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FIATA

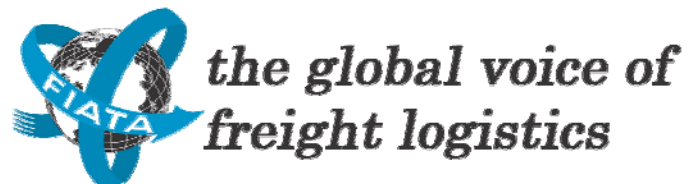
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Composition of FIATA

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Chairman CAI	Franz Schneider	Switzerland
Chairman MTI	Christopher J. Gillespie	Canada
Chairman ABDG	Göran Berg	Sweden
Chairman ABLM	Michael Lai	Singapore
Chairman ABVT	Thomas Sim	Singapore

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Director General	Marco A. Sangaletti
Manager AFI & CAI	Daniel Bloch
Manager ABLM	Peter Maegerle
Manager ABDG & ABVT	Markus Schöni
Manager MTI	René Zimmermann
Administration	Mrs Diana B. Bertschmann
	Mrs Nicole Peter

President's Report

What a difference a year makes, as I sit down to write my first yearly report, having taken over the office from my good friend and respected colleague Manfred Boes at the close of the FIATA Congress in Dubai last October.

In the past 12 months oil prices have practically doubled, reeking havoc on the transport industry whose dependency on fossil fuels is second to none. Security regulations continue to subject transported goods to ever more rigorous standards. Add the wide fluctuations in the global currency markets, which convolutes trading patterns and thus the imbalance of trade. It all makes for a rough ride as carriers struggle to stay afloat, forwarders have their hands full passing on unprecedented surcharges and traders look at opting for lower cost alternatives to transport their cargos in efforts to offset rising costs they have difficulty in passing on to consumers.

We are in challenging times, but the forwarding industry has always risen to meet the demands of the marketplace. Today will be no different than the past, and FIATA as the Global Voice of Freight Logistics, remains focused on supporting its members through these turbulent skies and choppy waters.

We remain in the forefront, dialoguing with international organizations, in areas of transport, customs, security, safety, documentary standards and education. In the reports that follow you will read in great detail the work and successes achieved in the past year.

In my role as President I am privileged to have the opportunity to meet many of our members, share concerns and seek ideas to better FIATA and our industry. Since my election I have attended conferences in Europe, the Middle East and North America, I hope during the next 12 months to meet even more of our membership, as associations like FIATA can only thrive if there is active and ongoing interaction with our membership. With this in mind, if you have not yet registered your attendance for the annual FIATA Congress, it is not too late, click on to www.fiata2008.com and join us in Vancouver this September 21 – 24.

William M. Gottlieb
FIATA President

Director General's Report

In the present year once again, FIATA enjoyed a large increase in the number of its worldwide members. It is particularly pleasing that we have taken a great step forward with our Association Members. At the General Meeting in September 2008 in Vancouver, we will be voting on no less than 12 applications from new Association Members. Of these, ten come from Central and South America alone, so we now have a broad base in this region too. This is not least thanks to our colleagues from ALACAT, who have brought a large number of their members into FIATA. If the applications are approved, we will then have over 110 Association Members from all regions of the world – a proud result indeed! We have almost grown accustomed to the constant increase in the number of our individual members. But this is only possible thanks to the support of the Association Members.

Once more, our thanks go to all the colleagues who place their experience and knowledge of the whole industry at the disposal of our different technical committees. Above all, it is the different measures and regulations regarding the security of goods transport that occupy us all, and are already everyday matters at our meetings.

After the revision of UCP 500, which has in the meantime been introduced as UCP 600, the ICC in Paris (International Chamber of Commerce) has now decided to embark upon a revision of INCOTERMS 2000. We are delighted that FIATA has once again been invited to participate in the working group assigned to the task. Our members will be kept informed constantly as to the progress of this work.

After the highly successful FIATA World Congress 2007 in Dubai – with the highest-ever registered number of 1,152 participants from no less than 93 countries – we are now about to have this year's Congress in Vancouver. What's special about this is that it will be the first Congress for which FIATA bears the responsibility. To be sure, we can in this huge task fall back on our colleagues from the Canadian Association Member CIFFA and on a professional congress organizer (MCI). We are thus convinced that we will once more be offering our members an unforgettable experience.

I cannot fail to mention that the FIATA Foundation for Vocational Training has successfully carried out a further project, this time in Mexico. These 'Train-the-trainer' seminars are important for our industry, but are also highly time-consuming and (above all) expensive. Without the happy fact that our Association Members and our individual members have made repeated donations over the years, it would not be possible to run these courses. We thus owe a big 'thank you' to all our generous donors.

