lookout

The Latest Cargo Crime Update by TAPA Asia Pacific

Locking in down -
Issues, considerations and
best practices for optimum
Supply Chain and Logistics
Security

Ingram Micro Asia Pacific

Towards A Better
Understanding of TAPA
Self-certification
Program

Business Continuity
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and TAPA In Post Great
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CHAIRMAN'S WELCOME

By TONY LUGG
Board of Director, Chairman
TAPA Asia Pacific

GLOBAL SUPPLY CHAINS FACE HEIGHTENED RISKS

The Financial Times recently reported that the risk of disruption to the corporate supply chains is running at an almost record high according to the indexed created by the industry's global trade body.

The Chartered Institute of Procurement and Supply new quarterly risk index, backdated to 1995, found that although supply chain risk fell in North America and Western Europe last year it increased sharply in Latin America, Eastern Europe, Asia and sub-Saharan Africa. The index's overall "risk score" has more than tripled from 23.7 in 1994 to 78.7 today.

Asian supply chain risk remains a concern during periods of economics conditions especially as pressure to keep costs low means that multinational manufacturers often operate complex networks of component supplies on a just-in-time basis. One slip can be costly and the impact significant to the operating income.

Realizing the financial constraints on organizations, TAPA's supply chain resilience self-certification programs are being introduced at the right most appropriate time allowing buyers and suppliers to adopt a robust standard whilst controlling costs. TAPA's FSR C and TSR 3 allow member companies to deploy the standards across their supply chain by performing self-certification audits on their sites, facilities suppliers or trucking operations. Their own employees who have attended a TAPA registered course can carry out the audits thus savings costs and maximizing supply chain compliance. The TAPA program significantly improves the hygiene factor of the operations and helps companies to underpin the operational disciplines, which in turn improves overall results.

As manufacturers move their operations to more low-cost based manufacturing locations, the need for increased visibility, planning and execution is key to cost avoidance. Over the last 14 years, TAPA has made significant progress towards fulfilling its core commitment to improve supply chain resilience for its members and those TAPA members continue to see reduced losses and improved resilience across their supply chain.

Establishing ties with partners to enhance our global standings continues to integral part of TAPA's strategy. TAPA participated at the inaugural Interpol World 2015 last month in Singapore as the supporting partners at this prestigious event likewise our working groups continue tor each out to those stakeholders who share the same values in developing robust programs and solutions for its members.

To enable us to do so, TAPA is holding a major conference in Phuket Thailand later this year with already more than 50 registrations being made within the first week of the announcement being made with many European and US counterparts attending. The conference agenda, break out sessions are highly appealing and topical to ongoing supply chain events.

View the conference overview at http://www.tapa-apac.org/2015 conference/ and be apart of the global networking sessions and events. I look forward to seeing you at the conference and thank you for your continued support.

LOOKOUT is proud to have with us Mr. Lawrence, VP of Pinkerton Consulting & Investigation, in a sharing of his expertise for the issue. Being in Law Enforcement and Security Operations for over thirty-five years, his global experience ranges from guard force management, operations management, fire protection and prevention, investigations, executive security, crisis management, and even technology. The essence of his career is carried in this piece of elaborate and comprehensive write up on optimizing supply chain and logistics security.

LOCKING IT DOWN
Issues, considerations and best practices for optimum supply chain and logistics security

JOHN H. LAWRENCE
Vice-President
Pinkerton Consulting & Investigations

In today's increasingly interconnected and interdependent world, supply chain security is arguably more important than ever. With so many manufacturing operations utilizing a "just-in-time" inventory model, a single kink in the supply chain can have a crippling impact not only on the manufacturer, but cascading on down to their customers, as well. To illustrate just how vulnerable an entire "ecosystem" of businesses can be to a single adverse event, we need look no further than the 2011 tsunami in Japan. With increasingly centralized manufacturing in a variety of industries, the loss of a single major supplier's facility can bring the global supply chain to a standstill.

In that sobering context, understanding the issues, considerations,challenges and best practices for optimum supply chain and logistics security should be a key priority for any organization that transports goods or relies on materials that need to be moved from Point A to Point B. Decision makers and security personnel should be fully cognizant of today's supply chain and logistics security challenges, as well as the steps that can be taken to overcome those challenges, reduce exposure and mitigate risk: from conducting a comprehensive risk assessment, to implementing appropriate physical security standards, to putting policies and procedures in place that will maximize supply chain security going forward.

