

# ANNUAL REPORT

**2008/2009**



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# FIATA

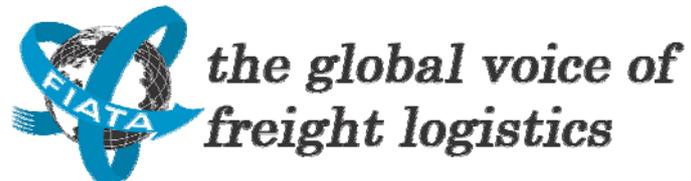
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## Composition of FIATA

### Presidency

President of FIATA	William M. Gottlieb	Canada
Immediate Past President	Manfred F. Boes	Germany
Secretary General a.i.	Jean-Claude Delen	Belgium
Treasurer	Stanley Lim Hwee Hong	Singapore

### Extended Board

Vice Presidents	Frank Boogaerts	Belgium
	Babar Badat	Pakistan
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	Zhao Huxiang	P.R. China
	Chris Kanter	Indonesia
	Samson Njoroge	Kenya
	Francesco S. Parisi	Italy
	Ivan Petrov	Bulgaria
	Suwit Ratanachinda	Thailand
	Heiner Rogge	Germany
	Barry N. Vining	Australia
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Chairman CAI	Franz Schneider	Switzerland
Chairman MTI	Christopher J. Gillespie	Canada
Chairman ABDG a.i.	Frank Huster	Germany
Chairman ABLM	Michael Lai	Singapore
Chairman ABVT	Thomas Sim	Singapore
Chairman ABSM	David Fielder	Hongkong SAR

### Secretariat

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

## President's Report

This is my second report to you since I was elected President in 2007 and at the upcoming World Congress in Geneva you will already have to elect my successor – time passes fast.

When I began my tenure two years ago, our industry was worrying about the immense rise in oil prices, lack of capacity on various trade routes and inflationary pressures due to overheated economies. During the last year the full impact of the financial crisis has been felt in all corners of the world. Whether you are a global player or a freight forwarder with a niche market – the harsh reality has caught up with everyone. Consumption is down, the meltdown in the banking sector has investments dropping and credit markets extremely cautious and tight. All this naturally has had a direct influence on international trade as the flow of goods slowed with the downturn in demand, freight forwarders have been impacted as have almost all economic sectors.

However, FIATA and its individual members are and have always been committed to making the freight forwarding community survivors. In this global crisis, true professionals will out shine the others. Through training, knowledge and experience those individuals who best understand the risk inherent in our trade, are the ones who will steer away from peril and danger.

During the past year I again had the privilege to visit some of our members and to learn more about their activities and concerns. It is encouraging to see how many of them are engaged in the activities of FIATA, and how often FIATA can be of assistance to them.

The continuous debate on the (UNCITRAL) Rotterdam Rules has finally come to an end and the draft will be signed in September in Rotterdam. The very different positions of the Governments as well as of our Association members made it impossible to submit a united FIATA position. We therefore have decided to give our members an overall view of the various positions, allowing each to elaborate their own position paper, for submission to their governments.

The field meetings of our Regions continue to be very well supported by our membership. The meeting of the Region Africa/Middle East in July in Damascus, Syria was attended by a record number of 187 delegates, and the meeting of the Region Asia/Pacific held in June in Bangkok, Thailand counted an attendance of 55 participants.

The FIATA World Congress 2008 in Vancouver as well as the Spring HQ 2009 in Zurich were highly successful events, with levels of participation well in excess of what was expected. We are therefore confident that we will be welcoming a large number of participants to the FIATA World Congress 2009 this September in Geneva, Switzerland. The program with a large attendance from many International Organizations looks promising and will help to continue our dialogue on issues of importance to our industry.

In April we received a very sad note that our esteemed colleague Mr. Mayur Contractor passed away in Mumbai, India. Since 1991 he was an active delegate on behalf of his Association FFFAI, and in 2007 he was elected as Senior Vice President and a member of the FIATA Presidency. He will be remembered with deep affection by all whose lives he touched and influenced.

My report would not be complete without a large thank you to both my colleagues on the Presidency and Extended Board as well as the staff of the Secretariat. It is a pleasure to work with such dedicated professionals they are truly the heart and soul of our organization.

Respectfully yours

William M. Gottlieb  
FIATA President

## **Director General's Report**

A highlight has certainly been the admittance of 12 new Association members by the General Meeting held in September 2008 in Vancouver, Canada during our annual World Congress. It is encouraging to see that membership in FIATA is of particular value to freight forwarders associations all over the world – especially during these tough times.

