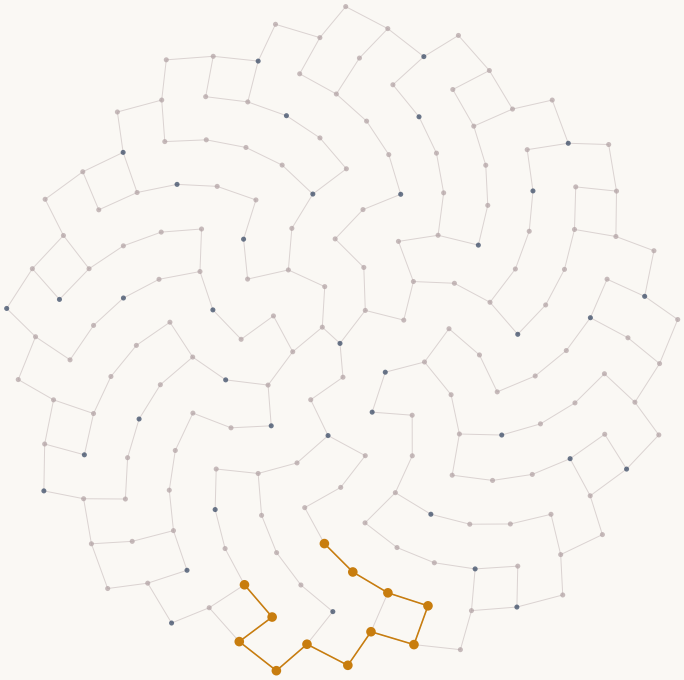

CTPAT for Logistics: Trusted Status Has New Requirements

CBP's pilot program extends CTPAT certification to logistics providers-with visibility requirements that reach into your vendors' vendor networks.

By Sayari Analyst Team . Published June 2025 . sayari.com

TRADE COMPLIANCE

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The Customs-Trade Partnership Against Terrorism (CTPAT) has been CBP's trusted trader program since 2001. Companies that implement rigorous security measures and pass CBP vetting get expedited customs clearance, reduced inspection rates, and priority processing. It is a partnership built on the principle that CBP can trust certified members to manage their supply chains securely. For twenty years, CTPAT membership was primarily available to importers and exporters. A company that could demonstrate secure facilities, vetted employees, and validated supplier relationships could become certified. The framework worked because importers and exporters control most of the nodes in a supply chain-they choose suppliers, they manage processing, they arrange shipping. But supply chains don't work that way anymore. A modern supply chain involves dozens of specialized intermediaries: freight forwarders, third-party logistics providers, customs brokers, warehouse operators, air freight handlers. Each intermediary touches the cargo. Each one is a potential vulnerability. A certified importer that is using an uncertified logistics provider is trusting a non-verified actor with custody of goods at a critical point.

The Pilot Program and New Requirements

CBP recognized this gap. In late 2024, Congress passed the CTPAT Pilot Program Act, and President Biden signed it into law. The statute authorizes CBP to pilot a five-year program extending CTPAT certification to logistics providers-asset-based (with their own warehouses and vehicles) and non-asset-based (brokers and freight forwarders who contract with other companies for physical handling). The pilot program is not just an expansion of existing CTPAT criteria to a new member class. It includes new requirements specific to logistics providers. Applicants must demonstrate not just facility security and personnel vetting-standard CTPAT criteria-but also supply chain security verification for key vendors and enhanced cargo monitoring. A logistics provider seeking CTPAT certification must prove that it knows who it is contracting with and that those sub-contractors meet minimum security standards. This requirement creates a cascading visibility problem. A logistics provider is only as secure as its vendors. If a freight handler or warehouse sub-contractor is using unsecured facilities or vetted personnel inadequately, the risk inherent to the logistics provider's own operation is irrelevant. But most third-party logistics companies don't have deep visibility into their sub-vendor relationships. They have contracts and pricing. They don't have verified information about beneficial ownership, compliance history, or security posture.

