



IATA vision on e-freight

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IATA E-FREIGHT SIMPLE > ELECTRONIC > PAPER FREE

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About IATA



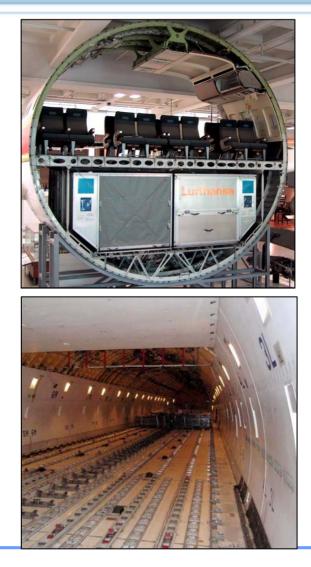
About IATA

- The International Air Transport Association is the industry's global trade association
- Founded in 1945 with 230 members in 130 countries, IATA represents 93% of international scheduled traffic
- IATA's mission is to represent, lead and serve the air transport industry
- IATA delivers Standards and Solutions to ensure a successful air transport



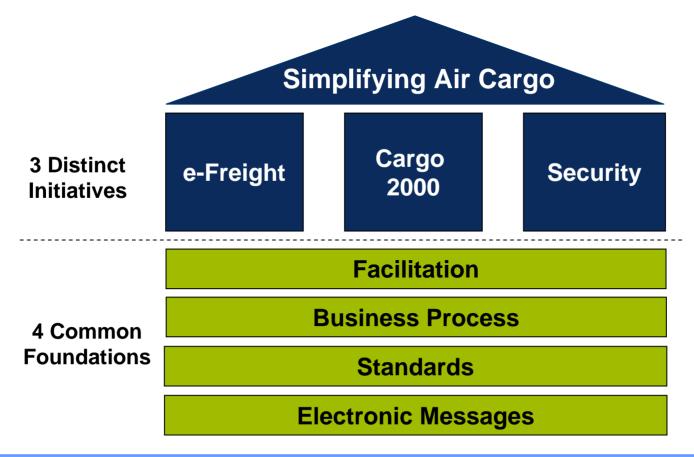
About Air Cargo

- Scheduled air cargo started 90 years ago with mail
- Essential engine of today's global economy and airlines business
- Consists of general & special cargo e.g. perishables
- 30% of worldwide value of Cargo transported and 3% in volume
- Speed and on time delivery are the competitive advantages



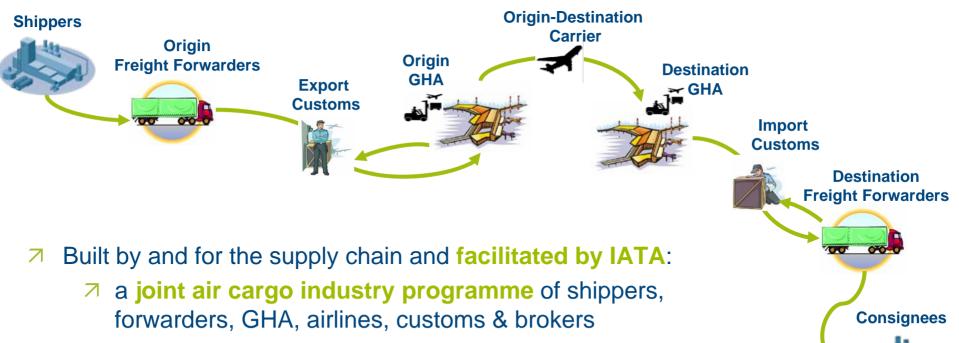


Cargo Standards - Ensuring safety & efficiency





e-freight – Modernizing airfreight



Eliminates the need to transport paper documents for air cargo shipments



IATA Cargo 2000 – Improving Quality

- Quality Management System for the worldwide air cargo industry
- ↗ Objectives:
 - ↗ Implement a program of agreed business processes and automation industry standards that are measurable
 - ↗ Quality supported by data
 - ↗ Improve the efficiency of air cargo industry
 - ↗ Enhancing customer service levels
 - Reduce operational costs & increase revenue



IATA Freight – Keep Cargo Secure

↗ What?

