



Bangladesh Freight Forwarders Association

**BAFFA COUNTRY REPORT YEAR 2022-2023**

Presenting to

The delegates attending the FAPAA 50<sup>TH</sup> ECM & AGM 2024

**13-15 June 2024**

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

#### **BAFFA SECRETARIAT:**

Qualified and experienced manpower are recruited by BAFFA to run the secretariat smoothly and professionally. Presently, BAFFA has forty one (41) regular staffs working in its Dhaka and Chattogram offices to serve 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)
- Logistics Infrastructure Development Working Committee (LIDWC)
- National Logistics Development and Coordination Committee
- Logistics Industrial Skill Committee

### **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), Bangladesh Investment Development Authority (BIDA) for addressing and mitigating the different problems and impediments that its community faced in order to facilitate trade and service.

Recently government has approved the National Logistic Policy-2024 for the first time in Bangladesh to expedite economic progress through building world class technology-based, time consuming, efficient and environment-friendly logistics system. A National Logistic Council-led by Prime Minister will be formed for the guidelines and coordination aimed at implementing the National Logistic Policy-2024. BAFFA has played a very important role in formulating this policy.

### **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 the Ministry of Civil Aviation & Tourism, Biman and IATA to establish Headline currency for Air freight rate ex-Bangladesh in Bangladesh Taka instead of the United States Dollar. Ministry of Civil Aviation & Tourism already accepted the proposal of BAFFA and it shall be implemented from the next year (2025).

#### **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 fifty seven (1157) ordinary members in the country.

#### **AIR CARGO BUSINESS IN BANGLADESH:**

##### **EXPORT: IN THE YEAR 2022**

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
<b>TOTAL</b>	<b>182361.04</b>

*Source: Biman Bangladesh Airlines*

**IMPORT: IN THE YEAR 2022**

Month	Total (Tons)
January	989.18
February	8769
March	12375
April	11198
May	9264
June	8720
July	7046
August	6473
September	8421
October	7981
November	8400.85
December	8587
<b>TOTAL</b>	<b>98223.03</b>

*Source: Biman Bangladesh Airlines*

Finally, wishing a very successful Executive Council Meeting 2024.

Thanking you all.

On behalf of Bangladesh Freight Forwarders Association



**Kabir Ahmed**  
President-BAFFA