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FIATA

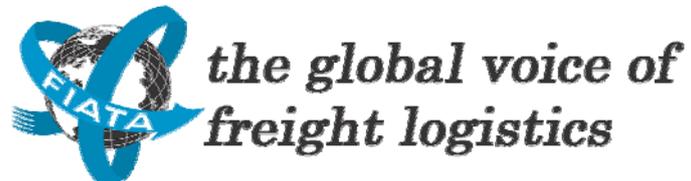
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Composition of FIATA

Presidency

President of FIATA	Jean-Claude Delen	Belgium
Immediate Past President	William M. Gottlieb	Canada
Secretary General a.i.	Heiner Rogge	Germany
Treasurer	Stanley Lim Hwee Hong	Singapore
Senior Vice Presidents	Sarosh J. Nagarvala	India
	Dr. Francesco S. Parisi	Italy
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	Babar Badat	Pakistan
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	Mrs. Christine D'Arcy	United Kingdom

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Chairman CAI	Stephen J. Morris	Australia
Chairman MTI	Christopher J. Gillespie	Canada
Chairman ABDG	Frank Huster	Germany
Chairman ABLM	Richard D. Gluck	United States of America
Chairman ABSM	David Fielder	Hongkong SAR
Chairman ABVT	Thomas Sim	Singapore

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 Barbara Wieser

President's Report

This is my first report to our members since I was elected President of FIATA at our perfectly organized World Congress in September 2009 in Geneva, Switzerland. It is a great honour for me to lead such a renowned organization. I am thankful for your confidence and for the help I have received so far and hopefully I shall continue receiving from all of you.

It is also not new that Vocational Training remains very high on the FIATA agenda. Our FIATA Foundation Vocational Training continues to carry out Train-the-Trainer courses in developing countries. However, soon we shall not be able anymore to conduct all planned projects if we do not find additional lecturers for our ambitious program. Furthermore, I appeal once again to all our Association members to tackle the re-validation of their training programs. This is extremely important and you are asked to make it a priority.

The economic crisis is not over yet. As expected due to the low volumes of transactions, the carriers have been obliged to take vessels and aircrafts out of the market. The result is that we are now missing capacity. However, no one can blame the carriers; they too have to run a business. But not enough of the problems: the clouds of ashes from the Eyjafjoll volcano in Iceland caused additional and very new problems to our industry. However, it is also an opportunity for us to demonstrate how we as professionals can cope with this challenge thanks to our technical knowledge and creativity.

During the past months I had the privilege to visit some of our members or participate at events organized by them. It is encouraging to see how many of them are engaged in the activities of FIATA, and I am glad that often FIATA can be of assistance to them. Field meetings are very important as they deal with local challenges and provide a good platform for networking and collaboration.

We all have been watching at TV what has been going on in Bangkok, the venue of our 2010 congress. The occurrences have forced the Presidency to carefully evaluate the situation. After the positive developments, it has been decided to continue with the preparation of our 2010 congress in Bangkok. The situation shall of course continuously be monitored and if the situation changes, we would not fail to take the necessary steps. Our decision is fully supported by our colleagues from TIFFA who have so far done an excellent job in preparing this important event. To show our Thai colleagues that we appreciate their efforts we would be happy to break the existing congress attendance record.

One of the goals of my tenure is to maintain and increase FIATA's influence in the international area. The invitation to some of the international organizations to meet with us at our Geneva congress was a very good step in the right direction. Our Secretariat will continue to regularly visit those Geneva based organization whose activities have an influence on our industry. I have not been idle either keeping contact with various NGO, European Union and other organisations like WCO, WTO, IATA and ICAO and every time my professional duties allowed me to meet with one of those organizations, I have always made sure to bring up the importance of FIATA and the Global Voice of the Forwarders.

FIATA was invited to sign a revised Memorandum of Understanding between the WCO and the public sector and I was privileged to attend and sign the official document during the Brussels meeting on June 25, 2010.

Now one of my priorities is, together with the Director to reassess the human resources needed at the Secretariat and make sure that we attract qualified policy makers and project managers, as some of our current managers are getting slowly but surely toward their well deserved retirement.

Professionalism and support to our members is the motto for the future.

Jean-Claude Delen
FIATA President

Director General's Report

Already more than nine months have passed since our World Congress 2009 in Geneva. It was a Congress that was organized superbly, thanks not least to the efforts of our partner ATG (Association des Transitaires de Genève, a regional branch of our Swiss Association Member SPEDLOGSWISS). The quality of the Congress was judged "very good" by the survey carried out among the participants, and this referred not just to the content of the different meetings, but also to the accompanying programme offered.