- ↗ An air cargo supply chain security solution involving all stakeholders
- One security standards & ops process manual to certify 'secure' operators, recognised by states
- ↗ Securing freight upstream in the air cargo supply chain
- ↗ Why?
 - ↗ Secure air cargo network where vulnerabilities exist
 - Qualitative benefits (e.g. reduced customs inspections, transit times, theft in inventory management)
- → How?
 - ↗ Shipper secures cargo, all operators protect it
 - Stakeholders are "Secure Operators" compliant with the Secure Freight Standards Manual
 - Secure Operators" follow the Secure Freight Standards Operating Process to transfer "Secure Freight"



e-freight to e-cargo



Air cargo's modernization challenge

Today the air cargo industry still relies on paper & human intervention

Airfreight shipment generates up to 30 different paper documents!

Behaviors have not changed yet: bookings, track & trace still predominantly based-on human intervention





The industry is ready for "e"

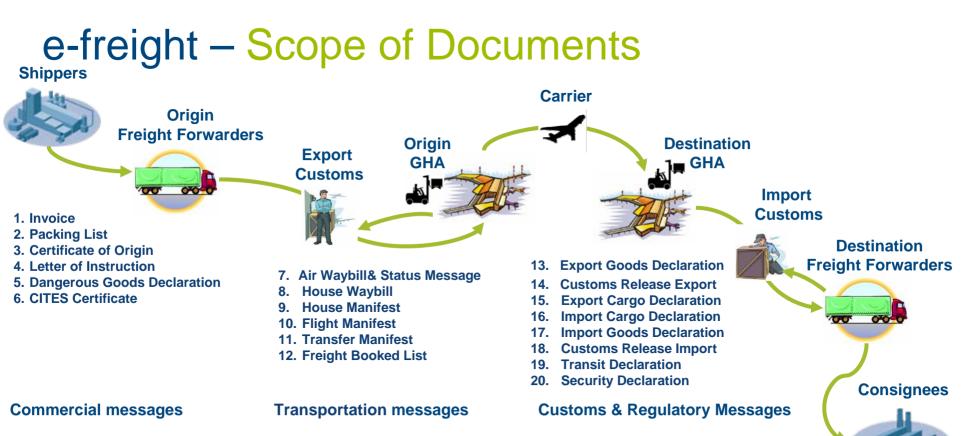
WCO, FIATA, ICAO, CITES, TIACA, IATA, IT providers ... worked together toward the same vision to ensure a paperfree infrastructure is available.

20 multimodal standard electronic messages available

300+ airports in 31 countries and 4 domestic markets ready







Standards defined are multimodal and interoperable – 20 documents - 64% of the paper in volume

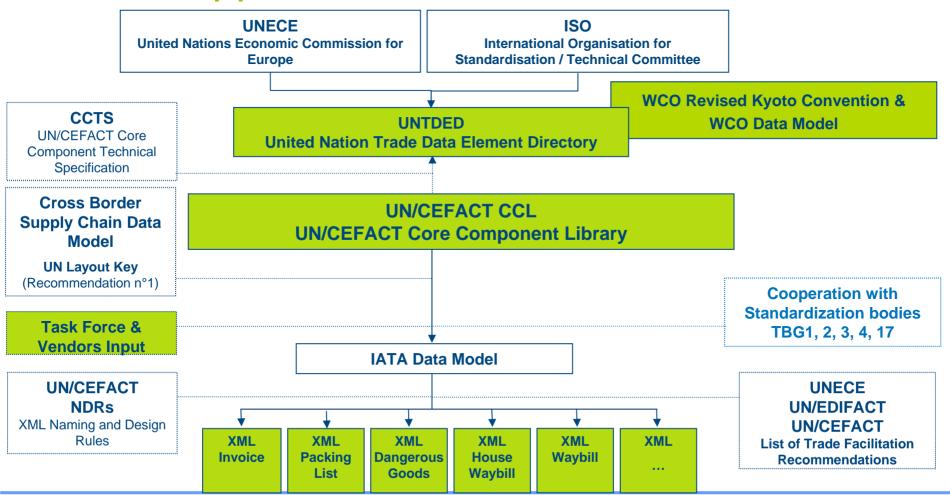


IATA – Recommendation on electronic standards

- IATA recommends the use of electronic standards to reduce the cost of managing diversity in systems integration
- ↗ IATA publishes electronic standards:
 - Cargo Interchange Message Procedures, i.e. CIMP focused on transportation messages
 - Cargo XML Messages focused on trade & transportation messages
- IATA recommends the use of WCO electronic standards for Customs interface
 - ↗ WCO is developing XML equivalents of their existing EDIFACT standards



