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Media Information

FIATA Air Freight Institute Announces Industry Relations Action Plan

At its Zurich Headquarters meeting, AFI Chairman Rudolfo Sagel (Argentina) announced a new direction in industry relations between the forwarders and air carriers.

This on the heels of a successful launch of the Global Air Cargo Action Group (GACAG), and the news from Mr. Glyn Hughes, Director, Cargo Industry Management, IATA Cargo that the Cargo Agency Conference which meet on March 8, failed to take cognisance of a unanimous recommendation from the IATA/FIATA Consultative Council, to amend training accreditation to place FIATA and IATA on an equal footing. The chairman advised the delegates that "The industry relationship between forwarder and airline must evolve to reflect today's reality. The Forwarder is the customer of the air carrier, with over 80% of international shipments contracted as Principal, and less than 20% as Agent".

He went on to say: "IATA's role should no longer be that of a regulatory body of the forwarder. The historical reasons for IATA Accreditation and Training of forwarders dating back some 50 years ago, are no longer valid, as the air cargo industry has matured." "To be clear IATA Accreditation of forwarders, is no longer required, IATA Training of forwarders, is no longer required, as both functions are performed adequately by the forwarding industry itself, through FIATA and its members."

FIATA President Jean-Claude Delen (Belgium) further stated, "The Airline - Forwarder cooperation needs to be focused on those issues that add value and drive efficiencies. Such as facilitation, eCommerce, Security and Professionalism, through jointly agreed standards and recommended practices."

An area of constant concern and friction between forwarders and IATA has been the manner in which the Cargo Accounts Settlement System (CASS) operates. CASS while providing industry with value and cost savings, through a accounts receivable platform for centralized billing and centralized payment, continues under IATA's direction to disregard the realities of today's business practices, through its mandatory use of collective credit policies, collective credit terms, and zero tolerance, and thereby harms the forwarder, through its dominant position.

FIATA recognizes that such substantive change will require time, cooperation and commitment, and seeks to immediately open the dialogue with IATA members airlines and IATA's Cargo Committee, in order to effect these changes by not latter than March 2013.

The International Federation of Freight Forwarders Associations (FIATA) was founded in Vienna in 1926. Today it is the largest and leading non-governmental organization in the field of transportation, representing 40'000 forwarding and logistics companies employing up to 10 million people in 150 countries. FIATA has consultative status with several United Nations bodies and is recognized by many governmental and private organizations worldwide. The Federation's main objectives are to promote and protect the interests of the freight forwarding industry, to improve the quality of freight forwarding services, to assist with vocational training and to familiarize the business world in particular and the public in general with the wide range services rendered by the industry.