Once more, I have to stress the importance and the quality of the work carried out by our Institutes and our Advisory and Regional bodies. For the great dedication they show in serving the interests of our industry, I would like to express our thanks, and the thanks of our members, to all representatives of these bodies.

In Geneva, we were able to welcome several members of different international organizations as speakers at our meetings (such as members of UNCTAD, UNECE, the WTO and the International Red Cross). It became evident how important these contacts are for FIATA. It is now the task of our Secretariat to maintain these contacts, even to expand them.

In the past year, it was also noteworthy how the work of our individual technical committees became ever more diverse. Thus the Airfreight Institute (AFI) has greatly expanded its activities as a result of a new collaboration with ICAO in the realm of security and dangerous goods. And an E-learning project currently under construction together with IATA had made particular demands on the time of the representatives of this Institute. The Multimodal Transport Institute (MTI) played an important role in the review of the INCOTERMS by the International Chamber of Commerce (ICC) and is co-responsible for the fact that the INCOTERMS, newly adapted to the current situation, are due to come into force on 1 January 2011. Furthermore, a representative of the Secretariat participated in all meetings of the ICC Transport Commission in order to represent the interests of our members. The Customs Affairs Institute (CAI) was present at all important meetings held by the World Customs Organization (WCO) in Brussels. Reports on the topics discussed there are regularly sent to our members by the CAI.

But also our Advisory Bodies on Dangerous Goods, Legal Matters, Security Matters and Vocational Training have to participate in increasing numbers in meetings of the appropriate international committees in order to recognize at an early stage the newest developments and to represent the interests of our industry.

The Regional bodies that have been in existence for several years have also held several field meetings in recent months. The increasing numbers of those participating are an unmistakable sign of the success of these meetings. They give our members the possibility of bringing up regional problems and of working on common solutions. If necessary, the problems can also be submitted for discussion by the appropriate Institutes or Advisory Bodies within FIATA itself.

The FIATA Foundation Vocational Training has successfully carried out further 'Train-the-Trainer' projects in Mexico and in Ethiopia. I would like to express our thanks to the lecturers involved. Their activities mean giving up much time free of charge. In order to lighten the burden on them, it is now important that we soon find further experts who would like to take part in future projects. All these projects could not be carried out if we did not receive generous donations from our Association and Individual members – for which we are extremely grateful!

The tasks of the Secretariat have changed when compared with previous years: new topics have to be dealt with that in the past were either not discussed or were only on the margins of our work (such as security and environmental sustainability, etc.). It is thus to be welcomed that the Presidency is occupied with the reorientation of the Secretariat in order to ensure that our members in future still receive the best possible support.

Finally, in the name of all the colleagues in the Secretariat, I would like to thank our members for their support and for their agreeable teamwork. It is a matter of great satisfaction to us that even in economically difficult times, the global representation of our industry is regarded as important and necessary.

Marco A. Sangaletti
Director General

Airfreight Institute

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

Both AFI meetings, one in Geneva at the FWC 2009 and the one at the HQ-Sessions 2010 were well attended. The contents and the arising discussions were very informative and interesting.

I would like herewith to express and to give my sincere appreciation to all participants of all the AFI related meetings. Please take my sincere thanks for all your time and efforts you are continuously spending; our Airfreight Forwarders Industry to benefit.

FIATA and IATA

Some; out of the various meeting were held in a small circle amongst the Top Management of the two organisations.

These meetings were fruitful and raised my confidence in a further and a better relationship with IATA.

Issues of various meeting with IATA were

E-AWB and Model agreement for EDI (IATA Recommended Practice 1670)

FIATA supports the introduction of the e-AWB and encourages its members in countries where the e-AWB can be used, to contact the airlines in order to switch from paper to electronic AWB as soon as feasible.

As reported last year IATA and FIATA/AFI had been working and have agreed on a model agreement for electronic data interchange which has been published as a recommended practice (RP1670).

This agreement can be amended as per the needs and requirements of both parties.

This is a model agreement and we are not in a position to check applicable laws in all possible countries of the world.

FIATA does not take any legal responsibility whatsoever the consequences of signing the agreement.

In the view of AFI this is an agreement which is balanced and which takes the interests of both parties into account.

IATA FIATA NEW TRAINING AGREEMENT

Until to the HQ meetings the IATA FIATA Training programme as announced last year has failed to meet any of the objectives that had been set jointly by IATA and FIATA at its inception.

