



July 2003

CARGO NEWSLETTER

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I am pleased to bring you the latest edition of IATA's Cargo Newsletter. There is much activity in the industry at present, particularly on the regulatory front. In this issue we update you on IATA immunities, FAA ruling on cockpit doors for cargo aircraft, a proposal to screen all cargo on passenger aircraft to/from the USA, and anticipate the long awaited US rules on advance manifest notification. As always, this newsletter is in conjunction with the latest CEO brief from our Director General, Giovanni Bisignani. [Click here to see copy.](#)

Best Regards,

Phil Sims, Director Cargo (simsp@iata.org)

IMMUNITIES

IATA currently has applications pending for renewal of its anti trust immunity within the EU for Cargo & Passenger Services Conferences, and Cargo & Passenger Agency Conferences. Under new Community regulations the Commission will no longer have the ability to grant such exemptions after 1 May 2004. IATA is currently in dialogue with the Commission on progress with our applications and whether they are likely to be actioned ahead of the deadline. Cargo Committee, the Legal Advisory Council, and the Industry Affairs Committee are closely monitoring the situation. We anticipate further news by September.

Within Australia, the ACCC continues its review of IATA's immunities. Immunity was renewed last year for the Passenger Agency Conference, and filings have been made for Cargo Agency Conference, Clearing House and the Scheduling Conference. Further filings for Cargo & Passenger Services, Scheduling, and Tariffs will be made in the coming weeks. We hope to have a response from the ACCC before the end of the year.

In the USA, the DOT has recently approved the third tranche of Cargo Services Resolutions which no longer require filing for immunity. As these Resolutions change, they will lose their current immunized status. This initiative will help speed up the implementation process for these Resolutions by eliminating the delay imposed by the review process. At the same time, resource within the DOT will be freed up to attend to those applications that require continued immunity.

DANGEROUS GOODS BY AIR CONFERENCE

The 2003 Dangerous Goods by Air Conference recently held in Miami, FLA attracted 226 attendees and 17 exhibitors. Feedback from delegates indicated a very successful conference and high satisfaction with the program and quality of speakers.

Four Dangerous Goods Awareness sessions were conducted in conjunction with the Miami FAA Dangerous Goods Office. 140 delegates attended these sessions, one of which was delivered in Spanish. It was encouraging to note that 90% of the attendees had in fact been trained in Dangerous Goods Handling. When these seminars were conducted, 18 months ago, only 10% of attendees were trained. In addition, some 60-70% of the attendees were freight forwarders, a user group that has been traditionally difficult to reach and a key target group of the Dangerous Goods Board's awareness strategy. This is up from 25-30% from the previous year's event. The Head of the FAA's Dangerous Goods Programs attended one of the sessions and his feedback was extremely positive, and he encouraged IATA to continue its work in this area.

A very special "Thank You" to American Airlines Cargo for providing air transportation and support to the event.

CARGO SERVICES

Objective: Develop and maintain standards for the procedures, documentation and flow of information relating to the air cargo business.

Results achieved:

The 12th meeting of the Cargo Business Processes Panel (CBPP/12), was held June 02–04 in Luxembourg and hosted by Cargolux, discussed a number of issues with the following key results:

- Resolution 600a, Air Waybill
 - The number of optional locations for bar coded air waybill numbers was reduced from five (5) to three (3), which includes a new optional location in the lower right corner.
 - The dimensions of a shipment or the cubic volume or a notation relative to the dimensions not available become mandatory input on all air waybills.
 - Other areas that resulted in amendments include Other Charges Codes, Taxes and Tax Box, Special Customs Information (SCI) Box, Colours of Copies and Handling Information.
- A number of new Special Handling Codes were agreed and will be included in the Cargo IMP Manual and TACT Rules. The updated versions of the publications will be available in October, 2003.

XML Development

The Cargo Procedures Conferences Management Group approved the XML Working Group's (XMLWG) recommendations to coordinate their efforts with [those](#) of the e-Booking Working Group (eBWG) and develop data dictionary and messages to support same.

It was also agreed that the data dictionary will be aligned as much as possible with the core components being developed for ebXML under the UN/CEFACT umbrella.

Montreal Convention 1999

Montreal Convention 1999 moves away from the regime of outdated limits established under the Warsaw Convention of 1929 and the Hague Protocol of 1955. It removes the obstacles to the utilization of modern business technologies such as electronic ticketing/documentation of air cargo shipments. The Convention specifically provides for the use of electronic documentation for ticketing and cargo. Also, under the Warsaw Convention and the Hague Protocol air waybills required specific data fields. If these data fields were missing, liability limits would not apply. The Montreal Convention allows electronic shipment records to take the place of the paper air waybill without any loss of the liability limit.

