



FACILITATION (FAL) DIVISION — TWELFTH SESSION

Cairo, Egypt, 22 March to 2 April 2004

- Agenda Item 3: Implementing modernized provisions for facilitation and security in air cargo service operations**
- 3.1: Facilitation of cargo clearance**
 - 3.2: Security**

DEVELOPING A GLOBAL APPROACH TO ADVANCE CARGO INFORMATION (ACI)

(Presented by the International Air Transport Association (IATA))

SUMMARY

As States seek to improve their ability to manage risk associated with inbound and outbound cargo movements, many are beginning to develop and implement electronically submitted Advance Cargo Information (ACI) requirements. However, in the absence of globally agreed standards and without best practice materials to provide guidance, there is a risk that such developments will result in unilateral non-compatible system designs. This paper describes current ACI developments and the challenges involved in ensuring harmonization and global interoperability of these and future systems.

Action by the Division is in paragraph 3.1.

1. INTRODUCTION

1.1 In the aftermath of 11 September 2001, States have continued to review national policies applicable to all aspects of civil aviation operations. While initial focus was rightfully applied to regulations, policies and procedures related to the clearance of persons crossing external borders, more recently, States have begun to review controls that they place on cargo movements.

1.2 Within various fora, several individual States and inter-governmental bodies, such as the World Customs Organization (WCO) and the European Commission have initiated discussions or developed regulations that will significantly modify the way international trade is conducted. Of principle concern to the air transport industry are initiatives that will require operators to collect detailed information concerning individual cargo consignments, and transmit those data electronically to interested government agencies at destination and in States through which the consignments are to be transported.

1.3 These systems are generically referred to as “Advance Cargo Information” or ACI, and will, for the most part, require that operators or other parties to the transport chain provide data at the

“House” level (descriptive of the individual goods that make up the consignment) in advance of arrival. This process will replace earlier electronic data transfer initiatives in which operators supply data at the “Master” Air Waybill level in advance of arrival. In these existing programs, the importer or his agent then provides House level data as part of the Goods Declaration following the consignment's physical arrival in the territory of the State.

1.4 ACI systems will be an integral element in the development of Secure Supply Chain systems in the future. However, in developing such systems, significant programming and IT enhancement will be required to ensure that automation fully supports the required end result. Further, existing business practices, as well as current data exchange capabilities between shippers/forwarders/brokers and air transport operators, limit the effectiveness of today's data exchange between the owner of the consignment (the individual or entity most aware of the nature of the goods) and the air transport operator. Absent automated solutions and a fundamental change in the way air cargo transactions occur, air transport operators will be required to develop labor-intensive and cost-prohibitive manual processes necessary to collect, enter and transmit data that it has little or no ability to validate.

1.5 ACI systems are being implemented in the United States - initially utilizing the Automated Manifest System (AMS) for imports and the Automated Export System (AES) for goods leaving the country, but eventually migrating to a new Automated Commercial Environment (ACE) system currently under development. Canada will also implement automated manifest requirements during 2004 that should be relatively consistent with those adopted in the US. Both the World Customs Organization and the European Commission are working on policies that would lead to imposition of ACI requirements on a far wider scale. However, in all that has taken place to date, we fear that there has been too little emphasis applied to ensuring consistency between these various unilateral development – particularly with respect to the data element sets involved and data transmission protocols.

2. NECESSARY GUIDING PRINCIPLES

2.1 In order to ensure that the needs of the various control agencies and the interests of the commercial sector are best served, it is essential that a clear international understanding exists as to what ACI programs can, and cannot accomplish. It is only by identifying achievable targets that appropriate systems can be designed and implemented.

2.2 When implementing requirements for the provision of ACI, States should first agree to investigate – and where it is deemed practicable – adopt the single window concept, in which data are transmitted to a single agency, which is then responsible for its distribution to other interested government agencies. We must seek to avoid multiple transmissions of the same or similar data elements using inconsistent formats to various agencies within the same State.

2.3 ACI requirements should recognize that data associated with the House Air Waybill is not normally freely provided to the operator by the shipper or his agent. When designing ACI reporting requirements and data receiving capabilities, particular emphasis should be placed on the roles and responsibilities of each party to the transport chain – particularly as they relate to liabilities for provision of data related to goods descriptions and physical movement of the goods.

2.4 Global harmonization of ACI system requirements, particularly with respect to standardization of data requirements, reporting timelines and transmission protocols will be essential in building systems in which data collected concerning any one single consignment can be sent to multiple States to satisfy export, transit and import reporting requirements.

3. ACTION BY THE DIVISION

3.1 Given the rapid pace of development with respect to various ACI initiatives, and in the absence of applicable existing international standards or guiding principles, the Division is invited to note this paper and to adopt the following B-type recommendations:

Recommendation B/XXX —

It is recommended that:

ICAO should, in cooperation with other interested bodies and in the interest of ensuring global interoperability, immediately undertake to establish internationally-agreed principles under which Advance Cargo Information (ACI) systems should be designed and operated.

Recommendation B/XXX —

It is recommended that:

States, seeking to develop Advance Cargo Information (ACI) systems, should, to the greatest practicable extent and in the interest of ensuring harmonization in interoperability, align their system design and requirements to internationally-agreed principles or emerging international norms relating to such systems.

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