



Improving Aviation Security through Streamlining Tendering Processes and Upgrading Quality Assessments at European Airports

White Paper by CoESS and ASSA-I

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Introduction

This document serves as a White Paper to describe some specific current issues and problems related to the EU inspections at the European Airports aimed at controlling the compliance of security procedures with the prescribed rules and measures. This White Paper also deals with and describes the specific issues in relation to the tendering processes for contracting civil aviation security services for European airports and for airlines. In CoESS' and ASSA-I's opinion, both issues are closely interlinked and have a determining influence on the level of quality and efficiency of the screening activities and other services delivered by the security providers .

This document also serves as a White paper to describe the concerns of ASSA-I and CoESS about the risk of ongoing industry pressure to reduce the costs of security at the European airports. This pressure, which increased during 2009 and 2010, is creating a situation in which maintaining the highest possible quality of performance is becoming a more and more challenging issue for the private security services providers.

Its purpose is to propose an improvement of and to set more efficient and targeted objectives for the security inspections conducted by the EU. CoESS and ASSA-I point out the shortcomings of these inspections and propose possible solutions in order to create a better control system for all players of the aviation security industry (regulators, airports, airlines, security providers and customers) which can contribute to the optimization of airport and aviation security.

The White Paper is largely based on the viewpoint of ASSA-I, an association aimed at giving the aviation security services industry a strong and single voice in the ongoing debate with regard to aviation security as well as guaranteeing the enduring professionalism and quality of both the service providers and the services they provide at European airports and to airlines.

Marc Pissens,
President of ASSA-I
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Problem setting

Whether or not we are immediately aware of it, civil aviation security services are becoming more and more a part of everyday life. As more and more security functions which were previously directly carried out by public authorities are being contracted out, private security companies are becoming increasingly involved in ensuring public security.

This White Paper describes some specific current issues and problems related to the EU inspections at European airports and sets out the problems aviation security providers are confronted with, specifically during the tendering procedures.

There is an important task for policymakers (governments at regional and national level and the European Institutions at EU level, in particular the European Commission) to correctly develop the necessary supporting legal frameworks for the provision of civil aviation security services. Not only will the aviation security providers benefit from such a framework, but also - and even more - will the customers and the end-users (airports, airlines companies, passengers), and all other stakeholders organizations that aspire the best levels of security.

Especially in the light of the 25th December 2009 attempted terrorist attack on the Northwest Airlines flight 253 to Detroit which departed from Schiphol Airport in the Netherlands, these issues are more than ever critical and require immediate attention from the competent regulators.



1. EU Inspections at European airports

1.1 Audits by the European Commission

When the EU inspectors perform their inspections at European airports, their inspections solely focus on the end results in relation to security measures in place at a given airport, and hence, on the compliance of the concerned EU Member State with the EU Regulations on civil aviation security.

The reports of the inspections only mention a final conclusion limited to the compliance, or not, by the airport and/or Member State. According to the Commission Regulation No 72/2010 of 26 January 2010 laying down procedures for conducting Commission inspections in the field of civil aviation security, the report may contain recommendations for remedial action. However, the report remains very limited regarding content explanation and motivation related to the end conclusion, nor does it contain efficient recommendations for improvement. As a consequence, EU Member States, airports and security services providers are not able to conduct an in-depth analysis of the test results, of the reasons why security might have failed and of which possible remedies can be taken to prevent a similar future failure.

CoESS and ASSA-I believe it is absolutely necessary, should EU inspectors conclude that there is a deficiency with regard to security, that the inspectors must also conduct a more in depth analysis of the causes of the failure, thereby allowing an identification of solutions or remedies to be put in place in order to avoid comparable negative situations in the future. Moreover, such an in dept analysis of problems can also provide a more solid basis for new and future structural regulations and measures.

1.2 Re-audit after 1st failure

After a first inspection, when the airport or Member State receives through the final report the conclusion that there is a security failure or deficiency, the European Commission and its inspectors will perform a re-auditing of the concerned airport.

It is then the responsibility of the EU Member State to introduce the necessary corrections. However, CoESS and ASSA-I strongly believe that it is not only the task and the responsibility of the concerned airport, but also and equally so of the security provider and of all related staff (including staff from the security provider) to identify the problems and to guarantee that the necessary adjustments and corrections can be put in place if and when the security procedures have failed to do so in the past.

The same problem as mentioned under 1.1. occurs equally in this phase of the inspections. Again, the re-auditing by the EU inspectors solely focus on the end result of the testing, this being compliant or deficient. As the EU inspectors do not analyze the causes that led up to the



1st failure, they do and cannot evaluate which corrective measures were taken after the first inspection. In other words, they do not examine which remedies were put in place to prevent a second deficiency.

1.3 No EU inspections on security providers at the European airports

The EU inspections cannot be limited to tangible end results (compliance/non-compliance), they must instead also cover the security systems, mechanisms, personnel (human factor), etc. deployed at an airport. In other words, they must cover the process as a whole, with all its components.

