

E-COMMERCE IS ESSENTIAL TO THE OVERALL SUCCESS OF THE AIR CARGO SUPPLY CHAIN, SAYS GACAG

E-commerce is a critical component of the future security, efficiency, sustainability and overall commercial success of the air cargo supply chain, says the Global Air Cargo Advisory Group (GACAG), and the changeover from current processes will happen. GACAG will drive its development and encourage progress through several initiatives by its E-Commerce Task Force.

At the heart of a long overdue process changes, the Group says, is the elimination of paper-based documentation. With participation from airlines, forwarders, ground handlers, customs and shippers, GACAG has initiated a review of the e-freight project launched by IATA in 2006, and will review other relevant initiatives, to identify the best possible roadmap to accelerate the implementation of a paperless transportation process.

Two areas have been identified as priority for collaboration by GACAG members: the electronic air waybill (e-AWB) and the promotion of electronic Customs procedures.

“The air waybill is a central document in the air cargo transportation process and an electronic AWB is a natural first step towards creating a fully paperless environment. The e-AWB will be focused on as a catalyst to drive the adoption and implementation by airlines and forwarders of electronic air waybill procedures,” said Bill Gottlieb, Chair of the GACAG E-Commerce Task Force and Treasurer and Past President of FIATA.

In addition, the implementation of harmonized electronic Customs procedures by countries worldwide is key to creating a network of routes where air cargo industry participants can benefit from an end-to-end paperless process, GACAG said. Removing the requirement to transport original paper documentation with the freight allows for significant cost and time savings and enhances reliability. GACAG members have begun to identify countries where they can jointly engage with relevant authorities to promote the implementation of these procedures at the national level and internationally through the World Customs Organization (WCO).

Bill Gottlieb added: “The future for our industry and for the individual businesses that take part in the global air cargo supply chain depends on our ability to provide the best possible service to international traders and their customers and facilitate further development of global commerce. In today’s environment, the transportation of air cargo still involves the significant production, exchange and handling of paperwork. This is not the most efficient process for our industry!

“Customers look at this paper-based way of doing business and consider it to be outdated, inefficient and adding significant cost. They want to see actual, tangible change, no more rhetoric and a clear shift in the way we conduct business - and that is what we have to deliver. E-commerce will happen.”

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About GACAG

The Global Air Cargo Advisory Group (GACAG) is an industry advisory group formed in November 2010 to ensure the air cargo industry has a strong, unified voice in its dealings with worldwide regulatory authorities and other bodies whose decisions directly impact on air cargo. The four founding members of GACAG are the International Federation of Freight Forwarders Associations (FIATA), the International Air Transport Association (IATA), the Global Shippers' Forum (GSF), and The International Air Cargo Association (TIACA). The group has targeted four priority areas: security, e-commerce, customs and trade facilitation, and sustainability of the global air cargo industry.

About TIACA

TIACA is a not for profit trade association for the air cargo industry, pledged to support and assist progressive liberalization of the global market, and easier, enhanced trade between developing and developed economies. It is a worldwide organization that serves a membership which includes all major segments of the air cargo and logistics industry; airlines, forwarders, airports, ground handlers, all-cargo carriers, general sales agents, road carriers, customs brokers, third party logistics companies, integrators, technology and equipment providers, shippers, and educational institutions.

To accomplish its mission and role, TIACA engages in activities that are geared to improve industry cooperation, promote innovation, share knowledge, enhance quality and efficiency, and develop educational programs. TIACA's activities are aimed to inform both the public and its membership about the role and importance of air cargo, industry developments and technical trends. TIACA is committed to representing and advocating the interests of the air cargo industry at meetings of relevant regulatory bodies including the WCO, ICAO, UNCTAD, OECD and others that are open to trade observers.

About IATA

Air transport is one of the most dynamic industries in the world. The International Air Transport Association (IATA) is its global trade organization. Over 60 years, IATA has developed the commercial standards that built a global industry. Today, IATA's mission is to represent, lead and serve the airline industry. Its members comprise some 230 airlines - the world's leading passenger and cargo airlines among them - representing 93 percent of scheduled international air traffic.

IATA seeks to improve understanding of the industry among decision makers and increase awareness of the benefits that aviation brings to national and global economies. It fights for the interests of airlines across the globe, challenging unreasonable rules and charges, holding regulators and governments to account, and striving for sensible regulation.

About FIATA

FIATA, the International Federation of Freight Forwarders Associations was founded in Vienna, Austria on May 31, 1926. It is a non-governmental organization that today represents an industry covering approximately 40,000 forwarding and logistics firms, employing around 8-10 million people in 150 countries.

FIATA has consultative status with the Economic and Social Council (ECOSOC) of the United Nations (inter alia ECE, ESCAP, ESCWA), the United Nations Conference on Trade and Development (UNCTAD), and the UN Commission on International Trade Law (UNCITRAL). It is recognized as representing the freight forwarding industry by many other governmental organizations, governmental authorities, private international organizations in the field of transport such as the European Commission (through CLECAT), the International Chamber of Commerce (ICC), the International Air Transport Association (IATA), the International Union of Railways (UIC), the International Road Transport Union (IRU), the World Customs Organization (WCO), the World Trade Organization (WTO), etc.

About GSF

The Global Shippers' Forum is the world wide body that represents shippers and transport users internationally. The GSF comprises the major national and regional shippers' organizations in Europe, North America, Asia and Africa representing over 50 countries across the world's major trading regions.

The GSF was established to promote competitive global transport markets and supply chains to further the development of international trade and commerce. In this regard, a prime policy objective of the GSF is to promote efficient and competitive global supply chains.