"We take full responsibility for this failure", the foregoing was stated by Aleks Popovich, IATA Head of Cargo, while giving his official opening remarks at the IATA WCS of March 2010 held in Vancouver.

IATA and FIATA were coming finally forward. The programme is back on track.

It has established a Steering Group which includes Mr Aleks Popovich and Mr Guido Gianasso, both IATA Senior Vice Presidents, Mr Ivan Liptuga, Vice Chairman of ABVT and Mr W. Gottlieb himself. The IATA FIATA Training Working Group (IFTWG) had been revitalized. It has now a Project Manager, Mr Maurizio Anichini at IATA supported by Mrs Terry Light, based in Geneva and on the FIATA side, Mr Markus Schöni, Manager ABVT and ABDG and Mr Doug Burek, the Educational Director for the Canadian International Freight Forwarders Association.,

We are looking forward to get a report at the next FIATA World Congress on first pilot projects on both the Dangerous Goods Initial and Recurrent Training and the Basic Cargo Training Cargo Programmes with some of FIATA's Members. Interesting will be as well to hear about the issue of transitioning the current Training Centres that had been accredited either under the current IATA FIATA Training

Programme and those that are under the IATA Dangerous Goods Board and merging them into one Training School Programme. All of them are administered under the IATA FIATA Training Programme.

CASS Cargo Accounts Settlement System and EACP

CASS Import and CASS Europe

At the beginning of 2009 IATA had declared that CASS Import will be rolled out over the next month in a number of European Countries. AFI had made a survey amongst the Members operating under 805 in Europe and it appears that in no case the National Association Member has been consulted about this introduction. This issue was not mentioned at IFCC or EACP-JC meetings (until 2009).

AFI is not in favour of the introduction of a new CASS module in the 805 countries. Firstly; because the current problems we are having in the EACP, have to be resolved before any further modules could possibly be introduced, but more importantly; because there are serious issues with the CASS Import mechanism as proposed. (for more detailed information please refer to AFI Doc 337)

IFCWG IATA FIATA CUSTOMS WORKING GROUP

Under Mr Olivier Layec on FIATA side acting as Co-Chairman to the IFCWG. IFCWG agreed on March 2009 following their groundwork in laying down which had resulted to the **IATA-FIATA Advance Cargo Reporting Recommendation**; concerning the provision of advance cargo information to the authorities for risk assessment purposes.

IATA and FIATA understand that this recommendation may have to be modified whenever it is necessary

International Civil Aviation Organization (ICAO)

FIATA and its member associations, do treat safety and security as core values and seek to improve cargo security and safety through both education and higher standards of professionalism within the air cargo industry, forwarders, carriers, and traders alike.

Our Past President Mr William Gottlieb succeeded after having tirelessly worked on the approach of FIATA with ICAO, the International Civil Aviation Organization. FIATA was accepted and will be heard.

AFI will be steering this relationship through the Advisory Body Security Matters and the Advisory Body Dangerous Goods.

Advisory Body Security Matters is participating to Meetings regarding Security.

ICAO Dangerous Goods Panel. Mrs Christine D'Arcy vice Chair of ABDG will be attending these meetings on behalf of AFI.

AFI is looking forward to have the member delegate's active participation as well in the future to its meetings at either the FIATA World Congress or the HQ-Sessions.

Without question, AFI welcomes during the entire year your input. These may be directed to the AFI Manager at the FIATA Secretariat.

We count on you to be in Bangkok to have the Congress with its AFI meeting to become successful and to have an exchange about the issues which is the Airfreight Forwarders concern of today and in future.

I am confident that interesting topics will be discussed at the Airfreight Institute.

As always; You are cordially invited to bring up yours.

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

Rodolfo J.C. Sagel
Chairman, Airfreight Institute.

Customs Affairs Institute

The year in review for the Customs Affairs Institute (CAI) has been one of consolidation in terms of the interface with international and regional governmental and non-governmental entities. For many customs administrations key aspects of modernisation remained a *work-in-progress*, as regulatory agencies and governmental department budgets were cut in all economies as a result of financial constraints.

However, in certain customs administration work continued on key border security initiatives, in particular the Importer Security Filing (10+2) of the United States Customs and Border Protection and the Authorised Economic Operator (AEO) within the European Union context. These initiatives will underpin customs and border risk assessment for the future and the outcomes will be watched closely by other customs administrations, and industry, as to what benefits these initiatives will provide in supply chains security and integrated border management.

While the International Federation of Freight Forwarders Associations (FIATA) remains committed to these concepts, a need clearly exist for trade facilitation to be an integral part of these arrangements so as to ensure industry, in partnership, will actively pursue the benefits in establishing and incorporating such supply chain security and AEO outcomes in their business processes.