IATA – Approach to XML standards





DOCUMENT TYPE	ORGANISATION	STANDARD (2010)	MESSAGE
1 - Invoice	ΙΑΤΑ	UN/CEFACT XML	Invoice
2 - Packing List	ΙΑΤΑ	UN/CEFACT XML	Packing List
3 - Certificate of Origin	ΙΑΤΑ	UN/CEFACT XML	Certificate of Origin
4 - Dangerous Goods Decl.	ΙΑΤΑ	CIMP & UN/CEFACT XML	FDD & SDDG
5 - Letter of Instruction	ΙΑΤΑ	UN/CEFACT XML	Shippers Letter of Inst. (SLI)
6 - CITES Certificate	CITES	UN/CEFACT XML	e-CITES
7 - House Waybill	ΙΑΤΑ	CIMP & UN/CEFACT XML	FZB & XZB
8 - House Manifest	ΙΑΤΑ	CIMP & UN/CEFACT XML	FHL & XZB
9 - Air Waybill	ΙΑΤΑ	CIMP & UN/CEFACT XML	FWB & XWB
Status Update	ΙΑΤΑ	CIMP & UN/CEFACT XML	FSU & XSU
10 - Flight Manifest	ΙΑΤΑ	CIMP & UN/CEFACT XML	FFM & XFM
11 - Transfer Manifest	ΙΑΤΑ	CIMP	FSU (TFD & RCT Codes)
12 - Freight Booked List	ΙΑΤΑ	UN/CEFACT XML	FBL & XBL
13 - Export Goods Declaration	WCO	EDIFACT & UN/CEFACT XML	WCODEC
14 - Customs Release Export	WCO	EDIFACT & UN/CEFACT XML	CUSRES
15 - Export Cargo Declaration	WCO	EDIFACT & UN/CEFACT XML	WCOCAR
16 - Import Cargo Declaration	WCO	EDIFACT & UN/CEFACT XML	WCOCAR
17 - Import Goods Declaration	WCO	EDIFACT & UN/CEFACT XML	WCODEC
18 - Customs Release Import	WCO	EDIFACT & UN/CEFACT XML	CUSRES
19 - Transit Declaration	ΙΑΤΑ	EDIFACT & UN/CEFACT XML	Transit Declaration
20 - Security Declaration	ΙΑΤΑ	CIMP & UN/CEFACT XML	Security Declaration



e-freight – Geographic network today

↗ 31 live countries

- ↗ USA, Canada, Chile
- Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Iceland, Luxembourg, Netherlands, Norway, Spain, Sweden, Switzerland, UK
- ↗ Egypt, Mauritius, Dubai
- China, Chinese Taipei, Hong Kong
- Australia, Japan, South Korea, Malaysia, New Zealand, Singapore

↗ 11 countries under implementation

- Colombia, Mexico
- Ireland, Israel, Italy, Malta, Romania, Slovakia, Slovenia
- ↗ Pakistan, Thailand

↗ 4 domestic markets

Germany, Spain, USA, South Korea



e-freight - Benefits



- Reduced supply chain costs
- ↗ Faster supply chain transit times
- → Greater data accuracy
- Improved shipment tracking
- ↗ Regulatory compliance
- ↗ Increased security
- Better for the environment



Shipper's Declaration for Dangerous Goods (SDDG)



SDDG Task Force Members

- ↗ Ciba AG
- ↗ Syngenta Crop Protection AG
- ↗ VOHMA

Freight Forwarders

- ↗ DGF (DHL)
- ↗ KUEHNE + NAGEL

- SWISS International Air Lines Ltd
- ↗ Lufthansa Cargo AG
- ↗ Air Canada Cargo
- ↗ Cathay Pacific
- ↗ Singapore Airlines

↗ Ground Handling Agents

- ↗ Fraport Cargo Services
- Swissport International Ltd

Organizations

- ↗ SITPRO / TNL
- ↗ UNECE Transport Division
- ↗ UN/CEFACT TBG3 Secretary
- ↗ FIATA
- ↗ Davies Turer & Co Ltd (FIATA)

↗ IT Service Provider

- ↗ Cargonaut B.V.
- → GLSHK
- ↗ DGM Support B.V.



