

# Lookout

The quarterly cargo crime update for members and partners of TAPA Asia

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## Welcome

Dear TAPA Asia members,

This is my first message as TAPA Asia Chairman. Hope this note finds all of you well and I express my heartfelt thanks to each of you for your continuous support to TAPA Asia and our activities. We had just celebrated our 10th year anniversary; and held our 1st Conference and 10th Annual General Meeting at Marina Bays Sands, Singapore last year. There are many initiatives and interesting events within TAPA Asia.

On this note, I would like to express my deepest appreciation to all members of the 2010 Management Committee for their effort and contribution towards the growth of TAPA Asia, particularly to former Chairman Mr. Jason Teo.

TAPA Asia Management Committee has been reorganized for us to serve the association better. We have reorganized our sub-committees and following are our new Leads that I would like to share with you all:

- Administration Sub-Committee – Rub Luo
- Audit Sub-Committee – Eng Leong
- Membership Sub-Committee – David Fielder
- Public Relation Sub-Committee – Marcus Tan

TAPA Asia MC will be hosting Transport Security Requirement (TSR). TAPA EMEA and America will be joining. We hope to finalize and the make this program another auditable standard.

Jason Teo our Chairman for 2009/2010 signed MOU with SIMM Singapore recently to get more industries to be engaged with TAPA Asia. We hope to see more industries joining us in future in order to share knowledge and expertise.

FSR 2011 has been released recently. We have seen many changes over the year in order to enhance security management. The most significant changes this time is the audit cycle which has been changed from 2 years cycle to 3 years now.

There are many more initiatives that we are working on and I would share with you from time to time.

Thank you.



**CHING ENG LEONG**  
CHAIRMAN, TAPA ASIA

# 10<sup>th</sup> Anniversary in Style



TAPA Asia celebrated its 10th Anniversary in Style last year 2010 in Singapore Marina Bay Sands, with Brigadier General (NS) Choi Shing Kwok, Permanent Secretary for Singapore Ministry of Transport, as the event Guest-of-Honor. The celebration attracted over 200 members from 15 Asian countries representing both the private and private sectors attended the TAPA Asia Security Conference.



GUEST OF HONOUR

The conference were presented by the following speakers:

- Mr. Eddie Tan, Vice President of Singapore Institute of Material Management
- Mr. Warren Streeter, Product Specialist of Rapiscan Systems
- Mr. Lim Teck Leong, Senior Assistant Director-General (Trade) of Singapore Customs
- Ms. Glenda Villaflor, Global Project Manager
- Mr. Masaru Imada, TAPA Japan
- Mr. Tony Lugg, IIS Lead of TAPA Asia
- Mr. Tijn van Amelsfoort, IIS Manager of TAPA Asia
- Dr. Goh Moh Heng, President of Business Continuity Management Institute
- Mr. Richard James Hancock, Senior Vice President of Hill & Associates
- Mr. Ramesh Pillai, Chairman of Institute of Enterprise Risk Practitioners



AWARDS RECIPIENTS



NETWORKING

TAPA Asia had took the opportunities to present industry awards to individuals and corporate members who had contributed enormous efforts in improving the supply chain security.

The conference was successfully organized with 85% of delegates rated good to excellent, and 98.1% of the delegates will recommend the conference to their peers and colleagues.

Keep a Look Out for TAPA Asia conferences in Hong Kong and New Delhi, India later part of this year. Further details will be announced in the next edition of LookOut.

# Jason Teo provides an Overview of 2010

In November last year, I completed a two-year tenure as Chairman TAPA Asia and on reflection; I had a great term in office, supported by my fellow Committee members and volunteers from the industry. Without your trust, commitment and support, TAPA Asia would not have achieved what we have today.

Last year, TAPA Asia celebrated its 10th Anniversary in style

in Singapore with over 200 delegates from all over Asia attended the TAPA Security Conference. The Management Committee had received many positive comments which was encouraging from the event. At the conference, we announced the pilot launch of the TAPA Asia Corporate membership. We were pleasantly surprised at the overwhelming positive responses and registrations by companies in the Asia region.

In the area of government engagement, HK Police is the first LEA to provide TAPA with their cargo crime database. With better information, TAPA members can now make better risk assessment and deploy resources for efficiently and effectively, using TAPA Asia Incident Information Service (IIS). The formation of a Global IIS database is becoming a reality soon.

In the areas of warehouse certification, TAPA FSR certifications are recognized by many security agencies and organization as a key compliance component to local Authorized Economic Operator (AEO) program, a security initiative under the World Customs Organization.

TAPA Asia "LookOut" is now a must read newsletter, featuring events that happen around Asia. Talks have already begun to set up a Global TAPA newsletter for

membership circulation, so as to benefit all TAPA members globally.

There are many more initiatives and pilot study projects launched, such as the Food and Drug Freight Security Requirements (FDFSR) led by our Japan Chapter, TAPA Air-Cargo Security Requirement (TACSS), Trucking Security Requirements (TSR), all of which aims at enhancing the global supply chain.

As a final note, on behalf of the TAPA Asia MC for 2010, I hope you will come together and support the new TAPA Asia 2011 Management Committee to promote more positive benefits for our members and industry in general.

Yours sincerely,  
Jason Teo  
Infineon Technologies  
TAPA Asia Chairman 2009-2010



**In the area of education, for current and future supply chain executives, TAPA Asia signed a Memorandum of Understand (MOU) with SIMM in Oct 2010, making SIMM the first Approved Training Centre in the World for TAPA. Students, both local and overseas, now have the opportunity to be trained and certified under TAPA FSR Proficiency program, as part of their Logistics Management tertiary certification.**

## LEADING AIR CARGO SCREENING



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# Singapore Customs Licensing and Enforcement officers undertake TAPA FSR Auditor Awareness Training

*Forging links with Law Enforcement Agencies*

BY TONY LUGG TAPA ASIA MANAGEMENT COMMITTEE

Two classes of over 40 Singapore Customs Licensing and Enforcement officers attended a two-day training session given by TAPA Asia Management Committee members in May.

Both sessions of training, which was carried out at Customs Revenue House was the second of its kind carried out in conjunction with Singapore Customs. The objective of the training was to train the Customs Officers in the TAPA FSR auditing methodology and to show where the TAPA Freight Security Requirements (FSR) underpinned and support the requirements the Customs Secure Trade Partnership (STP) programme. Examples were given of the synergies between the standards and the benefits that TAPA members could obtain when their facility is certified to the TAPA FSR standard.

The Secure Trade Partnership (STP) programme is a voluntary certification programme administered by Singapore Customs that encourages companies to adopt robust security

measures in their trading operations, thereby contributing to the improvement in the security of the global supply chain.

Through the STP programme, Singapore Customs seeks to:

- create awareness of the importance of adopting a total supply chain approach to cargo security;
- encourage companies to play their part in securing their own processes within supply chains;
- enhance the security of global supply chain and prevent disruptions to the smooth flow of goods; and
- profile Singapore as a secure trading hub.

