



# CARGO NEWSLETTER

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Welcome to the March 2004 edition of IATA's Cargo Newsletter which deals with the status of IATA Immunities in the European Union, the new European Air Cargo Program - EACP, 2004 Dangerous Goods by Air Conference, New Air Waybill Completion Process, Cargo Training Programs/Schedule Update and the Development of a Harmonized Industry Position on Air Cargo Security amongst others. We continue to welcome your feedback and suggestions for improving our communications to you.

Best Regards,

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

## CARGO WEEK INDUSTRY CONFERENCES 2004 - SINGAPORE

The Cargo Agency Conference - CACConf/32 and Cargo Services Conference - CSC/26 was held in Singapore on March 10 & 11, 2004 respectively at the Conrad Centennial Hotel. In addition to Cargo Committee, Cargo 2000 Board & AGM, the IATA-UPU Workshop and the Cargo Tariff Coordinating Conferences Steering Group meetings was also held during the Cargo Week Conference. This year's conference will address issues relating to "Living Without Immunities" in Europe as of 01 May 2004 and the impact of amendments to various Resolutions and Recommended Practices. Further updates will be available in the next edition of this newsletter.

## EUROPEAN IMMUNITIES UPDATE

The European Commission has informed IATA that effective May 1, 2004, an exemption under Article 81(3) of Title VI of the Treaty of Rome would no longer be available for IATA's Passenger and Cargo Agency and Services Programs. In addition, the European Commission confirmed that the issuance of a "Comfort Letter" was also not feasible. As a result, IATA has undertaken a review of its programs to determine how they may most effectively operate in a non-immunized environment in Europe.

A key element of this analysis was the creation of a working group drawn from a cross section of air carriers represented on the IATA Legal Advisory Council (LAC), the IATA airline General Counsel forum. The LAC meets twice yearly. At its meeting in September the LAC authorized the Legal Working Group consisting of airline competition counsel, to conduct this analysis.

During this exercise, the Legal Working Group concluded that even absent an 81(3) exemption in the EU, IATA can continue to provide the forum for establishing industry standards for the multilateral interline system (cargo and passenger). The LWG noted, however, that in order for this to happen, minor amendments (to better clarify intent) and rescissions to a limited number of existing Resolutions and Recommended Practices will be required to ensure conformity with European competition law principles as of May 1, 2004. To ensure future compliance, IATA Legal would augment and formalize the vetting procedures for matters brought before the Conferences and with respect to the deliberations of these Conferences.

The following two activities were undertaken pre-CAC/32 and CSC/26:

- A meeting, open to all IATA Members In-House Legal Counsel and members of the Industry Affairs Committee, was held on January 28th at the IATA office in Geneva to provide participants with a detailed review of the work and conclusions of the Legal Working Group (LWG).
- A series of conference calls were held in mid February 2004 to brief all Cargo Agency & Services Conference accredited representatives on the conclusions of the Legal Working Group (LWG) in order to clarify issues prior to the Conferences in Singapore.

IATA's Legal Counsel also gave a detailed presentation at CACConf/32 and CSC/26 in Singapore.

## **THE EUROPEAN AIR CARGO PROGRAM – EACP: EFFECTIVE 01 MAY 2004**

The European Air Cargo Programme (EACP) has been established in recognition of the changing needs and circumstances in the European Union, in Member States of the European Common Aviation Area (ECAA), Switzerland and, in future, in any other European country which may be added to the Programme. The Program will be applicable in countries with an established CASS (Cargo Settlement and Accounting System) in the area defined above. Launch date is targeted for May 01, 2004.

The EACP also recognizes the modern role of the Freight Forwarder, where they act as a true customer of the airline. The traditional "Agent" and forwarder roles are now combined under a generic description of "Intermediary". In today's environment, Intermediaries and airlines display their professionalism by working together to provide a seamless distribution service, enabling shippers to move cargo freely from and within the European area.

Representatives of IATA Member Airlines and representatives of Intermediaries who together constitute the European Air Cargo Programme Joint Council direct the Programme jointly. Members of the Council also include the IATA Head of Cargo, the Chairman FIATA Airfreight Institute and the Director General of CLECAT, or their designated representative(s).

### **How The Program Works**

Any organisation listed on the European Air Cargo Programme Intermediary List has gone through a careful system of vetting and monitoring that allows Airlines and shippers to have access to industry-accredited professional Intermediaries.

The Joint Council is responsible for developing, managing and marketing the EACP. It will determine objective criteria for the registration of Intermediaries in the European area and it is entitled to consider all aspects of the EACP in the area so that proposals can be made to the Conference when necessary. Changes to relevant Procedure Conference Resolutions will require the support of the Joint Council before being implemented in the region covered by the Programme.

