HIGH SECURITY SEALS FOR OCEAN CARGO

We would like to inform you that as of October 15, 2008, US Customs will require all freight containers inbound to the US by ocean must have the following seals.

High Security Seals meeting ISO PAS 17712 standards

This includes all cargo bound for the US, whether the US is the final destination or the cargo is in transit.

As a participating broker in the US Customs-Trade Partnership Against Terrorism program (C-TPAT), the high security seal policy can be found on our website at www.cst-usa.com.

We would like to remind our customers that the practice is now mandatory under C-TPAT.

This security initiative is aimed at improving cargo protection and increasing supply chain security. After securely stuffing and sealing your container, please ensure the seal number is provided on the shipping instructions.

If a container is not affixed with a high security seal, US Customs and Border Protection (CBP) may issue a penalty. There is also a possibility US Coast Guard may detain the vessel. However, CBP recognizes that there are types of containers that cannot be readily secured by use of a high security seal, such as tanks, non-standard containers (for example open top containers), or containers that simply cannot accommodate such a seal. These types of containers are not subject to the statutory requirement.

Shippers/ consignees/ cargo owners are responsible for ensuring their containers are sealed according to regulations, and are liable for all costs incurred in case of any breach.

Information below is from the International Seal Manufacturer's Association. http://www.ismasecurity.com

What is ISO PAS 17712?

The International Standards Organisation (ISO) permits it's technical committees to draft and vote on Publicly Available Specifications (PAS) as, in effect, a kind of interim International Standard. A PAS is faster to approve than a formal standard, but it has a limited shelf-life.

The original ISO PAS 17712, published in 2003, was developed by a working group of users and manufacturers assembled by ISO Technical Committee (TC) 104, Freight Containers. It focused on the physical parameters of three levels of seal strength: indicative, security and high security. The strength of a seal is measured with tests based on impact, shear, bend and

tensile strength. The values, the measures of strength, reflected numbers in use by major customs authorities.

As a series of programs, such as the US Customs-Trade Partnership Against Terrorism (C-TPAT) and the World Customs Organisation's Framework of standards, endorsed and "encouraged" the use of ISO compliant seals, the quality of seals used in international trade improved.

However, it became increasingly clear that security-related practices were as important as the physical strength of a seal. Whether through immature management practises or misuse, seal manufacturers and distributors could effectively compromise the security of a seal before it was shipped out of the door.

Following ISO procedures, the working group produced a Normative Annexe for security-related management practises; the annex requires certification after inspection by a qualified and independent reviewer. TC 104 approved the revision and ISO published it as ISO PAS 17712;2006.

The two most important features of the revision are:

Seals must show a mark to indicate their grade - "H" for high security, "S" for security and "I" for indicative.

Only manufacturers certified as compliant with the normative annex may put grade marks on seals ergo ISO compliant seals can only come from ISO compliant sources.