The large number of participants at our Congress, at the HQ 2009 as well as at various regional field meetings is proof of the importance of these FIATA get-togethers for our members. This is certainly the result of the excellent work of our various Institutes, Advisory and Regional Bodies. I have to thank all those colleagues who place their knowledge and experience at the disposal of our technical committees. More information about their activities is available from their following detailed reports.

A regular and important task of the Director General is to maintain and extend the existing relationship with International Organizations. Therefore personal visits to the offices of UNCTAD, UN-ECE and UNESCAP have been on my agenda. It has been very satisfying to hear how much the input of FIATA and the work of our experts in the various working groups of these organizations are appreciated.

FIATA's expertise is widely recognized: once again we have been invited by the International Chamber of Commerce to delegate an expert into one of their Working Group, this time to the one reviewing the INCOTERMS 2000. This process has meanwhile started and we shall soon be able to let you know first information on the re-draft, and then called INCOTERMS 3000.

The FIATA World Congress 2008 in Vancouver, Canada was the first ever under the full responsibility of FIATA, and was organized together with our Co-host CIFFA and our PCO MCI. We now know what is all behind such an event organization and gained a lot of experience. It will help us to optimize the course of the upcoming congresses for the benefit of our participants and exhibitors.

The FIATA Foundation for Vocational Training has successfully carried out another project in Syria. Further projects are scheduled to follow as there were many enquiries received from our Association members. On behalf of FIATA and the FIATA Foundation I would like to thank all those who have donated to the Foundation – without their support we would face problems to run these courses.

It was with great sadness and deep regret that we had to hear about the passing of our friend Mr Mayur Contractor, Senior Vice President of FIATA. He has not only been active in FIATA since 1991 on behalf of his Association FFFAI from India, but also attended most of our Congresses and HQs over the years.

Finally, in the name of the whole FIATA Secretariat, I would like to thank all our colleagues from our Association Members for their continuing good collaborative work over the years. It is one of the main tasks of the FIATA Secretariat to serve our members. Please do not hesitate to let us know how we can increase our effectiveness or what can be done better in the future.

Marco A. Sangaletti  
Director General

## **Airfreight Institute (AFI)**

AFI delegates have participated during the last year in various meetings with IATA, ICC, ECAC and other international organizations.

### **IATA / FIATA Consultative Council (IFCC)**

Main issues in this meeting were

#### **E-FREIGHT**

The AFI- e-freight team, together with representatives from major players in the forwarding industry has been working with IATA to ensure that in the drafting of the Recommended Practice 1670, (model agreement about Carriage of Cargo using Electronic Data Interchange (EDI)) the interests of all stakeholders are safeguarded.

#### **IATA FIATA NEW TRAINING AGREEMENT**

Our President, Mr William Gottlieb and Mr Ivan Liptuga, Ukraine are dealing and negotiating with the IATA Training Department Management about the planning and set up of how in detail to continue in performance enhancing and progressing to modernize the IATA FIATA Training Programme. This Programme used to deliver Professionalism to the Global Air Cargo Industry since 1977. The modern programme will focus on FIATA Membership. Association Members of FIATA to be accredited to provide the IATA FIATA Training Programme and we hope our members will be the primary distribution channel for these programmes, in their regions. They will enhance the course by including the local practices and regulations

#### **CASS Cargo Accounts Settlement System and EACP**

There was a great deal of tension at the last AFI meeting at the HQ Sessions of last March.

A lot of dissatisfaction throughout the world about the unacceptable behaviour of IATA CASS management, and particularly in the EACP countries.

Many associations expressed their dissatisfaction and were outraged by the way IATA treated their clients – the intermediaries. Several associations also questioned the need for IATA to accredit these intermediaries. These associations were of the view that in today's market place IATA had little or no relevance. They were unable to understand why IATA did not face the realities and change to keep up with the changing times. Most associations wanted the AFI delegates to try and bring about this change or in the alternative move away from the accreditation process of IATA.

Many associations were of the view that CASS is and should only be a payment mechanism and that the unreasonable powers given by IATA to CASS Managers must be curtailed.

#### **IFCWG IATA FIATA CUSTOMS WORKING GROUP**

John O'Connell, BIFA stepped down as Co-Chair of this group founded in 2003. Mr Olivier Layec, SNAGFA has replaced him. We thank John for his excellent service in this position.