The CAI has been actively involved with the World Customs Organisation (WCO) and its SAFE Framework of Standards to Secure and Facilitate Global Trade and the Revised Kyoto Convention, particularly in relation to customs modernisation and key initiatives to facilitate trade. Work on these issues has been undertaken through a variety of WCO meetings where the European Association for Forwarding, Transport, Logistics and Customs Services (CLECAT) (by way of a service agreement) participates on behalf of FIATA. This FIATA / CLECAT / WCO arrangement has proven to be beneficial to FIATA as to its standing at the WCO and has provided cost efficient and cost-effective representation.

In addition FIATA is a member of the Private Sector Consultative Group (PSCG) and along with thirty (30) other international and regional non-governmental associations and corporate entities provides advice and direction to the WCO Policy Commission on international customs matters. This forum has enabled FIATA to further its recognition with customs administrations, other regulatory agencies and global traders on international, border management and freight forwarding issues.

Of interest to CAI is the emerging impact of agricultural / quarantine issues at the border and the integration, in some economies, of these processes with customs formalities. In many economies quarantine intervention has become, or is becoming, the greatest impediment to border processes. While integrated border management is seen as appropriate it is noted that there are significant philosophical and process differences between customs and quarantine border agencies. In terms of integrated border management these issues will need careful consideration so as to ensure the synergies of integration are to the benefit of trade facilitation and not solely as to the regulatory agenda.

The CAI has sought to develop a wider base of FIATA membership input to its work by way of the establishment of a CAI Customs Reference Group (the Group) to address, as needs be, referenced customs policy and / or process. The work of the Group will be handled through the CAI Secretariat and FIATA members having an interest in the Group's work should contact the FIATA CAI Manager. It is appropriate at this time to recognise the work undertaken by Mr Daniel Bloch, CAI Manager at the PSCG and in his support to the CAI Chair and FIATA members.

The future as to customs administrations intervention in supply chain security, maintenance of revenue protection, expanded community safety requirements and heightened compliance monitoring will impact on all service providers in international trade logistics and supply chain management. Of critical importance will be the balance of regulatory control as to trade facilitation and, at what cost, remain critical issues for CAI to monitor on behalf of FIATA members. The year ahead will be as challenging for CAI as these expanded border initiatives will be for FIATA members.

In addressing these issues, and achieving outcomes, the support FIATA members is crucial and I look forward to your support in achieving these objectives.

Steve Morris
Chairman, Customs Affairs Institute

Multimodal Transport Institute

It is doubtful that there are those among us who are not aware that 2009 will probably be recorded as one of the most dismal years in the history of our industry and indeed even more so for the suppliers in the various modes on which we depend when providing service to our clientele.

The full effect of the impact of the economic crisis was only seen towards the end of the past year, and while the efforts of carriers to address the reduced volumes with slow steaming, vessel layups, and reduced port calls all had an obvious impact on supply and demand consequently enabling rates to increase, the more rapid than expected growth in demand has now once again led to space and equipment shortages.

The past few years' roller coaster ride demonstrates only too vividly the fragile nature of the transportation marketplace. Stability, one can only hope will be the goal of those whose actions can significantly impact the market.

While the economic woes of the past year have in many ways overshadowed much of what occupied our attention previously, security and all it encompasses remains critical to our industry and its members.

The most recent announcement concerning the EU "Entry Summary Declaration (ENS)" to take effect December 31st, 2010 will undoubtedly be of concern to those of us who struggled through the implementation of ACI, AMS and many other countries' versions of this pre-advice system and we can only imagine what lies ahead.

Working Group Sea has tackled a number of issues in the last year.

We have continued our efforts and voiced our concerns that U.S. forwarders are excluded from CTPAT if they are non-asset based and we welcomed news in the past year concerning delays in the 100% Container Scanning Program which we continue to maintain is a more political than practical program.

We have been encouraged in the past year to have seen significant changes regarding NVOCC tariff filing rules in the United States. While the results are encouraging, we believe that this exemption should be extended to include non-U.S. based firms.

The revision of Incoterms for which we have actively submitted our thoughts during the past two years has been completed and the new version will be introduced on January 1st, 2011.

Rotterdam Rules have been signed by twenty-one countries to date but the process still awaits the ratification of these signatures and one can only expect that until major trading nations such as the U.S.A. ratify the convention, the process of ratification will be slow.

