



IATA UPDATES



IFACP UPDATE

IFACP Recap/Update (1/3)

- Following CAMP, the IFACP was created under the governance of the IATA/FIATA Governance Board
- After reaching agreements on the IFACP Handbook and IFACP Agreement, the new document will substitute the current IATA agreement signed by the Freight Forwarders, based on principal-to-principal relationship between the carrier and the forwarder
- Pilot took off in Canada in September 2017
- Only 70% of the freight forwarders signed off the new IFACP Agreement, the pilot (as well as eventual implementation waves) were put on hold
- After further discussions on the IFACP Agreement, FIATA proposed changes on the agreement to the IFGB-Airlines on January 2018
- The changes were considered by the airlines but rejected
- At the WCS@DFW in March 2018, the IFGB-Airlines submitted a counter-proposal to the IFGB-FIATA, for their reaction by 31-May 2018
- Some forwarders suggested to hold an informal meeting where lawyers from both sides would sit and discuss

IFACP Recap/Update (2/3)

- In May 2018, FIATA issued a paper that wasn't considered to be a reaction to airlines counter-proposal; nevertheless the informal meeting pushed through
- Outcome of the meeting:
 - Recognition of both parties of the acting capacity of freight forwarders, sometimes as Principal-to-Principal, and sometimes as agents for the shipper
 - This meant that text to the agreement had to be changed and adapted to this (new) reality
 - Airlines' counter-proposal was used as basis for the discussion that followed
 - After the meeting and after reaching consensus on some of the texts, FIATA requested to include in the new document some of the proposals made in January 2018
 - Due to time constraints it was agreed FIATA would use the new edited Agreement to include their proposal and that this new document would be discussed further in a working group
 - WG would meet and seek agreement on a final paper

IFACP Recap/Update (3/3)

- Once done, each party (FIATA and IATA) would seek support/feedback on this new Agreement with their constituents
- Once reached, the final version will be submitted for approval during the next IFGB meeting in DEL (1-2 October 2018)
- Latest Update: Airline-IFGB received the edited agreement from FIATA and airline lawyers with IATA to discuss the document



CASS ISSUES

Rational for IATA Fees

- Admin Fees for later remittance (from ACAAI) – To cover interest incurred by IATA in remitting the Airlines late settlements due to delayed payments from Agents. Basically free is for cost recovery
- Charge of details fee (from AFIF, ACAAI) – These are conference approved fees which IATA doesn't have any discretion over

Payments on Public Holidays

- (from ACAI) – Banking holidays published by RBI are excluded from the Remittance Calendar; only the following day is considered the Remittance Day, and established in the calendar

Frequency of ALWG Meetings

- (from FMFF) – This was escalated to the area manager and ALWG will be organized asap

Financial Criteria Review Updates

- HKG – Discussions to replace bilateral BGs so that AFR can be implemented; otherwise based on the current LFC, there will be duplication of bilateral BG and BGs that IATA collects; expects proposed LFC to be submitted to CAC after 30-Sep
- SIN – LFC to be amended based on new State's criteria exempting certain firms from submitting audited financial statements; ICAP members supported in favor to amend the LFC and will be submitted to the CAC for approval



DIP PROGRAM



AIR CARGO & SECURITY COMPLIANCE

ACI

- Regulators requests for Advance Cargo Information (ACI) from carriers and other supply chain stakeholders --- provided before arrival of aircraft
- Stakeholder responsible for documents they “own”
 - Carriers – Flight manifest, master air waybill
 - Forwarders – House manifest, house waybill, invoice, packing list (on shipper’s behalf)
- Timelines:
 - Long-haul flights: 4 hours before flight arrival
 - Short-haul flights: Immediately after take off

PLACI

- Several countries also requesting for Pre-loading Advance Cargo Information (PLACI) for additional scrutiny to mitigate security risks
 - US: Air Cargo Advance Screening (ACAS)
 - Canada: Pre-load Air Cargo Targeting (PACT)
 - Europe: Pre-loading Consignment Information for Secure Entry (PRECISE)
- 7+1 Mandatory PLACI data (to be submitted as early as possible)
 - Shipper Name
 - Shipper Address
 - Consignee Name
 - Consignee Address
 - Cargo Description
 - Piece Count
 - Total Weight
 - Air Waybill Number (“+1”)

PLACI Adoption

- Two phases
 - Phase one: Assessment of the needs and determination of the objectives of PLACI in a civil aviation security context
 - Phase two: Practical and technical ways to implement the use of PLACI
- Further work needed on concept; guidance for states wishing to adopt PLACI
- Timelines:
 - ACAS – went into effect 12 June 2018
 - PACT – pending
 - EU – regulation in force since 2016; implementation expected by 2020