Risk vs. Threat
The first piece in the security puzzle is a comprehensive and sophisticated risk assessment. But because the nature of the supply chain and logistics security threat can vary so dramatically, making that assessment meaningful can be challenging. Damaging crime ranges from opportunistic pilferage of a couple cases off the back of a truck, to highly sophisticated and organized hijackers who may even use refined tactics and technologies (such as handheld jammers that can jam a GPS signal) to help them commit their crimes.

The key is to understand your risk, and while that might sound straightforward, it is surprisingly common to see this mishandled or misinterpreted. A big part of the problem is the tendency to mix up the notion of risk with that of threat. Threat is just one part of abevy of factors that goes into a risk profile. To assess risk, we must take into account threat, vulnerability, and potential consequences. For example, if a facility is located in a high-crime environment, the threat level may be high. But if that same facility is secure, with the right policies, tools and systems in place to optimize security, the level of vulnerability is comparably low. And if that facility is one of many that produces or

transports a particular product, the consequences of a disruption if something were to happen are not especially dire. In other words, the overall risk level associated with that facility is low.

Compare that to a similar facility in a relatively safe, crime-free region of the world. While the surrounding environment may be low threat, lax security standards can increase vulnerability, and if this facility is the only plant in the world that produces a particular component, the overall risk profile is actually very high.

Physical security standards and procedures

One of the most important things any organization can do to lower its risk profile and protect its supply chain is to implement minimal physical security standards at proprietary sites and any locations where loading and unloading take place. That includes some third-party

sites, and facilities like trans-shipping warehouses, cross-dock operations, and rail-to-trucking facilities.

Best practices for basic physical security include things like access control: perimeter security such as fencing and gates, control of facility openings and access points, and controlling access to sensitive/high value areas. Does a site have a CCTV system, appropriate lighting, and effective alarms and alerts?

Having the right policies and procedures in place is also critically important. Perhaps the most valuable is to ensure that background checks and professional screening is conducted for all employees—including third-party contract employees. Make sure that cages or vaults are used for highly sensitive or valuable materials, and ensure that visitors to the facility (and especially to sensitive areas

of the facility) are escorted and monitored at all times.

In North America, where 80-85 percent of all cargo transportinvolves trucks, having proper procedures in place for loading and unloading trucks is essential. Make certain that truck trailers are properly sealed, including the use of fastening cables or hardened steel bolts to improve security where appropriate. Even things like scheduling and route planning can play a role in improving security. The saying "freight at rest means freight at risk" is a good one to remember: it is always easier to rip something off from a freight yard or a truck stop, and those areas are consequently more at risk.

Nuts and Bolts

In addition to the basics, it also helps to be aware of common blind spots and specific strategies

and tactics that can be used to minimize or neutralize threats. Details matter: supply chain security vulnerabilities usually manifest themselves as a result of lots of little things as opposed to one glaring hole. For example, security cameras may be in place, but they may not have been maintained particularly well and the lenses may not have been cleaned in years. Or perhaps a lack of clearly defined processes in shipping and receiving areas makes security lapses or breakdowns more likely due to human error.

In some cases, companies may mandate background screening on employees, but those companies might not be as thorough in performing those checks on their contractors and third-party vendors—or perhaps the checks may not include drug screening. Today, with new outsourcing business models on the rise, many outside companies are being brought in to handle supply chain and logistics issues. This significantly increases your vulnerability, and highlights the corresponding need to perform diligent and rigorous background and security reviews. Companies inherently have less control over and less insight into those third-party employees and circumstances—including employment details, who has access to what information, and other relevant data.

Simply keeping yourself educated and informed can make a big difference. Be aware of hot spots and danger zones. The vast majority of cargo theft and hijackings, for example, occur

in just a handful of states in the U.S. Even the types of products and materials that are attractive to criminals change over time. Be aware of what is desirable and adapt strategies and policies accordingly.

Unsecured parking and storage areas are a problem. A high-security seal or a bolt locking system is an incredibly small investment to make for a significant level of added security.