### **Key Features**

- Recognition of the dual Agent/Forwarder role
- Promotes professional standards and common industry operating procedures
- Jointly managed by Airline and Forwarder representatives
- Removal of "Monies - in -Trust" provisions
- Removal of the need for many of today's onerous bank guarantees & bonds
- Removal of the need for individual airline credit monitoring
- The introduction of ICICS. (IATA Cargo Industry Credit Scheme )
- CASS to be the central settlement and credit monitoring system.

### **Briefing Sessions**

All airlines operating in and out of Europe were invited to a European Air Cargo Program briefing session at the IATA Geneva offices on February 26, 2004. During this session, airlines were provided with an update of the EU-immunities situation and the main elements of the new ECAP, including important changes in CASS settlement procedures (801r)

and new financial arrangements-credit control scheme that will replace existing schemes such as bonds, insurances, guarantees etc. The session also provided an opportunity for questions and answers. All attendees were provided an information package containing a final draft of the ECAP Handbook, the ECAP Intermediary Agreement, Statement of General Concurrence, fees schedule etc.

As a result of this session, similar pre-launch meetings will be organized via the IATA CASS Management in each country. These will be open to all local airlines and/or their nominated GSAs, IATA Agents-CASS Associates and National Freight Forwarder Associations. Please watch out for the dates in your area.

For more information, please contact Valerie Jackson, Assistant Director, Agency Accreditation Services at [jacksonv@iata.org](mailto:jacksonv@iata.org)

## **CARGO SERVICES**

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

### **New Air Waybill Completion Process**

A change in the completion of air waybills will be coming into effect 01 April 2004.

Resolution 600a presently requires either the dimensions or volume of the consignment be shown on the air waybill when the volume weight is used as chargeable weight.

However, from 01 April 2004, an amendment to this resolution makes it mandatory to include the shipment dimensions on all air waybills.

The information to be shown in the "Nature and Quantity of Goods" section includes the consignment dimensions, comprising the greatest length, greatest width, greatest height, unit of measurement and number of pieces.

If a consignment is consolidated as one moveable part, then only the dimensions of the overall consolidated consignment are required.

Dimensions are not required for cargo tendered intact in authentic pre-built aircraft containers or pallets.

If the dimensions are not available and/or cannot be included on the air waybill at the time of completion, then total volume of the consignment shall be inserted.

If the dimensions and total volume are not available and cannot be included on the air waybill at the time of completion, this must be clearly indicated by inserting the words "No Dimensions Available".

It is intended that this change will contribute to an improvement in the efficient planning of aircraft payloads, reduction of handling irregularities, and ultimately, significant improvement of service standards."

## **2004 DANGEROUS GOODS BY AIR CONFERENCE: March 23 – 25, 2004, Prague, Czech Republic.**

*IATA's 14<sup>th</sup> Annual Dangerous Goods by Air Conference*

### **Working Together Today to Meet Tomorrow's Challenges**

This year, the conference will focus on current and future challenges faced by shippers, freight forwarders and operators involved in the transport of dangerous goods by air. The World's Leading Event Focused on the Transport of Dangerous Goods by Air will be held in Prague, Czech Republic from March 23 to 25, 2004.

The conference is a must for: Shippers, Airline DG Experts, Airline Shipping Managers, DG Logistics Directors/Managers, DG Safety Managers, DG Trainers, Export Coordinators, Freight Forwarders – Air bound Cargo, Ground Handling Agents, Logistics Managers, Quality Assurance Personnel, Regulatory Compliance Specialists, Safety & Compliance Specialists, Safety & Compliance Managers, Shipping Specialists/Shipping Supervisors / Coordinators, Traffic Managers.

The safety chain is only as strong as its weakest link. Where do you fit in?

To view, register and download the event brochure, [click here](#).



## **TRANSPORT REGULATIONS**

An International Conference on the Safety of Transport of Radioactive Material took place in Vienna, Austria from July 7 to 11, 2003 to address a range of important issues associated with the safe transport of radioactive material.

The Conference was attended by 451 senior officers and scientists from 73 Member States, three co-sponsoring organizations, two co-operating organizations, seven other international professional bodies, and three observers. The Conference was organized by the International Atomic Energy Agency, co-sponsored by the International Civil Aviation Organization (ICAO), International Marine Organization (IMO) and Universal Postal Union (UPU), and convened in co-operation with the International Air Transport Association (IATA) and the International Organization for Standardization (ISO).