Although each security programme has different objectives, STP adopting robust security measures in exports & import trading operations and the FSR being an Asset Protection Programme, the table provided shows the clear overlap in the major of security requirements.



CLASS TWO OF THE SINGAPORE CUSTOMS TAPA FSR TRAINING

An assessment of the TAPA Freight Security Requirements and the Singapore Secure Trade Partnership shows a clear correlations between the requirements of the STP and the TAPA FSR.

The Singapore Airport Police Division who administers the Regulated Air Cargo Agent Regime (RCAR) also recognizes the TAPA certification A & B and other industry certifications such as STP & C-TPAT Tier 2 or 3. Consignors can be recognised as Known Consignors by a Regulated Cargo Agent if they have a valid TAPA FSR certification to level A or B.

Tony Lugg TAPA Management Committee said "TAPA members who have certified TAPA sites benefit enormously from recognition given by the Singapore Law Enforcement Agencies. TAPA is extremely pleased that Singapore Customs and the Singapore Airport Police Division recognise the benefits of the TAPA A or B certification and the contribution that the programme provides to enhancing Aviation and Supply Chain Security. This encourages our members to make the investment in their security programme as they are able to see the tangible benefits".

During the training, the Customs Officers made a visit to the TNT Express Air Hub at Singapore Changi Airport. TNT kindly hosted the tour of their expanded Regional Air Hub certified to TAPA 'A'. Victor Ong Head of Security for TNT Singapore said, "The tour of the TNT air hub was well received by Singapore Customs who were able to relate the application of the FSR requirements and understand what to observe during the audit process".

Tony Lugg TAPA Asia Management Committee said, "*The training was well received by the officers and the feedback was very good and we are grateful to TNT Express for hosting the tour of their TAPA 'A' facility. TAPA Asia is keen to forge relationships with all Law Enforcement Agencies so that its members may reap the benefits of the TAPA FSR certification or TSR validation. Our relationship with Singapore Customs is strategic in promoting a Secure Supply Chain (SCS) in Singapore.*"

Class Two of the Singapore Customs TAPA FSR Training

As well as recognition against other SCS programmes, TAPA members also experienced reduced losses in their supply chain leading to less supply chain disruption and a reduction in claims.

Lugg went on to said "*It is important that industry Polices itself to prevent over regulation and work closely with Law Enforcement and Regulators to secure the supply chain upstream as well as down stream. The TAPA FSR provides prescriptive standards, which goes much deeper into the criteria, which makes it a favorable SCS programme with the Government Agencies.*"

Understanding these varies Customs Security Programmes will enable TAPA to merge the requirements to create more value for the members in the future.

For further information on Singapore Trade Partnership & Singapore Airport Police Division, please visit <http://www.customs.gov.sg/leftNav/trad/Supply+Chain+Security.htm> and <http://www.spf.gov.sg/rcar/index.htm>

**Real -Time Safety and Security Fleet System**  
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**"Hijacks accounted for over 39% of losses in Asia"**  
(Source TAPA Asia 45 Jan 10)

**"Over 62% of freight losses occurred on route"**

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# TAPA Asia Signs a MOU with the First Educational Institution

**Education of the TAPA FSR a major step towards improving Supply Chain Security**

Since the signing of the MOU between Singapore Institute of Materials Management (SIMM) and TAPA ASIA in 2010, a two days course was launched by SIMM on FUNDAMENTALS OF TAPA FSR (Freight Security Requirements) MANAGEMENT.

The Singapore Institute of Materials Management (SIMM) which, was incorporated in 1980 as a non-profit professional educational institution,

with quality as its corporate emphasis, designed the course to teach students on the understanding and the importance and compliance to the TAPA FSR security standards. The fundamentals of the course included Overview of Supply Chain Security, an introduction to TAPA, the concept of the FSR standards including the Elements, Advantages & Benefits of TAPA FSR as well as the Implementation of the FSR in a Security Program. In depth overview of Warehouse and Perimeter Security are also included.



**LEFT TO RIGHT: JASNI HAMBALI, TONY LUGG, EDDIE TAN, ROGER LEE, DANNY TAN, JASON TEO, NILO PORNALOY, CHING ENG LEONG**

**The primary objective is to establish and to maintain a high standard of knowledge and excellence in the field of Logistics and Materials Management. The secondary objective is to promote and foster the study, research and development on Logistics and Supply Chain Management. Supply Chain Security is regarded as key to every successful logistics operation.**

SIMM have already completed two TAPA FSR training classes for the students in the months of January and April 2011.

Mr Eddie Tan (Chairman, SCSP-SIMM chapter) expressed: "As this is a first positive step for all of us, we will endeavour to continue with this momentum of

educating our SIMM members in TAPA programs and collaborate further with TAPA in other new programs too. This will effectively enhance and raise the profile of Supply Chain Security in the near future in Singapore and also in Asia."

Jason Teo former TAPA Asia Chairman and Management Committee who signed the MOU said "Training and development of the TAPA security standards was another main achievement with over 1,100 TAPA members being trained in the last 10 years within Asia. Together in collaboration with SIMM we have set up the 1st Approved TAPA FSR Training Centre in the word to train students in supply chain security. This should serve as a good case study of how the logistics industry and education can prepare students for their future roles inside a ever changing supply chain operation.

## TAPA Asia Shared Supply Chain Security Programs With Samsung China

On November 24th 2010, Samsung North China Logistics Security Seminar was held in Samsung SDI Tianjin hosted by Samsung Property & Casualty Insurance. Over 50 members participated in the half day seminar, which are from Samsung North China and its Logistics Service Providers. Nokia China supply chain security program manger MARRISA HONG who is the TAPA Asia CACCTF (China Anti-Cargo Crime Task Force) core team member presented this event on behalf of TAPA Asia and delivered topics covering:

- Risk to the Supply Chain and Global Threat
- TAPA- who we are, what we do, what we see
- Introduction of TAPA FSR and TSR

It was good chance for TAPA to share and introduce TAPA and its standard. Samsung provided good feedback to TAPA.



**MARRISA HONG, SUPPLY CHAIN SECURITY MANAGER**

**TAPA Asia reported that over 65 graduates' students had joined as TAPA Associate membership providing them with access to information on Supply Chain Security.**

Tan went onto say, "The feedback from the students is indeed very positive and encouraging. They are delighted to gain this new knowledge and acquire an additional certificate from SIMM/TAPA".

Further information about the Singapore Institute of Materials Management (SIMM) can be found at [www.simm.org.sg](http://www.simm.org.sg)



## 2011 FSR Audit Updates Kicks Off

# The TAPA Asia Year

In January, TAPA Asia conducted a one-day training for approved auditing companies, courtesy of HACTL in Hong Kong.

Mark Butcher, TAPA Asia Management Committee and training sub committee member kick off the TAPA Asia agenda with a training sessions

focused on the 2011 FSR changes.