Boosting security during the transport piece of the supply chain may also be a wise move. From the strategic planning and timing of routes, to deciding whether GPS tracking on shipments makes sense, to utilizing geo-fencing for ensuring that shipments are on route and on time, there are a number of ways to improve the security of goods in transport. Convoys and follow-cars can be deployed situationally for high-value shipments.

Pros and cons
No matter where you sit on the supply chain, one of the best things you can do to optimize your supply chain and logistics security is to seek counsel or assistance from trained security professionals.

The best reputable and experienced professionals will avoid "checklist assessments" and instead perform a custom holistic risk assessment: a comprehensive security audit that integrates standards and principles utilized by a wide range of different government customs and security agencies. When it comes to supply chain security, you do not want to simply check boxes on a checklist,

you want to work with someone who can literally check your boxes in the warehouse and in transit. When possible, work with trusted professionals with a demonstrated ability to perform an analysis from a global top-down level, engage in detailed on-site local evaluations, and also train your own team to engage in regular and rigorous self-assessments going forward.

One emerging area of concern is in the phytosanitary arena, with environmental security flora and faunaimport restrictions. For example, if you have a manufacturing facility in Thailand that temporarily stores pallets outside, insects or seeds that are blown into those pallets could be a serious problem when passing through customs in the destination country. Phytosanitary compromise can be a significant liability from a financial and regulatory standpoint. If customs puts a hold on one of your trailers, it can essentially shut down your supply chain down for days or even weeks. In some countries, the shipper actually has to pay the storage fee, increasing the financial impact.

Finally, be wary of making the common mistake of assuming security based on past history. The "We've never had a problem, so why invest more resources in better security policies?" fallacy is a refrain that far too many organizations have repeated just before a damaging and disruptive security breach. Ensuring supply chain and logistics security before a problem arises is a much wiser and far more secure approach to a very common problem.

FEATURES

ANTHONY LEE

Sr Director Security & Facilities - AP & ME
Ingram Micro Asia Pacific Pte Ltd

Ingram Micro Inc. is the global leader in technology and supply chain services. In June 2014, the company's Mumbai-Thane Distribution Centre (DC)became the latest Ingram Microfacility in Asia Pacific region topass the TAPA certification audit. As a result, it isnow certified to TAPA Freight Security Requirements (FSR) Class A standards by TUV Rheinland.

Globally, Ingram Micro now has a total of 30 facilities that are TAPA FSR Class A certified. This includes advanced logistics centres in Sydney, Singapore and Shanghai.At each of the company'smajor facilities, including the Mumbai DC, Ingram Micro has made significant investments in modern digital surveillance and security technology and processes to ensure that its business operations and service delivery are world-class.

Ingram Micro is committed to protecting the people, products and property of both Ingram and its business partners, and the successful certification of its Mumbai DC is a direct result of the strong security partnerships across all segments of its businesses.The TAPA certification representsthe importance of security compliance and best-practice standards in the supply chain industry.

About Ingram Micro

Ingram Micro helps businesses fully realize the promise of technology. Ingram's global infrastructure and deep expertise in technology solutions, logistics services, cloud and mobility solutions enable its business partners to operate efficiently and successfully in the markets they serve. Combined with distinct market insights, and the trust and dependability generated from decades of strong partner relationships, Ingram Micro stands apart as the global technology services provider for the future.
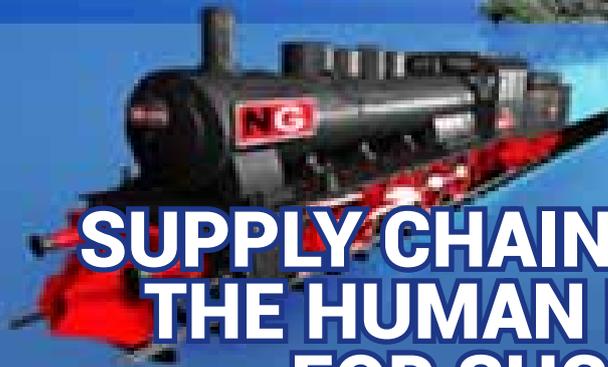
SUPPLY CHAIN SECURITY: THE HUMAN ELEMENT FOR SUCCESS

ANTHONY LEE, CPP, CBCP

Senior Director Security & Facilities – APME
Ingram Micro Asia Pacific P/L

The supply chain industry including safety and security - has evolved significantly across all transport modes (air, land and sea) since 911 incident to date. As a supply chain security practitioner in a dynamic Asia Pacific region like many of us, I have experienced the myriad of interesting business issues and challenges that we face on a daily basis to manage corporate security and mitigate business risks in a cost effective fashion. Appended are just some of the supply chain security issues, challenges and risks that we face under these dynamic circumstances:

- The progressive development of new relevant security standards and regulations across the logistics industry and supply chain network to better safeguard not just cargo and transport assets but also people and cities from any untoward incident.
- New security risks and cybercrime threats with adverse consequences (larger scale impact) to organizations and possibly countries should security be breached.