As stated above, the December 2009 attempted terrorist attack on the Northwest Airlines flight 253 to Detroit, demonstrates that the EU inspections should focus on more and different aspects of the security system, than only on the end result. There is a strong need to focus on the human element and input in the whole of the security procedures.

ASSA-I and CoESS stress the necessity for EU inspections to include the security providers. The inspections of security providers should be focused on different aspects, but in particular on the security provider's management of quality. In this regard, it must be stressed that the skills and competences required from security agents are constantly growing. The EU inspections must thus cover and include following essential aspects: selection and recruitment procedures, training of personnel (including training records), working conditions, contingency planning, etc.

ASSA-I and COESS emphasize the need to enlarge the EU inspections process. The audits should have a broader scope and fully include inspections of the security providers. This would increase the pressure on the national authorities and airports to concentrate on the quality aspects of the security procedure translated, for example, in training of staff, quality control, and experience in similar projects.

EU inspections reports must include an in-depth analysis of the problems and reasons behind a security deficiency. Such a reporting will allow a learning process, not only for the European Commission and the EU Member States, but also for the security providers. A detailed and investigative analysis can provide the security providers with the much needed opportunity to assess shortcomings and to detect the areas where further investment, development and improvement are necessary.

1.4 Introduction of the concept 'entity' in the new Framework Regulation 300/2008

The European Commission has inserted a new concept into article 3 (point 6) of the new Framework Regulation 300/2008, which came into force on 29th of April 2010. This article deals more specifically with the concept of 'entity'.

An 'entity' is defined as *a person, organization or enterprise, other than the operator* (Article 3 of EU regulation 300/2008). However, as this general definition may lead to some interpretation issues, ASSA-I and CoESS suggest to redefine the concept to such an extent that security providers clearly and undoubtedly fully fall within the scope of this definition.



ASSA-I and COESS therefore propose to define the concept of 'entity' as follows: "entity" means *a person, organization or enterprise, other than the operator, responsible for implementation of and/or for deploying persons implementing the rules and measures set out in Regulation (EC) 300/2008 and its implementation rules.*

An "entity" which applies security standards (security controls) needs to be recognized by the National Aviation Security Programme (NASP) of the Member States and shall establish, apply and maintain a security programme. The obligation to establish a security programme, containing methods and procedures for activities which are carried by the security provider and furthermore establishing quality control by the entity is not optional and is very clearly established by Article 14 of Regulation 300/2008. Hence, a security provider carrying out security standards should be considered as an "entity".

ASSA-I and CoESS therefore underline that it would be to the advantage of the companies they represent and to all other relevant players in the aviation security industry, if the aviation security providers are acknowledged and recognized as entities. Consequently, the European Commission would be able to fully include in its inspections the security providers given that article 15 of EU Framework Regulation 300/2008 clearly states that the European Commission can inspect airports, operators and entities applying aviation security standards.

The European Commission (DG MOVE) has officially declared that the security providers are considered to be an entity. However, it also added that security providers are not entities that should draw up a security programme as they can be 'delegated entities', delivering security services for an operator, air carrier or another entity. It is thus that operator, air carrier or entity that holds the end responsibility for the security procedures and that will need to define in its security programme the scope and the terms of the delegation (subcontract). Based on this interpretation, DG MOVE indicated to have no intention to change the scope of EU Regulation No 72/2010.

ASSA-I and CoESS feel that it is acceptable that the security providers' fall under the security programme of their clients and that they therefore do not need to draw up their own security programme'. However, regarding the scope of the EU inspections, ASSA-I and CoESS reiterate that they are very much in favor of full inspections of the security providers as opposed to the present "collateral testing procedures" within the framework of the existing inspections.

1.5 No data sharing / transparency on audit results with security providers

Another issue related to the EU inspections procedures is the lack of communication between all relevant parties. The end results of the EU inspections, as well as the inspection reports themselves, are solely communicated to the EU Member States and are thus never being directly relayed to the security providers.

As a consequence, security providers are unable to conduct an in-depth analysis of the inspection results and of the reasons why security failed, nor to determine the possible



remedies to prevent the recurrence of such a failure in the future, nor do they have the opportunity to detect shortcomings and areas for improvement.

ASSA-I and CoESS therefore stress the necessity for more transparency of the audit results, reports and possible recommendations.

2. No European harmonized tendering process

2.1 Problem: No clear standards for quality assessments

An important present legal void is the absence of a legal framework regarding the tendering process for security services and of standards for quality assessments of the security providers delivering aviation security services for airports and airlines in Europe today. As a consequence, national authorities, airports and airlines have the ability to choose to outsource their security purely and solely on the basis of financial and economical reasons.

2.2 Price wins over quality, which results in the deterioration of the general quality level

One of the major problems the aviation security providers are confronted with, especially during these difficult economic times and equally challenging security risks, is that during a tendering procedure the customers (airports, airlines, governments) are overly focused on the price/cost factor of the security services, the fluidity of the passenger flow (passenger services) and, as a consequence, neglect the importance of quality of the services the security providers is able to deliver.