Last year I mentioned here my concerns about 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 bear the air mode transport costs.

All of you know that the worldwide crisis' has made the second item a reality. There is less traffic in general and additionally a lot of cargo was transferred from Air to other modes of transport.

I look forward to meet many of you, as last year in Vancouver or even more at the FIATA World Congress in Geneva. This despite the financial crisis we have to meet to keep our exchange of experience and to progress.

Interesting topics will be discussed at the Airfreight Institute.

You are cordially invited to bring up yours.

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

Rodolfo J.C. Sagel  
Chairman, Airfreight Institute.

## **Customs Affairs Institute (CAI)**

Dear colleagues

I informed the CAI delegates and participants during the last CAI meeting that I would step-down at this FIATA World Congress in Geneva and Chair the CAI meeting for the last time.

I am convinced that the most valuable successor possible has been nominated, for the 2009 FIATA World Congress, to be voted for. I take the liberty and would like to request you to vote for Mr Stephen Morris, presently CAI vice Chair.

During the past the past years, since I was elected as the CAI Chairman, there has been further enhancement of the objectives of FIATA and I trust this progress has been noted by Members however what was not achieved was a greater input from Member delegates and it is hoped this aspect can be improved.

It appears difficult to get people to become more active especially during difficult economical times however to remain passive and not participate in identifying and rectifying issues for our industry's future is not the option. Only by active involvement collectively will we become stronger.

I am sure CAI is on the right course however it does need input and active participation by the entire membership of FIATA.

I wish my successor will be blessed with increased member participation and will receive your support to get and to gain more involvement and new blood to CAI to discuss and elaborate on aspects that affect the in international movement of freight with relation to Customs.

To that end let me talk about the trees we have planted and where we were able to harvest the first but still small fruits.

CAI's strategic outcome:

As to FIATA's work it has a permanent representative at the WCO. For more than a year now Mr Ceri Wooldgrove, has represented FIATA at the key identified meetings of the WCO which are considered key to FIATA's members regulatory and business needs. The reports of these meeting are published in the FDDS and at the HQ Meeting an executive summary as to the work at the WCO was provided. Ceri Wooldgrove was introduced to members in the FIATA REVIEW No. 77 of May 2009.

As to these reports the CAI [position is that these reports will elevate and broaden the knowledge of FIATA members about actual and future projects driven by the regulators and to deal accordingly with their Customs Authorities on a national level.

CAI participated and worked within the Private Sector Consultative Group to the meetings after having received its admission, what we consider to be a big achievement after more than two years of attempt to get in. The PSCG was established in the WCO to provide advice to the WCO Secretary General and the WCO High Level Strategic Group.

The PSCG inputs, suggestions and work are well noted by the WCO and are influencing.

CAI will take the opportunity through the PSCG to take on some of the key initiatives that may need to be addressed such as the Authorised Economic Operator, Mutual Recognition, Customs Data Model, and other key issues

What is needed for Member Associations, on behalf of their Members and their clients is Customs Administrations that apply best practice, that are cost efficient and cost effective. Where this is not the case we need to address with Customs Administration as members of the WCO that they are not meeting International best practice standards.

I am not going further into details as the minutes of the past CAI meetings and the WCO reports are informative and made for you to read. They are written in a good quality and are of high value.

FIATA is the voice of members' internationally with international governmental and non governmental bodies. The PSCG is therefore a key reference point into the WCO and with other international Governmental entities. In terms of the work that will be done at the PSCG, we will liaise carefully and closely with CLECAT on key issues as a significant number of FIATA members are also CLECAT members as a uniformity of purpose is appropriate. While CAI has an ambitious work program ahead, many issues will be channelled through the PSCG.

What we are witnessing today and will see for the future is the ongoing change in regulatory requirements whether they be in customs, agriculture, transport security, daily requirements and most importantly of all client needs and expectations.

These issues challenge members daily and will become even more complicated in the years ahead however that is why we are the specialist in developing solutions to these challenges..

Let me quote an excerpt out of an article, written by the CAI vice Chair Stephen Morris of the FIATA Review of May 2009 with which I agree

"Of particular interest to International Federation of Freight Forwarders Associations (FIATA) and its members will be how the respective WCO member customs administrations respond to the comments and recommendations contained in the G20 and WCO communiqués. With declining revenues, trade downturn and government budget operational reductions, many economies have moved from facilitation to revenue generation options."