- The need to balance the costs of security vis-a-vis business risks and related impact especially when skilled manpower is getting more costly, or may be of limited supply in certain countries or cities.

- Continual need for us all (logistics service providers, Buyers, security service providers, etc) to deliver value and benefits to our respective businesses and organizations.

Indeed, it is not easy to navigate through rough waters unless every crew member is properly trained and operates in tandem. Flexibility and adaptability is also crucial in view of business dynamics.

As security professionals, it is our responsibility to assure our organizations that the inherent security risks are mitigated carefully to a level acceptable to top management and stakeholders. Hence, first things first, this over-arching objective ought to be enshrined with complete clarity in the security mission statement or policy of our respective organizations. This documented security mission and related strategies will help drive our organizations and staffs, across all levels and functions, to be like-minded in security partnership towards achieving our organization or business goals and objectives.

Naturally, we need to train not just the security team but all employees in our organization so that everyone is aware of the security mission statement, and the vital role of each individual in their respective function of your organization. In view of the involvement and coordination of several parties across the supply chain from point of origin to destination, this security education and awareness component cannot be over-emphasized particularly in a large organization.

Do we have a systematic training program and culture in our respective organization?

Are all our employees including contract and temporary workers trained in the security policies and procedures relevant for their role and tasks. With regards to training, a good example is world famous automobile manufacturer, Toyota, with their continual learning and development program. Toyota's workforce learning culture results in a "thinking people" system which is so instrumental to their renowned corporate success. Everyone in that company not only strives to learn and apply new skillsets individually in their workplace, but also to share their knowledge with fellow team members so that the entire team continues to brainstorm to resolve issues, innovate with new ideas, and improve their work processes and environment. This teamwork and synergy is a force multiplier in Toyota production system, and their organization learning and development strategy towards a total quality culture. This is what differentiates Toyota from its competitors.

The establishment of a quality culture with professional processes in our organization cannot be achieved unless everyone shares the same passion and aim for excellence in performing the respective roles for and every day.

Do the members of our security team or department strive for operational excellence and total quality in their security role ?

Or do they think that security is just a mundane supporting function, not a key function for the success of our organization? Do they accept compromises in security processes and procedures owing to time constraints or other reasons without seeking the necessary approval/s?

We need to instill a "zero defect" culture in the security organization so that sector of the standards and processes are not compromised. There is no need to scratch our heads or to reinvent the wheel because we can, and ought to, embrace existing security standards and regulations set by various public agencies, international standards bodies, and professional security associations e.g. TAPA, ASIS International, ISO. These global standards and guidelines will help us all collaborate towards supply chain security, and set the best practices and quality benchmark for our security team and even the entire organization. All security staffs ought to be proud of their professional function— just like any other professions in the workplace!

By leveraging modern security standards and technology, we can develop a flexible, multi-tasking security team to manage a cost-effective security and loss prevention program in the organization.Michael Porter once said, "The real issue is, how do we use technology for competitive advantage. That's where people missed out." With the support of IP-based megapixel cameras (full HD), digital video streaming, web-based (cloud) applications, mobile software and tablets, wireless and RFID technologies, Internet of Things (IoT) including wearables and other modern tools and techniques, the security team can now be more mobile and dynamic in performing their daily tasks. A vigilant security team will respond faster and better in the event of any incident or emergency. Technology will also empower the security management with useful information for better guidance and control of the security team when dealing with a situation. These modern tools and applications will facilitate the situational awareness and predictive profiling abilities of our proactive security officers in order to prevent the bad guys from carrying out their malicious intent anywhere along the supply chain.

