

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

*Expert Meeting on the Development of Multimodal Transport and  
Logistics Services*

*(24-26 September 2003, Geneva)*

**SECURITY ASPECTS OF MULTIMODAL TRANSPORT\***

**by**

***ISLAM SALIM***  
**Chairman**  
**Security Packers**  
**Pakistan**

\* This expert paper is reproduced by the UNCTAD secretariat in the form and language in which it has been received.

In the aftermath of the September 11<sup>th</sup> terrorist attacks on the World Trade Centre in New York and Pentagon in Washington, the concern for security has received great attention across the globe. America's war against terrorism and its military action in Afghanistan and Iraq has further intensified international concern for security measures. Anti-western agitators have initiated hostile action against western interests at various security-wise soft spots mainly in Muslim countries. This trend towards sabotage, suicide bombings and retaliatory targeting of western assets and people is likely to accelerate, unless USA and its western allies ensure a just and equitable settlement of the Palestinian dispute, and restoration of lasting peace in the Middle East. Although so far, the terrorists have not yet made any major successful attempt to plant bombs/explosives in cargo containers, the eventuality of such an attack cannot be ruled out. USA and the international community at large, must prepare to safeguard against such acts of sabotage in the guise of commercial cargo. Careful and practical screening preparation must be introduced, preferably at the port of origin of container shipments. This has already be done for inward container cargo at all major USA ports.

International trade cannot flourish without the support of a free and cost effective flow of goods across national borders. The concept of multmodal transport is the most efficient and cost effective element of logistic services required for the promotion of international trade. The transportation of goods in sealed containers from origin to final destination, using several integrated modes of transport, without examination at frontiers is essential for the growth of international trade. Prolonged delays can occur at various stages of movement of goods if customs procedures are inefficient and antiquated. Modern, user friendly customs procedure must be introduced for trade facilitation and full use made of information technology for the advance transfer of essential cargo information, to all concerned at transit points and final destination of containers.

In recent months, the US Department of Homeland Security has become increasingly concerned about protecting America's Ports. The Department of Homeland Security announced on 12<sup>th</sup> June 2003 the release of US \$ 245million in port-security grants and Operation Safe Commerce fund allocation. Protecting commercial supply lines remains the largest unresolved security issue on the Department's agenda. The US customs is expected to release in the near future, its proposal for cargo-security rules for US exports and non-ocean transport modes. The US Coast Guard also is completing proposed rules for port security. The American Association of Port Authorities welcomed the port security grants released by US government but pointed out that ports had submitted applications totaling nearly US \$ one billion. Financial support from the Federal Government is critical to America's ports as they partner with federal agencies to address the country's heightened security concerns.

In June 2003, the US Department of Homeland Security announced its decision to extend the Container Security Initiative (CSI) to ports in 3 predominantly Muslim countries and Sri Lanka. These will be ports in United Arab Republic (Dubai), Turkey, Malaysia and Sri Lanka (a container transshipment centre that has been plagued by civil war).

The Department feels that expanding CSI to this set of countries is important because it requires a whole set of background agreements, in countries with whom USA has traditionally cordial relations. CSI procedure basically involves inspection of all sealed containers by electronic means, using sophisticated equipment which screen the contents of containers as they are moved through the screening equipment. Each set of container screening equipment costs over one million US dollars. Hence heavy investment is required for arranging such equipment at several places. The CSI initiative will require close coordination among Customs, Department of Defence and intelligence personnel in the host ports.