Finally, in the name of the whole FIATA Secretariat, I would like to thank again all our colleagues from our Association Members for their continuing good collaborative work this year. It is always a pleasure to register again what support we get from all sides!

Marco A. Sangaletti
Director General

Airfreight Institute (AFI)

Last years Airfreight meeting was held on October 20, 2007 in Dubai during the FIATA World Congress. 170 delegates attend. Around eighty participants attend the Airfreight Institute meeting during the spring meetings.

Details of the meetings are available to members on the FIATA website in the FDSS under Doc AFI 314 and under Doc AFI 320. Thank you for joining us.

AFI delegates have participated throughout year in various meetings with IATA, ICC, ECAC and other international organizations, and the highlights of issues these meeting are:

Vice Chairman

Mr Koen Somers, Belgium was confirmed by the General Meeting of last October in Dubai as Vice Chair.

Dangerous Goods Training Task Force (DGTTF)

The Dangerous Goods Training Task Force (DGTTF) held two recent meetings in November 2007 and May 2008 at Montreal. Mr Doug Burek participated on behalf of AFI. AFI received a short report about the items discussed.

There was discussion on requests for changes to the IATA DGR to simplify wording and/or make it more user friendly.

Airlines want clarification on the role and responsibilities for Freight Forwarders dealing with DG shipments. A paper is being written to develop a list of responsibilities, similar to those of Shippers (1.3) and Operators (1.4). The Secretary of IATA DGTTF Brendan Sullivan and Doug Burek advised caution, as this may be something that is above the IATA DGTTF and the DG Board, and may involve Cargo Agency Resolutions, IATA Cargo Agency Agreements, and International law. When the paper is written and distributed, AFI will receive a copy to review and comment.

The next DGTTF meeting is scheduled for Oct. 27-31 in Geneva. Christine D'Arcy from Davies Turner & Co. Ltd our expert to the DGTTF will represent AFI at this meeting. I would like to thank on behalf of AFI to Doug and CIFFA and Christine D'Arcy and BIFA, for their contribution and time which enables AFI to participate and protect our industry at these important meetings.

IATA / FIATA Consultative Committee (IFCC)

The 67th meeting of the IATA / FIATA Consultative Committee (IFCC) was held in February 2008 at Geneva. The 66th IFCC was held prior to the FWC at Dubai last October 2007.

The IFCC is established by an IATA Resolution and composed of representatives from IATA Members and Members of the Airfreight Institute. The Council is empowered to initiate, consider and make recommendations to the appropriate Cargo Conference on issues affecting the Carrier/Intermediary relationship. It also provides general policy guidance to the Joint IATA/FIATA Cargo Agents Training Programmes.

Issues discussed included air cargo security, e-freight, cargo claims & loss prevention, in addition to the regional IATA/Intermediaries Joint Accreditation Programs and global CASS initiatives.

Indian & Canadian Programmes

At the last IFCC meeting AFI recommended to amend Resolutions 801re & 887b for extension of its application to INDIA/CANADA. IATA has been advised that AFI wanted the Resolutions used for the Indian and Canadian Air Cargo Programmes to be same as the European Air Cargo Programme and wanted these programmes to reflect the spirit of the EACP. These two Resolutions by a mail vote have been amended to cover India.

In the meantime three meetings of the IACP JC have taken place.

IATA E-Freight

AFI itself is not actively and directly involved. As long as we have difficulties to clearly see real advantages for the forwarders and not mainly IATA promotional campaigns. We would appreciate information from the participating members of pilot project about real progress and their views and feelings.

Resolution 600b Conditions of Carriage, implemented on the AWB since March 17th, 2008.

The change to the AWB with the new Conditions of Contract at the reverse side has been effected..

On 1st June was the last day of the regular paper ticket for travellers which are as per IATA now just something for the museum. As from now on we shall only see E-tickets. * I wonder how long it will take to see only the E-Airwaybill and how long the Airlines will struggle to implement it.

House Airwaybill and New 600b Conditions of Contract

I am referring at this occasion again to AFI's recommendation as published under the title House Air Waybill Note in the FIATA REVIEW No. 72 of May 2008 (page7). For your own safety add a note on the HAWB which refers to the Forwarder's General Conditions of Contract. It is essential to make clear agreements with your customers that relate to the liability limits that apply for all services not covered under the Air Carriage Conventions as per 600b. You must ensure that your general conditions are adequately communicated to, and agreed with, your customer.