A successful supply chain security program will equally blend culture, people, processes, technologies, and knowledge management. Owing to local labour factors such as progressively higher wages, lack of security manpower and/or high staff turnover, it is usually not economically feasible to increase security headcount in view of this limited budget (under normal circumstances). To achieve better supply chain security under these circumstances, we may review the above-mentioned human factors in our respective workplace in order to optimize or improve the overall performance of the security officers. In a knowledge-driven economy, continual training and development of our security team and stakeholders in supply chain security is vital.The transfer of individual tacit knowledge into organization learning and core capabilities is the key success factor. By unlocking the potential or untapped capabilities of our professional security team and organization as a whole, we can develop even better and more optimal business solutions to deal with business issues in the supply chain industry.

UPDATES

TAPA takes the initiative to encourage more organizations to join our mission to minimize cargo losses with the availability of different standards and corresponding levels to address each individual needs. The Self-certification scheme will see to more people adopting good and recognized industrial standards in their premises.

TOWARDS A BETTER UNDERSTANDING OF TAPA SELF-CERTIFICATION PROGRAM

NILO S. POMALOY (TCE, CPP)
Working Committee – Audit & Wavier
TAPA Asia Pacific

As announced earlier, TAPA Asia Pacific welcomes applications of self-certification through the Secretariat Office for the basic standards of realigned versions of the Facility Security Requirements, namely Category C (FSR C), and Trucking Security Requirements, namely Level 3 (TSR 3), from March 2015 onwards. The certification processes for the higher level of standards (FSR A, FSR B, TSR 1 and TSR 2)* remain unchanged.

Member's option to use the services of Independent Audit Body (IAB external auditors) remains open with the only exception that they can also directly apply for FSR C and TSR 3 certification via our Secretariat Office by simply submitting the self-audit reports. The standardized audit templates and wavier requests are available on our website: http://www. tapa-apac.org/self-certification-programme/. The regional TAPA Audit and Wavier Committee will

check for the fulfillment of basic and mandatory requirements. Exceptions will also be considered on a case-by-case basis. The internal resource and/or the facility in-charge, who had completed the self-certification audit report, must be a qualified and validated trained personnel before the submitted report is reviewed. The initial submissions by the organization(s) may encounter incompliances during the reviews. Realignments and modifications of security measures shall be done to achieve these requirements to the Standards.

As a rule of thumb, the operators of approved and certified facilities are required to submit a self-audit report to TAPA Asia Pacific's Secretariat annually in order to retain the validity of the issued certificates. The Audit and Waiver Committee has the reserved prerogatives to conduct random on-site shadow audits to preserve the integrity and quality of the

certification processes, regardless the modes (IAB external auditing or Self-certification scheme).

TAPA World-Wide Council (WWC) deliberated and came to realize the innovative way to yield the best results for our members is the wide adoption of the basic standards. With our embark on this new scheme of certification. Unlike the higher-level TAPA Standards* certification, which are stricter on its requirements, the compulsion of engaging the services of the IAB auditors has been eliminated. Members and/or facility operators will benefit from this significant cost reduction in obtaining certification and also enjoy the ease of communicating and processing with a direct contact with TAPA Asia Pacific's Secretariat Office.

Through the implementation of the self-certification program, the reduced cost and almost

hassle free procedures raised our expectations to see a paradigm shift by many of current buyer and supplier members to adopt this program as part of their Corporate Security policy requirements for their respective logistics service operators and partners. The basic TAPA standard certification is fundamental and essential for the facilities of these operators and partners. They can continue to obtain the higher-level TAPA Standard* certification as a true demonstration of compliance.

By the time TAPA basic supply chain security standards (FSR/TSR) are fully patronized and utilized by the members, we can foretell that they will not only derive direct benefits by having in place the secured supply chain working environment for TAPA members in particular but also to successfully exemplify the contribution to entire protective services community in general who are aiming for concerted efforts to substantially reduce losses of brand owners' assets transiting in the supply chain.

We remind our members to exercise prudence and be one step ahead in formulating readiness by anticipating the potential implications in their respective supply chain. These implications may be brought about by the increased flow of trade and commerce in the region due to the effect of Asian Economic Cooperation and Integration kicking off this year towards achieving the Vision 2020 blueprint. Getting all the warehouse facilities, as well as the surface movement transporters, certified with the appropriate level of TAPA standards proportionate to the calculated risks should be made as one of top priorities by organizations.