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 new CAI Chair, Stephen Morris, the FIATA Secretariat Marco Sangaletti and Daniel Bloch and the work of Ceri Woolsgrove at the WCO we will meet this challenge and seek to deliver on these regulatory issues at the border for members .

For those that I will not meet on the next FIATA Congress in Geneva I would like to say, that it has been a pleasure to work with you and being part of the impressive FIATA association. I wish you all the best, good health and a good balance between your personal and professional lives.

I look forward to meeting with you again in Geneva.

Franz Schneider  
Chairman Customs Affairs Institute

## Multimodal Transport Institute (MTI)

It is remarkable that over the course of a year, almost to the day since my last report, that the world and the effect on our industry's activities could be so dramatically changed in such a short period of time. The worldwide economic crisis has virtually created an about-face for many of the issues addressed in our last annual report. Fuel prices have dropped, trade volumes have decreased, pressure on space and equipment as a consequence virtually eliminated, bulk carriers suddenly being in an over abundance and their rates reflecting same. The last year has been a huge challenge to many of our members struggling with massive reductions in volumes and consequent reductions in revenue. This past year, and quite likely the year ahead, will prove a true test of our industry's resilience to shifting economic conditions.

Since our last annual report we have continued to pay close attention to security issues and the impact they have on our industry and it is encouraging to see ever-growing indications that reciprocity in security systems and programs is being recognized as the best solution to the efficient and practical applications of such systems.

Concerns raised by the desire for 100% scanning of container cargoes bound for the United States may also hopefully give rise to a more rational approach to a program that all experts consider difficult, if not impossible, to implement at best, and of questionable additional benefit versus improved screening techniques.

Programs such as the U.S. 10 + 2 have given rise to concerns in our industry as to liability for data accuracy but one would hope that the same circumstances which apply to systems such as AMS and data integrity therein would be extended to 10 + 2 as well. It is of growing concern that as these programs take hold worldwide and tend to mirror the American AMS or Canadian ACI systems that these new initiatives take advantage of the lessons learned in other jurisdictions so as to again move in the direction of a harmonized approach and the avoidance of the desire to "reinvent the wheel" when designing such programs..

We have seen some significant initiatives with Working Group Sea concerning the Incoterms revisions that have been proposed and our committee has already submitted several opinions on proposed changes.

Recent meetings have raised questions concerning FIATA's documentation and how best to preserve the integrity of these documents and consider their future in an electronic age.

Perhaps one of the most significant issues undertaken over the last several years has been FIATA's activities with regard to the UNCITRAL initiative and what is now formally known as the Rotterdam Rules. We have seen many different positions concerning the pros and cons of this proposed convention and while this item may not grasp the attention of the whole world, it will certainly grasp the attention of our industry when the signing ceremony takes place in Rotterdam later this year. The true test will be the ratification process and here again many in our industry will pay close attention to this process as it unfolds, as will FIATA.

Our Road Transport Working Group has continued throughout the past year to grapple with issues of concern to those of our members who are actively engaged in servicing their clientele by road. The TIR System and its widening use and benefits is closely monitored while innovative systems such as the digital tachograph and its implementation are also being closely followed.

The working group has addressed issues raised by its members ranging from veterinary inspections in eastern EU Countries to the extensive level of fines in Hungary for small variations in weights and dimensions where these are no longer viewed as a safety related issue but rather one of a fiscal benefit.

Security over the roads is another issue that is of interest as it is in other modes and the efforts to ensure secure parking places and the fundamental issues surrounding adequate availability of these facilities is something that has led to projects and test sites that are being closely followed by the Working Group Road.

Working Group Rail has had an equally interesting and full year of activity in the interests of our members. They have continued to pursue their initiatives with the UIC regarding quality contracts and the importance of these as a part of the freight contract.

They have continued their efforts with the UIC to improve the relationship between individual rail companies and freight forwarders seeking better understanding of the roles both parties play to provide the best possible service to their mutual clientele. One of the initiatives that has proven most beneficial in cooperation with the UIC are the very successful marketplace meetings that have been organized and contributed to the development of commercial solutions to problems, especially for those that arise in emerging markets.

FIATA's Working Group Rail also joined with Clecat's working group in initiatives presented by the European Commission to continue to promote rail as a attractive and competitive mode of transport that is equally and environmentally beneficial.

Each and every one of these working groups strives to meet the needs of our members but again can only do so if our members bring issues of concern to their attention. Your institute and its working groups are here to provide as much assistance as they can in resolving issues of regional or international concern to our members.