As mentioned above, a possible solution could be that the European Commission extends its inspections to security providers and to the quality of the security services delivered. This would result in the customer, during the tendering process, attaching a higher degree of importance to quality when selecting a security provider, and not only being guided by the lowest price.

One of the key priorities of ASSA-I and CoESS is to continuously invest in and promote high-quality security services as well as guaranteeing the enduring professionalism and quality of the service providers' delivering security services at the European airports and to airlines.

In 2008, ASSA-I and CoESS initiated a project in order to create a European wide standard for aviation security services. The CEN/PC 384 draft standard contains requirements for private security companies and their independent branches and establishments related to its organisation, operations and personnel management (recruitment, training). It also contains quality criteria for the delivery of civil aviation security services. At the beginning of 2011 this project for a standard on aviation security services will be final and ready for publication. This standard for aviation security services will be a European standard with voluntary application and could subsequently evolve towards a more binding set of standards. This is in any case the ultimate goal of ASSA-I and CoESS.



2.3 Need for a European legislative initiative

ASSA-I and CoESS believe there is a need for a unified European legal framework for tendering procedures related to the selection and awarding of aviation security services. As indicated above, customers have at present no guidelines when selecting a security provider, with the consequence that much too often the contract is being awarded to the security provider offering the lowest price and that no consideration is given to the quality of the services offered.

ASSA-I and CoESS call for a strong initiative by the European Commission in this field. An EU legislative initiative regarding the quality of the aviation security services delivered at the European airports and to airlines operating at these airports is of the highest importance and urgency. Increasing the quality of the security services can only benefit to all the players in the civil aviation industry as it will lead to an important contribution to enhancing a more secure environment. As the above-mentioned draft CEN standards shows, quality can be objectively defined and measured.

2.4 Future project: ASSA-I Best Value Manual for tendering for aviation security services

Bearing in mind the present legal void (as mentioned under 2.3.), ASSA-I will develop a Best Value Manual for tendering for civil aviation security services. The content of this Best Value Manual shall include the draft CEN/PC 384 standard for aviation security services (see above).

The manual shall first of all be written for those customers who are keen to ensure that they are selecting a provider to carry out civil aviation security services who can combine quality with a favorable price, rather than settling for the lowest price bidder. Secondly, ASSA-I hopes that the Manual will also convince customers still settling for the lowest price to consider to a higher degree of quality. The aim of the manual shall also be to guide customers through various key quality criteria to consider when selecting a high quality provider for aviation security services. These will, among others, include:

- Financial strength
- Management proven capabilities and expertise
- Experience in similar project – track record
- Quality organization, including manuals, procedures, record on tests, control and internal audits.

CoESS has already developed a similar Best Value Manual for awarding contracts for guarding services. For more information please consult the dedicated website.

(<http://www.securebestvalue.org>)



Conclusion

In CoESS' and ASSA-I's opinion, civil aviation security EU inspections and tendering processes are closely interlinked and have a determining influence on the level of quality and efficiency of the screening procedures and other security services in airports and for airlines.

CoESS and ASSA-I stress the necessity for a much needed change in the process of the EU inspections. The inspections must have a wider scope and must fully include the security providers. There must also be an in-depth analysis of the results of the inspections which have to be shared, based upon the necessary confidentiality clauses, with the security providers. Adapted in such a way, EU inspections will more largely contribute to the improvement and fine-tuning of existing rules and to the creation of higher quality security provision, better targeted measures and future regulations.

If the EU inspections would include the security providers, this would lead to important and positive consequences in relation to the tendering process of security services. It would increase the pressure on national authorities and airports to concentrate on and to give higher importance to the quality aspects of the security procedures such as recruitment procedures, training of personnel (including training records), working conditions, contingency planning, etc.

CoESS and ASSA-I emphasize the important task of the policymakers (governments at regional and national level and the European Institutions, in particular the European Commission) to correctly develop the necessary supporting legal frameworks to overcome the current legal void regarding the matters developed in this White Paper.

ASSA-I and CoESS call for a strong initiative by the European Commission regarding the fundamental role for security in general of quality of the aviation security services delivered at the European airports and to airlines. In ASSA-I's and CoESS' opinion, an increase of quality of the security services must also address the quality of the human factor (manpower) and not only the deployment of new equipment.

CoESS and ASSA-I believe that increasing the quality of the security services will benefit all the players in the civil aviation industry as it makes an important contribution to the creation of a more secure air transport environment.

NOTE:

Private security today is a huge, complex and highly segmented industry. The main components of this industry can be roughly listed as follows: providers of technologies and equipment (including related managed services), providers of security services (in essence manned guarding services, in combination or not with handling of equipment and technologies), the conglomerate of end-users, operators, customers and the corporate security world.

Each of these segments is represented by recognised, representative and mandated organisations. Although these speak and act on behalf of a specific segment, their overall goal is to work towards joint proposals and positions if and when possible where joint interests exist and where complementary positions reinforce a global defence of the private sector as a whole.



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