

*The International Federation of Freight
Forwarders Associations
Fédération Internationale des Associations de
Transitaires et Assimilés
Internationale Föderation der
Spediteurorganisationen*

Improving Air Cargo Connectivity and the Supply Chain

ICAO Air Cargo Development Forum

Zhengzhou, China

September 7, 2018



About FIATA



FIATA was founded on **31th May 1926** in Vienna, the headquarter is now located in Zurich, Switzerland.

FIATA is the largest non-governmental organisation in the field of logistics and transportation, its influence is worldwide.

FIATA is the recognised representative body of the freight forwarding industry for intergovernmental organisations such as ICAO, ITF, OECD, WCO, WTO, World Bank, and private sector groups including GSF, IATA, ICC, IRU, UIC.



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Mission

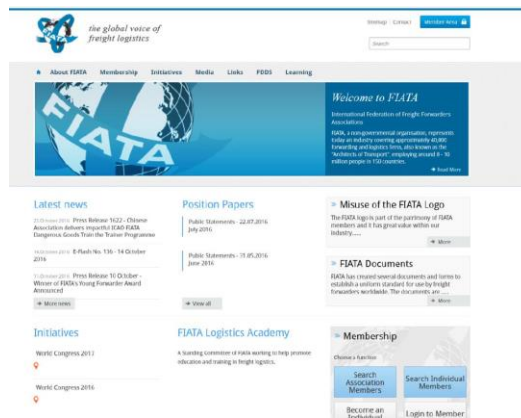
- to represent, promote and protect the interests of the international freight forwarding industry by participating in meetings of international bodies dealing with the transport of goods
- to familiarize trade and industry and the public at large with the services rendered by international freight forwarders
- to improve the quality of services rendered by international freight forwarders by developing and promoting uniform forwarding documents and standard trading conditions
- to assist with vocational training and ensure professionalism for in the Global Forwarding Industry.





A Global, Unique Constituency

- 106 Association Members in 95 countries
- Over 6,000 direct Individual Members in 161 countries
- Represents an industry covering approximately **50,000** forwarding and logistics firms, employing around 8 - 10 million people in 150 countries
- Largest world wide NGO in Transport and Logistics



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AFI Airfreight Institute



The AFI actively pursues a mandate to define, craft and promote the role of the forwarder in international air cargo

The Air Freight Institute has developed ongoing relationships with an exceptional number of stakeholders in the air transport industry, ranging from non-governmental organizations, special interest groups, and government regulators

AFI's success is due in large part to its proactive posture on issues which impact the international forwarding community

AFI's objective is to deliver reasoned and reasonable solutions to issues challenging the airfreight industry, advocating workable solutions which benefit all parties in the air cargo supply chain



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Improving Air Cargo Connectivity and the Supply Chain

The Impact of **Regulatory Actions**
on Air Cargo Connectivity and the Supply Chain



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- Logistics –
- Compliance to Regulations – Key to Successful Supply Chain
- Adherence to National & International Regulations – Job One
- Importers & Exporters Consult Forwarders & Customs Brokers
- Top Priority – FIATA Members Interaction with National Regulators



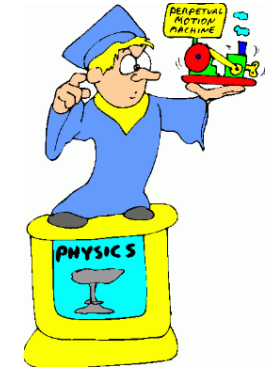


- Regulators –
- Need to Understand that International Supply Chain is Dynamic
- National & International Regulations need to be Dynamic
- Regulators Must Dialogue with Industry to Craft and Maintain Effective Regulations
- Regulators Must be Open to Market Realities - Not Work in Silos - Have Ability to Exercise Discretion





• What Do They Have In Common –



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- X-ray Scanners – Sold Worldwide – Many Applications
- Manufactured in North America – Middle East - Asia
- Parts Sourced Globally





Issuing Carrier's Agent Name and City CATHAY PACIFIC DUBAI AE, TL:0097142822013						Accounting Information FREIGHT PREPAID										
Agent's IATA Code 8600666			Account No DCL009			MODE OF PAYMENT: Prepaid										
Airport of departure (Addr. of first Carrier) and requested Routing DUBAI WORLD CENTRAL						Reference Number CAL006409006			Optional Shipping Information FG8							
to	By First Carrier	Routing and Destination	to	by	to	by	Currency	Chgs Code	WT VAL	PPD	COLL	Other	PPD	COLL	Declared Value for Carriage	Declared Value for Customs
SHJ		CX	HKG	CX	CGK	CX	AED	PP	X			X			NVD	NCV
Airport of Destination Soekarno-Hatta Int			Requested Flight / Date CX4121/19		CX8454/20		Amount of Insurance			INSURANCE - If Carrier offers insurance, and such insurance is requested in accordance with the conditions thereof, indicate amount to be insured in figures in box marked 'Amount of Insurance'						
Handling Information 03 CRATE..MRKD..LABLD..NOTIFY CNEE UPON ARIVL.												SCI				
No. of Pieces	Gross Weight	kg	Rate Class	Chargeable Weight	Rate / Charge	Total	Nature and Quantity of Goods (incl. Dimensions or Volume)									
RCP	Weight	lb	Commodity Item No.	Weight	Charge											
3	4551.00	K	Q	5400.0	39.48	213192.00	XR3D10 3DPERSPECTIVE X-RAY SCANNER 10MHB 18294 10MHB 18293 10MHB 18299 NOT RESTRICTED DIMS. IN CM. 193x193x186/3									