29 states have ratified Montreal Convention 1999 and 30 states are required to bring it into effect. IATA Legal is currently preparing for this eventuality, which basically requires amendments to the air waybill Conditions of Contract governed by Resolutions 600b(II) and 600b. The amended wording being drafted will be reviewed by the Cargo Legal Working Group and Legal Advisory Council. Once agreed to by these groups, the amendments will be issued as a Mail Vote to the CSC for adoption.

CARGO PAPERLESS TRANSPORTATION PROJECT

Further to concerns raised by the Cargo Procedures Conference Steering Group, Cargo Executive Committee agreed that the Cargo Paperless Transportation Project is low priority in the current economic environment. It was therefore agreed to place the project on "hold" at this time. Recruitment of a consultant to finalize the phase one report will not take place. A further review will be conducted once the requirements for the United States Customs & Border Protection Agency's Mandatory Advance Manifest Notification are known. At this time it will be considered whether these two issues should be brought together and appropriate allocation of resource.

DANGEROUS GOODS AWARENESS TRAINING

New U.S. Locations and Dates for Dangerous Goods Courses

In cooperation with Worldwide Flight Services, an important ground handling organisation, IATA has added new course locations for **Dangerous Goods Regulations – Initial and Refresher levels**.

These locations include DFW Airport (Dallas), JFK Airport (New York), LAX Airport (Los Angeles) and EWR Airport (New York). Both courses are offered as well in IATA Training Centres in Miami, Montreal, Geneva and Singapore. Classes held in the United States also address the Security General Awareness topic.

Participants receive the 44th edition of the IATA *Dangerous Goods Regulations* manual.

Click on the course titles below for more details and prices:

[Dangerous Goods Regulations – Initial](#)
[Dangerous Goods Regulations - Refresher](#)

The IATA/FIATA Cargo English course

Effective communication is essential in the cargo industry, where misunderstandings can have serious consequences. Yet, even though English is the language of the cargo business, this does not mean that all cargo professionals speak it fluently since it may not be their first language.

In cooperation with FIATA, the International Federation of Freight Forwarders Associations, IATA has developed a distance learning course aimed at helping cargo professionals enhance their cargo skills by improving their command of the English language. At the end of the course, they will have a better understanding of cargo manuals, such as TACT and OAG, be able to complete English documents accurately and conduct all aspects of their work in English with any member of the transportation chain. The training material includes a course guide, a training manual and an audio compact disk, which enables students to learn the meaning, current usage and pronunciation of English cargo terminology in the context of real industry situations.

For more information, click [here](#).

CARGO DISTRIBUTION

Objective: To enhance CASS standard software utilizing modern technological developments creating a system that will facilitate global data processing efficiencies.

Results achieved:

The development phase of the software concluded during Jun 2003 was presented to the industry during the 5th meeting of the CASS Policy Group (CPG) held in Bangkok. The enhanced system functionality includes Carrier controlled file upload options, daily "Real Time Interactive Processing (RTIP)" features and fully automated online billing query and credit adjustment processes.

The system is now undergoing transfer into the live operational environment as the CPG endorsed CASS migration schedule commences. The schedule to be actioned in three phases will incorporate all current and future CASS operations migration into a single global data processing center.

Objective: To develop an enhanced Cargo Agency Program for Europe.

Results achieved:

The European Joint Council's June meeting was presented with Resolution amendments adopted by the 31st Cargo Agency Conference held in Long Beach Mar 2003, which completed the process of creating an enhanced and modernized Cargo Agency Program for Europe. The new Program, operating under the title of the IATA Air Cargo Program, was endorsed with only a few minor amendments proposed. These amendments will be subject to a Conference mail vote prior to the formal submission to the respective governmental authorities seeking approval.

CASS DEVELOPMENTS

CASS Thailand

Thanks to the strong support of the local Airlines and Agents, the CASS Policy Group has finally endorsed the Thailand Feasibility Study during its last meeting held in Bangkok in June. Special Thanks to Thai Airways Cargo for their excellent contributions.

The pre-implementation phase will now take place between July and September, with full implementation slated for October 2002.

For more information or further details, please contact:
Mr. Nick Zakris
Director, Cargo Operations – Area 3
Email: zakrisn@iata.org

Other CASS Developments:

CASS Hong Kong: An ICAP has been established in this market to assist in the feasibility process.

CASS Colombia: The June 2003 meeting in Bogotá laid the ground work for consensus on operational parameters. A further meeting is planned for August 6th to finalize the study & present report to CPG.