In closing I would like to thank the chairmen and the members of the working groups for their assistance over the last year and I would like to thank in particular, Mr. Frank Boogaerts who, after more years that I can remember, will be taking a well-deserved retirement and I personally wish to extend my best wishes to he and his wife.

Equally my thanks go to Mr. Heiner Rogge, the Chair of our Working Group Rail who will be assuming the role of Secretary General for FIATA and will step down as our Working Group Chair for rail transport after our meeting in Geneva. Both these individuals will be replaced by very capable people. In the case of Seafreight, Mr. Robert Keen, who is Executive Director of BIFFA and Dr. Ivan Petrov who is the Manager at Messrs. Transexpress Ltd., in Sofia/Bulgaria.

I trust you will all join me in welcoming them in their new roles and we look forward to issues and concerns to be brought forward in the upcoming year.

Christopher J. Gillespie  
Chairman, Multimodal Transport Institute

# Advisory Body Dangerous Goods (ABDG)

## 1. Introduction

Despite the fact that the second half of 2008 and the first months in 2009 were not marked by particular highlights in the sector of transports of dangerous goods, the DG Body of FIATA was nevertheless active in mode related issues of hazardous cargo and members of the ABDG attended meetings at UNECE WP.15, Joint meeting, INDA Group, Brussels, IATA Dangerous Goods Board (DGB) in Montreal, Telematics Working Group.

Some of the FIATA members may be well aware that the **ADR**, the European Agreement concerning the international Carriage of Dangerous Goods by **road** and the **UN Model Regulations** can be downloaded from the UN web site, but nevertheless we would like to indicate again these important links:

### **ADR**

<http://www.unece.org/trans/danger/publi/adr/adr2007/07ContentsE.html> in English, French and Russian

### **UN Model Regulations**

[http://www.unece.org/trans/danger/publi/unrec/rev15/15files\\_e.html](http://www.unece.org/trans/danger/publi/unrec/rev15/15files_e.html) in Arabic, French Chinese, Russian and Spanish.

## 2. ABDG activities in the different modes

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### 2.1. Air transport (IATA DGR, ICAO TI)

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Information on major forthcoming amendments in the 50<sup>th</sup> Edition of the IATA DGR and the 2009/2010 of the ICAO TI that has become effective as from the 1 January 2009 without any transitional period. Changes refer to

- **new training requirements** In the ICAO-TI
- **limitations** for Lithium Batteries, Carbon Dioxide (Dry Ice), small Oxygen Cylinders, Underwater High Intensity Lamps and Fuel Cell Cartridges.
- **Excepted Quantities** in the air mode the regulations have been slightly amended to align them with the UN Model Regulations. The label has been replaced by a new marking.
- **Lithium Batteries**, and **Fuel Cell Cartridges**, special provisions on Packing, Marking and Labelling will apply.
- On the **Documentation** side provisions have been revised to allow the shipper to use electronic data transmission of the Shippers Declaration instead of a paper document.
- **New appendix I** in the DGR contains the reformatted Packing Instructions applicable as from **1 January 2011** for **Classes 3, 4, 5, 8, 9 and Divisions 6.1.**

### 2.2. Land transport (ADR / Road RID / Rail)

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Amendments in the ADR and RID came into force **1 January 2009** with a **transitional period of 6 month**. The situation for both regulations can be considered as quite stable for the time being. There are however some attempts to include **unloading activities** in the Regulations but at first the scope of activities covered by the Regulations will have to be defined.

ABDG filed a proposal (ECE/TRANS/WP.15/AC.1/2009/5) to UNECE WP.15 for amending the **LQ rules as from 2011, requesting a written statement from the consignor.**

### 2.3. Sea transport (IMDG Code)

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The amendment **34-08** for the IMDG Code will enter into force as from **1 January 2010** officially, but can be used already as from 1 January 2009.

**IMO DSC 12** decided at its meeting in September 2007 that training for in shore side personnel - which currently is a recommendation in the IMDG Code - will become mandatory, to formally enter into force 1 January 2010.

For the development of a **training program for sea transport of DG**, a working group consisting of ABDG and ABVT (Advisory Body Vocational Training) members has developed a set of "Minimum Standards" and is currently focussing on the development training structures/requirements for FIATA Association Members that wish to offer such courses.

