



Bangladesh Freight Forwarders Association

BAFFA COUNTRY REPORT YEAR 2021-2022

Presenting to

The delegates attending the FAPAA 49TH ECM & AGM 2023

8-10 June, 2023

Bangladesh Freight Forwarders Association (BAFFA)

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Bangladesh Freight Forwarders Association (BAFFA) is the national association of Freight Forwarders of Bangladesh, representing all activities to promote, protect and safeguard their interests, engaged in the total transportation of goods in international trade by sea, land and air, or combined multimodal transportation and any other related services like, warehousing, packaging, space booking, export & import documentation, CFS operation, customs brokerage, consolidation/ deconsolidation and all other functions pertaining to freight forwarding, logistics service, Non Vessel Operating Common Carrier (NVOCC) and activities related to the supply chain management.

MAIN OBJECTIVES OF BAFFA:

1. To represent, promote and protect the interests of the industry, by participating as advisors, or experts, in meetings of national and international bodies, dealing with transportation & logistics. BAFFA is also committed to play a vital and significant role to facilitate its member companies.
2. To familiarize trade and industry and the public at large with the services rendered by freight forwarders through the dissemination of information, distribution of publications, etc.
3. To extend cooperation to the extent of assistance and guidelines and to ease the problems faced by its member companies with other stake holders and authorities involved with the trade.
4. To maintain close cooperation with all agencies and authorities of the Government in order to simplify the rules and regulations relevant to the industry. To keep the member companies informed of all Government decisions/circulars regarding their further course of action from time to time.
5. To create awareness and compliance of EU, ACC3 & RA3 at the Cargo Village at of Hazarat Shahjalal International Airport (HSIA), Dhaka and other Airports of Bangladesh.
6. Acting as the arbitrator to resolve the issues between members and its customers in both financial and legal issues, as well as, to extend support towards the members, in order to resolve any complaints, dispute, allegations, against any member by the customer, or any other authority, or any member.
7. To extend educational and training programs and seminars for the members to improve the human resources of respective member companies.
8. To act as the arbitrators and to assist in the settlement of disputes between member organizations.

BOARD OF DIRECTORS:

BAFFA Board of Directors is represented by nineteen (19) Board members, elected by general members. The name of the present **President of BAFFA is Mr. Kabir Ahmed, the Managing Director of Conveyor Logistics Limited.**

The Board of Directors of BAFFA holds the Board Meeting every alternative month for discussions on the different issues of the association and taking decisions for guiding the freight industry in



the right direction, which is giving a positive impact to the Freight forwarding community in the country.

SUB COMMITTEES OF BAFFA:

BAFFA Board formed a few Sub-Committees in order to reflect this apex trade body's role in the affairs of the business community rightly, and for addressing the sectoral issues after getting the proposals from relevant stakeholders. The Sub-Committees have been formed in line with the relevant ministries of the Government of the People's Republic of Bangladesh and important issues that need the business community's intervention. The designated Chairman & Convener of the Sub-Committees are working in consultation with the members to plan their next course of action. The current Board looks forward to working for the Sub-Committees and consult the concern agencies for solution measures where necessary. The following are the major national and international Sub-committees:

- i. Finance Sub-Committee
- ii. Arbitration Sub-Committee
- iii. Arbitration Sub-Committee (International)
- iv. Membership Sub-Committee
- v. Airport Sub-committee (Biman, CAAB & Cargo Village)
- vi. Customs Sub-Committee
- vii. Port Sub-committee
- viii. ICD Kamalapur, Pangaon, Mongla & River Ports Sub-Committee
- ix. Media & Publication Sub-Committee
- x. Government Affairs Sub-Committee (Bangladesh Bank, NBR & Ministry of Finance)
- xi. Government Affairs Sub-Committee (Ministry of shipping, Commerce, Civil Aviation Authority of Bangladesh, Road Transport & Bridge & Railway).
- xii. International Affairs Sub-Committee (FAPAA, FIATA, IATA, ADB, World Bank, JICA, IFC & UNESCAP)
- xiii. Internal Audit Sub-Committee
- xiv. Training & Research Sub-committee

BAFFA SECRETARIAT:

Qualified and experienced manpower has been recruited by BAFFA to run the secretariat smoothly and professionally. Presently, BAFFA has thirty nine (39) regular staffs working in its Dhaka and Chattogram offices to serving the general members of BAFFA.

