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## **LOGSEC project launched to improve understanding of logistics and supply chain security**

Total trade in manufactured goods globally is estimated to value some 30 trillion Euros; €8 trillion of this is international trade, and €2 trillion concerns the European Union. Crime alone, within supply chains costs business billions of Euros each year. Too much to be taken lightly.

Securing the supply chain has become a key priority for any company engaged in international trade. Supply chains are vulnerable to all manner of criminal acts, violations and deliberate disruptions. Businesses have a clear interest in dealing effectively with this problem.

A project referred to as LOGSEC (Logistics Security) was launched last week under the European Commission's FP7 programme. The project aims to address this issue and raise awareness amongst the different stakeholders – business, government and the general public.

The European Shippers' Council (ESC), representing the freight transport interests of some 100,000 companies involved in manufacturing and retail sectors across Europe, together with the European association for forwarding, transport, logistics and customs services (CLECAT), will head up the freight transport users' input to the project. The two associations will draw on the knowledge, expertise and experience of shippers and logistics service providers (3PLs, 4PLs, freight forwarders etc) in matters of supply chain security crime, deliberate disruptions and illegal activities, and the measures they use to protect their supply chains. This information will be used to help identify the most important and vulnerable parts of supply chains in different sectors.

"The past week has shown us just how vulnerable Europe's supply chains can be to disruption" said Marco Sorgetti, Director General of CLECAT; "albeit that the closure of European air space was due to natural phenomena, we can clearly see the scale of the costs and the extent of the disruption globally if airspace were to be closed again due to a security incident. Freight piling up and sitting around in warehouses and vehicles for prolonged periods of time, or else being taken on lengthy over-land detours, undoubtedly increases the opportunities for criminals to take advantage of the situation. CLECAT Members have a responsibility to their customers to address the gaps in supply chain security and remove the opportunities for illegal profiteering and theft."

Nicolette van der Jagt, Secretary General of the ESC, added "The security of supply chains is one of the most important issues facing our members today. Money is tight for everyone; efficiency and optimising supply chains is a key business priority; so we must ensure that the parts of the supply chain that are most vulnerable to 'attack' by terrorists, criminals or anyone else seeking to interrupt, damage or illegally profit at the expense of others, are properly protected in the most cost effective manner. We must identify which are the best measures, technologies and practices to deploy, and identify where the security gaps exist today and in the future. We have, in effect, also to get into the minds of the perpetrators in order to plan security for the future."

Andrew Traill, Policy Director for ESC said, "The knowledge and understanding we gain from this first year of work is vitally important for laying down the correct foundations on which to

implement real logistics and supply chain security demonstration projects in the second phase of the LOGSEC project”

The project’s partners include the Polish Customs Service and the Swiss Federal Customs Administration, along with supply chain security experts from the Swiss-based Cross-Border Research Association, Innovative Compliance Europe Ltd., Spanish-based ATOS-Origin and, managing the project, EFP Consulting (UK) Ltd.

For further information about the LOGSEC project and to find out how you could participate in LOGSEC Phase I, please contact:

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Notes:

FP7 is shorthand for the European Union’s 7<sup>th</sup> Framework Programme for Research and Technological Development. This is the EU’s main instrument for funding research in Europe between 2007 and 2013.

The European Commission manage the programme and have a budget for FP7 projects over the period of € 50.5 billion.

The Seventh Framework Programme (FP7) bundles all research-related EU initiatives together under a common roof playing a crucial role in reaching the goals of growth, competitiveness and employment; along with a new Competitiveness and Innovation Framework Programme (CIP), Education and Training programmes, and Structural and Cohesion Funds for regional convergence and competitiveness. It is also a key pillar for the European Research Area (ERA).