26 March 2012

AmCham EU position on Smart Borders

Within the context of the Communication of the European Commission on *Smart Borders- options and the way ahead (COM(2011)680 final)*, AmCham EU welcomes the opportunity to share its members' experience of developing and implementing border management technology and programmes across the globe.

Introduction: Border Management Programmes

An EU smart borders programme should contribute to the better management of its external borders by supporting a holistic view of border and identity management, which increases security, facilitates travel and trade, enhances the traveller experience, respects the privacy of the individual, reduces risks and makes the whole process quicker and more reliable.

Before addressing the technical questions around an EU entry-exit system and registered traveller programme, in our experience rather than focusing on individual systems, effective border management programmes are based on an overall strategy that meets the objective of comprehensive entry-exit coverage through collaboration between agencies, Member States and the effective implementation of technologies. In addition, challenges inherent in border and identity management solutions are best mitigated or overcome through such a strategy, which is based on the following principles:

- **Traveller facilitation:** Technology should be combined with business processes designed to make border clearance more efficient for the traveller. A positive traveller experience leads to acceptance and willing participation by travellers, which is the key principle for success;
- **Supporting better decision-making:** Data from multiple systems should be linked into a hub that provides person-centric information to help border management authorities make decisions more quickly, while complying with data privacy and security requirements; and
- **A flexible system architecture that provides reliability, scalability and availability:** When putting in place new systems, consideration needs to be given to how they fit in with the overall strategy, other systems within that strategy and the business processes behind them, as well as providing for flexibility to adapt to future developments in technology and border management.

American Chamber of Commerce to the European Union
Avenue des Arts/Kunstlaan 53, 1000 Brussels, Belgium
Telephone 32-2-513 68 92 Fax 32-2-513 79 28
Email: info@amchameu.eu

Secretariat Point of Contact: Adriaan Scheiris; adriaan.scheiris@amchameu.eu +32 2 289 10 19

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Key Principles in the design and implementation of entry-exit and registered traveller programmes

Entry-Exit Programmes

There needs to be a balance between security, risk, flexibility and the passenger experience. To this end, the key principles in developing and implementing an Entry-Exit system should include:

- **Use of automated border clearance wherever possible** to ensure more efficient border checks and a positive experience for the traveller;
- **Integration of information through a central database of entry and exit transactions** to provide a reliable means of matching an entry to an exit. To avoid issues around privacy, security and system reliability, this process does not have to be carried out in real time;
- **Securing the privacy of the individual** by ensuring that the system cannot be mined for information other than for matching an entry with an exit. This can be done by using encryption technology and rigorous access controls;
- **Being comprehensive but flexible, to facilitate multiple ways of entry and exit.** To be effective, an entry-exit system should cover all modes of entry and exit and all border control points i.e. land, sea and air. However, it also needs to be flexible to cover different requirements at different control points e.g. land borders in Eastern Europe may have different requirements and performance needs than checks in a controlled environment such as an airport;
- **Consideration of international agreements to enable recording exit at land-borders.** Where possible, agreements on biometric entry-exit should be concluded with adjoining land-border countries so that the entry transaction into the bordering country can be trusted as an exit transaction. This is a critical principle to avoid duplication and facilitate cost-savings; and
- **Providing for a modular system that allows for the integration of biometrics in the long term.** Where biometrics are implemented, combined with automated border clearance, they can support travel facilitation and better decision making but the system design must enable human intervention and oversight.

Registered Traveller Programmes

In our experience, there must be clear benefits for traveller participation and enrolment in registered traveller programmes. This is key to making the programme a success. Automated border clearance should be used wherever possible to ensure the border check is as efficient as possible and a positive experience for the traveller.

Some key principles are:

- **Single gate, flow control and appropriate border guard involvement must work together in an integrated solution** to ensure

the system is acceptable to travellers and as cost effective, accurate, and secure as possible; and

- **Wherever possible, the same automated border clearance facilities or infrastructure should be used for all applicable travellers** (third country registered travellers and EU/EEA citizens) so as to avoid confusion for travellers and cost for border authorities. Technical solutions can be developed to deal with the associated complexity so that from a public perspective it looks simple and quick.