The most viable option to the implementation of security requirements in your organization is to use the basic standards, the FSR C and TSR 3, as the starting point towards the next levels. As soon as you find the need to elevate your control standards to the next levels due to increased prevalence of risks, you should then consider upping your facility certification to the next appropriate level of standards.

You may visit our website (http://www.tapa-apac.org/) for latest updates. TAPA Asia Pacific office is just a call (+65 6684 4687) or email (tang.lei@tapa-apac.org) away for assistance.

Japan shares their expertise and growth in robust supply chain management after hits from natural disasters.

BUSINESS CONTINUITY MANAGEMENT (BCM) AND TAPA IN POST GREAT EAST EARTHQUAKE IN JAPAN

NARIHIKO ASOU,

Chairperson
TAPA Asia Japan Sub-chapter

This year March 11 marks 4th year since the disastrous earthquake hit Tohoku area of Japan. According to an article by Asahi Newspaper on March 11, 2015, the area suffered a damage of US$210 billion and a loss of 18,000 lives. The international logistics also received great damage. Business Continuity Management (BCM) has been one of the priorities for Japanese corporations, especially those whose factories were ruined by the tsunami, whose infrastructures were destroyed and those who experienced electricity shortages due to the shutdown of nuclear power plants triggered by the Fukushima accidents.

The TAPA Standard is a good response against willful attacks. Utilizing TAPA, one can recognize the value of security measures combined with data about supply chain disruption, attacks and losses. Therefore, TAPA is the most effective security standard for corporations in supply chain management (SCM). In the face of natural disasters, we need to be brainstorm on ways TAPA can be incorporated with the best practices in BCM.

Supply Chain Management

The last 10 years of experience in Japan has been filled with earthquakes, tsunamis, nuclear

please turn to next page

power plant accidents, and volcanic eruptions. Manuals, trainings and evacuation drills were implemented after the occurrences of these unfortunate, sudden and disruptive incidents. As a result of these experiences, Japan has gotten some good advices for the world regarding being well-prepared. These experiences are also utilized in the preparation for 2020 Olympics' and Paralympics' infrastructure such as airports, ports, railways and roads. By just observing the works that are currently in progress, one will certainly gain some inspiration in his/her disaster (natural/manmade) adaptations measures.

What became clear was the importance of securing the logistics post-disaster plans, smooth transportation of parts to production factories and the appropriate management of storage.

Japanese corporations found it necessary to create multiple sites for their production base as well as rebuilding the supply chain. As the businesses become increasingly globalized, supply chains get progressively vulnerable. World politics and economies are also becoming unstable due the fact that large disasters, accidents, and disruptive events are having more of an effect on the businesses. The loss and damage in some cases may also result in the sudden closure of the business.

To reduce this type of vulnerability, businesses should be concern and also aim to enhance two aspects, resiliency and security. To enhance resiliency, corporations could build concrete response measures against major natural disasters, accidents and willful attack.

To enhance security, it is necessary to create multiple layers of prevention systems, analyzing near misses and close calls to develop prevention methods, education and training for all employees, and cooperative efforts with public agencies, vendors, customers and competitors.

BCM System (BCMS) for corporations

The 2011 earthquake, tsunami and nuclear power plant accidents had a tremendously harsh influence on the industries in Japan. Many public agencies and companies, especially manufacturers located in the disaster area or just south of it. Manufacturers of automobile parts, electronics, and precision devices, started the BCM planning and implementation for the next vividly imagined crisis.

Following are some examples of how BCMS were implemented after the Great Earthquake. Factories facing the crisis of an interrupted production developed BCM. The logistics industry suffered as well, since infrastructures such as roads and ports was destroyed, it was impossible for transportation companies to transport goods.

- Distributed production: Renesas Electronics (Automobile computerized control systems) suffered great damage at its Naka Factory. From 2013, it added TSMC in Taiwan, a large semiconductor manufacturer, as a vendor.

- Logistics enhancement by built-in alternative supplier possibilities: Toyota Motors has 13,000 venders in 30,000 locations. It built a relational database system that can direct the alternative suppliers to begin its work when there is a disaster.

- Readiness for power shortages: Energy conservation and solar self-generation is what Komatsu, an industrial construction equipment manufacturer, had planned to keep it going. The company experienced the unusual event of the electricity shortage after the Great Earthquake whereby power supply is the foundation of its business. Energy conservation tools and devices and solar generation were implemented to achieve the goal of halving the electricity usage by 2015.