CASS Cargo Accounts Settlement System

- There were 11 new CASSes in 2007
- CASS was now operational in 72 countries.
- There were 17 million transactions handled through CASS in 2007.
- USD21.00 billion was settled through CASS in 2007 with a default percentage of only 0.006. Most of these defaults were from CASS Associates.
- The error percentage (5%) was still too high as it amounted to approximately 75000 wrong transactions.
- 12 new CASSes were planned in 2008.
- CASS Export: India, Chinese Taipei, Sri Lanka, Israel, Estonia, Kenya, Uganda, Tanzania and French Polynesia.
- CASS Import: Canada, Australia.
- CASS Domestic: USA, Brazil, China.

Air Cargo Security cooperation with IATA ACSIF (Air Cargo Security Industry Forum)

All of you are aware that we have signed with IATA an agreement to launch ACSIF. However certain activities of IATA with regard of their Secure Freight Project were leading to some very controversial discussions.

I think that it was a good decision to start up and to talk together with IATA the initiative to have this Group launched. However we are worried that IATA will take this platform for its own target so we have to watch and to contribute to the action of this in the meantime grown forum closely. We are happy to have Mr Piet Timmerman as acting Vice Chairman who is actively involved representing AFI and keeping us in the picture.

IFCWG IATA FIATA Customs Working Group

This joint industry group was established in 2003 to provide stakeholder input to U.S. Customs authorities with the introduction of the Advance Cargo Manifest security program. In 2006 the main focus of this group which includes airlines, forwarders, service suppliers and associations, has been the Advance Cargo Information programs being implemented in Canada, India and Japan.

The focus of this group has now moved to Europe. The European Commission has now mandated the provision of advance information for cargo departing from and arriving into the EU by means of amending Regulation EC1875/2006. This requirement is scheduled to come into force in July 2009. However, some EU national authorities as well as the airlines, in particular, feel that this date is not realistic given the amount of IT infrastructure that will be needed for this programme to work.

Nevertheless, the EC is pressing ahead with this venture irrespective of when it might be fully implemented. There have already been meetings of the IFCWG held in Brussels during the end of 2007. These were attended by representatives from AFI, IATA, CLECAT as well as delegates from the EC. A meeting was held in Brussels in May 2008. Mr John O'Connel has been prior to this meeting elected as Co-Chairman to the IFCWG. You have heard his presentation about the main topic during the HQ 2008. Unfortunately and somehow the fact that at the May meeting Brussels only one AFI delegate could participate. We need to have more people participate in these meetings. It is hoped that this group may influence the EU, as it did with the US and Canadian border control authorities. It is essential that the operational and technical requirements of the pre departure and pre arrival data required under Regulation 1875/06, when implemented, do not unfavourably impact unnecessarily on our industry – airline and forwarder alike.

AFI delegates are encouraged to contact John O'Connel and the AFI Manager Daniel Bloch; we need more interested know-how holders of the involved countries (all) to represent AFI at these meetings. Please let us know if you are interested to participate to IFCWG meetings mainly at Brussels.

At this time the situation is one of work in progress by the IFCWG in conjunction with the EC. As soon there is more information it will be relayed via the FDDS. At the same time there are other countries where the authorities are anticipating the implementation of the Advanced Cargo Information Requirements and members are requested to please pass the information to the AFI Manager. In order to coordinate this activity it will form part of the agenda. The goal is to have one set of data that will function across the globe; which makes it easier for everyone to trade and provides a very much more secure supply chain.

CARGO 2000 C2K

We were approached by IATA regarding their CARGO 2000 project. Cargo 2000 was set up to implement standard measures for benchmarking performance.

From AFI's perspective, if airlines could improve their performance standards at no additional cost, then we would welcome any benefits this may offer. It may be helpful to involve AFI in the process, so as to be ensure that all firms, be they global or local, may have the opportunity to become part of Cargo 2000. On these specific topics, AFI would like to know how C2K board would envisage its involvement in C2K process. We see AFI's role as a facilitator. A first introduction talk with C2K board members has taken place.

EACP

The last EACP JC meeting was following to the IFCC meeting in February. H. Donker has giving an update at the last HQ meeting.

From the input by a number of 805 region associations, we saw that there was a high level of discontent with the organization and functioning of CASS. A submission paper was prepared for the Joint Council and a large number of delegates were present at the meeting where they had the opportunity to express their views in the presence of IATA representatives and Mr Alex Popovich (IATA Global Head Cargo). Delegates felt that CASS was not doing its job properly and brought this to his attention. Bad communication, too many incompetent people unfamiliar with what the industry is all about, were some of the views. It was also clear that the airline representatives in the EACPJC would not endorse measures which would be voted in the conferences and which would go against the interests of the

forwarders. Another point raised was that we wanted a transparent and auditable budget for the program. It is clear that we can not accept that while the EACPJC is responsible for deciding the fees, it is not in a position to control the spending. The European program which is running for some years in Europe is now about to be tested.