Our Rail Transport Working Group continues to be active especially in their association with the UIC monitoring the Quality Agreement Program and pushing for a broader recognition of this same program in countries where it still has not been implemented. This policy goes hand in hand with the Service Neutrality Agreement, another critical aspect in a commercially viable relationship between freight forwarders and railways.

The continued success of the FIATA UIC marketplace meetings has clearly demonstrated value and interest in such activities and the support for these initiatives appears to be growing, to the benefit of all.

FIATA also undertook in the past year to expand the scope of its Rail Transport Working Group to embrace this critically important mode of transport in other regions of the world and seek input and feedback from our members accordingly.

The Road Transport Working Group has continued to pursue and actively address issues raised by our members. The discussions surrounding some of the more technical issues, including digital tachograph, appear to be never ending. Also addressed are significant concerns such as secure parking places and fines being assessed in certain regions such as Hungary. These are matters that the working group can and does address in an effort to expand awareness within our membership. They equally solicit the assistance, whenever possible, of regional members to draw to the attention of

their authorities how these policies/facilities or the lack of same, significantly impact the transportation infrastructure both to and from their regions.

It is important to remind everyone who may have taken the time to read this report that the activities of your MTI Working Groups are to a great extent dependent on the needs of our members and it is in fact our members who drive the initiatives undertaken by your working groups. We welcome your participation, suggestions, comments, and issues to be addressed and look forward to your participation in the upcoming year.

In closing I would like to thank the chairmen and members of our working groups for their assistance over the last year. Mr. Kosta Sandalcidis, Chair of our Working Group Road, Mr. Ivan Petrov, Chair of our Working Group Rail and Mr. Robert Keen, Chair of our Working Group Sea, thank you again.

Respectfully submitted,

Christopher J. Gillespie
Chairman, Multimodal Transport Institute

Advisory Body Dangerous Goods

Although the dangerous goods regulatory framework generally is very dynamic, fortunately for freight forwarders, carriers and shippers, the process of further development of the regulations has now reached calm water. The legal structure has been settled and also the process of harmonisation between mode specific dangerous goods (DG) provisions has reached a more or less comfortable level for the stakeholders. Much has been achieved, but, despite all efforts made, some issues are still pending. The fact that the last twelve months were not marked by particular highlights in the sector of hazardous cargo transportation must not lead to the illusion that the freight forwarding business will not be affected by future activities of the regular international DG committees and their sub-groups at UN level that each meets at least two times a year to fine-tune the provisions. This and the fact that, also from the freight forwarder's point of view, the DG regulatory framework still is not perfect, makes it necessary for FIATA to regularly attend UN and other meetings in order to closely follow and influence discussions by own proposals. It is important to underline that through the eyes of a Non-Governmental Organisation (NGO) like FIATA success quite often means having prevented its members from new legislation which would impose additional administrative burdens to our business but not necessarily positive effects on the level of safety.

From FIATA's point of view the lobbying for the development of the "greater" European DG surface transportation regulations (ADR for road transport and RID for rail transport) continued to be largely successful. First of all FIATA was happy to notice that Turkey has joined the the ADR Convention which now has an extent of 46 member states (RID has 44 members) covering an area from the north of Europe down to North Africa and already touching western parts of Asia. In detail FIATA took influence on recent negotiations on the 2011 edition of ADR and RID, e. g. new provisions concerning the declaration and marking of carriages of DG in Limited Quantities (LQ), new obligations for unloaders, tunnel regulations, driver training and, much to our regret, after only two years, a revision of the driver's Instructions in Writing in case of accidents. FIATA also continued focusing its activities on the ongoing work on the elaboration of a legal framework for a telematics solution for the safe and secure hazardous cargo transport by road, rail and inland navigation. This work is based on a mandate given at UN level to an informal working group with the membership of FIATA. FIATA emphasised that any telematics applications, not only for the DG sector, will be supported as long as they provide significant measurable safety, environmental and economic benefits under the condition of stakeholder's voluntary implementation. At present two research projects have started investigating demands, solutions (e. g. electronic consignments notes or electronic transmissions of load an vehicle conditions to first response teams) and cost-benefits situations and it is unlikely that any legal provisions will be added to ADR or RID before 2015.