- Relocation of facilities to higher grounds in readiness for the next tsunami: Suzuki, the large automobile and motorcycle production company, relocated its Toyokawa and Takatsuka motorcycle assembly factories from the coast to a higher grounds in Hamamatsu City.

- Logistics enhancement: Seven & I, the large supermarket chain, moved its fuel storage for transport and delivery inside its logistics area. Now it can transport more than 5,000 types of goods independently to local convenience stores and supermarkets for a period of 10 days should a disaster strike again.

- Similarly, Eon, the large supermarket chain, announced

its plan to operate cogeneration systems at 100 or more stores by 2020.

Natural disaster risk and response

It has become necessary for Japanese corporations to be prepared and responsive to natural disasters such as earthquakes, tsunamis, typhoons and volcanic activities. A robust risk management system is essential in corporations prone to these natural disasters.

From the mentioned examples, we observed these corporations' effective incorporation of a robust risk management in their:

• A large semiconductor manufacturer rebuilt a robust supply chain that is resilient to natural disasters by developing strong relationships with new production vendors.

• A large supermarket business constructed its own fuel storage facility so that the goods delivery would not be stopped by sudden shortages.

In an article reported by Nikkei Newspaper on 11 March 2015, Japan has offered their disaster support plan packages to many countries. For ASEAN Member States, BCM was offered as a part of a program to improve disaster response. The article discussed a flood forecast system in Thailand, a flood control system in Philippines, and an information collection and analysis system in Indonesia.

The packages also include climate-change responses in Oceania and the Caribbean islands, submission of information about tsunami responses and construction of a dedicated satellite telecommunication network in Chile, support for recovery from the 2010 earthquake in Haiti, and seismic strengthening of bridges in Turkey.

The Third United Nations Disaster Reduction Worldwide Conference was held on March 14 to 18, 2015 in Sendai, near the epicenter of the Great Earthquake (http://www.bosai-sendai.jp/en/). This conference is held every 10 years.

The Heads of State and Government from 20 countries, ministers and delegates from more than 189 countries, United Nations Secretary-General Ban Ki-moon, and Margareta Wahlström, Special Representative of the Secretary-General for Disaster Risk Reduction, participated in this Conference. International disaster reduction and readiness were discussed for the development of guidance for action. The conference adopted the Sendai Framework for Disaster Risk Reduction 2015 – 2030 (http://www.wcdrr.org/uploads/Political_Declaration_WCDRR.pdf). Japan's expertise in managing crisis resulted from the many experiences of disasters over the years. These experiences had indeed helped many others to be prepared and ready should a disaster strike their respective countries.

We hope the discussion on SCM and BCM in this article will inspire readers to start pondering over the incorporation of TAPA Standards to the practice of natural disaster preparedness for your corporation(s).

TAPA ASIA PACIFIC TRAINING SCHEDULE 2015

		FSR	TSR
MALAYSIA	Kuala Lumpur	24-25 Aug (Mon-Tue) E	26-27 Aug (Wed-Thu) E
	Penang	14-15 Oct (Wed-Thu) E	
CHINA	Shanghai		02-03 Jul (Thu-Fri) M
	Shenzhen	09-10 Jul (Thu-Fri) M	05-06 Nov (Tue-Wed) M
HONG KONG	Hong Kong	13-14 Aug (Thu-Fri) C	
PHILIPPINES	Manila	13-14 Aug (Thu-Fri) E	11-12 Aug (Tue-Wed) E
	Davao	15-16 Oct (Thu-Fri) E	
SINGAPORE	Singapore	30-31 Jul (Thu- Fri) E	28-29 Jul (Tue-Wed) E
		29-30 Sep (Thu-Fri) E	17-18 Nov (Tue-Wed) E
		19-20 Nov (Thu-Fri) E	
INDIA	New Delhi	16-17 Jul (Thu- Fri) E	
		08-09 Oct (Thu-Fri) E	
THAILAND	Phuket	07-08 Sep (Tue- Wed) M, E	07-08 Sep (Tue-Wed) E
	Bangkok	10-11 Dec (Tue-Wed) E	
INDONESIA	Jakarta	10-11 Aug (Mon-Tue) E	

Please refer to this table for the languages each session is conducted in:		
E - English	M - Mandarin	C - Cantonese

*Activities and Schedules can be subjected to changes. Updates will be provided accordingly to the members.