IATA/ FIATA Training Agreement.

I'd wish to have more News about the ongoing discussions with IATA about restructuring the present successful FIATA / IATA Training Program as announced last year by Mr William Gottlieb. Briefly, is to that the current Program is an ongoing success story but we want constantly further improvement, and we want to have IATA / FIATA Authorized Training Centres being our Forwarders Association Members. We will be lobbying our Association members to become part of the IATA / FIATA Air Cargo Working Programme. By the time we convene in Vancouver it is "once again" our intention to have convenient information for you and we will actively seek and solicit your support for this programme. We are look forward to offering trough our Association members a course of study which will bring even to higher levels the professionalism and the quality of education to our membership for air cargo.

Ending this let me have a look in the future challenges we will encounter

The concerns which will impact the Airfreight Industry are two, the cost of energy and the environmental concerns and security.

The Airfreight Industry, we will face big competition by the surface industry. We really wonder if some of commodities can continue to afford air mode transport.

I look forward to meet you at the FIATA World Congress. I am sure that many interesting topics will be discussed at the Airfreight Institute.

I wish you all a safe and pleasant trip to Vancouver.

Rodolfo J.C. Sagel
Chairman, Airfreight Institute

Customs Affairs Institute (CAI)

The past year has again for the Customs Affairs Institute been one of challenge as the level of change in regulatory issues continued unabated. There have been key issues however many of these relate to process implementation or change rather than strategic development in a global sense. One of these strategic outcomes has been the work undertaken by FIATA at the World Customs Organisation (WCO) through its ongoing representation at WCO meetings and its recent admission to the Private Sector Consultative Group. (PSCG)

World Customs Organisation

You will have received reports from the CAI as to the excellent work that Niels Beuck has provided as to the work he undertakes on behalf of FIATA at the World Customs Organisation in its various forums and committees. His reports are delivered to you through the FDDS and he provided to the HQ meeting an executive summary as to his work at the WCO.

In the year ahead we see that this work will be further enhanced as the position of the WCO as well as the European Union and the United States Customs and Border Protection take a higher profile.

Customs Administrations have moved more and more from compliance and trade facilitation into a border security process. Many initiatives such as like from the USCBP, the 10+2 rule, the WCO Framework of Standards SAFE including the Authorised Economic Operator (AEO) underpinned by the new European legislative requirements and similar attempts of various other regulators to add the WCO Customs Data Model and the reborn Unique Consignment Reference (UCR) initiative and new findings on Intellectual Property rights.

Numerous border regulatory and security initiatives will need active consideration as to their impact rather than just monitoring, this will enable FIATA to intervene and to provide input at the critical time so as to deliver and develop practical and business oriented customs' solutions for members

PSCG Mandate, Purpose and Scope

Members may have heard of the PSCG which was established in the WCO to provide advice to the WCO Secretary General and the WCO High Level Strategic Group (HLSG)*.

The PSCG has a wide mandate with a current focus on the key issue of the Framework of Standards. Such including matters related to involvement with the trade on enhanced border and cargo supply chain security and facilitation, Customs modernization and automation, capacity building, compliance assessment, commercial enforcement and uniformity, international efforts to harmonize Customs practices and procedures are also within its remit.

*(The SAFE Working Group (SWG) was formed to replace the HLSG whose term came to an end in June 2007).

PSCG Membership

The PSCG members are drawn from a wide spectrum of industry and trade including now a member international trade and supply chain management sector...FIATA.

The PSCG members at this time are:

FIATA, Deutsche Post, Pfizer International Chamber of Commerce, IATA International Air Transport Association, Global Express Association, World Shipping Council, Business Alliance for Secure Commerce, SITPRO, Boeing, BP, Carrefour, China Ocean Shipping Co., FedEx, General Motors, IBM, Microsoft, Nissan, Philips International, Procter & Gamble, Siemens,

The FIATA position was enhanced by its ongoing attendance at WCO meetings over the past years where it was one of the few entities which participated in most WCO meetings.

Recognition for admission to the PSCG is not an end in itself rather the beginning of sustained work to meet the challenges of change in international customs and FIATA's representation at the PSCG will be sustained by high level FIATA delegates..

New Vice Chair of Customs Affairs Institute

In Dubai at the 2007 Congress we were fortunate to have Mr Stephen Morris, Executive Director of the Customs Brokers and Forwarders Council of Australia Inc. (CBFCA) take on the role as Vice Chair to the CAI. He brings to CAI over forty years of working with governmental and non governmental entities on border regulatory issues. This will enable CAI to further strengthen its work on behalf of members on customs, security and agriculture issues. This combined with the new initiative to form an informal reference/contact group will enable CAI to take thoughts on key issues for reference to members from a variety of region and thought points. Stephen was introduced to member in the FIATA Review No. 70 of December 2007.