### **3. Telematics**

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Since 2008 FIATA focussed its activities on the ongoing work on the elaboration of a legal framework for an ADR / RID / AND – wide telematics solution for the safe and secure transport of dangerous goods by road, rail and inland navigation. FIATA (Frank Huster) attended the 4<sup>th</sup> meeting of the international working group on 14-15 May 2009 in Munich during the “transport logistics 2009”. This work is based on a mandate given by the Joint RID / ADR / ADN Meeting (at UN level).

At this time of the process the working group tried to finalise a basic document for further discussion containing “who-what-when-how” information, possibly, needed for the transport of dangerous goods.

The next step of the work is to analyse the areas in which telematics applications might become really relevant for transports of dangerous goods and should be looked at in a more detailed manner, e.g.

- electronic consignment note;
- electronic transmission of load and vehicle conditions and of incidents;
- “geofencing” and traffic management;
- security aspects.

The benefits of many telematics systems for freight forwarders and transport operators are obvious. Logistics companies have already started to implement technologies to help them to better manage supply chains and fleets and, finally, costs. Therefore, FIATA is in favour of telematics applications for the logistics and transport sector as long as they provide significant measurable safety, environmental and economic benefits.

It is imperative that telematics applications for the transport of dangerous goods should not hinder stakeholders in the supply chain to maintain freedom of choice for the means of transport and infrastructure they use. The application of telematics must, to the widest extend possible, be implemented on a voluntary basis

Any deployment plan on telematics applications for dangerous goods should include a solid business plan, proving to all stakeholders the relevant benefits and the costs involved. In this respect incentives to be taken up by the users should also be included in the business plan.

A further meeting on telematics will take place in Arcachon, France, on 21-23 October 2009.

### **4. Harmonisation**

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One of very important topics brought up at the TDG Sub Committee is the **Harmonisation** leading to a joint Document (ECE/TRANS/WP.15/AC.1/2009/9). It includes a commitment of the ABDG to take part actively in the work - lead by the INDA Group (Industry Alliance concerned with the International Transport of Dangerous Goods) - comparing texts of the existing DG regulations jointly with another 13 Organisations in the Chemical and Transport Industry. Having harmonised regulations would offer several benefits, i.e.

- (a) The absence of conflicting modal requirements would facilitate the preparation of intermodal transport journeys;
- (b) Training in dangerous goods regulations would become simpler leading to a better understanding and more effective application of the regulations;
- (c) Enforcement would become less subject to interpretation and would help enforcement agencies implementing a more uniform inspection system;

- (d) The introduction of national dangerous goods rules in emerging countries will be greatly facilitated, ensuring the application of identical regulations at a global level.

## **5. FIATA DG Handbook ("FIATA introduction to the Regulations for the safe Handling and Transport of Dangerous Goods")**

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The FIATA Handbook on DG has been revised reprinted in early 2009 and presented at the HQ Session in March 2009 in Zurich. Orders for the brochure can be placed online via the FIATA website. An introduction to the document has been published in the FIATA Review No. 76/March 2009.

## **6. Miscellaneous**

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ABDG would like to reiterate its request to Association members of FIATA to nominate a focal point (responsible person) on dangerous goods within the Association. This person can also be an external expert on DG from a member company of the local Association.

Finally the Chairman would like to thank all those who have - directly and indirectly - contributed to the work of the Advisory Body Dangerous Goods in creating awareness on safety and security for all participants in the transport chain.

Frank Huster  
Chairman, Advisory Body Dangerous Goods

## **ADVISORY BODY LEGAL MATTERS (ABLM)**

### **ABLM Membership**

This is under continuing review as many full, co opted and ad hoc members are not attending often enough and it is felt that the group may benefit from certain members resigning and new blood coming in. New members are routinely advised that membership is dependent on a good level of attendance.

### **UNCITRAL**

The relevant comments on the UNCITRAL matters have been made by the FIATA UNCITRAL Delegate's Mr. Richard Gluck (USA) and Prof. Jan Ramberg (Sweden) as well as from different FIATA associations. A statement of the FIATA position in regards of UNCITRAL respective the Rotterdam Rules was not possible. This due to the fact of the very different positions made by the Governments as well as the Association members of FIATA, therefore an overall view of the various positions have been submitted to the FIATA members to elaborate their own position paper to be submitted to their governments. The draft of the Rotterdam Rules will be signed in Rotterdam in September of this year.

