

Smart borders

A paradox: How to facilitate movement of people and goods without compromising security?

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Governments around the globe have noticed that fast economic development is not possible in an environment where customs procedures are ineffective and burdensome. Recently, a lot of attention has been dedicated to modernizing cross-border regulatory procedures.

In recent years, in an ever more connected world, there have been drastic increases in the rate of movement of people and goods, pushing governments to reform and adapt their border management; governments have to support the way in which the population is traveling or the merchandise is flowing in a more effective and efficient manner. The European Commission estimates that there are a total of 887 million border crossings for travelers alone.

As a consequence, governments around the world face the same dilemma: how to facilitate legitimate movement of people and goods, while protecting their borders and the international supply chain from organized crime and illegal or misused emerging technologies. In other words, they have to find the appropriate balance between both open and controlled borders. It is thus even more important for sound border management to contribute to the economic development and competitiveness of states.



As the volume and speed of trade transactions increase, inadequate infrastructure and manpower are not easily scalable to meet growing needs, including increased trade, more complex supply chains, and increasingly sophisticated criminal activity. Industry and individuals consistently suffer through long queues and delays at high-volume, overburdened, and sometimes redundant checkpoints.

Governments, seeking to encourage the success of their citizens and businesses, should consider some new and innovative measures for their frontiers, which are typically called “Smart Borders”.

What are Smart Borders?

“Smart Borders” is a broad term, encompassing a vast range of national security, economic, and socio-political functions, that can create safer, more standard, and cost effective demarcations.

The evolving international economic and security environment signals a need for increased intelligence cooperation. As a consequence, governments are thinking and taking measures to mitigate the impact of the two converging issues, namely heightened security and the exponential increase in the flow of populations and goods. Thus, migration and border management have been addressed in different ways around the world and are at different stages of border process improvement and IT development.

Some developing economies have used the World Customs Organization (WCO) guidance to build border security capabilities. Other nations have established entirely integrated and digitized border management systems. Integrated border security between nations working together to increase protection beyond their own borders also exists.

How can governments provide enhanced security while at the same time facilitate the rapid and efficient movement of goods and people?

Various countries have instituted stricter security measures in the past decade and, as a result, now contend with this issue and are rethinking their border flow strategies. These approaches have produced varying results and a wealth of lessons learned. Upon examination of these efforts, four solution areas have emerged that deserve special consideration when constructing a long-term vision for border security and management:

1. Make a safer border by employing risk based decision-making—As a first step, establishing common assessment criteria and mutual guidelines for identifying, segmenting, and addressing risk is necessary in order for governmental agencies to reach agreement on high priority risk areas and drive risk-based resource allocation. Risk-based decision making is key to operating a safe, secure, and efficient automated border security system that leverages this and other data to make informed decisions about where to focus border security resources, while ensuring smooth border crossings for legitimate travelers. In this setting, integrated risk assessments prioritize emerging vulnerabilities and enhance individual and shared border security efforts.

This approach requires government organizations to be adaptable, using resources where they are needed, when they are needed, regardless of the border location—both at the physical border and at other critical transit nodes and checkpoints. Early success stories have come out of co-habitation of intelligence/fusion centers. Many of these centers use automated technology platforms and solutions to support information sharing and have helped address threats early by bringing leads to an appropriate law enforcement resolution.

Shifting to a risk-based approach that deploys the most effective inspection and scanning technologies to detect and prevent the entry of hazardous materials, goods, and terrorist weapons is another important component. Policy changes can include advanced screening programs, which facilitate the identification and inspection of containers that pose a potential risk for terrorism at foreign ports before they are placed on vessels destined for their designated country.

2. Improve standardization by normalizing data requirements and partnering across borders—The standardization of data requirements significantly increases the efficiency and effectiveness of information sharing within and between governments and industry alike. In order to standardize data effectively, governments should first begin to use a shared risk model across their security agencies, to promote information sharing within their own borders.

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A clear, common risk model can improve communication between law enforcement arms, improving performance and coordination across multiple areas of border security.

However, in order to implement collaborative border management, partner governments must also standardize the types of information collected, and the processes for doing so. Efforts to unify data requirements are most effective when governments are capturing and using the same type of information to drive decision-making at the border. This element is especially impactful for those in the law enforcement community. By sharing information collected about passengers and cargo, participating governments and industry stakeholders can streamline individual data-collection efforts and strengthen overall security and efficiency through the use of consistent and accessible data.

The World Customs Organization (WCO) Data Model is an example of a global standard. To expedite universal data standardization, the model aims to simplify and standardize data requirements of cross-border regulatory agencies, including customs. Concretely, this model comprises a library of components containing a data set, business process models and UML information models.