CAI Support

One of the key issues in enhancing the deliverables of CAI is member association participation either in terms of issues referenced which have a global context, FIATA member resource support in documented proposals or human resources. The outcomes of the CAI as indeed those of FAIATA are as only as strong as member participation. While it is understood as to the pressure on all of our time we will continue to build on CAI as to it meeting member's needs by your continued, or perhaps for others, your initial support.

Congress and Head Quarters Sessions

While member support is clearly evident at FIATA Congress and headquarters sessions much needs to happen and indeed does happen out of session and it is in this window that the continued and sustained support of members is also necessary.

Opportunity exists for members to become active participants on CAI issues out of session as many issues require early input from members so as to develop appropriate CAI/FIATA responses on policy and procedural matters of regulators.

The future of the business outcomes of the members of member associations is predicated on early intervention by FIATA on most if not all matters. Your support in this intervention is critical to the CAI process.

FIATA Region Rapporteur

As members will be aware the FIATA Region Rapporteurs sessions to CAI were initiated, to capture the issues and needs of specific regions to determine the level of FIATA support to same and by appropriate intervention. With the exception of the Rapporteur for Europe and Europespecific issues few if any other Regions have raised issues. This raises the question as to the need for such Rapporteurs and this will be an issue for discussion at the CAI meeting in Vancouver in September.

Year ahead

The year ahead will be no less challenging for CAI, FIATA and its members. We are seeing continued change in regulatory requirements whether they be in customs, agriculture, transport security or just normal day to day business and client needs and expectations. So it will require all of the FIATA members to collectively meet this challenge. I am sure that with your support the work undertaken by the CAI Vice Chair Stephen Morris, the FIATA Secretariat Marco Sangaletti and Daniel Bloch and the work of Niels Beuck at the WCO can continue to deliver for members on CAI matters

I look forward to meeting with you in Vancouver

Franz Schneider
Chairman, Customs Affairs Institute

Multimodal Transport Institute (MTI)

In the year since my last report it is of serious concern to see how many of the issues we addressed during the previous year remained of significance to us over the past year.

This morning, July 11th, as I drove to work I heard that oil had once again reached new record prices per barrel and while the radical currency fluctuations of a year or so ago have seemingly stabilized, security and all that this subject entails continues to maintain its position of importance to all of us, as individuals, and the manner in which it impacts the way we do business.

One of the most critical factors impacting world trade, and as a consequence each and every one of our members, is the ever increasing pace of same, stretching the limits of our global transportation capacity and creating a situation of space availability and equipment shortages, the likes of which most of us have never encountered in our careers. Suggestions as to how the problem can be addressed range from moving bulk commodities back to bulk carriers to reduce the strain on container services (fine but rates for bulk vessels still remain too high to make this viable) to better planning to accommodate longer order lead times (say good bye to just in time!).

The subject of our Main Forum at the FIATA World Congress this year is "Infrastructure, Today's Challenge for Tomorrow's Sustainable Transport" and it is hoped that we can gain some insight as to how the major modes of transportation and their key facilities, ports and terminals, are planning to cope with this ever-increasing demand.

It is encouraging to see what appears to be a glimmer of hope in harmonizing security programs between the United States and their CTPAT system and those of other nations. Needless to say FIATA supports any initiatives that can harmonize such programs globally.

The same can be said for dangerous goods regulations, and the initiative undertaken resulting in the ISPM 15 Wood Packaging Standard shows the wisdom and the efficiency with which this can be achieved with proper planning and execution.

There have been strong opinions expressed (and FIATA has addressed this item in a letter to the U.S. Government) about the new U.S. 10 + 2 initiative, an initiative that would see a far greater level of detail being provided to U.S. security interests, the extent of which would include proprietary and confidential data most exporters would not want readily available to their competition.

We also addressed our thoughts about the 100% Container Scanning which, as we write this report, the results of the first test initiatives have been made public confirming the negative aspects already cited by our industry and others when this initiative was first proposed. Huge costs, delays, inability to process the data in an efficient and timely manner, all seem to point to the need for a more logical and targeted approach to this initiative.

UNCITRAL, a perpetual irritant to our industry and one where we have had representatives attend each meeting, the most recent in New York, seems destined to result in a convention that will be less than perfect in the eyes of most of the experts. It appears to be an unstoppable force moving forward and it certainly will be interesting to see how successful its ratifications by world nations will be.