Delegates audit companies, SGS, Bureau Veritas and LRQA

came from across the region including Japan, India, Thailand and Taiwan, for this session, which included a tour of the HACTL facility conducted by Daniel Lam, Security manager of HACTL.

Mark Butcher said, "We had a great day in the classroom and the delegates were most engaging group of professionals. It was a pleasure to train them. I would like to extend my thanks to Daniel Lam, Security Services Manager of HACTL, TAPA Asia treasurer, for their hospitality and allowing their premises to be used for the training."



## Industry Awards for Contribution to Supply Chain Security

*CEVA Logistics, DHL, Schenker and TNT Express Picked Up Awards*

**CEVA Logistics, DB Schenker and TNT Express picked up awards for their contribution to supply chain security for certified warehouses and facilities to TAPA A level certification in Singapore and across Asia, the standard of which is recognized as the highest security standard for facilities.**

CEVA and TNT Express picked up additional awards to their contribution to land transportation security having implemented the TAPA Truck Security Requirements being the highest standard of road security. Meanwhile SGS audit company picked up an award for their contribution to audit services of the TAPA standards

and SIMM for their contribution to TAPA freight security training and development.

The awards were presented by Guest of Honour & Key Note Speaker BG(NS) Choi Shing Kwok, Permanent Secretary, Ministry of Transport, Singapore.



**DAVID STENBERG DIRECTOR OF TNT ASIA ROAD NETWORK RECEIVING AWARDS FROM CHOI SHING KWOK, PERMANENT SECRETARY, MINISTRY OF TRANSPORT**

# Supply Chain Security Challenges in the 21st Century

Permanent Secretary Choi Shing Kwok at the Transport Asset Protection Association's 10th Anniversary



Good morning, ladies and gentlemen. Let me first congratulate all members of TAPA Asia on your 10th Anniversary and thank you for inviting me to give the keynote address to mark this occasion. I am pleased to have this opportunity to provide you with a perspective on the key challenges faced in the area of supply chain security.

## The Global Economy

Over the past year, most countries have been recovering from the global economic downturn. In some countries, it was the worst recession they had experienced since the Second World War. It is heartening to note that the global economic recovery is now moving steadily forward even though it is not progressing uniformly in all parts of the world. The International Monetary Fund, in its October 2010 World Economic Outlook update, noted that global activity expanded at an annual rate of around 5.25 percent, with a surge in inventory and fixed investment accounting for a rise in manufacturing and global trade.

In many emerging economies, household spending is also on the rise by as much as 8%. The World Trade Organisation forecasted that global trade will expand by 9.5% in 2010. At home, there have been very positive signs of recovery in the first half of this year, with Singapore's economy growing by 24% in the Second Quarter. Although there will still be some pressures and uncertainties in the short term, it is only a matter of time before international trade expands steadily again in the future.

## The International Security Landscape

In contrast to the better outlook in the global economy, the threat from international terrorism remains a serious ongoing concern. The recent events concerning air express packages containing explosives bound for the US from Yemen reminds us of the need to

continue paying attention to security in order to protect our way of life and sustain our economic development. More importantly, it shows that the terrorists are also learning and becoming more innovative in their methods to carry out attacks to inflict mass casualties and cause economic disruption. It is also worrying to note that there has been recent emergence of homegrown and self-radicalised terrorists who are difficult to detect and hence more dangerous. In addition, there still remains a nightmare scenario that terrorists could one day lay their hands on weapons of mass destruction that would enable them to carry out attacks at a catastrophic level, something we all have to work hard to prevent.

As a result of these developments, governments and businesses will have to continue to grapple with both economic and security challenges, and balance between the divergent needs for trade facilitation, cost management and security. On top of this, we also need to add the growing imperative to deal with global climate change. To cope with the impact of this on business, companies can be expected to be more active in sourcing for materials and production bases with lower cost at all possible locations, including non-traditional ones, and transport these goods by opening up new routes, developing new business processes and using new business partners less tested than the usual ones. Such new sources, locations and supply chains will have to be brought up to best standard practices quickly in reliability, security and environmental protection. In short, modern supply chains will not only have to be responsive and flexible to achieve better efficiency, they also have to be green and easy to manage from the risk point of view.

## Why the need for Supply Chain Security?

On the area of supply chain security, I know I am preaching to the converted at this forum, but please allow me to briefly revisit the *raison d'être* for investment in supply chain security. The global economy today is closely intertwined and, as I have noted, will become more so over time, not less. Most manufacturers depend on the global supply chain to ensure that raw materials and components are delivered on time for product assembly as well as for their products to reach their markets speedily. With the reduction in cost and increase in efficiency of the logistics industry, most supply chains today stretch across many countries and even many continents.

The reliability and security of these global supply chains have become critical to all businesses. For this same reason, the supply chain has become an attractive target for terrorists trying to achieve their goal of disrupting the global economy and the system of world order that it represents.

A study in October 2006 by Booz Allen Hamilton Consultants assessed that the cumulative loss of GDP for 12 APEC Economies, excluding the USA, as a result of a 15-day shut down of a US port arising from a terrorist attack would amount to US\$82 billion. If the port continues to remain impaired to trade for 60 days, the cumulative loss of GDP would rise rapidly to almost half a trillion US dollars. For some of the 12 APEC Economies referred to in this study, such a scenario could see them suffering a 2% decline in GDP, enough to tip most of them into a recession. This study, as well as



several others, has demonstrated the need to enhance the security of the supply chain as the global supply chain is the critical link that supports international trade and commerce. The economic consequence of a choke in this lifeline is something that we can ill afford.

Even if we significantly discount the impact of a catastrophic terrorist attack, it still makes sense to implement supply chain security measures. A study by IBM and Stanford University in 2006 showed that there were quantifiable benefits that companies would gain if they invested in supply chain security measures.

For instance, companies stood to enjoy about 38% reduction in theft, loss and pilferage, 29% shorter transit time, 31% shorter problem resolution time and 48% reduction in the need for security inspection of their goods. These companies also enjoyed higher levels of business continuity especially in times of security alerts, higher confidence from clients and business partners, and enhanced corporate standing.

**In November 2009, TAPA launched its Incident Information Service (IIS) to improve the availability of information to keep TAPA members informed about crime in the supply chain so that companies can work to protect their own shipments. I commend you for these progressive and proactive efforts to enhance the security of the supply chain.**

Despite the growing acknowledgement of the importance of supply chain security, some challenges still remain.

