



CASE STUDY



Customs Brokers and Forwarders Council of Australia Inc.

VeriSign® PKI-based Certificates are Rock Solid: From the
Tumultuous Launch of the Integrated Cargo System to Today



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SOLUTION SUMMARY

Chosen to be the cornerstone of a critical Customs Brokers and Forwarders Council of Australia (CBFCA) application, the implementation of VeriSign PKI-based digital certificates worked flawlessly from the very outset of the project, even when other components of the deployment were experiencing major operational challenges. Additionally, VeriSign was selected by the Australian Government as the only vendor permitted to provide digital certificates compliant with its innovative Gatekeeper initiative.

Industry

- Government and Public Sector

Challenges

- The Australian Customs and Border Protection Service wanted a new application to protect shipment documents from unauthorized alterations during transit of the goods.
- The legacy system required dedicated communications lines that were becoming increasingly expensive.

Solution

- Gatekeeper Digital Certificates

Results

- Logistics tracking and customs clearance documentation is now digitally secured.
- The issuance and management of the VeriSign PKI-based digital certificates has worked flawlessly since the Integrated Cargo System went live.
- Economies obtained from using secure Internet-based transactions have culminated in elimination of the fee paid to maintain the old central customs system, contributing to the profitability of importers.

Representing 250 customs brokers and freight forwarding businesses in Australia, the Customs Brokers and Forwarders Council of Australia Inc. (CBFCA) is an industry association that represents members' interests in various Australian Customs and Border Protection Service consultative forums—providing members with guidance, representation, services and access to the latest industry information. With its roots dating back for over one century, the CBFCA focuses on ensuring its member businesses—service providers to the importers and exporters of Australia handling international trade logistics and customs clearance requirements—are appropriately represented in customs and transport issues.

+ The Australian Government Tightens Security

In 2001, the Australian government introduced its Gatekeeper® Strategy as part of a broader project to tighten security around the transfer of information in and out of government offices via the Internet. Administered by the Australian Government Information Management Office (AGIMO), the strategy requires use of public key infrastructures (PKIs)—a technology and trust framework that involves use of digital signature certificates for assuring the identity of certificate holders and the integrity of the online messages they exchange.

PKI certificates can be installed in email clients and Web browsers, and used to securely exchange information with others. They allow each party to verify the identity of the other, and permit sending encrypted emails that can only be read by the intended recipients.

It was mandated that only certificates issued by Certifying Authorities accredited under Gatekeeper would be accepted. In order to expedite the implementation of this directive, VeriSign was selected by the Australian Government as the only accredited vendor sanctioned to provide the Gatekeeper-compliant digital certificates.

+ PKI Certificates Become Passports to Customs

As it was in the process of developing a new Integrated Cargo System (ICS) to replace the legacy freight tracking system that had been in place from the early 1970's, the Customs and Border Protection Service was quick to embrace the government's Gatekeeper Strategy.

Instituted to avoid the risk of shipping documents being tampered with during transit of the goods, only authorized certificate holders can make changes to the ICS forms. In effect, the PKI certificates were to become the "passport" to customs, providing instant validation and enabling business transactions to be conducted securely.

Paul Zalai, CBFCA's manager of freight & business operations, reflected, "The nearly 30-year old central tracking system had worked well over time, and our members were very comfortable with it, but the cost of maintaining the dedicated datacomm lines that the application required was becoming prohibitively expensive. With communication moving to Internet-based protocols the concept of the ICS became increasingly attractive—however, this is a very traditional trade sector, and initially there was a lot of resistance because it represented a very new paradigm. It definitely generated high levels of reservation and concern among our members."

“The process for obtaining PKI-based digital certificates has consistently operated exceptionally well, and our members continue to be very happy with the services and support offered by VeriSign.”

Paul Zalai,
manager of freight & business
operations, Customs Brokers and
Forwarders Council of Australia Inc.

+ ICS Implementation Issues Abound

On October 12, 2005 the Integrated Cargo System went live, and almost immediately it was clear that the processing of air cargo shipments was being negatively impacted by the transition between the two applications—worse still was the discovery that the switch was inflicting severe short-term consequences on Australian sea cargo movements.

“Within the first few days of launching the ICS, an unacceptably large proportion of containers were being held by customs on the docks, resulting in delays in imports during the lead-up to the peak retail and holiday season,” recalled Zalai. “It turned out the underlying business rules and processes had not been defined and deployed correctly, resulting in huge delays in processing cargo at ports all around the country. The situation was so bad it made front-page headlines in the national newspapers and because it virtually brought Australia’s trading to a standstill, it was the lead story on numerous TV broadcasts for several weeks!”

+ VeriSign Provided the ‘Ray of Sunshine’ During Dark Days

A working group was formed to investigate the ICS issues and address them as fast as possible. Zalai noted, “There was one ‘silver lining’ to the cloud that hung over the ICS implementation and that was the issuance of the Gatekeeper digital certificates; to our members’ relief and delight the VeriSign certificates worked absolutely flawlessly right from the very beginning.”

While it took many months, the problems with the ICS were eventually straightened out, and attention was then directed towards achieving operational efficiencies and implementing robust compliance management strategies. With the ICS in place, the import declaration communication fee—paid to maintain the old central customs infrastructure—has been eliminated, which has in turn helped contribute to the profitability of importers.

“Today, most of our members leverage third-party software applications and transfer messages to customs in an Electronic Data Interchange (EDI) format via Type-3 Host Gatekeeper certificates issued by VeriSign,” explained Zalai. “The process for obtaining PKI-based digital certificates has consistently operated exceptionally well, and our members continue to be very happy with the services and support offered by VeriSign.”

+ VeriSign and CBFCA Collaborate for Success

The CBFCA remains involved in helping the Customs and Border Protection Service with the training of its members. “We worked closely with VeriSign to get pertinent PKI digital certificate content into the training documentation,” stated Zalai, “and we also collaborated to tailor the solution for our members. In particular, VeriSign helped to optimize the management of the certificates, and refine the online reporting capabilities and the help desk operation. We’ve received excellent support from VeriSign.”

Visit us at www.Verisign.com for more information.

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