FIRST CORE SUPPLY CHAIN FORUM

Antwerp, 24 September 2015

REPORT

Summary

The CORE project organised its first CORE Supply Chain Forum on the 24th of September 2015 in Antwerp, Belgium. It is a major demonstration project on supply chain management and supply chain security co-funded by the European Commission under FP7. The **objective** of the first CORE Forum was to present the initial findings of the project and raise discussions on the issues imperative to various stakeholders in supply chain security and logistics.

First, the CORE Forum participants were presented with **policy developments** of the European Commission Directorates – General whose work is interlinked in the supply chain security area: DG HOME, DG TAXUD, and DG MOVE. DG HOME provides security policy cover to the supply chain. DG TAXUD is competent for the supply chain security and trade facilitation and participates actively in the security research and monitors the CORE project very closely. DG MOVE focuses on the transport and logistics digitilisation, with the EC Digital transport and logistics forum bringing all relevant stakeholders together in a multimodal perspective.

The CORE project directly addresses the issue of the global supply chain security and put an emphasis on its **Demonstrators.** Within many CORE demonstrators, a challenge is to capture high quality data along the transport chain and to enable data sharing. This would allow businesses along the supply chain to better control their risks and optimize their processes. On the other hand, control agencies like Customs can improve their risk analysis allowing for alternative ways of supervision (and by doing this reduce the physical checks). The CORE Demonstrators will validate the applicability and benefits of the CORE approach in representative operating scenarios characteristic of the global supply chain. During the CORE Forum six of the CORE demonstrators were presented:

- To localise and track the transportation of dangerous goods, CORE will develop and demonstrate a localisation solution for the intermodal transportation based on EGNSS. The Demonstrator will validate the developed solution in real business cases of road/rail transportation of chemicals and gas shipped across Europe;

- CORE will address the issue of unpredictability of the cargo arrival time. The Demonstrator will implement some of CORE's main technologies in order to improve visibility in complex tracking operations while minimizing risks that affect the unexpected variability of cargo delivery time;

- Data quality and supply chain visibility issues will be addressed in the UK Demonstrator through the seamless integrated data pipeline tool and concept. The data will come from several sources and will be built into a consolidated picture. All the data is confidential and will be provided to the

customs and regulatory authorities. The Demonstrator will use the new UCC for the data pipeline tool;
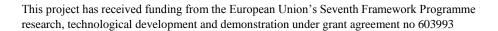
- Best practices in the implementation of the so-called "Utility Blocks" will be shown in the Belgium demonstrator. Main stakeholders here are customs and shippers between Europe and Asia. Simplification and digitization of the current rail export process for long range rail transport can benefit the shippers and rail companies. It will also benefit Customs authorities enabling them to optimize their public services and monitoring assignment.

- The CORE project will test and evaluate the use of a secure hybrid composite container and other cargo security technologies in the supply chain;

- To improve efficiency, visibility, resilience as well as to reduce environmental impact, the CORE system will be used in the General Motors EU-US trade lane Demonstrator. The test will present among others the value added enhanced multiple levels of security and demonstrate geo-location information and visibility.

The CORE Partners also presented the CORE **IT and Risk Management solutions**. One of them focuses on the analysis of the transportation route as an important factor for the profiling and targeting of high-risk cargo containers. The analysis of the data contained in the Container Status Messages (CSM) can contribute to the overall risk assessment of cargo containers done by authorities. These new data elements will give a holistic view of all the containers from the origin to the destination. Another solution presented in the panel is the Multi-Method Threat and Vulnerability Analysis.

The CORE project is also working on new training materials to improve risk management capabilities at both law enforcement agencies (LEA) and supply chain companies. Access to criminal data and valuable intelligence derived from specialised LEA sources, such as information about financial flows can enhance preventative approaches to supply chain security, and enrich capacity to manage risks within the supply chain. The possible use of this training material for logistics operators will be also anticipated. The two trainings would have a different way of presenting but share common blocks.

Forum panels were followed by **Q&A sessions** and the participants were also welcome to ask questions after each presentation. The sli.do online application was used for the Q&A sessions and registered 41 questions. A special interest was raised by the seamless integrated data pipeline concept presented by the UK HM Revenue and Customs with 12 questions followed. Due to the time limit only some of the questions were discussed. However, the CORE project partners will take them into consideration in further CORE developments. Some of the questions concerned: the possibility to use a certain CORE solution for another lane, or for another transport mode; confidentiality of data; information exchange between customs; how CORE can bring changes to Customs policy and others.

The **CORE questionnaire** was also filled in by 60 participants through the online sli.do application. One of the questions, *Standardization, harmonization and mutual recognition amongst Customs*

Authorities at an international level would be of great help to all the Supply-Chain actors, got 100% positive response. More results are available in Annex Questionnaire.

CORE project thanks all participants for the stimulating discussions and looks forward to maintaining the interaction with the stakeholders in supply chain security and logistics and further consolidating and amplifying CORE solutions for the secure global supply chains. Information on the First CORE Supply Chain Forum including the agenda, presentations, and the report can be found at www.coreproject.eu.

Annex. QUESTIONNAIRE

Chart showing questionnaire responses (YES/NO percentages):

1. Standardization, harmonization and mutual recognition amongst Customs Authorities at an international level would be of great help to all the Supply-Chain actors — YES; 100%   NO; 0%

2. Visibility over the Supply-Chain is very important for situational awareness and to allow actors to react quickly — YES; 97%   NO; 3%

3. Supply chains need to be resilient to withstand major disturbances from either natural disasters or terrorism — YES; 93%   NO; 7%

4. Monitoring the transport of dangerous goods reliably is of great importance — YES; 95%   NO; 5%

5. X-ray scanning needs to achieve higher throughputs to speed up the whole screening process — YES; 82%   NO; 18%

6. Software systems to assist X-Ray operators have great potential to streamline the screening process — YES; 91%   NO; 9%

7. Coordinated Border Management, in which information available is reused as much as possible for different purposes instead of requiring shippers and forwarders to re-input the same information… — YES; 95%   NO; 5%

8. Cyber Security is of great importance to safeguard information present in Supply-Chains — YES; 97%   NO; 3%

9. Once a major natural or man-made disaster strikes, it is important that transport users have the tools to re-plan their supply-chains as fast as possible to minimise the impact — YES; 97%   NO; 3%

10. It is important to ensure that shipping containers are resistant to tampering — YES; 97%   NO; 3%

11. Improving the quality of the data which Customs receive is an urgent and important action which will help to speed up the movement of goods — YES; 91%   NO; 9%

12. Interfacing with systems of other actors in the supply-chain is currently problematic and new tools to simplify this process are welcome — YES; 82%   NO; 18%