DECLARATION OF TRANSPORTATION SAFETY

XR3D SERIES

Compliance:

USA FDA 21CFR 1020.40

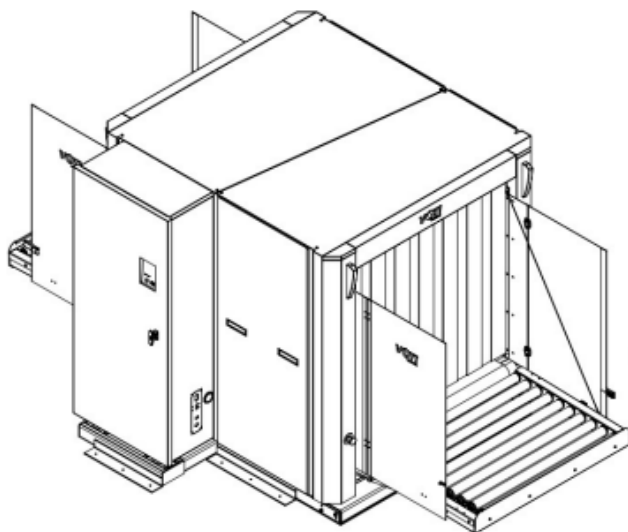
IEC 61010-1

Health Canada Radiation Emitting Devices Act

Maximum X-ray leakage of less than 5 μ Sv/h (0.5mR/h) measured at 5 cm from any external surface.

European standard –less than 1 μ Sv/h (0.1mR/h) measured at 10 cm from external surface

Film safety: ISO 1600/33 DIN



This declaration states that [] products do not contain the following dangerous goods:

DO NOT contain any radioactive source. The X-Rays used are ionizing radiation electrically produced. The products are inert and safe and no radiation is emitted during transportation and when the product is unpowered. The X-Ray generator contains insulating oil, whose Material Safety Data Sheet (MSDS) accompanies this declaration.

DO NOT contain spillable batteries within the optional Uninterruptible Power Supply (UPS)

DO NOT contain explosives

DO NOT contain flammable gases

DO NOT contain flammable solids

DO NOT contain oxidizing substances such as organic peroxides

DO NOT contain corrosive substances

 Date: July 22, 2018



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To: "rhu@dh.gov.hk" <rhu@dh.gov.hk>

Date: 25/07/2018 08:07 PM

To the attention of
Radiation Health Unit

We have a shipment which is in hold in **Hongkong**-Transit station, shipment was routed by Cathay pacific from Dubai to Jakarta via Hongkong.

As per Airline Cathay, HKG needs a transit permit to move the shipment from Hong Kong to Jakarta.

There are 2 shipments (MAWB – 160-45832695 & 160-45832721) – Documents from shipper attached for your reference.

Note from Shipper

The Spellman X-Ray source does not contain any radioactive source. The X-Rays used are ionizing radiation electrically produced. The products are inert and safe and no radiation is emitted during transportation and when the product is unpowered.

Kindly assist us.



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Sent: July 25, 2018 10:48 PM

Each importation of irradiating apparatus shall be covered by an Import Licence issued under the Import (Radiation) (Prohibition) Regulation, Cap 60K, Laws of Hong Kong. You may want to talk to Cathay Pacific on who is responsible for the application of import licence. Feel free to contact me for any related issue.

Regards,

Name Removed

Physicist

Radiation Health Unit,

Department of Health



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From: @itn-logistics.ca>

Date: 26/07/2018 11:09

We are troubled by the request of your Authority for Import Licence, as cargo is strictly transiting through HGK using Cathy Pacific freighter service.

I have reviewed the *Import (Radiation) (Prohibition) Regulation, Cap 60K, Laws of Hong Kong* – and note the below **exert 2. (1A)** where it states ; **Paragraph (1) shall not apply in the case of any article in transit.**

2. Prohibition of import of articles in Schedule except under licence

(1) No person shall import any article specified in the Schedule except under and in accordance with an import licence granted by the Director.

∨(1A) Paragraph (1) shall not apply in the case of any article in transit. *(L.N. 298 of 1991)* ∨

(2) Any person who contravenes the provisions of paragraph (1) shall be guilty of an offence and shall be liable to a fine of \$10,000 and to imprisonment for 1 year.

We welcome your comments and clarification on why this clause not apply in our situation.