In 2009 FIATA was successful in achieving observer status at the International Civil Aviation Organization (ICAO) which fills a gap in the field of active DG lobbying. FIATA Presidency by support of the Extended Board, the Air Freight Institute (AFI) and the Advisory Body Dangerous Goods (ABDG) nominated an excellent expert, Mrs Christine D'Arcy, Deputy-Chairperson of ABDG and long-time AFI member, based in the UK, as a FIATA representative at the ICAO Dangerous Goods Panel (DGP) to observe and to contribute to the ongoing developments of the ICAO Technical Instructions

for the Safe Transport of Dangerous Goods by Air. The next changes to the air mode regulations will be included in the 2011-2012 edition of ICAO-TI and the IATA-Dangerous Goods Regulations (DGR) 52nd edition both effective from 1st January 2011. The role of the freight forwarder when handling DG air cargo is still not really satisfying in terms of ICAO-TI and IATA-DGR training requirements. Although it is clear that personnel are required to receive training commensurate with their responsibilities, air regulations define training by profession (freight forwarder) rather than the function involved. As a result many freight forwarders receive DG training in excess of their real responsibilities which might vary from case to case as intermediaries between shippers and operators. ABDG and AFI will keep this topic on their agendas.

I would like to thank my colleagues from ABDG who gave support and contribution to our joint work. A special thank goes to Mrs Christine D'Arcy, who very thoroughly watches the air DG regulatory process which is still different from the rest of the mode regulations, and Mr Claus-Dieter Helmke, who spends many weeks of the year representing FIATA at various UN meetings.

Finally, I would like to thank Mr Markus Schöni from the FIATA Sekretariat for his excellent administrative work "back stage".

Frank Huster
Chairman, Advisory Body Dangerous Goods (ABDG)

Advisory Body Legal Matters

Rotterdam Rules

The new UN approved convention on cargo liability for shipments wholly or partly by sea was opened for signing and ratification by member states at Rotterdam in September, 2009. FIATA previously participated in the UNCITRAL Working Group that drafted the convention, and there has been continuing interest among member associations in its potential effect on the freight forwarding industry. Brief updates on the key provisions and prospects for ratification were offered at each of the ABLM sessions during the year, followed by a spirited debate among delegates and observers on whether the convention should be ratified. Consideration was also given to whether its adoption might require amendment of the FIATA Bill of Lading. Given the broad range of differing opinions on the subject of ratification, it was decided by FIATA that ABLM should continue to offer information and a neutral forum for discussion about the convention without adopting a formal position either for or against it.

Iranian Sanctions

Information about enhanced enforcement of sanctions against Iran by the U.S. and other national governments was reported to the membership. The U.S. Government has prohibited freight forwarders subject to its jurisdiction from dealing with certain listed companies, vessels and individuals. The U.N. and various member states have also adopted sanctions with which all forwarders should become familiar.

Proposed Actions by Pakistan to Restrict Delivery against House Bills of Lading

The Pakistan International Freight Forwarders Association (PIFFA) requested the assistance of ABLM in resolving problems raised by efforts of the State Bank of Pakistan to prevent fraudulent delivery using house bills of lading for ocean shipments. The Extended Board directed the chairmen of ABLM and MTI to make this a high priority and to offer advice, counsel and support to PIFFA, so as to protect the interests of the freight forwarding industry and the use of FIATA documentation for shipments to and from Pakistan. PIFFA reports that satisfactory new rules for the use of house bills of lading were negotiated with the State Bank to prevent release of cargo before payment for the goods has been made. Further actions are now being undertaken by Pakistan to regulate the licensing of international freight forwarders in Pakistan.

Limitation of Liability for NVOCCs

The UK association requested that FIATA consider requesting changes in the 1986 convention governing the limitation of liability for ship owners involved in accidents resulting in cargo loss. Claims

against NVOCCs have been made recently for cargo loss in excess of that covered by the convention. The UK association submitted a suggestion that NVOCCs should be covered by the convention. This matter was referred to the MTI for further consideration and possible inquiries to the CMI, UNCTAD or IMO committees responsible for the convention.

Dispute Resolution

At the request of the Egyptian association and others, ABLM considered the handling by FIATA of many requests by individual forwarders for assistance in resolving disputes with counterparts in other countries. While it was acknowledged that FIATA staff cannot become involved in informal dispute resolution, it was suggested that a list might be compiled of qualified mediators and arbitrators to whom such disputes could be referred, and that other quick and inexpensive means of dispute resolution should be surveyed so that FIATA staff could refer those seeking assistance to such sources.

Case Law Updates

An update on recent case law, mainly involving major cargo claims from around the world, is given at each ABLM session and has become one of the most popular items on the meeting agenda.

Antitrust Warning

The Extended Board has requested that ABLM prepare a written antitrust warning that can be provided with the agenda for FIATA meetings in lieu of the oral warning that is now read at the beginning of every meeting. This work should be completed in time for the World Congress in Bangkok in October, 2010.