CASS Saudi Arabia: Progress have been made in establishing the details of the feasibility study for the Kingdom of Saudi Arabia. Pending issues will be discussed with the local FGSA on August 11th to facilitate a final report to CPG in September.

CASS Egypt: Feasibility report work on schedule with further progress expected on August 13th when conclusions will be finalized for CASS Policy Group endorsement in September.

For more information on any of these topics, please contact us at CASS@iata.org or

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CUSTOMS, CARGO SECURITY and FACILITATION

Cargo Screening On Passenger Aircraft Legislation

On June 28 the US House of Representatives passed appropriations legislation that includes provisions for requiring 100% screening of cargo on passenger-carrying aircraft. The provision does not define "screening" but is intended to invalidate trusted shipper programs. This differs from the Senates version passed in May. As instructed earlier by CC and CSC, IATA will be working closely with the ATA and other parties to lobby for the removal of the 100% screening provision of the Bill during the House/Senate Conference sessions where the provisions of the final Bill will be decided.

United States' Bureau of Customs & Border Protection (BCBP) Issues Federal Register Notice for the Requirements of the Advance Electronic Presentation of Cargo Information

The Bureau of Customs and Border Protection (BCBP) issued the requirements for the advance electronic cargo presentation of cargo information for shipments to/from the United States today Wednesday, July 23, 2003 in the form of a Federal Register Notice. It covers all modes of transportation and a copy can be found by clicking [here](#).

The requirements for the air mode are:

- ➔ **Imports:** At "wheels up" for cargo that originates in the Americas north of the Equator. All other cargo, four (4) hours before arrival in the U.S. Both use the Air AMS system.
- ➔ **Exports:** Two hours before departure using AES.

Comments on the proposed rules are required 30 days from the date of publication in the Federal Register. Therefore, if it is published on July 23rd as expected, comments are due on August 22, 2003. Implementation will be ninety (90) days from final rule making.

IATA will be working with the ATA to advance the position taken by member airlines.

United States FAA Final Rule – Flight Deck Doors for Cargo Aircraft

The United States Federal Aviation Administration (FAA) issued a Final Rule (FR) on July 18, 2003 covering flight deck doors for cargo aircraft. The FR, which becomes effective August 18, 2003, applies to applicable all-cargo aircraft in Part 121 and Part 129 service (i.e. all-cargo aircraft serving the United States - US and non-US operators). The rule provides for an alternative means of compliance to operators of all-cargo aircraft that are required to have a reinforced security flight-deck doors (not all freighter aircraft are required to have such doors per the exceptions in the original Rule). It permits those

operators to either install reinforced doors or adopt enhanced security procedures approved by the US Transportation Security Administration (TSA).

Although this is a Final Rule, there is a possibility for interested parties to provide comments to FAA by September 16, 2003.

For full information, please click [here](#) for the Federal Register Notice Volume 68, Number 138, "Flight deck Security on Large Cargo Airplanes - Final Rule".

PERISHABLES & LIVE ANIMALS TRANSPORTATION

Objective: Safe and efficient transportation of Perishables

Given the rapidly changing business / regulatory environment of the perishable transportation sector and anticipating the needs of our customers, IATA has issued a new Perishable Cargo Manual. The PCM provides guidance to parties involved in the bringing to the market of "Perishable" goods, with an emphasis on the air mode.

What is the manual about?

- monitoring of safety aspects throughout the distribution chain
- safeguarding and preserving the inherent qualities of the goods
- a reference tool for parties involved in the packaging, handling and acceptance of perishables
- it provides criteria and procedures to producers, growers, transporters, agents and manufacturers to fully exploit the benefits and advantages offered by air transport.
- handling of clinical or bio-medical shipments
- requirements in a temperature controlled environment
- dedicated CITES chapter for Endangered Flora and regulated trade.

For further details or ordering, please contact us at sales@iata.org and we will be pleased to assist you.

To get involved in the development of an industry standard and the Live Animal and Perishable Board contact:

E.Raemdonck
IATA-LAPB Secretary
Raemdoncke@iata.org

Objective: Safe, humane and efficient transportation of Live animals

The Commission of the European Communities on July 16th issued a proposal for a COUNCIL REGULATION on the protection of animals during transport and related operations and thereby amending Directives 64/432/EEC and 93/119/EEC. The new requirements have a far reaching impact across all modes of transport and aim at improving animal welfare conditions by reducing stress and ensuring the animals arrive at destination as soon as possible.

A press release provides for further details as to how the proposal will change the existing rules and can be viewed by clicking [here](#).

The LAPB, through the IATA secretariat welcomes any comments from members towards the proposed changes.