The results of the Conference were presented at the IAEA General Conference in September 2003. The IAEA General Conference adopted a resolution (GC(47)RES/7C) that, "commends the Agency for having convened the International Conference, welcomes the constructive discussions of the issues at the Conference and the President's Summary and Findings and requests the Agency to develop an Action Plan, in consultation with Member States and International Organizations for approval by the Board, if possible in March 2004.

The IAEA called up a meeting January 12 to 16, 2004, to which IATA participated, to develop such an action plan in order to identify and prioritize program actions within the Agency competence over approximately the next five years. The Conference noted that industries using radioactive

material are facing a reduced availability of transport modes and carriers as a result of decisions by commercial carriers, ports and handling facilities not to accept radioactive material. The Conference suggested that the IAEA should work more closely with the modal organizations and with NGO's in determining why shipments of radioactive material are being denied, and develop a strategy for addressing this issue. Greater efforts to explain the use of the IAEA Transport Regulations to a wide public and industry audience, including the staff of carriers, ports and handling facilities, may contribute to a better understanding of the safety level the Regulations provide.

## **PERISHABLES TRANSPORTATION**

IATA and the LAPB would herewith like to thank our membership for the numerous and highly positive feedback received towards the Perishable Cargo Manual. We want to underline our continued commitment towards your business needs in a highly competitive environment. We welcome your input towards helping you make the best business decisions, tailored to your environment and in line with your company's expectations.

## **CARGO TRAINING**

As a means of enabling further focus on our customers and their business needs, all of IATA cargo activities have been integrated within a single organizational unit, the Cargo Market Segment. Cargo Training is one of many functions, which have been brought together under this segment, in order to achieve better synergies with various other cargo functions.

Cargo Training encompasses the following areas:

### **IATA/FIATA International Cargo Agents Training Programme**

Under the leadership of IATA and FIATA, the International Cargo Agent Training Program was developed as a step-by-step professional training programme designed to help the IATA Cargo Agents advance from entry-level to senior management in the Cargo industry.

### **Cargo Introductory Course**

Leading to the IATA/FIATA Introductory Course Diploma, the IATA/FIATA Introductory Course is one of the **requirements for accreditation as an IATA Cargo Agent**. The Introductory Course takes into account a number of changes in the air cargo industry and the evolution of the industry towards the adoption of the Montreal Convention.

### **Cargo Rating**

Whilst this internationally recognized Diploma course is designed for the traffic and operations staff of international air cargo agents, it is also useful to: sales and marketing staff of cargo agents and consolidators; sales, reservations and acceptance staff of airlines, airport handling and surface transportation companies; shipping department staff of manufacturers, wholesalers, importers and exporters; all staff of cargo agents, airlines and manufacturers who wish to expand or refresh their knowledge of current international air cargo rating and handling procedures.

**Note:** Persons holding the IATA/FIATA International Air Cargo Rating Diploma are considered qualified under the terms of the IATA Resolutions applicable to IATA's accreditation of Cargo Agents.

### Dangerous Goods Regulations—Basic

Need to obtain certification to ship or accept dangerous goods? This internationally recognized course, designed for the traffic and operations staff of international air cargo agents is also useful to: sales and marketing staff of cargo agents and consolidators; sales, reservations and acceptance staff of airlines, airport handling and surface transportation companies; shipping department staff of manufacturers, wholesalers, importers and exporters; all staff of cargo agents, airlines and manufacturers who wish to expand or refresh their knowledge of dangerous goods regulations and procedures.

Persons holding the IATA/FIATA Dangerous Goods Regulations Certificate are considered qualified under the terms of the IATA Resolutions applicable to IATA's accreditation of Cargo Agents

### Dangerous Goods Regulations—Recurrent

Fulfill the 24-month ICAO/IATA recurrent dangerous goods training requirement. Update your knowledge in order to maintain Regulatory Compliance (DGR 1.5) and remain qualified under the terms of the applicable IATA resolutions.

This revalidating diploma course is available to students (airline staff, cargo agents and shippers or packers) who have already completed the IATA/FIATA Dangerous Goods Regulations course or an equivalent dangerous goods course and who must regularly update their knowledge in order to remain qualified under the terms of the applicable IATA Resolutions.

### Cargo English

Enhance your cargo skills by better communicating in English with your colleagues and clients from different parts of the world. For more information and to enroll, [click here](#).