Addition of Co-Opted Experts

The Chairman has encouraged participation by the next generation of industry attorneys, and two new co-opted experts have been added, from the U.S. and Argentina.

Richard Gluck
Chairman, Advisory Body Legal Matters

Advisory Body Security Matters

2009/10 has not experienced so much of a change in respect of security as in previous years. 2009 was a year of reconciliation of handling reduced volumes against a world in financial difficulty and in conjunction with this there was a new administration within the USA, all of which resulted in a slowdown in the introductions of new security initiatives. In the last report we mentioned that "particular attention will be paid in the coming 12 months to the direction the USA will take on Security under the Obama administration". During the 2009 Annual Congress in Switzerland and indeed also during the 2010 Headquarters meeting, we talked mainly about the development of the European AEO program and the status of affairs in respect of the 100% screening required in the USA by late 2010.

Within the EU, the AEO program continues to be rolled out with around 2145 certificates of compliance having been issued so far, a 300% increase on the previous year. However there have also been a number of application rejections. Alongside the AEO program is the new EU implementation regulation 185/2010 which became applicable on 29th April 2010 covering such topics as recruitment pre-employment checking, training of staff (28 different categories) and the establishment of a European database of regulated agents and known consignors

Previously we also commented that "one would need many crystal balls to look into covering all various facets of Security to predict the way ahead." Clearly the following situation epitomizes this. However, on March 5, 2010, Gale Rossides, (TSA's acting director) stated that 100 percent air cargo screening two years away on passenger airplanes into USA. Yet on April 27th 2010, some 7 weeks later the world was suddenly woken up with the news that the TSA was mandating that all PAX carriers with cargo to the USA had the cargo fully screened. What was more interesting was the TSA advised that the carriers had known since the beginning of the year (despite the announcement of

March 5th). This news is being reported now as it has only just come to light but does signify an increased alertness for the industry to be wary of statements emanating from the YSA.

In previous reports the proposed IATA Secure Freight Program currently under trial in Malaysia was discussed. This subject has continued to grow with IATA proposing trials in other countries including at least one European country. FIATA has made it clear that while it does not oppose anything that improves security any program introduced which impacts on the freight forwarding industry must be a collaborative approach with equal input and as such the current program should be renamed to reflect this.

During the year the ABSM has made advances with ICAO and was invited to the first ICAO Security Secretariat working group on supply chain security in Malta. This is an encouraging sign that regulators are now considering impact of rules and is engaging the industry at large

As in previous years, during the Headquarters meeting in Zurich the issue of Security in respect of increasing cargo crime as result of economic slowdown was discussed.

David Fielder
Chairman, Advisory Body Security Matters

Advisory Body Vocational Training

ABVT – General

FIATA Advisory Body Vocational Training continuously endeavors to promote and to raise awareness in training, to improve competitiveness through knowledge and skills acquisition in our rapidly 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 is under continuous reviews to keep pace with the rapid technological developments, changes in our industry practices and requirements.

Revision in the Rules & Procedures for Validation/Re-validation of training materials developed by Association Members

In line with the current industry practices, the ABVT adapts its Validation Rules and Procedures and monitors the re-validation intervals, minimum training hours, mode of submissions, validation questionnaires, attendance at validation and re-validation sessions, etc. ABVT continuously encourages all FIATA Association Members and assists them in developing a structured training framework as to promote professionalism in their respective spheres of interests.

FIATA Validation of Training Materials

The materials/syllabus of Vietnam (VIFFAS) and Mexico (AMACARGA) and the programmes of India (FFFAL), PR China (CIFA) and the Netherlands (FENEX), Bosnia-Herzegovina (ECOS, CCBH) and the Russian Federation (FAR) had been successfully adopted between September 2009 and March 2010.

There are now 47 countries (as per 17th March 2010), who have FIATA validated training materials with 52 national training programmes. However, there are still 9 programmes (or 17%) of the FIATA-approved programs which have not been re-validated since 1996; these programs therefore no longer comply with the FIATA Rules & Procedures for Re-validation (exceeded the 4 years' intervals).

Awarding of FIATA Diplomas

From 1st January 1996 until early March 2010, a total of 6,333 FIATA Diplomas were issued. For the (6-month) period of September 2009 to early March 2010, 303 Diplomas were delivered with France heading the country rankings with 67 Diplomas, followed by Singapore and Chinese Taipei both with respective 33 distinctions.

As an additional promotion of the FIATA Diploma, the names of the successful Diplomas holders (as from 2004 onwards) will be published (with their consent) on the FIATA Website.