Ensuring data privacy for IT systems

As the entry-exit system and registered traveller programme, with automated border clearance, would operate alongside other border management systems (VIS, Eurodac and SIS II), special consideration should be given to how the data in each system can and should be used to support the overall objectives of EU border management.

From a border control and security perspective, a federated identity model should be adopted that allows the entry-exit system, combined with the other systems, to build a risk assessment of each traveller trying to enter an EU Member State, while respecting the rules governing the use of data from each system. The duplication of data across multiple systems should be avoided to the greatest extent possible, as this makes the protection of sensitive, private information on each individual difficult to manage. Clear rules should be established for the use of the data recorded in the proposed systems and to respond to requests from individuals to exercise any applicable rights.

AmCham EU's views on the Commission's proposed approach as outlined in *Smart Borders – Options and the way ahead (COM(2011) 680 final)*

Developing the entry-exit system and the registered traveller programme together

As indicated above, technology should be combined with business process design to make border clearance more efficient for the traveller. A positive traveller experience leads to acceptance and willing participation by travellers. We therefore support the Commission's approach outlined in *Smart Borders – Options and the way ahead (COM(2011) 680 final)* to develop the two systems together, which will achieve the objectives of facilitating travel while focussing scarce resources on higher risk passengers.

Centralised or decentralised interoperable systems

We welcome the Commission's proposal for a centralised mechanism for the recording and sharing of entries and exits of third country national travellers across EU Member States, as being the most efficient and practical within the European context.

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Telephone 32-2-513 68 92 – Fax 32-2-513 79 28 – info@amchameu.eu– www.amchameu.eu

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Integrating biometrics to the entry-exit system after a transitional period

We support the Commission's approach of integrating biometrics after an initial period. Experience from other programmes has shown that this is a sensible approach for practical implementation reasons. However, we would recommend that modularity and the capability to integrate biometrics be developed and planned from the start to enable the smooth transition to the use of biometrics.

Use a combination of a token (with a unique identifier) and a central database for the registered traveller programme

- **Token:** The proposed token does not have to be a newly issued card, it could be bound to an existing card, as long as it is unique and has attributes of security so that it does not involve an additional enrolment scheme. We would suggest using an existing identifier scheme such as a passport number.
- **Central storage of alphanumeric and biometric data but separately and with separate distinct access rights for designated authorities:** This is a reasonable approach. Separating the storage of anonymised data such as biometric minutia and entry-exit events from actual personal identifiers and alphanumerics may allow for the use of advanced and secure mechanisms to protect the most sensitive data at a lower cost, than if all collected data is treated as sensitive information. However, consideration must then be given at the conception phase, to identify the most sensitive portions of collected data.
- **Biometric data would be linked to the unique identifier on the token and only used to verify the identity of the traveller:** This is the approach adopted in existing programmes. Searching biometric data may also be needed in order to aid police investigations and second line operations. While biometrics may be used as a primary method of identity verification, the system must be designed to allow secondary and alternative methods of identity verification, including the possibility to bypass biometric checks in appropriate conditions and in a rapid manner.
- **Application fee for enrolment:** If Member States are to introduce a fee for enrolment in the registered traveller programme, the success of the programme will depend on the traveller's perception of a superior border control experience and at multiple European border crossing points. This in turn implies that the quality of service should be monitored and maintained across member states.

Questions such as whether the participating border crossing points are required to have a certain number of kiosks reserved for registered travellers and whether service levels would be imposed on Member State border agencies need to be considered.

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Choice of biometric identifier

We find the proposal to use the biometric identifiers provided for in EU legislation and in other systems (EURODAC, VIS, SIS II, passports and residence permits) a sensible approach, given that entry-exit and registered traveller systems will be built upon these systems.

Multi-modal biometrics or the use of multiple biometrics such as fingerprints and face provide more flexibility, greater accuracy and lower the risk of fraud at a lower cost than relying on one type of biometric.

However, in the future, consideration should be given to the use of iris and vascular geometry as biometric identifiers. Iris is a better companion to fingerprints than face and should be considered as a potential option in the future, as it can drive greater accuracy when combined with fingerprints and face. The integration of anti-spoofing technology is also very important for systems based on biometrics, as biometrics become more important to identification.

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AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate U.S. investment in Europe totalled €1.4 trillion in 2009 and currently supports more than 4.5 million jobs in Europe.

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