### IATA Cargo Training for 2004

[DGR Instructors Update Workshop, March 21, Prague](#)

Safeguard your environment by being well informed. The following topics will be covered:

- Detailed interpretation and overview of the upcoming (46th edition) *IATA Dangerous Goods Regulations* manual.
- Review of the changes made to the current *Dangerous Goods Regulations* manual covering acceptance and carriage of air cargo in this category.
- Interactive group activities and special problem-solving exercises.
- Discussions and exchange of experiences concerning the implementation of DGR in the workplace.
- International and intermodal requirements.

The IATA Cargo Training schedule for 2004 has been published and is available on the IATA website at [click here](#). Ensure your organization is a leader in Cargo safety, security and compliance by offering you and your employees IATA certified training in the areas of Dangerous Goods, Special Cargo, and Cargo Management. There is still limited space available in the following scheduled classroom courses:

Date	Course	Location
March 21, 2004	DGR Instructors Update Workshop	Prague
March 29, 2004	Live Animals Regulations	Geneva
April 1, 2004	Shipping Perishable Cargo	Geneva
April 5, 2004	Regulations on the transportation of Radioactive Material	Geneva
April 7, 2004	Shipping Guidelines for Infectious Substances	Geneva
April 19, 2004	Dangerous Goods Regulations-Initial	Geneva
April 19, 2004	Live Animals Regulations	Mexico (Spanish)
April 22, 2004	Shipping Perishable Cargo	Mexico (Spanish)
April 26, 2004	Professional Skills for DGR Instructors	Miami

### In-Company Training

The IATA Cargo training team also offers In-company training for all our courses, including new courses in Live Animals Regulations, Shipping Guidelines for Infectious Substances and Dangerous Goods Regulations-Awareness. In-company courses allow us to provide tailor made courses that are conveniently delivered at your desired location, while saving you money.

### IATA Dangerous Goods Accredited Training School Network

The IATA Dangerous Goods Accredited Training School Network delivers specialized technical and management training through a network of accredited schools. All courses are designed according to criteria developed by leading industry experts.

There are currently 84 IATA Accredited Training Schools. IATA is pleased to welcome the following new school:

#### **ALLTRANSPACK, INC.**

Ashburn, Virginia  
Website: [www.alltranspack.com](http://www.alltranspack.com)

For more information on the programme and to obtain the complete listing of ATC's, visit the IATA website located at: [Click here](#).

### **CUSTOMS, CARGO SECURITY and FACILITATION**

#### **U.S. CUSTOMS & BORDER PROTECTION AGENCY**

**IATA and FIATA See "Eye-to-Eye" on Compliance Process Regarding US CBP's Advance Presentation of Electronic Cargo Information Regulations**

At a January meeting of the IATA/FIATA Consultative Council (IFCC) the IATA airlines and FIATA forwarders agreed on procedures to facilitate compliance with the US CBP's requirements for the advance presentation of electronic cargo information. The initial planned effective date of March 4, 2004, demanded a quick solution. It was determined that, although some large international forwarders will report house waybill data directly, the airlines should be in a position to report the house waybill data to the CBP bureau on behalf of the forwarders.

When the forwarder reports directly, the carrier would only have to report the Master Air Waybill Data, the appropriate flight information and the Customs agent identifier to indicate that the Forwarder reports the HWB data directly to Air AMS.

In an electronic environment with the carrier reporting, the house waybill data details will be included in the IATA Cargo-IMP Consolidation List (FHL) message to be transmitted by the forwarders to the carriers. The FHL will accompany the Air Waybill Data (FWB) message, which would contain the Master Air Waybill information. This information will then be merged with the appropriate flight information for submission to the Air Automated Manifest System (Air AMS).

In a paper environment the house waybill data will have to be transcribed manually from the hard copy into the carrier's system.

An IATA ad hoc working group (airlines, forwarders, GHA's and Industry Service Suppliers) had developed the proposal for the short-term industry standard approach, as outlined above. It also identified that a long-term solution was needed due to other outstanding issues, other governments' upcoming regulations, new message requirements and amendments to existing messages. The IFCC agreed that the tasks associated with the long-term solution should be accomplished. The ad hoc working group has been granted more formal status and its participation will be broadened to include ground handlers as well.

Immediate action was envisaged to meet the original March 04, 2004 implementation date set by CBP and a date of February 09, 2004 was established for feedback to the industry. This sense of urgency has been negated by the postponement of the implementation date to August 2004. The IATA/FIATA US CBP Working Group will now be meeting by mid March, 2004 with feedback to the industry expected in early April, 2004.

