tracking (MPT) dashboard to identify trends in partner incidents, validations, and MSC deficiencies

2

The dashboards are an internal tool to identify compliance trends and allow for greater visibility

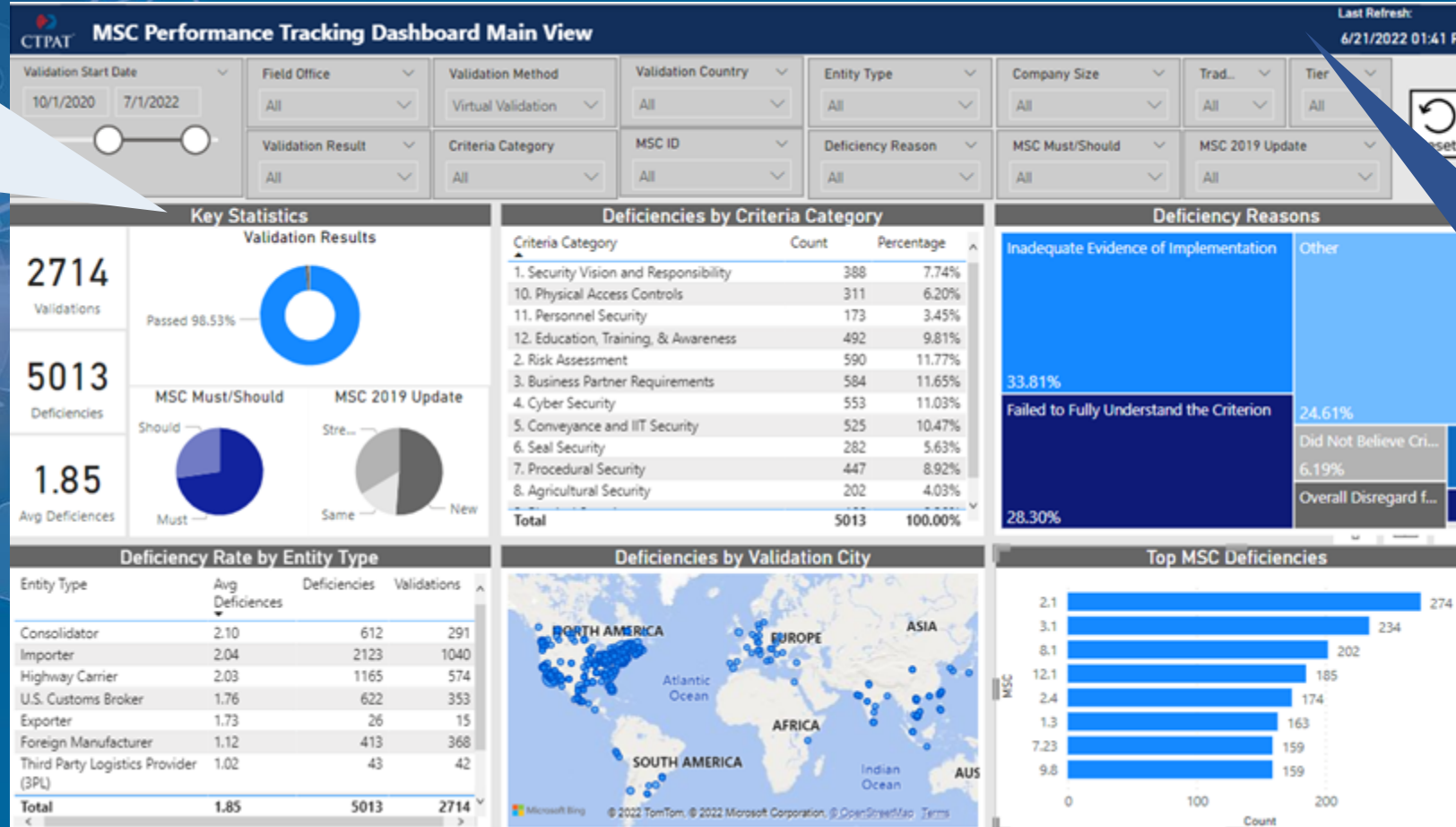
3

Allows the program to inform future MSC updates, tailor member engagement, and develop training to address gaps