### **DISCUSSION TOPICS**

This pilot scheme established years ago in Moscow has proved becomes popular so it will remain on forthcoming agendas. That said, we have yet to receive any suggested topics into the secretariat from members which we would welcome as this agenda item is specifically for their benefit and we want topics to be discussed that are of interest to them.

### **FIATA AWB**

A draft of the foreseen FIATA AWB was presented at the HQ Session 2009 in Zurich. After discussion with the Airfreight Institute it was decided, that this matter will be handed over with immediate effect to AFI and that AFI will take care of this important issue.

### **FIATA Legal Handbook on Forwarding 4<sup>th</sup> Edition**

The new FIATA Legal Handbook edited by the former ABLM Chairman and Honorary FIATA Member, Mr. Peter Jones was presented at the FIATA WORLD CONGRESS 2009 in Vancouver and promoted during the HQ Session 2009 in Zurich.

Michael Lai  
Chairman, Advisory Body Legal Matters

## **Advisory Body Security Matters (ABSM)**

2008/9 has seen some significant changes within the Industry at large and the FIATA security working group. At the FIATA World Congress 2008 in Vancouver/Canada, the then current chairman, Jean-Claude Delen handed over the leadership of the group to myself. Then at the HQ-Session 2009 in Zurich, Switzerland, in recognition of the ongoing importance of security within our industry the Ad Hoc status was changed to that of an Advisory Body.

As the World and the Freight forwarding industry faces the Global Slow down, resulting in declining business, lay-offs and even closures of business Security has or seems to be taking a backseat. Particular attention will be paid in the coming 12 months to the direction the USA will take on Security under the Obama administration which at time of writing has been noticeably quiet on Security, as indeed have many governmental organizations.

During the past 12 months recommendations of the 9/11 the Commission Act of 2007 in respect of cargo screening have been a significant issue. In March of this year the USA announced they had met the first target of 50% screening of cargo on passenger flights. However there is some concern that the 100% target can realistically be achieved by 2010. Another significant milestone was that in January the US Customs Border Protection (CBP) issued criteria requiring 3PL's seeking to join the C-TPAT program to own or operate some of its own equipment, thus making it difficult for non-asset based companies.

Within the EU, the AEO program continues to be rolled out with around 700 certificates of compliance having been issued so far. As with so many announcements on Security, the reality is often somewhat different to that being stated, as was the case with the announcement on 31 Oct 2008, that the USA and EU had reached seek mutual recognition of their programs, this in fact sadly was not the case and is still to be achieved.

While some disciplines progress steadily on firm foundations and apply modifications to keep abreast of changing environment, security is somewhat different. One would need many crystal balls to look into covering all various facets of Security to predict the way ahead. Security is like a diamond constantly being re-cut and perfected with new faces or facets. The foremost target of the advisory Body for the next twelve months is to develop our network of communication and information to ensure we are able to provide our membership and the Institutes with timely, accurate and up to date information on developments within security as they affect the freight forwarding industry. When and where needed the advisory Body would speak up on behalf of the Industry as well as issuing position papers should the need arise

Another issue that the Body will address in the coming months and years is the issue of assessing the impact of the proposed IATA Secure Freight Program currently under trial in Malaysia, and how the UN regulators may adopt it within their on global aviation programs. While anything that enhances security within the global freight industry is welcomed, any such initiatives must take into account financial and practicability implications as well as, and most importantly, respecting industry boundaries and jurisdictions.

The advisory body will review how we can improve information flow both to and from our members and the best forms of promulgation of news.

During the Headquarters meeting in Zurich the issue of Security in respect of increasing cargo crime as result of economic slowdown was discussed. This raised significant discussion and the advisory body will be reviewing how this aspect of security can be dealt with under our mandate given this can result in direct and significant financial impact to members

David Fielder  
Chairman, Advisory Body Security 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 practices and requirements.

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

In line with the current industry practices, the objective 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 a structured training framework as to promote professionalism in their respective spheres of interests.

### **FIATA Validation of Training Materials**

The materials (syllabus) of Belorussia (BAIF), Chinese Taipei (TILSCA) and Singapore (SLA 'Higher Diploma in Supply Chain Management') have been successfully re-validated at the FIATA HQ Session in March 2009.

So far, 52 national training programs from 45 countries have been validated by FIATA-ABVT, but there are still over 20 % of the programs which have not been re-validated since 1996 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. We are glad to note that ABVT has made considerable progress thus far as a reflection of the preceding year(s).