The first challenge is to encourage more companies, especially small and medium enterprises (SMEs), to develop a better understanding on the benefits of supply chain security. A significant volume of goods are handled by SMEs and many SMEs occupy key nodes in the supply chain system. If these nodes in the supply chain are not secure, then the entire supply chain can be compromised. Terrorists will be attracted to exploit these weak links in the supply chain to their advantage. In 2007, Singapore Customs launched the Secure Trade Partnership (STP), which is an Authorised Economic Operator (AEO) certification programme that encourages companies to undertake supply chain security measures. It would be desirable for more SMEs to subscribe to the STP. It is understandable that many SMEs are concerned that subscribing to the STP may involve additional costs. However, we have already seen that there are long term business advantages to investing in such measures. Besides directly benefitting the

## Challenges ahead and steps forward

Since the emergence of new terrorist threats during the September 11 attacks, both governments and corporations have recognised that new approaches are needed to protect the global supply chain. In this regard, it is highly commendable that the supply chain and logistics industries have on their own been seeking ways to address such security gaps over the last decade. For instance, TAPA started out in 2000 with the objective of reducing losses from the international supply chain arising from crimes such as theft and pilferage of high value goods. Today, TAPA has developed many programmes such as the Freight and Truck Security Requirements, the Cargo Terminal Best Security Practice and the TAPA Air Cargo Security Standards, just to name a few. Importantly, these programmes go beyond just protecting cargo from acts of crime.

individual companies themselves, this will also expand the security of the global supply chain and make it harder for terrorists to exploit the supply chain as a means to carry out their deeds and disrupt our way of life. I hope the SMEs will respond to this.

The second challenge has to do with leadership. For any business investment plan to succeed, the strong support of the top management is absolutely critical. If more CEOs and senior management accept the benefits of supply chain security, and are willing to support their company making the relevant investments in such measures, it will make a massive difference to the companies themselves. As we are all aware, a security culture must emanate from the very top of every company. If the CEO believes in and supports the adoption of supply chain security measures, the line managers and staff will be able to carry out their tasks more confidently and effectively.

In this current global security climate, CEOs that undertake supply chain security measures will be enhancing their company's competitive advantage over rivals that do not do so. Most good business partners today

would arguably be prepared to pay that extra bit for assurance that the goods and products that they receive in their supply chain are secure. This will reduce disruption to downstream activities and enable companies to manufacture their products more efficiently in the long run. It will also have a positive impact on a company's reputation and corporate positioning.

The third challenge is that of human factors. The success of every company depends on the dedication and contribution of its people. While I have emphasised the importance of more companies adopting supply chain security measures and top leaders setting the right tone, we also need to pay attention to the people who execute these measures on the ground. Staff will need to be convinced of the necessity and wider importance of implementing supply chain security measures so that they will not view these tasks as a burden, but an integral part of their day-to-day responsibilities. They should also be given adequate training to have the discipline and skills set to carry out these measures diligently, whether it is to verify documents of goods being received, helping to ensure the security of their premises, or looking out for suspicious behaviour in the course of their work. Only with every staff playing their part will the supply chain security be truly enhanced. As such, investment in staff awareness and training to inculcate a positive security culture is essential. However, this will take time and energy, and will need to be sustained when staff turnover occurs. Nevertheless, in the long run, such investment in ground training will yield unparalleled results.

## Conclusion

To conclude, the security of the supply chain can only be ensured if all stakeholders play their part and work with one another across company boundaries as well as with Government. The efforts by TAPA Asia, which has grown by twelve times over the past ten years from 50 companies to over 600 members today, is an example of how companies can lead the way in instilling a positive supply chain security mindset that will help to sustain international trade and economic development across the world. I commend TAPA Asia for the efforts it has undertaken, including TAPA's partnership with the Singapore Institute of Material Management (SIMM) for SIMM to be the certified training centre for TAPA courses on supply chain security. Such partnerships can serve as good models of collaboration within industry and bring us closer to our common objective of total supply chain security in the future.

As Confucius once said, "if you think in terms of a year, plant a seed. If you think in terms of ten years, plant a tree. If you think in terms of a hundred years, teach the people". And I believe TAPA is doing exactly that – Teaching the People.

Thank you.

# The Rise of Security and Risk Management Standards

BY: FEDERICO CLULOW, MANAGER, BRAND RISK MANAGEMENT SERVICES, TUV RHEINLAND NORTH AMERICA  
TIM MILLER, GLOBAL COMPETENCE CENTER, SUPPLY CHAIN SECURITY SERVICES, TUV RHEINLAND GROUP



**Over the last few years, a flurry of risk and security management standards has emerged. While the 1990's saw the development of the quality management standards such as ISO 9001, the first decade of the 21st century it seems, is seeing the rise of the risk management standards. These generally come in two flavors: on the one side, you have what we have termed the "objective oriented" standards. These are composed of a list of very direct requirements and explicit specifications of what must be achieved.**

They may for instance, outline specific controls to be implemented during production, or specific equipment to be installed at facilities. The standards in this area have generally been developed by an industry group to deal with the particular set of risks they face – such as ANSI/NASPO-SA-2008 for the graphic security providers, or the Freight Security Requirements developed by the Transported Asset Protection Association (TAPA) for the transportation of high valued products. In some other cases, these have been developed by governments, such as the Customs Trade Partnership Against Terrorism (C-TPAT) supply chain security standard developed by the US' Customs and Border Protection.

And standing in the other corner, you have the process oriented management systems of the ISO world. These include among others the already well known ISO/IEC 27001 Information Security Management Systems, ISO 28000 Supply Chain Security Management suit of standards, the ISO 31000 framework approach; and the less well known ISO/IEC 24762 ITC Disaster Recovery and the ISO/PAS 22399 Guideline for incident preparedness and operational continuity management just to name a few. Unlike the objective oriented standards, the ISO management systems center on the implementation of processes and best practices; they do not

outline specific requirements to be implemented, but place an emphasis on the understanding and risk-management protocols in place.

As it is to be expected, a certain tension exists between these two competing visions of security and risk management: on one side you have a somewhat more intellectual, Eurocentric approach under the ISO framework, while on the other a more practical, hands-on American-oriented perspective. Neither need be exclusive. In fact, and as we will attempt to address below, they can be highly complementary. But before discussing this issue we would like to turn our attention – and yours, hopefully- to a question that by now you must be asking yourself: 'Exactly what, if anything, does this have to do with me and my business?'

Certainly, the mere concept of security and risk management is not one we usually associate with our day-to-day business needs. Quite the opposite. Yet many a consultant will undoubtedly tell you how your organization is at serious risk, conjuring up the dragon of terrorism that can only be defeated by calling on his knight in standards armor. Yes, I am certain that the plant of yours in Guangzhou, manufacturing resistors is a strategic objective for the bad guys.

Given this misleading and yet widespread interpretation and evangelization, it is hard not to see how and why security and risk management standards have had such a cold reception in the marketplace. However, they have a lot less to do with terrorist plots than with the risk associated to our current economic, productive and distributive system. Over the last twenty years our manufacturing and logistic processes have undergone considerable change; for instance while companies used to have a vertically integrated supply chain, this model is now-a-days nearing extinction (if it is not completely dead yet). It is extremely hard even, to speak of integration as materials, goods and services are increasingly spread through a variety of external contractors and suppliers scattered throughout the globe. It is no longer possible to speak of a supply chain per se, as a chain is composed of a straightforward connection between links. Rather, we should be referring to the new paradigm as a supply network.