### **Development of Harmonized Industry Position on Air Cargo Security**

The Cargo Security Task Force (CSTF) was able to agree on a general Industry Position Paper (IPP) on Air Cargo Security. IATA Members have been divided on how to proceed on the issue of air cargo security, however the group agreed that it was vital to reach a harmonized industry position on air cargo security in order to properly deal with the many cargo security regulatory issues underway now and in the future globally. The IPP is based on the US TSA Aviation Security Advisory Group (ASAC) Cargo WG Recommendations on Air Cargo Security for the United States as well as general principles applicable to air cargo security globally.

IATA was also invited to attend a meeting of the BLACKS Group (British Airways World Cargo, Lufthansa Cargo AG, Air France Cargo, Cargolux Airlines SA, KLM Cargo and

Swiss World Cargo) in Zurich 18 December to further consolidate an industry position. It was agreed that IATA and BLACKS would continue to communicate closely, especially on issues related to European regulatory activities and work toward further harmonization.

### **AVSEC World Symposium & Exhibition**

IATA, the Airports Council International (ACI) and ECAC in co-operation with ICAO hosted the annual AVSEC World Symposium & Exhibition in Athens, Greece 18-20 November 2003. Included on the program of the event was a session on Air Cargo Security. The session included presentations on current and expected regulatory changes in North America (Transport Canada and TSA), Europe (EU) and the Far East (Singapore Airlines); what is the true nature of the terrorist threat to air cargo and how best to combat that threat; current technologies available to screen air cargo and what can be expected in the future; global "supply chain security" initiatives – what is currently underway and what can be expected in the future.

Due to delegate demand, IATA is currently planning a minimum ½ day session for air cargo security for the 2004 event to be held in Vancouver, Canada 3 – 5 November.

### **US TSA Emergency Amendments**

On 17 November, 2003 the US TSA issued numerous Emergency Amendments (EAs) dealing specifically with air cargo carried aboard both passenger and all-cargo aircraft. Among other things the EAs required the random inspection of a certain percentage of air cargo carried both on passenger and all-cargo aircraft originating in and destined to the US (with some exceptions). There has been substantial difficulty in the implementation of the measures themselves as well as the accompanying training and other requirements. Additionally there is substantial difficulty in receiving accurate, harmonized and timely interpretations and advice from their TSA Principal Security Inspectors (PSI).

The TSA also issued a set of EAs on 23 and 28 December that required advanced submission (prior to departure) of Cockpit Crew and Passenger manifests for aircraft destined to the US. The EAs also advised that there was the possibility that the US would require armed Law Enforcement Officers (LEOs) be placed on board flights deemed by US authorities to be under threat (in both cases these requirements included all-cargo aircraft). The manifest submission requirements require substantial (several days) advance notification of crew and passengers not only for passenger aircraft but for all cargo aircraft (CAO) as well (passengers for CAO include animal handlers, loadmasters, jump-seating passengers, etc.) The timelines provided in the EAs for advance notification and amendment of manifests as well as the legal and operational restrictions on use of armed LEOs make these measures operationally unfeasible in many cases.

IATA will be raising these issues with high level Department of Homeland Security (DHS) and TSA officials during a meeting on 22 January and follow up working level meetings tentatively scheduled in late February.

### **European Union (EU) / European Commission (EC)**

The European Union has established a Special Advisory Group on Aviation Security (SAGAS) to develop Implementation Instructions (II) based on the more general EU Aviation Security Regulations. IATA has provided the Industry Position Paper on Air Cargo Security to the EU Secretariat and will be participating in the Working Group that will be established to work on this issue.

The EC has also issued a "Consultation Paper on Freight Transportation Security". This document seeks stakeholder input into the EC process to consider what would be the most appropriate way to improve transport security across the EU region. The document focusses on surface transportation, in order to ensure security across all modes and to avoid discrimination, however issues related to surface transportation can have a substantial impact on ground and air transport. Comments on the document are due by the 27th February 2004 and the document is currently out for comment by the CSTF.

## **CASS WELCOMES**

CASS welcomes the following airlines to the family:

- **CASS Singapore** - Emirates Sky Cargo (EK) effective 01 April 2004
- **CASS South West Pacific** - American Airlines (AA), rejoined effective 01 February 2004.
- **CASS Brazil** - United Airlines (UA) and KLM (KL) effective January 2004, in addition to twenty (20) non IATA agents.
- **CASS Chile** - TACA (TA) and COPA Airlines (CM) effective December 2003.
- **CASS Costa Rica** - Amerijet

## **CASS HIGHLIGHTS**

- CASS Global Data Processing Centre Migration schedule on target with Austria, Belgium, Luxemburg, The Netherlands and Switzerland already successfully migrated.
- Web based Courier Billing system was implemented in the U.K. in January 2004. Customer Seminars have taken place explaining the system to all interested parties.