The 41st UNCITRAL Commission session adopted the text of the Draft Convention on the Contract of International Carriage of Goods Wholly or Partly by Sea, and the next step is adoption by the 6th Committee of the UN General Assembly. This is scheduled for October 2008 and a signing ceremony is set for September 2009 in Rotterdam, hence, this Convention will most likely be known as the "The Rotterdam Rules".

The other two modes represented in MTI, both road and rail, are plagued by the same issues that affect the marine mode especially those related to fuel costs and to a growing degree, the environment. Security of our rail and road transport is an on going concern.

Facilitating the movement of trucks between nations continues to be a challenge and again the issue of harmonization would be of critical importance to addressing such issues.

One such initiative which seems to be garnering more and more support is the continued expansion of the TIR System, a system that has successfully grown in importance and moved to electronic facilitation in keeping with the trend in all modes of transportation to move towards paperless transactions.

Another promising initiative undertaken by our Working Group Rail, in cooperation with CLECAT, has been the development of quality standards and agreements to be entered into by forwarders and their rail carriers.

The FIATA UIC initiative successfully undertaken in the past year was a marketplace event, the success of which has encouraged the participants to schedule yet another such event for this year.

In closing, my thanks to the chairmen and members of the working groups within MTI for their continued input and assistance over this last year and remind everyone who may read these words that we are always open to greater and broader participation in these working groups.

Respectfully submitted,

Christopher J. Gillespie
Chairman, Multimodal Transport Institute

Advisory Body Dangerous Goods (ABDG)

There have been less intensive Dangerous Goods activities during 2008 on the international scene although a few important events have taken place which will be addressed further down in the text. The international DG regulations will not be updated until 1 January 2009 with the exception of the IATA-DGR which is updated every year. With regards to new regulations entering into force next January the ABDG will highlight important amendments at the World Congress in Vancouver.

You may be aware of that the ADR rules and the UN Model Regulations can be downloaded from the UN web site at <http://www.unece.org/trans/danger/publi/adr/adr2007/07ContentsE.html> for .ADR in English, French and Russian and at http://www.unece.org/trans/danger/publi/unrec/rev15/15files_e.html for the UN Model regulations in Arabic, French Chinese, Russian and Spanish.

Contrary to the low activities on the international scene, the ABDG has been active in updating the FIATA DG publication and the training program for sea transport according to the IMDG Code. It is a pleasure for me to note the commitment by ABDG members and the fine work they are putting into the development of DG tools for FIATA members.

An interesting activity is going on in China with regards to DG prior to the Olympics in August. When you all read this the Olympic game has ended but still I wish to say a few words about the DG restrictions imposed by the Chinese authorities. During the months prior to the games a number of announcements from China have reached the FIATA secretariat. The secretariat tried to compile all information received in order to let the freight forwarding community be aware of the restrictions. In summary the most important advice to members was that before DG shipments to China were to be initiated was to check with the Chinese consignee that everything was properly prepared according to the information the Chinese consignees had received.

ABDG activities

As indicated above, I am happy to announce that the work on the updating of "A FIATA Introduction to the Regulations for Safe Handling and Transport of Dangerous Goods" is almost finalised. Dave Green (UK) and Christine D'Arcy (UK), members of ABDG, have focused on the text and proposed what should be added, changed and deleted from the publication. I am confident that we are able to present the new version in Vancouver.

The development of the training program for sea transport of DG is progressing according to plan. In the last annual report I mentioned the plan to make DG training for sea transport mandatory. The Maritime Safety Committee took the decision in May that the next version of the Code will include mandatory training requirements for sea transport of DG. The freight forwarding community is highly affected and should already at this point in time prepare for training activities. The next code will formally enter into force on 1 January 2010.

Members of the ABDG are "as we speak" fully occupied with the developing work. I particularly wish to mention Dave Green (UK), Christine D'Arcy (UK), Jefferson Shin (Chinese Taipei), Dominique Bernadet and Sally O'Farrel (F) and of course Thomas Sim (ABVT). It is unnecessary to mention the heavy workload on the shoulders of Markus Schöni, the Manager of ABDG who coordinate all the work. From the outside world, Mike Compton (ICHCA) and Pieter Wildschut (DGM) are contributing with their expertise.

The purpose is to make the training part of the FIATA Minimum Standards with basically the same approach as for other FIATA training programs. Again, it is my hope that the "package" is ready for a brief presentation at the Congress in Vancouver either at the ABDG or the ABVT meeting.