Along with the rising intricacy of our mode of production, there has been a comparable explosion in the amount of data that we handle and process. This has far outstripped our capacity to adequately deal with it. It is estimated that the United States alone generates about 11.5 GB of data per person per month. No longer can data

be compartmentalized and safely kept away from prying eyes; it has become increasingly difficult for companies to control the information that is available to the public. As a Silicon Valley electronic and lifestyle company demonstrated earlier this year, such information exploits need not be intentional or ill-intended. It only takes human error (or a beer too many) for confidential information to propagate itself throughout the net like a bushfire. In addition personal and corporate data of the type handled by most companies can be easily monetized, many times with a far more attractive risk/benefit ratio than stealing a truck of goods. Data, not products, has become the most prized commodity of the 21st century.

The increasing complexity of our economic ecosystem has lead to a parallel increase in the risks faced by companies. Not because there has been a proliferation en masse of evil-doers, but simply because the more complex and chaotic a system becomes the higher the likelihood that something, somewhere somehow, will go wrong (the obvious follow on being that the simpler the system, the more stable it is). As Edward Murphy is said to have remarked, if something can go wrong, it will. And in the modern world, it often does.

Add to this context now common place threats such as IP theft,

counterfeiting and even actions by disgruntled employees. Some of you might remember the case of Terry Childs, a disgruntled computer engineer who essentially locked out San Francisco officials from the city's network. Or natural and man-made disasters. What do you do, how do you react when one of your chemical tanks begins leaking? A risk management system may not prevent this from happening (although it will greatly reduce the risks), but it will certainly aid you in implementing the proper processes and policies to minimize or even nullify any negative fallout.

It is within this context that security and risk management standards should be considered, and not within the cape-and-dagger universe of counter-terrorism as most would have us believe. The creation over the last years of this multitude of norms and protocols was meant to address the new hazards companies were facing much in the same way the quality and production competition of the 1980's gave rise to the likes of ISO 9001 and Six Sigma. And much in the same way that companies have benefited from the introduction of quality management systems, they too can benefit from the implementation of security and risk management policies. Beyond the fairly obvious implications of these management systems to help avoid negative externalities can have surprising economic benefits.

The ensuing question of course, is what to implement. Should it be an objective-oriented standard or should it be an ISO management system? The answer of course, depends a great deal on what sort of business you are in. If you manufacture high value technology assets or provide logistic services, then TAPA compliance would be one choice. If you export to the United States, C-TPAT is definitely the scheme you want to consider; but if your main area of business is in Latin America, you may be interested in a scheme called the Business Alliance for Safe Commerce (BASC). If you're looking for an overarching holistic approach to security then ISO 28000 could be the best option. However, there is no reason why the different standards and initiatives need be exclusive – they can in fact be quite complementary, and to great effect!

What many in the industry are finding is that the use of only one of the many security standards and solutions on the market does not provide an adequate level of security. What is needed is a combination of both the Management System and the 'objective orientated' security standard. As an example, the combination of TAPA's FSR standard and ISO 28000 has provided adopters with a real holistic and effective security program.

ISO 28000 acts as the foundation to the development of a security mind set within an organization. It ensures that security is supported by top management and policies and procedures are put in place to measure and continually improve the security performance of a company. It also aims to incorporate quality and safety aspects of an organization following the trusted ISO 'Plan Do Check Act' principle to align key elements of the business. What ISO 28000 doesn't do is offer a core set of security criteria that add physical security to an operation. One of the best standards available at the moment is the TAPA FSR standard. One of the reasons for its success is that it was developed by industry for industry.

TAPA focuses on a number of elements including among others, personnel security, training and awareness, access control and warehouse security. When implementing TAPA it makes sense to use ISO 28000 as a foundation for security management. Once this is in place it is easier to build the requirements of TAPA around this framework, whereby producing excellent results that improve the quality and compatibility of security within an organization.

Regardless of what scheme is followed, implementing a security and risk management policy should not be seen as an affair reserved to a selected few.

Companies of all sizes can benefit in concrete and tangible ways although it is certainly true that for benefits to better materialize you will need to tie risk management to business performance. In closing, I would like to mention that in many languages – German being one of them – there is no difference between safety and security; a more secure working environment is, also, a safer working environment.

## INTEGRATED SOLUTIONS TO SECURE YOUR SUPPLY CHAIN.

Regulations and customer demands for transportation security are challenging, but ADT is ready to help you meet them — plus create a competitive advantage for your company. **ADT already helps protect the majority of global logistics companies**, over 20 major airports, many of the world's commercial vessels, and transportation systems on five continents.

ADT has the technical security expertise to integrate existing infrastructure and equipment with the most advanced technology. We have global employees who can develop and implement convergent security solutions to help:

- > Improve efficiency and return on investment
- > Support regulatory compliance and certifications
- > Keep distribution and warehouse facilities secure
- > Screen and track cargo
- > Support global, nationwide and local requirements to reduce theft

To learn more about ADT Transport Solutions in Asia Pacific, call +65 98358358, e-Mail [aparker@tycoint.com](mailto:aparker@tycoint.com) or visit [www.ADT.com/transportation](http://www.ADT.com/transportation)

## Maximizing the Efficiency and Security of Your Supply Network

**Supply Chain Security Management**  
**ISO 28000**

**Business Continuity Management**  
**Information Security Management**  
**Risk Assessment Services**  
**Customized Security Audits**

[timothy.miller@au.tuv.com](mailto:timothy.miller@au.tuv.com)  
[www.scsm.tuv.com](http://www.scsm.tuv.com)

Approved TAPA Asia Auditors

# IIS Update

## Q1 & Q2 Statistics for Year 2011

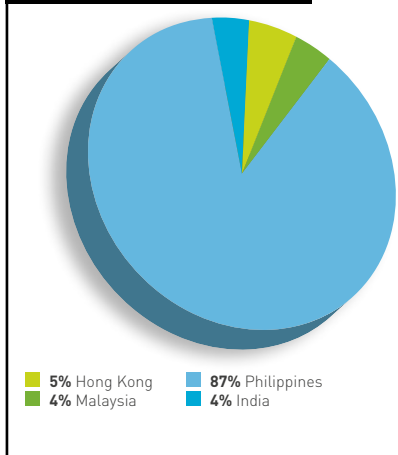
The creation of Incident Information Service (IIS) is to improve the availability and flow of information on crimes against high-value logistics supply chains within the industry and between industry and Law Enforcement Agencies. It aims to provide a centralised resource of knowledge related to criminality against freight in transit and to facilitate the rapid dissemination of incident information to corporate members and Law Enforcement Agencies, assisting them in the investigation and prevent of future cargo theft.



