



Bangladesh Freight Forwarders Association

BAFFA COUNTRY REPORT YEAR 2023-2024

Presenting to

The delegates attending the FAPAA 51TH ECM & AGM 2025

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Bangladesh Freight Forwarders Association (BAFFA)

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Bangladesh Freight Forwarders Association (BAFFA) was founded in 2010 as the single national trade body for freight forwarders in Bangladesh. It represents companies engaged in international logistics (sea, air, land and multimodal transport, including warehousing, packaging, customs brokerage, NVOCC services, etc.) The association's key objectives are to represent and protect members' interests in national and international logistics forums, liaise with government agencies to simplify industry regulations, disseminate information about freight-forwarding services to trade and the public, and facilitate member support and training. BAFFA also promotes compliance with international standards (e.g. EU-ACC3, RA3 at HSIA) and serves as an arbitrator for member disputes and complaints.

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:

The Bangladesh Freight Forwarders Association (BAFFA) is governed by a Board of Directors made up of nineteen individuals who are democratically elected by the association's general membership. Leading this body is the current **President, Mr. Kabir Ahmed, who also serves as Managing Director of Conveyor Logistics Limited**. Every two months, the BAFFA Board of Directors convenes a formal meeting to review and discuss a wide range of association-related matters. During these sessions, members engage in in-depth deliberations on challenges and opportunities facing the freight-forwarding sector, and they collectively arrive at policy decisions and strategic initiatives designed to advance the industry's interests. These regular meetings ensure that BAFFA continues to provide effective leadership and deliver tangible benefits to the country's freight-forwarding community.

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
- ii. Arbitration Sub-Committee
- iii. Arbitration Sub-Committee (International)
- iv. Membership Sub-Committee
- v. Airport Sub-committee (CAAB/Biman/Cargo Village)
- vi. Customs Sub-Committee
- 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
- xiii. Training & Research Sub-committee
- xiv. Osmani International Airport Sub-committee, Sylhet.

BAFFA SECRETARIAT:

BAFFA maintains a professional Secretariat with offices in Dhaka and Chattogram. It is headed by an Executive Secretary/Chief Executive Officer and supported by a team of secretaries. In total, the Secretariat consist of 40 full-time professionals to handle accounts, memberships, customs/port liaison, IT systems, and member services.

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:

During 2023–2024, BAFFA engaged closely with government ministries and industry stakeholders to tackle a range of regulatory, operational and strategic challenges in Bangladesh’s freight forwarding sector. The association actively lobbied for policy reforms, infrastructure improvements and streamlined procedures to ease trade and accommodate surging cargo volumes. Below are the main issues BAFFA focused on during the year:

- **Government Liaison & Policy Advocacy:** BAFFA participated in numerous meetings with agencies like the Ministry of Civil Aviation & Tourism (MoCAT), National Board of Revenue (NBR), Ministry of Shipping, Civil Aviation Authority of Bangladesh (CAAB), Biman Bangladesh Airlines and others. It submitted policy recommendations and proposals on freight-forwarding regulations, tariffs and customs procedures to these bodies. Through these engagements, BAFFA sought to influence decisions on cargo tariffs, customs rules, licensing and other regulatory matters to reduce trade impediments and create a more business-friendly environment.
- **National Logistics Policy 2024:** BAFFA played a key role in shaping Bangladesh’s first National Logistics Policy, approved by the government in April 2024. The association provided industry input during drafting to ensure the plan addressed freight forwarding needs. Under the policy, a high-level National Council for Logistics Development (chaired by the Prime Minister) and a Logistics Coordination Committee (led by the PM’s Principal Secretary) have been established to oversee implementation. BAFFA continues to press for rapid execution of the policy’s initiatives – including better multimodal connectivity and modern trade corridors – to improve nationwide logistics efficiency.
- **CASS Implementation (with IATA):** BAFFA worked with the International Air Transport Association (IATA) to introduce the Cargo Account Settlement System (CASS) in Bangladesh. It proposed replacing multiple airline bank guarantees with a single industry-level guarantee, simplifying the billing and settlement process. After consultations, BAFFA and IATA agreed on local financial criteria for this CASS guarantee framework. The association continues to

advocate for swift rollout of CASS so that freight forwarders can use the global e-billing system and avoid the complexity of separate payments to each airline.

- **Air Freight Rates in Taka:** To mitigate foreign exchange risks for exporters, BAFFA urged that ex-Bangladesh airfreight tariffs be quoted and paid in Bangladeshi Taka instead of US Dollars. The Ministry of Civil Aviation and Tourism (MoCAT) accepted this proposal and initially planned to implement it in 2025. In practice, however, the changeover has been delayed after repeatedly postponing the deadline (from January 2024 to July 2025) the government cited the need for additional preparation. BAFFA has continued to press MoCAT, Biman and IATA to finalize the currency switch on a firm schedule, noting the large volume of export freight billed in USD.
- **Cargo Handling & Infrastructure:** Chronic congestion at Dhaka's Hazrat Shahjalal International Airport (HSIA) cargo village was a major concern. The facility was designed for 300 tonnes per day but routinely handles 800-1,200 tonnes during peak periods. BAFFA members reported delays, high handling fees and frequent mishandling of shipments under this overload. In response, BAFFA worked with CAAB and Biman to expand capacity: After opening of the new HSIA third terminal, the capacity of cargo handling would be vastly increased. BAFFA also supported the launch of full-scale international cargo operations at Sylhet (April 2025) and Chattogram airports.
- **Customs and Digital Trade Facilitation:** BAFFA highlighted delays at customs checkpoints as a key trade friction point. It urged NBR and port authorities to streamline clearance processes (especially during the recent surge in garment exports) and reduce arbitrary fees. The government has since taken steps to expedite customs at airports. Concurrently, BAFFA has backed digital initiatives like the Bangladesh National Single Window. In early 2025, NBR partially launched an electronic Single Window to allow traders to submit all permits and licenses through online. BAFFA encourages full adoption of this system and other paperless procedures (e.g. online submission of cargo documents) to cut paperwork, speed up clearance and improve transparency in trade operations.
- **Dispute Resolution and Compliance:** Serving as the industry's self-regulatory body, BAFFA continued to handle grievances and contractual disputes among members, shippers, carriers and customers. Its arbitration and compliance committees convened regularly to mediate commercial disagreements over freight charges, liabilities or service issues. BAFFA's by-laws empower it to act as an arbitrator in member disputes, and during 2023–24 the association resolved numerous complaints at the board level. This included enforcing industry rules and advising on any regulatory compliance lapses, thereby helping maintain trust and standards in the freight forwarding community.

Each of these efforts reflects BAFFA's proactive advocacy over the year. By engaging authorities on policy reforms, supporting infrastructure upgrades (like the new HSIA cargo terminal and expanded airport operations) and modernizing trade processes, BAFFA worked to keep pace with Bangladesh's growing trade volumes. Its ongoing initiatives aim to ensure that freight forwarders have the regulatory clarity, digital tools and physical capacity needed to facilitate the nation's exports and imports efficiently.



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 ninety eight (1198) ordinary members in the country.

AIR CARGO BUSINESS IN BANGLADESH:

Export Cargo (2023): 209,782 tonnes (versus 173,379 tonnes in 2022).

Import Cargo (2023): 133,861 tonnes (versus 39,636 tonnes in 2022).

These figures reflect continued robust growth in air-cargo traffic, driven by economic expansion, the commissioning of new terminals, and expanded flight networks.

Finally, wishing a very successful Executive Council Meeting 2025.

Thanking you all.

On behalf of Bangladesh Freight Forwarders Association



Kabir Ahmed
President-BAFFA