### **Award of FIATA Diplomas**

From 1 January 1996 until end of February 2009 a total of 5'738 Diplomas have been issued. For the period September 2008 - February 2009, 360 Diplomas were delivered. France headed the country ranking with 66 Diplomas, followed by Iran Isl. Rep. with 56 and China with 54.

In the near future, the names of the successful Diploma holders (as from 2004 onwards) will be published - with their consent - on the FIATA website under > About FIATA > Organisation > ABVT > Diploma holders.

### **Exhibition on Training Materials at FWC and ABVT Forum**

ABVT invited its Association Members to share its validated training material during the FIATA Congresses and to show interested participants the training documents they have developed.

The 1<sup>st</sup> **ABVT Forum** took place successfully at World Congress in Vancouver in September 2008. Five speakers from Association Members (Chinese Taipei, Estonia, Ghana, Indonesia and Ukraine) provided interesting overviews on the development their local training. Representatives from Egypt, India, Italy, Japan, Kenya, Mexico, the Russian Federation, Singapore, and Vietnam attended the event, which will be repeated during the Congress in Geneva in September 2009 (during the Networking Session).

The primary objective is to provide a professional platform for FIATA Association Members to discuss and interact with each other on the challenges they are facing when launching training programs in their respective countries. We hope 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 2009**

For 2009, **14 candidates** (2008: 19 candidates) - a rather average figure - have been nominated by their respective Associations. Most of them have submitted their dissertations by the 30 April 2009.

The regional winners for 2009 come from **Germany, Mexico, Singapore** and **South Africa**. Congratulations to these young achievers for their excellent work! The topic of the 2009 competition focused on Disaster Relief Logistics and the level of the dissertations submitted was once again very high. The regional winners will attend the FIATA Congress in Geneva, where the overall winner will be announced. ABVT strongly recommends that Associations should organise **National Competitions** to

select candidates for the international Award which it is currently practised in Canada, Germany and the UK.

**FIATA Foundation Vocational Training (FFVT)** In June/July the Foundation carried out its 6<sup>th</sup> Train-the-Trainer (TOT) assignment in Damascus, Syria (18 June - 2 July 2009). The TOT course was extremely well-prepared by the local Association, SIFFA (Syrian International Freight Forwarders Association) with probably the largest group of participants ever achieved (34). The participants were highly motivated and worked hard throughout the course.

An application from Ethiopia - for which Mr Issa Baluch (Past President) carried out a pre-qualification visit end of June 2009 in Addis Ababa - is currently pending due to further evaluations and clarifications. The course has been postponed to January/February 2010.

The President, Mr Aldo Da Ros, attended the "Freight Forwarders Day" in Odessa, Ukraine early June 2009 and spoke on the work of the Foundation.

The Foundation is very grateful to all those individual FIATA individual members whom have included the optional donation of Swiss Fr. 25 for the Foundation in their payment of the annual membership fees. A large number of the members have chosen to donate in this way.

During the World Congress in Geneva, the Foundation will again organize a raffle for fundraising.

### **Projects of FIATA ABVT**

#### **❖ FIATA Higher Diploma in Supply Chain Management**

The proposal for the *Higher Diploma*, unanimously approved by the Board in March 2008, ABVT is currently working on the implementation guidelines, etc., and hopes to provide more details in the near months.

#### **❖ Associations' Self-Initiatives - TOT Programmes**

I am pleased to announce that there have been concurrent initiatives by FIATA Associations in two FIATA regions who have conducted TOT Programs in their respective regions this year VIFFAS (for Vietnam, RAP), EIFFA Alexandria (for Egypt, RAME), and under the FFVT Project as reported above, SIFFA (for Syria, RAME).

#### **❖ Recognition of FIATA Training Standards with the EU Commission**

Mr Marco Sorgetti, Director General CLECAT, has been mandated by 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. Recently, meetings have taken place with education related bodies of the EU Commission

#### **❖ Training course for Dangerous Goods by Sea**

In close cooperation with ABDG, ABVT has prepared a set of Minimum Standards for a Dangerous Goods course and is currently working on the development of course structures for Association Members, wishing to deliver such courses.

### **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 the period September 2008 and June 2009, ABVT is very pleased to welcome new ABVT Members from Egypt and Poland. This will certainly add diversity in our thought processes as well as profound experiences and knowledge into our work in promoting professional education and skills training for all in our industry.

Finally, I would like to express my sincere thanks and appreciation to all members of the ABVT, and the FIATA Secretariat 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