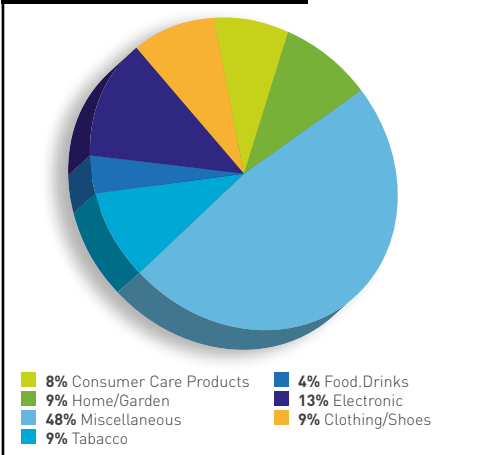
### How to report

By all members contributing together, we can improve the IIS database and provide members with comprehensive statistics and analysis. Please send your incidents in confidence to [incidents@tapa-asia.org](mailto:incidents@tapa-asia.org).

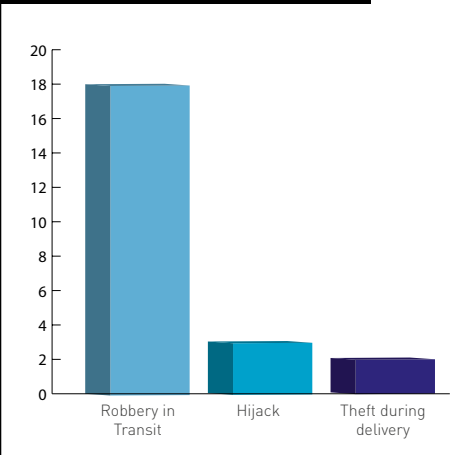
**Cargo Theft by Country  
1st Half 2011**



**Theft by Product Type  
1st Half 2011**



**Cargo Theft by Incident Type  
1st Half 2011**



## TAPA FSR Certified Sites

Company Name	Country	FSR Grade
Narita Express (H.K.) Limited - Kwai Chung Warehouse	Hong Kong, Kwai Chung	A
A & S (HK) Logistics Ltd	Hong Kong	A
Ajuly Holding Co., Inc.	Paranaque City, Philippines	A
CEVA Freight (Singapore) Pte Ltd	Singapore	A
CEVA Logistics (Thailand) Ltd	Bangkok, Thailand	B
CEVA Logistics Hong Kong Ltd.	Hong Kong	A
Ceva Logistics(Thailand) Ltd.	Bangkok, Thailand	B
Changi International Airport Services Pte Ltd (CIAS)	Singapore	A
DHL Exel Supply Chain (Malaysia) Sdn Bhd	Penang, Malaysia	Y
DHL Express (Hong Kong) Limited - [KWSC]	Hong Kong	A
DHL Express (New Zealand) Ltd.	Auckland, New Zealand	A
DHL Express (New Zealand) Ltd.	Wellington, New Zealand	A
DHL Express (Phil) Corp.	Makati City, Philippines	A
DHL Express (Phil) Corp.	Pasay City, Philippines	A
DHL Express (Singapore) Pte Ltd	Singapore	A
DHL Express International (Thailand) Limited	Bangkok, Thailand	A
DHL Express International (Thailand) Ltd.	Samutprakran, Thailand	A
DHL Global Forwarding	Beijing, China	A
DHL Global Forwarding (Philis), Inc. - Warehouse F/Building 6	Philippines, Paranaque	A
DHL Japan, Inc. NGO Gateway & NGA Service Center	Aichi, Japan	A
DHL Japan, Inc. Tokyo Distribution Center (TDC) Minato service Center (TYM)	Tokyo, Japan	A
DHL Supply Chain (Malaysia) Sdn. Bhd.	Selangor, Malaysia	A
DHL Supply Chain (Singapore) Pte Ltd (Numonyx Global Distribution Centre)	Singapore	A
DHL West Service Center	Taipei, Taiwan	A
DHL Worldwide Express (Bangladesh) Pvt Ltd.	Chittagong, Bangladesh	A
DHL-Sinotrans International Air Courier Ltd. - Guangdong Branch - Shenzhen Airport Warehouse	Guangdong, China	A
DSV Air & Sea Limited	Hong Kong	A
Farglory Free Trade Zone Co., Ltd	Taiwan	A
Great Loyal Logistics Limited	Hong Kong	A
Hyundai Logjem Co Ltd	Korea, Incheon	A
Kintetsu World Express (Phils.) Inc.	Paranaque City, Philippines	A
KWE Incheon International Airport Logistics Center	Korea, Incheon	A
NNR Global Logistic Narita Logistics Center	Chiba, Japan	A
NNR GLOBAL LOGISTICS (M) SDN. BHD.	Selangor, Malaysia	A
Panalpina World Transport (S) Pte Ltd.	Singapore	A
Pantos Logistics(shanghai) Co. Ltd	Shanghai, China	A
Schenker International (H.K.) Ltd	Hong Kong	A
Schenker International (H.K.) Ltd.	Hong Kong	A
SCHENKER LOGISTICS (SUZHOU) CO., LTD.	China, Suzhou	A
Schenker Logistics (M) Sdn Bhd (Penang Logistics Center 6)	Penang, Malaysia	A
Schenker Logistics (Malaysia) Sdn. Bhd. (147186-D)	Malaysia	A
SCHENKER LOGISTICS (SHANGHAI) CO., LTD.	China, Shanghai	A
Schenker Singapore (Pte) Ltd	Singapore	A
Schenker-Seino Co., Ltd. Shibayama Operation Center	Chiba, Japan	A
Securiforce Logistics (SI) Pte. Ltd	Singapore	A
Securiforce Logistics Sdn Bhd	Malaysia	A
Securiforce Thailand	Thailand	A
Shanghai Wecan Freight Forwarding Co.,Ltd.	China, Shanghai	A
Singapore Post Limited - Logistics Business Division	Singapore	A
TNT Express	Darwin, Australia	A
TNT Express Worldwide (China) Ltd. - Shenzhen Branch	Shenzhen, China	B
TNT Express Worldwide (Thailand) Co., Ltd.	Samutprakran, Thailand	A
TNT-Viettrans Express Worldwide (VN) Ltd.	Ho Chi Minh, Vietnam	A
TNT-Viettrans Express Worldwide (VN) Ltd. - My Dinh ICD	Hanoi, Vietnam	A
YCH Free Port (Shanghai) Co., Ltd.	Shanghai, China	A
YUSEN AIR & SEA SERVICE(KOREA) CO., LTD.	Korea, Seoul	A

# Securing Your World

Secure Solutions | Security Systems | Cash Solutions | Care & Justice Services

With operations in more than 100 countries and expertise in a whole world of security solutions, G4S is the preferred security partner for organisations across the globe.

Whether your security needs are local or international, we take the time to understand your security needs and to develop solutions which minimise your risks and give you the peace of mind that enables you to concentrate on running your business.