During the year the ABDG has been attending meetings with the EU Commission on DG. These meetings are scheduled at regular intervals and in particular I wish to mention the work initiated by the Commission on High Consequence Dangerous Goods (HCDG). A DG questionnaire was sent out to a number of DG players, including Authorities, in the EU. The purpose with this questionnaire was to investigate the effects of the DG security regulations of ADR/RID. It was not possible to give a coordinated FIATA answer when only a few European Associations responded to the mail sent out by the

secretariat. I wish however to thank Belgium, Finland, Germany, Norway and Sweden for their contribution. The answer to the Commission from our secretariat became merely a compilation of the response from each of the above mentioned countries. The final conclusion from the Commission has not yet been communicated.

The work on TELEMATICS is still on. The initial position is to create a tracking and tracing system for DG vehicles/containers in line with the MITRA project (Monitoring and Intervention for the Transport of DG) using GALILEO and GSM. A possible role for the EU, according to the Commission, is to put forward a regulation which makes the use of communication terminals mandatory.

The industry considers that there is no need for such systems for DG except maybe for High Consequences Dangerous Goods (HCDG). Interesting is that a number of companies have already installed tracking, tracing and alarm systems for e.g. theft endangered goods on all their vehicles regardless whether these goods are DG or not.

Our Vice Chairman, Mr Frank Huster, is on top of the matter and he has attended two sessions, in Bonn (August 2007) and in Bordeaux (February 2008).

The work by the European organization, INDA, of which FIATA and CLECAT are members, in developing an official letter on the need for harmonisation of all international DG rules is concluded. The letter has been sent to relevant politicians in several European countries and has been posted on the FIATA web site as well.

Finally the ABDG was approach by a representative from "Office Export Guide" in USA asking if we could provide them with an article on DG. The ABDG member, Christine D'Arcy took on the task and composed an article on "Dangerous Goods by Air – Top Compliance Tips" for publication in the Guide.

In conclusion, I wish to express the important thank you so much to the members of the ABDG and to Markus, our manager, for their, as usual, fine work during the year.

Göran Berg
Chairman, Advisory Body Dangerous Goods

Advisory Body Legal Matters (ABLM)

ABLM membership

This is a topic which is under constant review. Whilst the Body recognises and appreciates that members serve on a voluntary basis despite sometimes hectic work schedules, it is nonetheless necessary to renew and rejuvenate its membership so as to keep the Body vibrant and relevant to the needs of the industry.

The Secretariat to the ABLM has done good work in identifying potential new full members of the Body and we hope to welcome new additions to the Body in the coming meeting in Vancouver, Canada.

Uncitral

FIATA was represented at the UNCITRAL meetings held in Vienna (January 2008 - Professor Ramberg attended) and in New York (June 2008 - Professor Ramberg and Richard Gluck attended). Both Professor Ramberg and Richard Gluck continue to admirably represent forwarders' areas of interest during these meetings. An update has been sent to Working Group Sea in this regard.

Discussion Topics

The Secretariat did not receive any discussion topics to put forward during the Spring Meeting in Zurich this year. The members of the body will be invited to put forward discussion topics to be placed on the agenda for the upcoming world Congress in Vancouver, Canada.

Legal Cases of Importance to the Industry

This topic traditionally served the purpose of keeping FIATA members apprised of legal developments affecting the forwarding/logistics industry worldwide. It continues to be on the agenda for the meeting in Vancouver where I will present a report on the Singapore case of *Regalindo Resources v. Seatrack Trans*, a case which involved a Rule B attachment in New York and a corresponding application for an anti-suit injunction.

FIATA Airwaybill

The Body will be working with the Air Freight Institute and the TT Club in drafting a FIATA Airwaybill to be added to FIATA's list of approved documents. It is envisaged that a draft will be presented to the Presidency prior to the upcoming World Congress.

TRACECA meeting in Bishek

I was invited by TRACECA via FIATA to chair their drafting session in Bishek in July 2008 but regretfully have to decline the invitation due to work commitments.

Revision of Incoterms 2000

The Body will be working with the MTI (Working Group Sea) and will be involved in the discussions to be held at the ICC in Paris with regards to the revision of the Incoterms 2000.

Mr. Michael Lai
Chairman, Advisory Body Legal Matters

Advisory Body Vocational Training (ABVT)

ABVT General

The aim of the Education Body of FIATA is first of all, to raise awareness and promoting continuous professional development through vocational training in our fast changing industry, in close cooperation with its Association Members. The introduction of training standards, i.e. the "FIATA Minimum Standards (FMST)" to obtain the FIATA Diploma will be continuously reviewed to keep abreast with the rapid technological advances and changes in our industry requirements.

Revision in the Rules & Procedures for Validation/Re-Validation

In line with the current industry practices, the aim of the Body is to adapt Validation Rules and Procedures and to monitor the re-validation intervals, minimum training hours, mode of submissions, validation questionnaires, attendance at validation and re-validation sessions, etc. ABVT continuously encourage and assist all FIATA Association Members to develop structured training infrastructure so as to promote professionalism in their respective spheres of interests.