The harmonized data requirements are derived from cross-border regulation and are updated on a regular basis to meet the procedural and legal needs of cross-border regulatory agencies.

In order to both enable travelers to move freely between internal borders of the Schengen area (without additional screening) and strengthen its external borders, in 2013, the European Union (EU) proposed the “Smart Borders Package”.

This proposal principally aims to modernize and optimize the management of the external borders of the Schengen member states, fight against illegal immigration, and better control the movement of third-country travelers. More specifically, it will facilitate the entry of frequent travelers to the EU by means of a “Registered Traveller Programme” (RTP) and improve the monitoring and information sharing relating to “overstayers” through an “Entry/Exit System” (EES). The RTP would allow certain groups of frequent travelers from third countries to enter the EU using simplified border checks.

The EES would serve to record the time and place of entry and exit of third-country nationals traveling to the EU and to alert Schengen countries of overstays. The final features of the future systems have not yet been validated. A range of technical options have been identified and are currently being tested until September 2015 at 17 different border crossing points (land, sea, and air) in 12 Member States. If the current testing phase fulfils the desired results and is approved by the European Union, the EU border checkpoints could be equipped with pioneering technologies based on biometrics identification and authentication by 2020.

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3. Increase cost savings by consolidating government functions at borders—Many countries have moved beyond existing concepts of collaborative border management to actually consolidating around functions. By streamlining and fortifying border security operations, multiple countries have consolidated governmental agencies and related border functions to allow agencies that were once separate to pursue the security of the border in tandem with trade and immigration.

In this paradigm, border security becomes an integrated way of addressing national security, community protection, biosecurity, trade, and immigration issues concurrently.

Not only can this improve the oversight of security issues related to the flow of goods and people, but it also enables a critical holistic view of operations and opportunities to streamline inefficient trade and travel security procedures.

In the US, since 2003, the US Customs and Border Protection (CBP) has been one of the world's largest law enforcement organizations, whose main mission is to protect the country's borders, while facilitating legitimate international travel and trade.

Before, compliance, security, and facilitation of movements of international goods and people were conducted by multiple government agencies. The consolidation of these different roles and responsibilities enabled the CBP to develop consistent security procedures while complying with US immigration, health, and international trade regulations.

4. Innovate at borders by enabling the ecosystem to bring commercial and community solutions—A critical step to improving the flow of trade and travelers is simple cooperation and leveraging of the capabilities of non-government players for innovative ways to shore up key infrastructure. To that end, there is a critical need for strong public-private partnerships (PPP) in order to help secure borders—and there are a handful of extremely successful examples.

A typical example of current innovation enabling cooperation between government agencies and non-government players is the setup of electronic "Single Window" services based on the principle of joined-up government services. This means that they simplify and unify touch-points between economic operators and the different government agencies involved in cross-border procedures.



Several initiatives are currently underway all over the globe, implying the development of new automated systems or considerable upgrades to actual systems.

Thus, following its strategy of diversification of the economy, Luxembourg has started major initiatives to actively develop its logistics sector and is currently setting up the "Single Window for Logistics". Its main objective is to facilitate trading by offering economic operators in the logistics sector a single administrative point of access to electronic exchanges related to international trade flows (export, import, and transit).

The "Single Window for Logistics" program, which is coordinated by the Ministry of the Economy in close collaboration with the Customs administration and the State Information Technology Center (CTIE), is being implemented in three phases: firstly, the development of a master plan in 2014, secondly, the definition of a roadmap and the launch of pilot projects (2015), and thirdly, the implementation of a project portfolio (as from 2016).

The unique single entry point should be available both for government agencies and economic operators in 2020, with a first operational version running by 2017. The "Single Window for Logistics" will provide significant benefits to international traders such as:

- Reducing administrative costs through the harmonization and simplification of today's paper-based processes
- Enabling a single submission of data for cross-border transactions
- Saving time while preparing digital documents through the information already entered upfront in the logistics chain
- Optimizing the customs clearance process with better predictability/traceability of goods flows
- Providing greater transparency of legal procedures and facilitating compliance not only with customs procedures but also with other regulations
- Facilitating coordination and information exchange between government agencies (G2G) and between economic operators and government agencies (B2G)

Conclusion

- The final objective of Smart Borders is to facilitate the movement of goods and people while also protecting the borders
- Both private and public sector stakeholders could benefit from a future state that enhances the day-to-day operations of the global citizen including suppliers, small businesses, and travelers that need to ship cargo as well as pass through checkpoints regularly
- Leveraging leading and existing practices is a key feature in developing a vision for smarter borders
- Cooperation between nations, such as bilateral agreements, are essential and promote a more unbroken flow of goods and people across borders