The opportunity – ICAO technical instructions

- Clearly permits removal of paper and use of electronic exchange of data instead
- Provides basic, simple rule: name in capitals of authorised signatory
- Not prescriptive type of electronic data: could be EDI (XML/Cargo-IMP, could be pdf, others!)
- Process adopted by industry need to be validated with national authorities.
- Many authorities explicitly refer to ICAO instructions in their legislation, some do not (Canada/US).

Proof of Concept – Goals

- Prove it is possible and viable to eliminate paper SDDG and replace it with electronic exchange of information
- Define and implement the business process (or business process options) to do that
- Validate with civil aviation authorities concerned, and test on a number of trade lanes with live cargo shipments
- Prove the newly developed XML standard is a viable option for data exchange
- ✓ Validate the newly developed XML standard and integrate changes if needed in the specs



Proof of Concept - Participants

↗ Airlines

Air Canada, Cathay Pacific, Lufthansa, Singapore Airlines, Swiss World Cargo

↗ Freight Forwarder

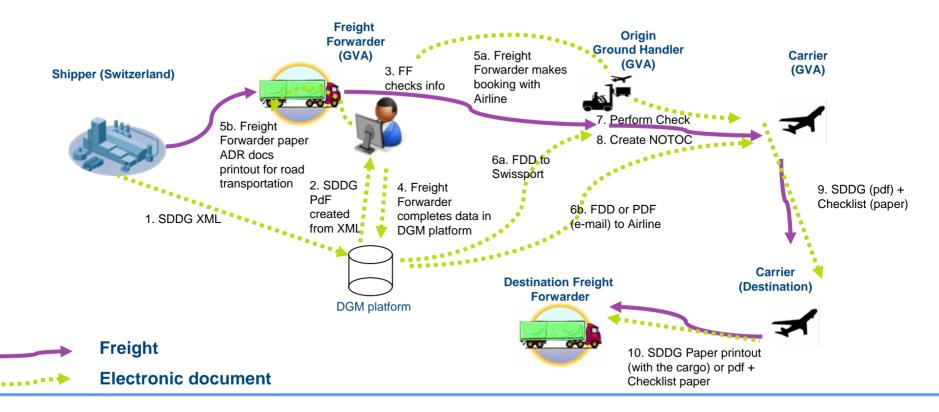
↗ Ritschard

→ Ground Handler

- → Swissport
- Technology SupplierDGM
- ↗ Shipper
 - Company based in Switzerland



SDDG – To-Be business Process



IATA Cargo

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Shippers Declaration for Dangerous Goods

Consignee Consignee Page of Pages Shipper's Reference Number (optional use for Company logo name and address Two completed and signed copies of this Declaration must WARNING Transport of Deriver TRANSPORT DETAILS This shipment is within the Page of Pages WARNING Failure to comply in all respects with the applicable Dangerous Goods Regulations may be in breach of the applicable law, subject to legal penalties. Passencer Considered Constraints Considered Constraints Cons	Shipper		Air Waybill No.		
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What is EasyDGR?

- Easy-to-use web tool assisting to ensure that dangerous goods shipments are properly prepared in accordance with the most current DGR
- Online solution taking the guesswork out of shipping dangerous goods (DG) right through the entire supply chain

Who is EasyDGR for?

- ↗ Supply chain stakeholders participating in the transport of DG by air
- Primarily geared towards the shippers of DG
- Other target audiences include Airlines (Operators), Ground Handlers, Freight Forwarders, Cargo Agents



Features of the Product

- Creates compliant and valid dangerous goods declarations for all shipments including radioactive, all-packed-in-one and overpacks
- Includes the entire DGR manual in an easy-to-use electronic format and always accessible online
- Highly customizable through custom reports, creating custom substances, address book, and pre-populated forms
- Is e-Freight compatible and can sent shipment data in an e-freight XML schema
- Easy and enhanced search capabilities
- Shipment creation and reporting capabilities Can create specific shipment preparation instructions
- Developed and supported by the industry's top subject matter experts and authors of the IATA DGR
- Intuitive layout and design



References

IATA Cargo Website

 \Rightarrow www.iata.org/cargo

IATA EasyDGR

- ⇒ <u>www.easydgr.com</u>
- ⇒ Free 10-day trial available by registering at <u>http://www.iata.org/html_email/car1002275/car1002275-form.html</u>

IATA World Cargo Symposium, March 2011, Istanbul

 \Rightarrow <u>http://www.iata.org/events/wcs2011/Pages/default.aspx</u>



Thank You

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to represent, lead and serve the airline industry