### **CARGO SECURITY SCENARIO IN PAKISTAN:-**

- 1- The ports are under the control of Government and dry ports are being operated by private trusts formed by businessmen of those cities. Hence US Government and UNCTD should simultaneously take up this matter with them.
- 2- In order to achieve reasonable standard of security it is imperative that there should be scanning machine at all existing gateways of seaports and inland dry ports, private container terminals operating inside the ports.
- 3- At present G.O.P has given the task to national logistics cell for putting up Xray scanning machine at Karachi port, which is being studied by them.
- 4- The cargo moving from Karachi to inland dry ports & vice versa is moving through Railway and by bonded carriers trucks (private sectors and NLC).
- 5- The Railways as well trucks are equally safe to transport container from dry ports, but some dry ports for example Sialkot, Faisalabad, Tokhar Niaz Baig, do not have Railway siding, hence all containers are moving by trucks to these locations.
- 6- The wagons and trucks moving to inland dry ports are not controlled by any agency from the security point of view. Neither they have guards on them. No doubt if the cargo is of high importance, then the forwarder arranges escort to accompany the trucks/wagons to final destination. In order to control the movement of trucks the best solution would be to install tracking systems in the trucks through which any deviation from the standard route could be checked instantly. Several road haulage companies have recently voluntarily installed electronic tracker devices.
- 7- During period July, 2002 to June, 30,2003 over fifty thousand TEUS moved to inland dry ports without any major security hazard. The only security measure which is taken by the customs is to make sure that container are not opened during transit time is to check that customs seals placed at Karachi are intact.

Existing customs procedure for examination of cargo in transit through Pakistan consigned to bordering countries:-

- (a) Containers are opened/destuffed at KPT and restuffed after customs examination.  
Result: Insecurity – damage – pilferage.
- (b) On arrival at Peshawar dryport in-transit containers are again opened/destuffed and restuffed after customs examination.  
Result: Insecurity – damage – pilferage.
- (c) Procedure is unsatisfactory, causes delays and exposes containers to the risk of sabotage.
- (d) Streamlining of customs procedure is required:-  
Transit cargo should not be examined at the point of entry into Pakistan. Containers must not be opened. Additional Customs seal should be affixed on all in-transit containers.

If customs seals at the point of exit at the border post are found to be intact, containers must be passed through without any physical examination of cargo.

If such a streamlined procedure is followed, then risk of sabotage pilfer age and damage will be minimized.

### **INCOMPLETE/FRAUDULENT DECLARATION OF HAZARDOUS CARGOES:-**

Occasionally shippers do not make an authentic declaration of the IMO code Classification of hazardous cargo carried in containers. This has resulted in massive explosion and fire, causing serious loss of life and property. One such case was experienced at the Sailkot Dry Port in 2002. Shippers making erroneous/fraudulent cargo declaration (or concealing the accurate description of hazardous cargo) should be heavily penalized.

Pakistan is likely to be in the next set of countries to which the CSI will be extended, to enhance the coverage of the security net. Like the American ports all foreign ports where the CSI has been extended, would require US financial assistance, without which the new security measures cannot be implemented. For the CSI to be successfully operated in Pakistan, the operation of this system should be entrusted to an efficient private sector logistics company

with impeccable integrity and good reputation. Approval of US government agencies will be required for the selection of such a firm.

**The Security could further improve by Imparting Training and Employing Equipment.**

**TRAINING**

- Training of mid-level managers on interdiction of Weapons of Mass Destruction (WMD). It should be a combination of class room training with practical exercises with specialized / modern equipments.
- Non Proliferation Investigative Training should be imparted to trainers from Customs, who could further train the staff in investigation of illegal trafficking in WMD and related materials
- Higher and mid-level officials of Customs may be included for Radiation Academy Programme.

**EQUIPMENT**

- Equipment to detect false compartments in containers
- Large scanning machines to Scan Export/Import/Transit Cargo at point of Entry & Exit.
- Imaging vans which contain mobile X-ray and gamma ray equipment for screening Export/Import cargo -container along with radiation detector for sensing radioactive source.
- Other mobile and stationery devices for screening (X-ray or gamma ray) of containers and truck trailers at Sea Port and Border Points.

The US government will be spearheading the international effort to address security aspects of multimodal transport in collaboration with UN agencies like UNCTAD, IMO, ESCAP etc. European countries (specially UK), Japan and Australia have also an important role to play in introducing a cost effective and practical security system for multimodal transport.