For more information on G4S, visit [www.g4s.com](http://www.g4s.com)

## India Chapter

The TAPA India Chapter will be officially launched at the TAPA India conference to be held in November 2011. Interested members should register with Derick Ding-derick@globale2c.com.sg

## India & Malaysia Singapore Chapters

Interested in meeting your peers and tackling TAPA initiatives locally with Law Enforcement? Then do so by joining three new chapters, which are being formed in India, Malaysia and Singapore. For further details, please contact Derick Ding-derick@globale2c.com.sg

## Paypal

TAPA Asia has launched the Paypal service to improve its payments services of annual subscription of membership and training. Members will now receive a link that will allow them to pay on line and speed up the process.

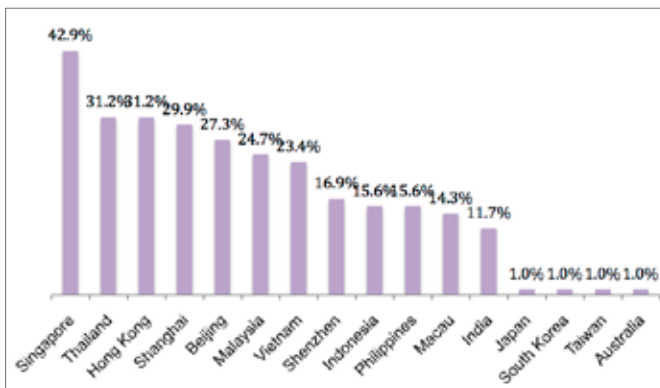
Daniel Lam TAPA Asia Treasurer said "This is a great method of enabling members to pay their membership subscriptions quickly, securely and with less effort. We are pleased with the system and will extend it out further in due course."

For further details, member should contact Derick Ding-derick@globale2c.com.sg via the contact link on the TAPA Asia website.

## TAPA FSR Training - Did you know?

An online survey by the TAPA Asia Management Committee showed that the top 5 locations where members wanted training was Singapore, Thailand, Hong Kong, Shanghai and Beijing.

Your feedback is important to the Management Committee.



## Website

The TAPA Asia Management Committee have approved the revamp of the TAPA Asia website. Daniel Lam said "after 10 years, the website needs updating and modernization to improve the services and benefits to members."



## On-Line Voting

The Management Committee approved a move towards voting on line for those candidates standing for election for the Management Committee.

Mark Butcher, MC member, said "Members across the region had expressed their desire to be able to vote on election matters especially where they were unable to attend the AGM meeting due to travel restrictions or work commitments. The Management Committee decided that by giving every member the right to vote was a more democratic and got the members involved in the decision making process making them feel part of the organization."

Members will be sent a link with a list of candidates to vote for several weeks before the AGM meeting. The results would be announced at the AGM and conference in Hong Kong In September this year.

**We have some very exciting developments and will also provide sections for Chapters across the region. Jason Teo said "We see this as an opportunity to design a website that will meet TAPA Asia's requirements for at least the next 5 years."**



The lecture presents selected programs from both private and government initiatives specifically TAPA, C-TPAT & ISO 28001 and their value in managing the risks and needs of the supply chain industry. Recently, various security management systems have been emerging to address threats that are involved in the end to end supply chain. These programs have their own particular thrust and focus such as loss prevention, mitigating exposure to smuggling and terrorist activities and establishing industry best practices as a driver of business value. However, they do share common means, which is to preserve the integrity of the supply chain process through the application of best Security Management Practices. The lecture delved into these similar methodologies and the shared components of each while highlighting key differences of the three systems to better understand the importance and application of each to the areas of operations of attendees.

### Who Should Attend

- Security Professionals
- Logistics Managers
- Procurement Managers
- Government Officials
- Suppliers & Vendors

### ORGANIZED BY:

Joint networking committees on Logistics, Security and Procurement of the Semiconductor and Electronics Association of the Philippines (SEIPI)



# TAPA Asia Management Goes On-Line For Elections 2011!

On the 16th June 2011 the TAPA Asia Management Committee (MC) approved the introduction of on-line E-voting by current financial TAPA Asia Members effective for the next elections for the TAPA Asia 2012 Management Committee.

In the past TAPA Asia MCs are elected during the Annual General Meeting (AGM) by TAPA Asia members who were present at the AGM. Such a practice excluded members not present at the AGM from voting.

TAPA Asia MC discussed at length the benefits and implications of allowing on-line E-voting and considered this practice as run by other similar organisations and concluded

that TAPA Asia will follow suit. This will allow transparency in the election process and gives all currently financial TAPA Asia members an opportunity to vote for the MC members in each election year. The TAPA Asia By-Laws have been amended to allow for this change in process.

In order to implement this new election process, all current TAPA Asia MC members are required to step down. Each year, all members are welcome to nominate themselves for election. Application Forms will be made available for interested TAPA Asia members on the TAPA Asia website. Email notification will also be sent out to current financial members.

There are a total of 13 positions to be voted in, including the key positions of TAPA Asia Chairman, Vice-Chairman, Treasurer and Secretary. The on-line voting window will be open for a number of days and will close prior to the AGM to allow for analysis and validation.

The decision of the Election Committee, led by our Secretariat and audited by a 3rd Party Auditing Company, will be final.

The TAPA Asia office bearers and committee members elected will be officially proclaimed at the AGM. The new MC team will decide whether there is a need to co-opt up to 2 other MC members,

who will not have any voting rights within the MC team.

Members must have an updated email address with TAPA Asia in order to cast a vote. Invalid email addresses will automatically void that vote. Once a nomination is submitted, members will not be able to change their voting choice.

Look out for the email notification coming your way soon and submit your vote to ensure the successful future of TAPA Asia.

Yours faithfully,  
TAPA ASIA MC 2011

TAPA\_AP\_Online\_voting\_V1-01

## UPCOMING EVENTS IN ASIA

Event Name	Nature of Event	Date	City / Country
▶ Security Expo	Security	24 – 26 Aug 2011	Sydney, Australia
▶ Supply Chain Asia Forum	Supply Chain	06 – 09 Sept 2011	Singapore
▶ Secure Exhibition	Security	19 – 21 Sept 2011	New Delhi, India
▶ Thailand International Logistics Fair	Supply Chain	22 – 25 Sept 2011	Bangkok, Thailand
▶ China (Shenzhen) International Logistics and Transportation Fair	Supply Chain	12 – 14 Oct 2011	Shenzhen, China
▶ Shanghai International Disaster Reduction and Security Exhibition	Security	12 – 14 Oct 2011	Shanghai, China
▶ Safety & Security Asia	Security	12 – 14 Oct 2011	Singapore
▶ SCM Logistics World	Supply Chain	18 – 21 Oct 2011	Singapore
▶ Sydney Materials Handling	Supply Chain	25 – 27 Oct 2011	Sydney, Australia
▶ CeMAT Asia	Supply Chain	25 – 28 Oct 2011	Shanghai, China
▶ Supply Chain Leadership Development Program	Supply Chain	25 – 28 Oct 2011	Thailand
▶ China Public Security Expo	Security	29 Oct – 01 Nov 2011	Shenzhen, China
▶ Supply Chain World South East Asia	Supply Chain	08 – 09 Nov 2011	Singapore
▶ India Warehousing & Logistics Show	Supply Chain	17 – 19 Nov 2011	Gujarat, India
▶ LogiPharma Asia	Supply Chain	22 – 24 Nov 2011	Singapore
▶ Homeland Security China & Fire Protection Expo	Security	06 – 08 Dec 2011	Macao, China
▶ CeMAT India	Supply Chain	06 – 09 Dec 2011	Bangalore, India
▶ IFSEC India	Security	08 – 10 Dec 2011	New Delhi, India