For further details contact:

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CargoIS – IATA's AIR CARGO MONTHLY BUSINESS INTELLIGENCE NOW AVAILABLE

The aviation industry is faced with the greatest challenge in its history as executives react to the challenges posed by the Four Horsemen of the Apocalypse. The successive impacts of September 11, a world economic slowdown, Iraq and SARS have been devastating. As a result, many airlines are placing increasing importance on cargo, and consequently cargo executives and managers feel mounting pressure to make nearly flawless business decisions.

Cargo executives and managers are pressed to arm themselves with global management information (MI) about the cargo market. Oddly, becoming well informed in the 'information age' is not easy, either, because *high-quality* global MI is not readily found when pooling information from multiple and often unrelated sources.

Fortunately in CargoIS, IATA has leveraged global CASS data and in-house expertise in the processing of statistics, resulting in a single-provider solution for air cargo business intelligence.

CargoIS offers air cargo statistics for over 33 countries worldwide and covers over seventy-five (75%) percent of international air waybills. We process settlement data, applying a series of rigorous quality assurance processes, and generate high-quality statistics that reflect actual cargo activity. CargoIS is the only air cargo business intelligence solution in the world that is comprehensive, reliable and timely.

Customers can choose from a portfolio of products that meet a variety of needs, from standard reports for local or regional managers to business intelligence packages for headquarters analysts viewing worldwide activity.

Whichever option you choose, be sure that CargoIS is dedicated to helping you experience *the power of good decisions*.

CargoIS's product portfolio includes:

Cargo MF – for local country managers

- Monthly online cargo statistics report of the outgoing cargo for your country location.
- Market highlights; includes top 25 destination cities, top 10 agents, and top 10 airlines.
- Company highlights; includes company rank, company's top 15 destination cities, top 10 agents or airlines.
- Useful tables, charts, and graphs.

Standard Reports – for local country and regional managers

- **Fact Sheet:**
- A detailed view of a single month of cargo activity. Choose to view by destinations or other parameters.
- **Weight Scale Report:**
- A view of cargo activity for 22 pre-defined weight categories. Also includes number of air waybills.
- **Spotlight Report:**
- A high-level view of cargo activity for single month and cumulative year-to-date periods. Choose to view by destinations or other parameters, and rank by either airline or market net revenue or weight.
- **Extensive Report:**
- A high-level view of cargo activity. Choose to view by destinations or other parameters.

Business Intelligence Packages – for headquarters or regional offices

- Global package: a full set of information for all available countries enabling you to generate any number of statistics. Includes free software for statistical analysis.
- 10-country package: a full set of information for ten selected countries enabling you to generate any number of statistics. Includes free software for statistical analysis.

For More Information on Cargo IS, please contact:

Email: Cargo-IS@iata.org

Tel: +1 (514) 390 - 6725

Fax: +1 (514) 874 - 1779

- Air – (for flights of less than 4 hours) – “Wheel’s up”, at time of take off;

Please [click](#) here for the press release.

PARTNERSHIP PROGRAM MEMBER NEWS

[Kale Consultants offers solution to meet pending new U.S. Customs & Border Protection requirements for Mandatory Advance Transmission of Cargo Information](#)

The specifications for the new requirements for the Advance Electronic Presentation of Cargo Information for both import and exports by the United States Customs & Border Protection Agency was issued today, Wednesday, July 23, 2003. **Kale Consultants**, one of IATA’s Partnership Program members and a leading provider of solutions for the cargo industry have been preparing for this occasion and are proud to announce the introduction of **CSP™AMS**, a fully functional AMS compatible enterprise-wide cargo operations system which is fully compliant with US CBP stipulations for electronic transfer of cargo information. The system is ideal for airlines.

Says Mr. Peter O’Sullivan, Vice President Cargo Solutions of Kale “We recognized very early on that the large trade volumes to the US would necessitate systems that comply with the US customs requirements, particularly with the newly proposed legislative changes. Our **CSP™AMS** solution, which forms part of our broader CSP Enterprise wide suite of cargo products for new generation air cargo logistics, is in line with this understanding.”

For More Information on **CSP™AMS**, please contact:

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HOT OFF THE PRESS

[Canada Customs & Revenue Agency Announces New Advance Cargo Reporting Timeframes](#)

We have just received a news release from Canada Customs & Revenue Agency announcing new timeframes for advance cargo reporting.

Under this proposal, carriers and freight forwarders involved in the importation of goods will be required to provide electronic data about the cargo being imported to Canada Customs within the following time frames for the air mode:

- Air – (for flights greater than 4 hours) – 4 hours prior to arrival;