MPT Dashboard: MSC Deficiency and Validation Trends

Key Statistics:

Provides an overall summary of validation and deficiency insights, including validation results, using key performance indicators (KPIs) and visualizations



This view contains:

- Validation (in-person and virtual) information
- MSC deficiency visualizations (relating to entity type, validation city, deficiency reasons, and criteria category)

MPT Dashboard: Virtual Validations Trends

Key Statistics:

Provides a summary of validation and deficiency information specific to virtual validations using KPIs



This view contains:

- Visualizations specific to virtual validations
- Information about technologies used during the virtual validation process
- Deficiencies related to virtual validations



Virtual Validation Preparation, Lessons Learned, Best Practices

Virtual Validation Process



Virtual Validation Process

Pre-Virtual Validation

Logistics

- Validation Notification Letter – Email notification giving at least a 30-day notice before the validation
- Discuss Dates/Agenda with SCSS – Confirm dates, times/time zones (foreign), location, discuss scope of validation (scheduling flexibility)
- Assemble a CTPAT Team - Have appropriate personnel address the specific criteria pertaining to their department
- Test Platform Capability – Connectivity, video and audio clarity, and screenshare functionality

Preparation

- Update Security Profile – Submit security profile if due and ensure responses are current and accurate. Upload current procedures and/or completed risk assessments and internal reviews.
- Review the MSC and Supporting Docs – How does your company meet the criteria and what evidence can be provided?
- Take Pictures of Critical Areas – Cargo staging area; inspection areas (controlled); seal storage location; delivery areas; access points - fence line; gates; conveyance parking/storage area; loading docks; restricted area – server rooms, surveillance camera; layout of facility with CCTV and alarm positioning
- Share Info with SCSS – Send requested written procedures, photos, forms, checklists, etc. and other evidence of implementation (EOI) to SCSS for review

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Virtual Validation Process

Virtual Validation



Logistics

- Ensure Proper Team is Present – Have the right people at the right time to explain processes and answer question

Preparation

- Ensure Procedural Manual is Available – Screenshare written procedures, photos, forms, checklists, and other EOI to SCSS for review

Action

- Company Background – Present a brief company overview and site overview
- Discuss MSC - Jointly review how company meets MSC requirements and review evidence
- Share Supporting Documents and Share Pictures – Jointly review and validate EOI and assess compliance
- Discuss the Findings of the Validation – Observations, actions required, and recommendations

Lessons Learned

- 1** Prepare and organize procedures and EOI well before the validation
- 2** Prior to the validation, test internet connection, audio/echo, and screenshare/visual on the workstation or conference room that will be used on the day of the virtual validation
- 3** Virtual validations typically last between 3 to 8 hours. Depending on business model, translation, and preparation, consider dividing the validation into multiple sessions
- 4** Have the right people at the meeting at the right time
- 5** Communicate expectations with your SCSS

Best Practices



Ensure senior management awareness and sponsorship for the CTPAT validation



Communicate early with the CTPAT team the purpose and value of the validation to get buy in



As part of the annual security profile submission, upload current procedures and recent audits so they may be considered as evidence during the virtual validation



Virtual validation requires more evidence in areas such as physical security and access controls. Consider providing videos, live stream through a phone app, drone footage, and/or 360 video



Organize procedures and EOI in folders or indexing based on the different sections of the MSC (e.g., Security Vision, Risk Assessment, Business Partner, etc.)

- Have a document (e.g., PowerPoint Presentation, Word Doc) which includes hyperlinks to the different procedures and EOI



Prior to the validation, send procedures and evidence of implementation in several emails, zip files, or Portal upload for SCSS review



Have a pre-meeting with CTPAT team to review responses, procedures, and EOI

Looking Forward

1

Continue to enhance the **virtual validation process**

2

Collaborate with the **World Customs Organization (WCO) and AEO partners** – 2021 AEO Implementation and Validation Guidance

3

Leverage data analytics tools and capabilities to increase **security and focus training**

4

Integration of **new technologies** into the virtual validation process

5

Optimize the **duration** of a validation

6

Stay nimble with conditions in the **trade community** and adjust operations accordingly

Questions and Answers