



Summary of

FEDERATION OF ASIA PACIFIC AIRCARGO ASSOCIATIONS (FAPAA)

30TH Executive Council Meeting & AGM

Kathmandu, Nepal October 16 - 19, 2003

The Federation of Asia-Pacific Aircargo Association (FAPAA) 30th Executive Council Meeting (ECM) hosted by the Nepal Freight Forwarders Association (NEFFA) was held at the Hotel Soaltee Crown Plaza, Kathmandu, Nepal between October 16th and 19th 2003.

The meetings were attended by 28 international delegates from 12 of the 16 FAPAA member countries, together with 32 local freight forwarding companies.

Opening Ceremony

The inauguration ceremony welcomed the Nepalese Minister for Culture, Tourism and Civil Aviation Sarbendra Nath Shukla and Dr Yuva Raj Katiwada advisor to the Government Planners, who both highlighted the importance of freight forwarders making trade more efficient whilst minimising cost and increasing the quality of service and delivery.

The meeting was officially opened by Namgyal Lama chairman of NEFAA and he highlighted the expanding role of freight forwarders and the growing financial risks that they now faced.

Diren Hallock announced his retirement as chairman of FAPAA after two terms (4 years) at the helm commenting that over the period of his term he had seen dramatic changes both from within the industry and as a result of world altering events such as SARS and September 11th, 2001. He held high hopes for the continuing success of the organisation due to the vital networking and communication and its very close working relationship with world representative industry bodies, such as IATA and FIATA.

The Executive Council Meetings

The first day of the business meetings revolved around sub-committee reports in the various areas of FAPAA activities

FIATA World Congress 2003 report - chaired by Hong Kong

The annual FIATA World Congress was held this year in Bali, between September 29-October 3). Amongst other issues, members were advised of the announcement that the European Commission would be removing immunities previously granted to IATA in relation to anti-trust provisions in Europe, from May 1st, 2004. Within FAPAA this was of

particular interest to Australia, where IATA exemptions to aspects of the local trade practices act were currently under review. However, the European Cargo Agency programme (ECAP) - the joint venture between IATA and European freight forwarders - was still planned to go ahead and it was now even more important than this modern agreement should succeed in order to prevent unpleasant circumstances arising from potential breaches of anti-trust laws. FAPAA hoped that this could pave the way for the agreement to be extended to other regions of the World ! FWC Congress delegates had been advised that IATA resolution 502 had not been ratified, where required, by various Governments around the world and was therefore stalled indefinitely. FAPAA members agreed to continue unofficial dialogue with FIATA on relevant air cargo issues affecting all parties.

IT & E COMMERCE INNOVATION - chaired by Australia

Demetrios Zoppos and Soren Starrup-Nielsen of Global Freight Exchange (GF-X) gave a presentation on their rapidly growing interactive booking and tracking programme. This facility had taken hold in many countries, particularly in Europe and its acceptance and popularity continued to grow throughout the world. GF-X made a commitment to develop an incentive programme to interest FAPAA member countries.

RESEARCH AND DEVELOPMENT - chaired by Singapore

Security was high on the agenda a presentation was given by David Fielder (HAFFA, Hong Kong) on 'TAPA' (Technology Asset protection Association), who, in one of its roles, sets benchmarks and standards by which depots, warehouses and other cargo terminals may seek accreditation for storing international air cargo in a secure environment. The USA-'C-TPAT' process recognises this accreditation. Delegates also discussed the status of each country in terms of international air cargo security programmes such as the 'Regulated Agent' regime and the risk minimisation processes favoured by each economy.. Security being high on the agenda for all organisations in every country, it was agreed that FAPAA should have this as a separate agenda item in future.

IATA / CASS Forum

FAPAA continued its close working relationship with IATA and Nick Zakris, Director Cargo for Asia Pacific addressed the meeting on the status of CASS (where it operated within FAPAA member countries) and the future expansion of the facility within the region. In addition, Nick Zakris presented details of the new 'Cargo MF' product - a statistical information package available in CASS countries and introduced discussion as to how

FAPAA as an organisation could help to market and promote the information to its members. Relevant FAPAA member countries were interested and agreed to further discussions with IATA on the details.

In closing the session, IATA reminded the members of new mandatory requirements coming into place on January 1st, 2004 relating to IATA Resolution '600' rule changes requiring dimensions of cargo to be placed in the 'nature and quantities goods' box on the airway bill.

CARGO 2000 update presentation

FAPAA welcomed back Ron Cesana of 'Cargo 2000' group (who last presented to the FAPAA members in 2001). Since that time, the organisation has further streamlined its standards and benchmarking systems used by airlines and freight forwarders to reduce the number of steps in the air cargo process. The programme had seen a greater involvement from freight forwarders recently and the major multi-nationals were all now involved in some way or another. Cesana announced that phase III of Cargo 2000 would include security processes. FAPAA pledged to continue the promotion and awareness of Cargo 2000 to its' combined membership.

TRAINING AND EDUCATION Forum

Each FAPAA member country delivered a detailed report on the progress and status of this vital area within their own Association. Once again most countries had either developed and were delivering, or facilitating some form of training and education for and on behalf of their own membership.

The benefit of the FAPAA network was also evident in that Australia (AFIF) had provided assistance to Sri Lanka (SLFFA) for the development and delivery of a basic and advanced programme of airfreight training, which would be followed up with sea freight training in January 2004. This programme had built on the previous joint venture between the two organisations in 1997/98.

Forwarders LIABILITY INSURANCE

There was much discussion regarding the dramatic increase in premiums for freight forwarders liability insurance (including errors and omissions, fines and duties etc.). Many factors had contributed to the increase, not least of which was the fall out from September 11th 2001. The group discussed whether the potential volume purchasing power would be of interest to an insurance underwriter to look at reduced premiums for freight forwarding members of FAPAA Associations. Initial investigations would be carried out in conjunction with key insurance consultants.

ANNUAL GENERAL MEETING

At the AGM, Sam Katgara of ACAAI, India was elected FAPAA chairman for the next two year term, whilst Diren Hallock was given due credit for leading the organisation through difficult times in his four years as chairman. The members elected delegates to other executive positions on the FAPAA 'main Board' as follows: Deputy Chair: - Australia; Hon-Secretary:- Malaysia; Hon-Treasurer:- Hong Kong.

NEXT MEETING:-

It was agreed that the 31st FAPAA Executive Council Meeting and AGM would be held in Australia in May or June 2004, with the date and venue to be announced.

All delegates congratulated host Association NEFFA on facilitating a first-class event, where the local organising committee had worked extremely hard to ensure all necessary arrangements were in place and coordinated effectively. The local press had also shown a high degree of interest in the proceedings, providing good coverage in both print and TV mediums.

Brian Lovell