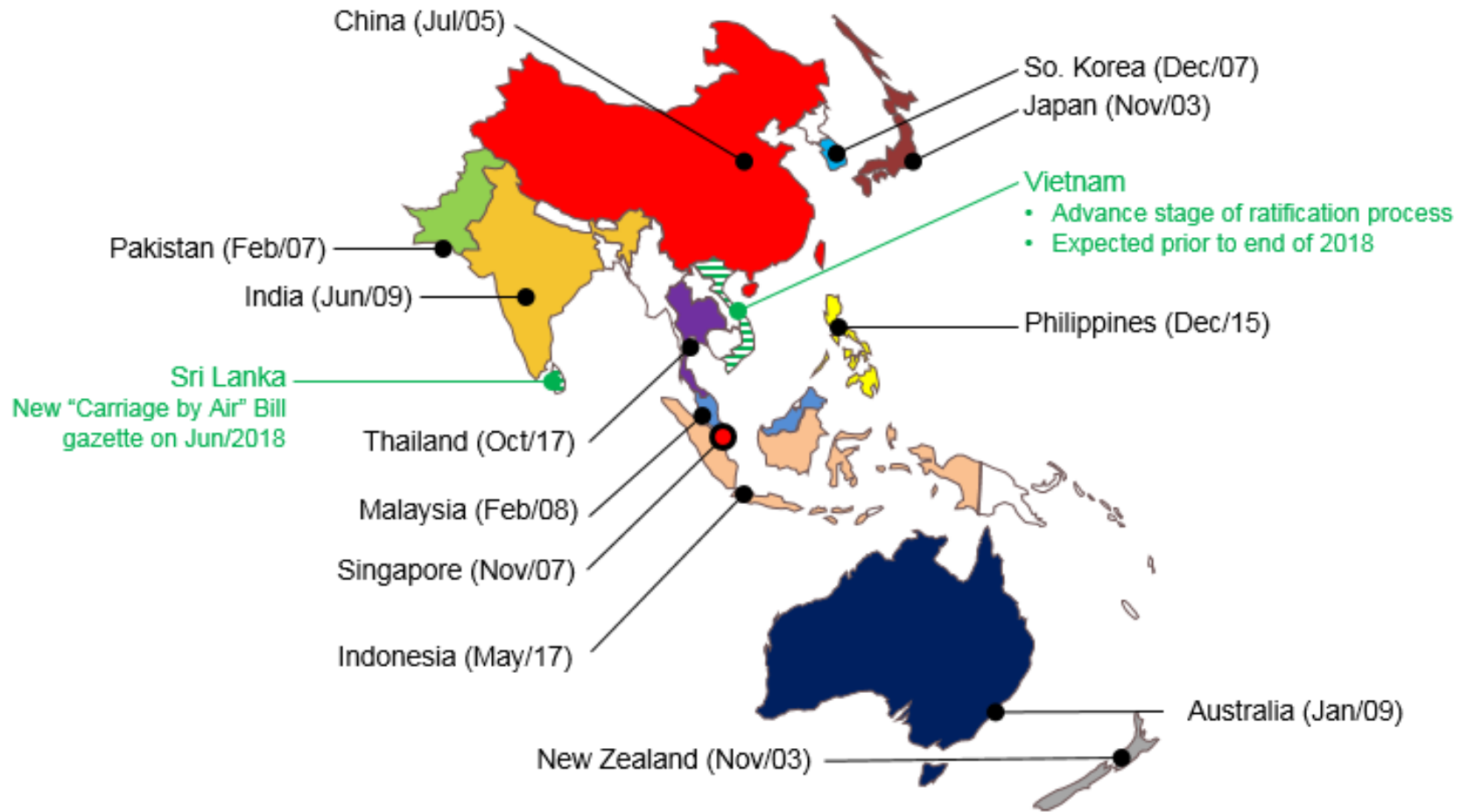
IATA's Role

- Raising awareness with our airline members that ACI will be enforceable by April 2019
- Working with US (ACAS), EU (PRECISE) and CA (PACT) on developing appropriate electronic targeting systems to identify high risk cargo prior to loading



E-AWB UPDATE

MC99 Status



eAWB Performance

Country	e-AWB Volume	Global Rank	Penetration Rate	Flag Carrier/s Performance	MeA FFs
China	153,089	1	58.6%	CK/CZ/MU - 61.9%	367
Hong Kong	76,476	3	66.1%	CX - 99.9%	195
So Korea	44,985	5	56.5%	KE/OZ - 65.1%	159
Singapore	37,084	6	71.0%	SQ - 92.8%	74
India	36,452	7	58.5%	non-flag carriers: CX-88.9%; SQ-88.6%; EK/QR-62.8%	282
Taiwan	34,865	8	70.3%	BR/CI - 87.9%	57
Japan	31,568	9	31.7%	JL/KZ/NH - 26.0%	53
Australia	11,163	18	47.2%	QF - 15.6%	176
Thailand	9,621	19	43.0%	TG/PB - 0.0%	73
Malaysia	7,445	22	35.6%	MH - 10.6%	43
Sri Lanka*	4,659	27	82.5%	UL - 100.0%	52
Vietnam*	4,248	30	66.0%	VN - 0.0%	79
Pakistan	2,280	34	59.5%	PK - 0.0%	59
Philippines	1,213	45	54.7%	PR - 0.0%	20
New Zealand	958	48	20.5%	NZ - 0.0%	29

*non-MC99 States

eAWB Challenges

As of June 2018, the global e-AWB penetration rate is at 55.0% on the feasible trade lanes, still far from the 68.0% target for the year. Main challenges are:

Regulatory constraints

- e-AWB is not possible in all airports and all trade lanes due to regulatory limitations

Lack of harmonization

- e-AWB procedures are not harmonized between freight forwarders, airlines and ground handling agents in key airports where e-AWB is live

Technology limitation

- Many of the SME forwarders do not have the technical capability/EDI enable systems to enable them to transmit shipment data to airlines
- Some large forwarders face the same issue: their local branches are the result of SME forwarders acquisition and their IT systems have not been aligned with the rest of the company

Complex processes

- Perceived complexity to do e-AWB for forwarders dealing with multiple airlines

Maturity threshold

- Some markets reached a certain level of maturity where major actors (airlines/freight forwarders) already achieved the biggest potential

What can we do?

- Sign up in the MeA
- Improve messaging capability/quality
- Establish/Define an e-AWB roll-out program
- Consider adopting the e-AWB Single Process
- Establish local e-AWB Standard Operating Procedure



DANGEROUS GOODS

Dangerous Goods Workshop

- Nov 5: Denpasar, Indonesia
- Nov 7: Cebu, Philippines
- Nov 9: Penang, Malaysia
- Part of the workshop will discuss on Competency-based DG Training



Thank You