FIATA Validation of Training Materials

The materials (syllabus) of Ireland (IIFA) and the Ukraine (AIFFU/UZT) have been successfully re-validated during this period. Ukraine has submitted for the first time a common syllabus for both Associations developed by PLASKE (training provider) and this is a clear testament of how 2 national associations in the same region can work closely together in achieving common goals and standards in vocational training for their country.

So far, 49 Association Members from 43 countries have FIATA validated training programs, but there are still over 33% of the programs which have not been re-validated in the last four years and therefore are not up to date. One of ABVT's challenges will be to further encourage these associations to achieve currency in their programmes soon.

Award of FIATA Diplomas

From 1 January 1996 until end of February 2008 a total of 5'098 Diplomas have been issued. For the period October 2007 - February 2008 China headed the country ranking with 103 Diplomas delivered, followed by Bosnia Herzegovina with 74 and France with 64.

Exhibition on Training Materials at FWC and ABVT Forum

ABVT has invited its Association Members to share its validated training material during the FIATA World Congress 2008 in Vancouver and to show interested participants the training documents they have developed. The primary objective is to provide an excellent platform for FIATA Association Members to discuss and interact with each other on the challenges they are facing when launching training programmes in their respective countries. We hoped to expose Best Practices to all so that they can emulate the successes in their respective cause.

FIATA/IATA/TT Club Young International Freight Forwarder of the Year Award (YIFFA) Competition 2008

For 2008, **19 candidates** (2007: 18 candidates) - the highest figure ever achieved - have been nominated by their respective Associations. Most of them have submitted their dissertations by the **30 April 2008**. The regional winners for 2008 come from **Canada, Germany, Indonesia** and **South Africa**. Congratulation to these young talents for their achievement! The level of the dissertations submitted was once more very high.

ABVT strongly recommends that Associations should organise **National Competitions** to select a candidate for the international Award which it is currently practised in Canada, Germany and UK.

FIATA Foundation Vocational Training (FFVT)

At beginning of this year the Foundation has carried out its 5th Train-the-Trainer (TOT) assignment in Mexico (21 January - 2 February 2008). The TOT course was well-prepared by the local Association, AMACARGA and despite the rather small size of the group, the participants were highly motivated and hard working.

New applications for further "Train-the-Trainer" missions have been received from Ethiopia, Syria/Jordan. I have just recently (28th-30th June 2008) conducted a TOT Pre-Qualification exercise with the Syrian Association (SIFFA) in Damascus (Syria) with positive results.

Projects of FIATA ABVT

❖ FIATA Higher Diploma in Supply Chain Management

The proposal for the *Higher Diploma* was **unanimously approved** by the Board in March 2008 with some minor corrections: it was suggested to include also Safety/Security and Claims handling.

❖ Associations' Self-Initiatives - TOT Programmes

I am pleased to announce that for the first time in our records, there has been concurrent initiatives by FIATA Associations in **all the four FIATA regions** who have conducted TOT Programs in their respective regions this year – UZT/AIFFU Odessa (for Ukraine, REU), CIFA Shanghai (for PRC, RAP), EIFFA Alexandria (for Egypt, RAME), and under the FFVT Project as reported above, AMACARGA Mexico City (Mexico, RAMN).

❖ Recognition of FIATA Training Standards with the EU Commission

Mr Marco Sorgetti, Director General CLECAT, has been mandated by the ABVT to follow up on the development with EU Commission, on a project which aims to obtain recognition of the FIATA Training Standards by the EU Commission and later by the EU Member States.

❖ Training course for Dangerous Goods by sea

ABVT is cooperating with ABDG on the Minimum Standards for a Dangerous Goods course. (*see also report on ABDG activities*)

Future Directions of the ABVT

The ABVT has been exploring new initiatives in training development and standards, with an objective to introduce the **FIATA Higher Diploma** and the **Train-the-Trainer (TOT)** standards to assist FIATA Association Members focusing in the areas of training-course developments and promoting sustainability in vocational training.

New Members of ABVT

For this immediate period, we are also extremely pleased to welcome new ABVT Members from Chinese Taipei, Estonia, Ghana, Georgia, the Russian Federation and most recently, Germany. This will certainly add diversity in our thought processes as well as profound experiences into our work in promoting education & skills training for all in our industry.

Finally, I would like to express my sincere thanks and appreciations to all members of the ABVT (as well as to Mr. Markus Schoeni, our ever-efficient ABVT Manager) for their important support, assistance and commitments in making the ABVT's work an enjoyable and constructive one !

Thomas Sim
Chairman, Advisory Body Vocational Training