BAFFA HAS THE MEMBERSHIP OF THE FOLLOWING ORGANIZATIONS:

- The International Federation of Freight Forwarders Association (FIATA)
- Federation of Asia- Pacific Air Cargo Association (FAPAA)
- The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)

BAFFA IS REPRESENTED IN THE FOLLOWING GOVERNMENT COMMITTEES:

BAFFA is represented in the following Government Committees:

- Chattogram Port Advisory Committee
- National Board of Revenue Advisory Committee
- National Single Window Working Group, National Board of Revenue
- Trade Facilitation Advisory Committee, Ministry of Commerce
- Dhaka Customs House Advisory Committee
- Committee for the Preparation of Regulations for Private Inland Container Depot
- ASYCUDA World Operational Committee, National Board of Revenue
- Mongla Port Advisory Committee
- Dhaka Customs House Arbitration Committee
- Airport Facilitation Committee (AFC)

ISSUES ADDRESSED BY BAFFA:

BAFFA have attended a number of meetings, on different issues related to trade, economy and development of our sector. BAFFA has also submitted various recommendations and proposals to the Ministry of Civil Aviation & Tourism, National Board of Revenue (NBR), Bangladesh Bank, Ministry of Shipping, Biman Bangladesh Airlines, Civil Aviation Authority of Bangladesh (CAAB) for addressing and mitigating the different problems and impediments that its community faced in order to facilitate trade and service.

ISSUES TACKLED AND ADDRESSED BY BAFFA:

Despite abnormal situation, prevailing in the country, especially due to COVID-19 thorough out the world, the existing elected Board of Directors of BAFFA, have taken initiatives to handle/address a series of pending issues with various Government and other concerned authorities, in order to resolve the same for the greater interest of the Freight Forwarding community of the country. The committee already has addressed some of the vital issues with various concerned authority during the period and have achieved remarkable developments.

BAFFA has distributed funds to the members affected by COVID-19 pandemic, with the one-time *ex-gratia* financial assistance to all members, who were in need and who applied for the financial assistance. This initiative would remain as a milestone achievement in the history of BAFFA, especially during this morbid time of COVID-19.

To keep active all ports (Air and Sea) in Bangladesh, BAFFA has taken many initiatives —

- a) circulated letters and meetings with regulatory bodies of Bangladesh Government to ensure all operations safely;
- b) ensure that our members maintain safety compliances in all operational activities;
- c) declared and distributed many stimulated packages for members;
- d) BAFFA distributed Hand Sanitizers and Masks during the COVID-19 among the helpers, supervisors, who were working at the ports area.

PRESENT SCENARIO OF COVID-19 IN BANGLADESH:

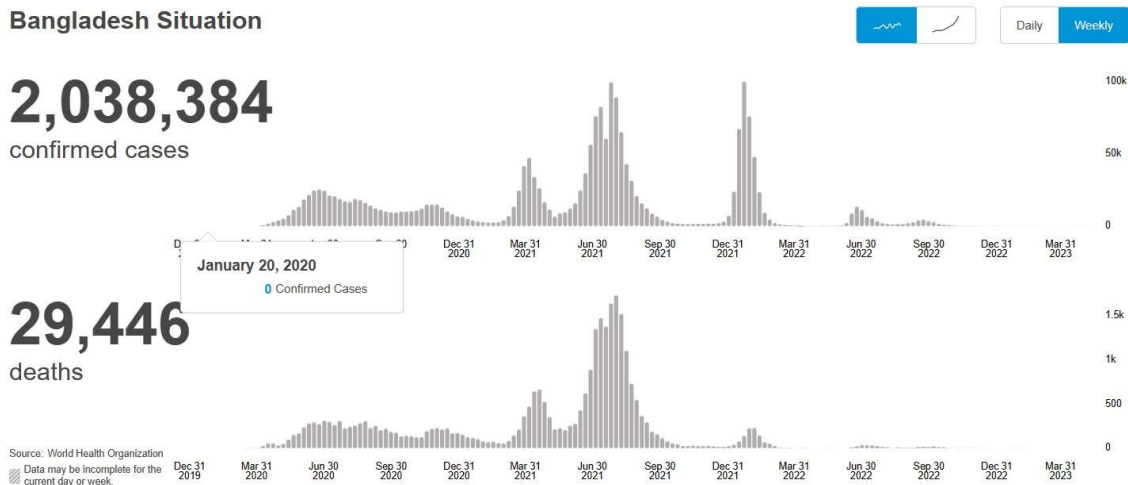
Bangladesh Situation

2,038,384

confirmed cases

29,446

deaths



CONSTRUCTION OF CANOPY IN FRONT OF EXPORT WAREHOUSE AT CARGO VILLAGE:

Due to the active initiatives of BAFFA, for having a standard cargo loading processing area within the Cargo Village, the Civil Aviation Authority of Bangladesh (CAAB) has completed the construction of a Canopy area in front of its Export Warehouse in order to protect the valuable export goods from any wet damage during its stuffing/loading thereon. BAFFA have taken control of the said entire Canopy area in front of Export Warehouse for the proper utilization by its valued members and in order to ensure disciplined cargo movement throughout the export Air Cargo Terminal at Hazrat Shahjalal International Airport (HSIA).

DELIVERY ORDER (D/O):

Earlier forwarders were not allowed to issue D/O (Delivery Order) and retain the original BL of the import cargo. It was with BAFFA's initiative that freight forwarders in Bangladesh now issue D/O of import cargo retaining the import BL instead of earlier system of liners issuing D/O on surrender of freight forwarder BL to them.

CARGO ACCOUNTS SETTLEMENT SYSTEMS – CASS:

Cargo Account Settlement Systems (CASS) is designed to simplify the billing and settling of accounts between airlines and freight forwarders. It operates through CASS link, an advanced global web-enabled e-billing solution. BAFFA is working with IATA on introduction of CASS based on a single Industrial guarantee instead of present separate and individual bank guarantee to each Airline in addition to the guarantee to IATA. Based on the discussions with IATA, BAFFA has agreed that the local Financial Criteria for Cargo in Bangladesh, which will be the basis for Industrial guarantee for CASS.

AIR FREIGHT PAYMENT IN BANGLADESH CURRENCY INSTEAD OF USD:

BAFFA is pursuing with Biman and IATA to establish Headline currency for Air freight rate ex-Bangladesh in Bangladesh Taka instead of the United States Dollar. It has been agreed in the IATA Cargo advisory Panel (ICAP) meeting and has been recorded in its minutes accordingly.

BAFFA MEMBERSHIP:

The Freight Forwarding trade is rapidly growing in Bangladesh. The number of members of BAFFA has increased significantly. Presently, BAFFA has one thousand one hundred twenty five (1125) ordinary members in the country.

BAFFA ANNUAL GENERAL MEETINGS (AGM):

BAFFA AGMs are being held on regular basis. Last Annual General Meeting was held on 21 April 2021 in Dhaka.

AIR CARGO BUSINESS IN BANGLADESH:

EXPORT: IN THE YEAR 2021

| Month | Total (Tons) |
|--------------|------------------|
| January | 12371 |
| February | 13841.04 |
| March | 18342 |
| April | 19054 |
| May | 14396 |
| June | 18305 |
| July | 14954 |
| August | 18073 |
| September | 17507 |
| October | 14581 |
| November | 11546 |
| December | 9391 |
| TOTAL | 182361.04 |

Source: Biman Bangladesh Airlines

IMPORT: IN THE YEAR 2021

| Month | Total (Tons) |
|--------------|-----------------|
| January | 989.18 |
| February | 8769 |
| March | 12375 |
| April | 11198 |
| May | 9264 |
| June | 8720 |
| July | 7046 |
| August | 6473 |
| September | 8421 |
| October | 7980 |
| November | 8400.85 |
| December | 8587 |
| TOTAL | 98223.03 |

Source: Biman Bangladesh Airlines

Finally, wishing a very successful Executive Council Meeting on 15 June, 2022.

Thanking you all.

On behalf of Bangladesh Freight Forwarders Association



Kabir Ahmed
President-BAFFA