# Securiforce Logistic Certifies Facilities across Malaysia, Thailand & Singapore

**Securiforce Logistic the leading Security Logistic Service Provider providing integrated services to multinational companies certifies its facilities across Malaysia, Thailand & Singapore to TAPA 'A' standard.**

Securiforce certified their branches at Penang, KLIA Cargo Agent Complex and Bangkok Freezone, Mindi Industrial Singapore and Changi Airport to the TAPA 'A' standard.

Securiforce Express Sdn Bhd Managing Director Capt Zailani Mohamad of the Logistics Division said "We are very proud of the certification of our facilities to the prestigious TAPA 'A' standard. The TAPA Certification is a must for all the logistics company

that provides global logistics solution to their customer especially those companies that servicing Hi-tech and related Industries.

The Freight Security Requirements (FSR) have been established by security professionals within the high-tech industry to address the nature by which high-tech products and materials are handled, warehoused and transported as they move throughout the world. Capt Zailani went onto say

"Securiforce is a leader in providing high security solutions for its customers using their services and the TAPA certification highlights Securiforce's commitment to providing a secure supply chain. We strongly believed that these certifications have placed our company on another level and shown our commitment to our customer security

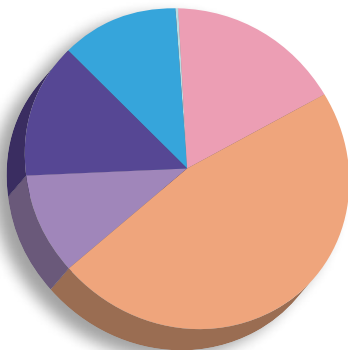
enhancement program in order to ensure their products are smoothly delivery to their end customer with zero defect and high security".

The FSR specifies the minimum acceptable security standards for assets travelling throughout the supply chain and the methods to be used in maintaining those standards.



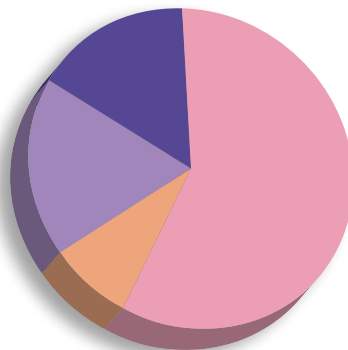
## TAPA ASIA MEMBERS UPDATE

Active Members = 559



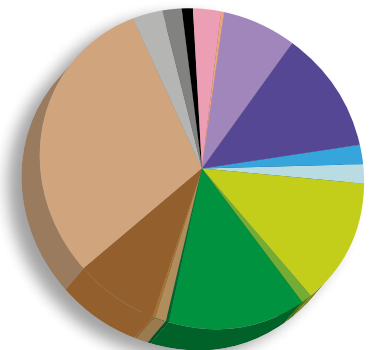
17% Buyers  
47% Suppliers  
10% Auditors  
14% Service Providers  
12% Student  
0% LEA

Corporate Members = 49



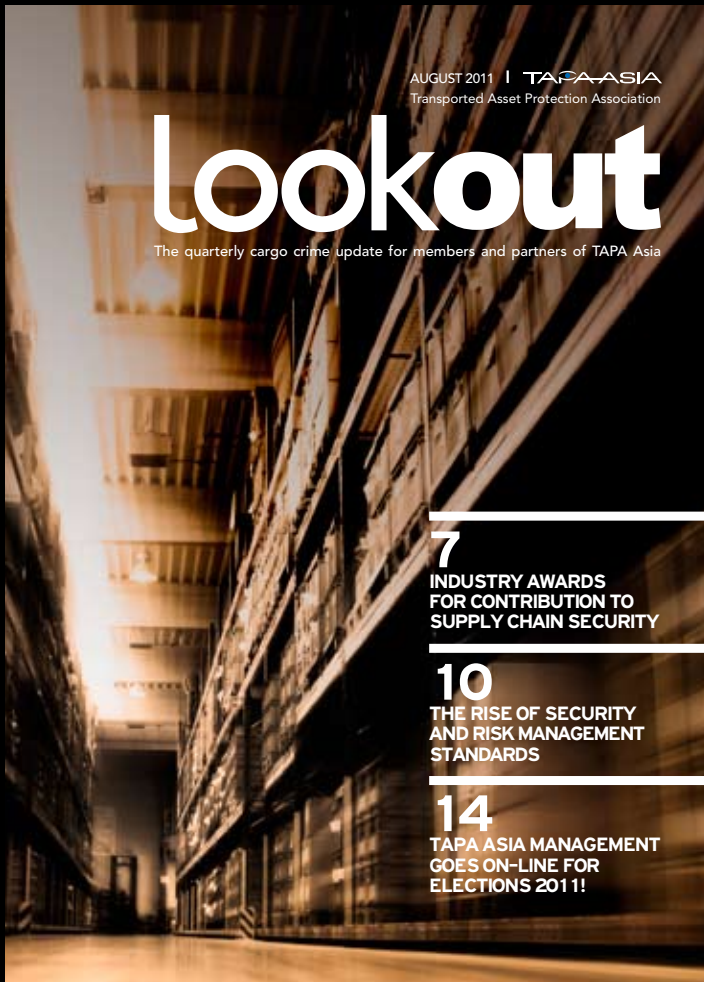
58% Supplier  
18% Audit  
8% Buyer  
16% Service Provider

By Country



3% Australia  
0% Brunei  
7% China  
12% Hongkong  
2% India  
2% Indonesia  
13% Japan  
1% S. Kore  
14% Malaysia  
0% Mali  
1% Pakistan  
0% Papua N.G.  
8% Philippines  
30% Singapore  
3% Taiwan  
2% Thailand  
1% Vietnam

# > SIGN UP FOR NEWSLETTER



IF YOU HAVE IDEAS FOR FUTURE REPORTS IN THE NEW TAPA ASIA NEWSLETTER, PLEASE EMAIL YOUR ARTICLE TO [TONY.LUGG@TAPA-ASIA.ORG](mailto:TONY.LUGG@TAPA-ASIA.ORG)

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