ABVT Forum

ABVT has organized so far, two Forums on Professional Education (in Vancouver and Geneva). These events were positive and popular, particularly the last Forum in Geneva was attended by many global participants – despite the fact that it was organized outside the official meeting schedule and therefore not announced in the Congress Programme. However, from this year's FWC 2010 onwards, the ABVT Forum will be included in the official Congress Agenda.

The ABVT Forum is meant to be a strategic platform for Association Members, its Training Providers and those generally interested in the development of professional education for the industry to focus on best practices in training developments and executions in our business of freight, transport and logistics.

From this year's 3rd ABVT Forum in Bangkok (Thailand), we shall have 3 sections, namely – Best Practices in Training, Core Activities of ABVT and Key Presentations by international speakers from our value chain. A panel discussion with experts has been scheduled just after each of the 3 segments. ABVT welcomes all to register for this important forum!

FIATA/IATA/TT Club Young International Freight Forwarder of the Year Award (YIFFY Award) Competition 2009

For 2010, 16 Candidates had been nominated by their respective Associations, and finally 15 had submitted their dissertations by the 30th April 2010. On 17th June 2010, the YIFFY Steering Committee held its Judges Meeting in London.

The top scorers were again close together and for the selection of the Overall Winner, the Committee envisaged a short session with the 4 top scorers where they will have to deliver a presentation of their dissertation. The 4 Regional Winners will be announced in July 2010 and they will be invited to attend the FWC 2010 in Bangkok (Thailand) where the Overall Winner will be announced.

For the YIFFY competition 2011, the Steering Group had decided to select an "open" topic providing information on the assessment criteria. This format should allow candidates to interpret the assignment in a more flexible, personal and locally adapted way. Evaluation criteria will however, be crucial and further discussions on the new approach will take place at the coming meeting.

ABVT strongly recommends that Associations should organize National Competitions to select their top candidates for YIFFY Award.

FIATA Foundation Vocational Training (FFVT)

In February/March the Foundation delivered its 7th Train-the-Trainer (TOT) assignment in Addis Ababa (Ethiopia) with a total of 47 participants. The participants were highly motivated and worked hard throughout the course. It was however felt that some of the submission criteria for TOT programs should be adapted.

At the moment the Foundation examines application from Eastern Africa, Central Asia and Latin America.

The Foundation would like to express its gratitude to all those FIATA Individual Members which have "topped up" their annual membership fee by an optional donation of Swiss Fr. 25 for the Foundation. A large number of the members have chosen to donate in this way.

During the World Congress in Bangkok, the Foundation will again organize its traditional fundraising raffle. Raffle tickets can also be purchased via the Registration form.

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; ABVT has been working on the implementation but is confident to see applications for the "FIATA Higher Diploma" for the first time in 2010.

- Associations' Self-Initiatives - TOT Programmes

I am pleased to announce that there have been concurrent training initiatives by FIATA Associations in three FIATA Regions (RAME, RAP, REU) who have conducted TOT Programs in their respective regions this year in South Africa (SAFF), Malaysia (FMFF) and *Ukraine (UKRZOVNISHTRANS/AIFFU) (*Higher Diploma course).

- Recognition of FIATA Training Standards with the EU Commission

The efforts to secure recognition of the FIATA Training Standards by the EU Commission (and later by the EU Member States) has been ongoing through Mr Marco Sorgetti, Director General CLECAT.

- 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 has launched a survey on the need of training for seaborne transports of Dangerous Goods.

Future Directions of the ABVT

The ABVT has been exploring new initiatives in training development and enhancing training standards with the objective to introduce vocational training pathways for FIATA Associations and their graduands as well as to assist Association Members in developing and promoting training sustainability through its training standards and best practices.

Capacity building in the area of Trainer Resources will also be one of the primary focuses of the ABVT. We shall build-up the capability of a competent pool of Trainers with recognition through periodic pedagogical and andragogical trainings and certifications.

New members of ABVT

ABVT is pleased to announce a recent application for ABVT Membership from Mexico. Mr Ernesto Arévalo Schoedl has been accepted to head the ABVT sub-group "New Technologies" (e-learning/blended learning) previously supervised by Sally O'Farrell (France). Mrs O'Farrell has asked to be released from this function but will remain as a Member of the Body.

Finally, I would like to express my sincere thanks and appreciations to all ABVT members, the FIATA Secretariat for their continuous support, assistance and commitments in making the ABVT's work an enjoyable and fulfilling one for all!

Thomas Sim
Chairman, Advisory Body Vocational Training