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From: @dh.gov.hk

Sent: July 25, 2018 11:46 PM

Please note the following interpretation of the term "article in transit" from Import and Export Ordinance, Cap 60, Laws of Hong Kong and check whether your cargo fits in the criteria.

“article in transit” (過境物品) means an article which—

- (a) is brought in to Hong Kong solely for the purpose of taking it out of Hong Kong; and
- (b) remains at all times in or on the vessel or aircraft in or on which it is brought into Hong Kong; (*Amended 40 of 1996 s. 2*)

Regards,

Name Removed |

Physicist

Radiation Health Unit,

Department of Health



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- How It Ended –
- No Regulator Discretion - No Tolerance
- HK Government Denied Permission to Transport Cargo to Jakarta
- HK Government Allowed Cargo's Return to U.A.E.
- Goods Returned to U.A.E. Four Weeks After Originally Shipped





Improving Air Cargo Connectivity and the Supply Chain

- Questions:
- How Can We Improve Air Cargo Connectivity –
- When Rules are Identified as No Longer Reflective of Today's Environment?
- When There is No Ability of Regulators to Apply Reason, Discretion or Tolerance, in Interpreting Rules?





Improving Air Cargo Connectivity and the Supply Chain

The Impact of **Inadequate Air Cargo Screening Methods** on Air Cargo Connectivity and the Supply Chain



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- Security Screening Regulations are Dependant on;
- Cargo or Passenger Aircraft
- Known or Unknown Shippers
- Secure or Unsecure Supply Chains





- Approved Methods for Screening are not Always Adequate
- Dense Cargo
- Liquid Cargo
- Both Require Screening Options Which are Not Readily Available, such as Canine





Rolls of Paper – Too Dense to X-Ray





Liquids in Totes or Drums – Too Dense to X-Ray





Metal Pipes – Too Dense to X-Ray



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Solution - Over-Pack With Corrugated and Stretch Wrap



Solution - Over-Pack With Press Wood





Improving Air Cargo Connectivity and the Supply Chain

- Questions:
- Are Over-Packs an Effective Option to Make the Air Cargo Supply Chain Safe?
- Or Do Over-Packs Simply Meet Cargo Screening Regulations?
- Do Regulators Have a Willingness to Review the Effectiveness of Screening Methods with Air Cargo Supply Chain Partners?





Improving Air Cargo Connectivity and the Supply Chain

The Impact of **Inadequate Training and Supervision** of Regulatory Agents in the Field on Air Cargo Connectivity and the Supply Chain





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CIFFA Special Bulletin - August 3, 2018

Yesterday CIFFA started receiving calls from freight forwarders advising that their paper re-manifests (marine) were being returned unstamped at Canada Border Services Agency 0497 Toronto, some with a comment on a sticky note “not arrived” and others just returned with no comment.

CIFFA has spoken at length to the CBSA and below is a portion of the communication CIFFA directed to the Canada Border Services Agency at Toronto Pearson and in Ottawa at 10:30 this morning. CIFFA requested the CBSA revert back to the ‘business as usual’ procedures that have worked for years. **Please be advised that, as of 14:20 today, we have not received a response and do not know when or even if paper re-manifest stamping will be returned to ‘business as usual.’**

In a nutshell – **without consultation or warning and on the Thursday before the long weekend – the CBSA stopped stamping paper re-manifests at Toronto 0497 until the container has been grounded at the railyard and WACM submitted, causing delays, costs and confusion** to be added to the inbound movement of goods and to Canadian importers.





CIFFA Special Bulletin – UPDATE August 3, 2018

Breaking News: Earlier today, we distributed a Special eBulletin advising that, “In a nutshell – without consultation or warning and on the Thursday before the long weekend – the CBSA stopped stamping paper re-manifests at Toronto 0497 until the container has been grounded at the railyard and WACM submitted, causing delays, costs and confusion to be added to the inbound movement of goods and to Canadian importers.”

The CBSA has just a few minutes ago advised CIFFA that it will revert to ‘business as usual’ for paper re-manifest stamping, pending further consultations with CIFFA and the policy gurus at the agency.

The CBSA advises that "This short-term accommodation is intended to provide us with the necessary time to engage with our Border Operations unit and agree upon a nationally consistent approach to the remanifesting of goods that have not yet arrived at the railheads."





Improving Air Cargo Connectivity and the Supply Chain

- Questions:
- Is Procedure Policy Best Set at National, Regional or Local Level?
- Do Regulators Take Enough Advantage of Industry Perspectives, Consulting Stakeholders Regularly?
- Should Regulators Maintain ‘Hot Lines’ with Industry Associations to Deal with the Application of Compliance Requirements when Special Circumstances Occur?



Improving Air Cargo Connectivity and the Supply Chain





Improving Air Cargo Connectivity and the Supply Chain

- Together We Can Improve Regulations To Improve Connectivity
- FIATA's 100+ National Forwarder Associations Are Ready To Assist



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