The Upward Cascade of Compliance

The new CTPAT pilot will require that. Applicants must document their vendor relationships, identify key sub-contractors, verify those relationships meet minimum security standards, and demonstrate continuous monitoring. The bar for "know your logistics vendor" is being raised to match the bar for "know your direct supplier." This cascades the compliance problem upward to importer and exporter members of CTPAT. An importer or exporter that is already CTPAT-certified will face new due diligence obligations on their logistics providers. If your logistics provider is not CTPAT-certified, you may face new compliance requirements to verify that provider's security posture. If your logistics provider is certified, you inherit their vendor compliance-but CBP will still expect you to have visibility. The implication is that traditional supply chain security is being re-architected. A company can no longer partition security into segments-secure sourcing for suppliers, secure handling by logistics, secure processing at facilities. All of those segments must now be visible and verified from a single point of accountability. This is already beginning to happen de facto. CBP's UFLPA enforcement (Uyghur Forced Labor Prevention Act) does not stop at importers. It traces to sub-tier suppliers and even to intermediaries. A U.S. company can be detained for using a logistics provider that, unknowingly to the importer, used a transshipment route through a zone of concern. The importer's ignorance is not a defense.

Shifting Supply Chain Visibility Requirements

The CTPAT pilot formalizes this into policy. Logistics providers cannot get certified unless they can prove they know and have vetted their own vendors. Importers and exporters will increasingly expect or require CTPAT certification from their logistics partners-not because CBP mandates it, but because certified partners reduce the importer's own liability. The outcome is a compression of the supply chain visibility requirement. Where importers historically needed to see their direct suppliers and their logistics providers, they now need to see two tiers deep into the logistics provider's vendor network. This is uncomfortable territory for most supply chain teams. Logistics relationships are typically transactional: price, capacity, frequency, reliability. Deep vendor visibility is not part of the operating model. But CTPAT certification requires it. And CBP's enforcement actions (EAPA, UFLPA, Section 337) are moving in the same direction. Companies that do not have visibility into their logistics providers' vendors are taking on unknown compliance risk. A transshipment route used by a sub-contractor, a sourcing decision made three tiers deep, an undisclosed ownership relationship in the logistics supply chain-these can all create liability for the importer.

Building Visibility for the Certified Future

The CTPAT pilot creates two classes of logistics providers: certified and non-certified. Certified providers have disclosed their vendors, vetted them, and are subject to CBP oversight. Non-certified providers offer no such assurance. Over the course of the five-year pilot, CBP will study whether CTPAT certification for logistics providers reduces overall supply chain risk and whether it should be expanded beyond the pilot. Companies that want to get ahead of this should start now: build visibility into their logistics provider relationships, identify the key sub-vendors those providers use, and begin the process of either requiring CTPAT certification or conducting equivalent due diligence. The companies that have this visibility will have a competitive advantage as CTPAT certification becomes table stakes. For importers and exporters already in CTPAT, this is a program maintenance issue. Your logistics partners are now part of your program. For companies not yet in CTPAT, the pilot is a reminder of why the program exists: security and visibility across the entire supply chain, from source to destination. The practical challenge is that supply chains involve corporate ownership structures, intermediary relationships, and beneficial owner relationships that traditional supply chain tools cannot map. A logistics provider may have multiple sub-contractors, held through parent companies, shell entities, and regional subsidiaries. Knowing which of those are truly independent, which share common ownership, and which present overlapping risk requires network visibility, not database lookups.

Sayari's supply chain mapping and beneficial ownership tracing help companies understand the actual structure of their logistics provider networks. This is the visibility CBP will expect from CTPAT applicants and the visibility importers will need to verify their logistics partners' compliance. Explore Sourcing & Procurement to understand supply chain network mapping, review Sayari Graph to see how ownership relationships across multiple entities are visualized, and request a demo to map your logistics vendor network the way CBP expects CTPAT participants to-with complete visibility into sub-tier relationships and beneficial ownership.

Please visit sayari.com to learn more.

This blog is for informational purposes and isn't intended to be legal advice.