TAPA APAC IIS 2014 REPORT

Reported Countries

9

Top 4 Reported Incidents Countries
China = 56%
India = 24%
Philippines = 6%
Malaysia = 5%

Number of Incidents (2014 vs 2013)

Up 2.63%

Total Reported Cases in APAC

156 Incidents

Total Reported Losses

US 42.89 billion
(38% lower vs 2013)

Top 10 Loss Value sum

US 18.39 billion

Average Loss Value/incident

US 274,936

Top 5 Targeted Shipments (69%)

METAL Construction Material

Biggest single incident loss

US 6.20 billion
[Red Wine]

UPDATES

TAPA ASIA PACIFIC TSR CERTIFIED COMPANIES AND FSR CERTIFIED SITES

TAPA Asia Pacific is proud to be a part of companies' effort in addressing the challenges faced in cargo facility and transportation with our globally recognized Industry Standards.

S/N	ORGANIZATION NAME	COUNTRY/REGION	CITY	CLASS
1	TNT Express Perth Depot	Australia	Perth	FSR 2014 A
2	TNT Express (Sunshine Coast)	Australia	Queensland	FSR 2014 A
3	Moduslink (Waigaoqiao) Co., Ltd	China	Shanghai	FSR 2014 A
4	DHL Sinotrans International Air Courier Ltd. SQW Service Centre	China	Shanghai	FSR 2014 A
5	Tech Wave (Shanghai) Logistics Co., Ltd.	China	Shanghai	FSR 2014 B
6	Fortune & Honor International Bidding Corporation	China	Suzhou	FSR 2014 A
7	Shanghai Pilotrans Warehouse Co., Ltd.	China	Shanghai	FSR 2014 A
8	Nippon Express NEC Logistics Hong Kong Limited	Hong Kong	Hong Kong	FSR 2014 A
9	Schenker International HK Ltd.	Hong Kong	Hong Kong	FSR 2014 A
10	Nippon Express NEC Logistics Hong Kong Limited	Hong Kong	Hong Kong	FSR 2014 A
11	SDV Hong Kong	Hong Kong	Hong Kong	FSR 2014 A
12	DHL Express (India) Pvt Ltd	India	Chennai	FSR 2014 A
13	DHL Express (India) Pvt Ltd	India	Gurgaon	FSR 2014 A
14	Nippon Express, Co. Ltd. Kansai Airport Branch, KIX Hi-speed Logistics Hub	Japan	Osaka	FSR 2014 A
15	DHL Express (Malaysia) SdnBhd	Malaysia	Seremban	FSR 2014 A
16	KWE-Kintetsu World Express (S) Pte Ltd – Airfreight Operations	Singapore	Singapore	FSR 2014 A
17	Dimerco Express Singapore Pte. Ltd.	Singapore	Singapore	FSR 2014 A
18	DHL Taiwan Corp. - DHL East Service Center	Taiwan	Taipei	FSR 2014 B
19	WFS-PG Cargo Company Limited	Thailand	Samutprakran	FSR 2014 C
20	UTi Worldwide (S) Pte Ltd	Singapore	Singapore	FSR 2014 A

TAPA Asia Pacific extend our warmest welcome to the following companies who have joined us

S/N	ORGANIZATION NAME	COUNTRY
1	Dimerco Express Singapore Pte Ltd	Singapore
2	ALS East Joint Stock Company	Vietnam
3	Damco Indonesia	Indonesia
4	HingShing Forwarding Co Limited	Hong Kong
5	PT Pinkerton Indonesia	Indonesia
6	G4S Australia	Australia
7	Huawei Technologies Co., Ltd	China
8	DHL-Sinotrans International Air Courier Ltd. Zhejiang Branch	China
9	DHL-Sinotrans International Air Courier Ltd. Ningbo Branch	China
10	Shanghai Pilotrans Warehousing Co.,Ltd	China
11	Shanghai Solectron Technical Service Center Co.,Ltd	China
12	Shenzhen Heheng Transport Co., Ltd.	China
13	Nozomi Logistics (M) SdnBhd	Malaysia

lookout

The Latest Cargo Crime Update by TAPA Asia Pacific