

IATA e-freight Key Messages

What it is:

- International airfreight shipments can require up to 30 different documents, which contribute to increased costs and longer transport times.
- IATA e-freight replaces paper documents with electronic messages, dramatically improving service to customers through faster transit times, lowering costs and improving reliability for the air cargo supply chain.

Involvement of the industry:

- Facilitated by IATA, the project is an industry-wide initiative involving carriers, freight forwarders, ground handlers, shippers, customs and civil aviation authorities.
- IATA e-freight is driven by the air cargo supply chain for the air cargo supply chain. IATA e-freight encourages the involvement of the airfreight industry. To date, more than 50 companies, including over 30 freight forwarders, participate in IATA e-freight around the world.
- The IATA e-freight Handbook is a comprehensive guide to implementation that includes all the messaging standards required, and is available for free download on our homepage. In 2009 the project team will be hosting workshops around the world, allowing you to interact with subject matter experts. A list of these workshops is available on our website.
- To participate in IATA e-freight in an existing location:
 - Download the [IATA e-freight project handbook](#).
 - Contact your supply chain partners and start planning for your implementation of e-freight on live and targeted trade lanes. [A list of companies participating](#) in each location is available on the project website.
 - For more information or to provide feedback, contact the IATA e-freight project team at IATAefreight@iata.org.

Cost Savings:

- The supply chain can receive annual benefits of up to US\$4.9 billion, including:
 - Up to US\$1.7 billion in reduced document processing costs
 - Up to US\$1.7 billion in inventory savings for shippers
 - Up to US\$1.8 billion in savings due to increased market share from sea-freight

These figures are based on the industry achieving 100% e-freight, replacing 16 documents with electronic messages, and organic growth of freight volumes. The supply chain benefits were the industry to achieve 80% e-freight would be US\$3.1 billion annually. Early adopters of IATA e-freight will see earlier benefits.

Benefits:

- Faster supply chain transit times: the ability to send shipment documentation before the cargo itself can reduce the end-to-end cycle time by an average of 24 hours.
- Greater accuracy: Electronic documents auto population – allowing one time electronic data entry at point of origin - reduces delays to shipments due to inaccurate or inconsistent data entry. Electronic documents also are less likely to be misplaced, so shipments will not be delayed because of missing documentation.
- Regulatory compliance: IATA e-freight meets all international and local regulations relating to the provision of electronic documents and data required by customs, civil aviation and other regulatory authorities.
- Electronic data and messaging standards offers increased security as well as origin of goods as set within the UN/CEFACT eBusiness standards.
- Increased security: Electronic documents are only made available to parties who require them for the completion of a shipment

- Better tracking: Data entered electronically gives organisations the opportunity to track shipments en route – allowing for real-time status updates.
- Better for the environment: IATA e-freight will eliminate more than 7,800 tonnes of paper documents, the equivalent of 80 Boeing 747 freighters.

More information is available in the IATA e-freight Handbook.

Multimodal approach:

- IATA e-freight is taking a multimodal approach to its electronic messaging standards. Electronic messages that replace documents used in all types of transport – like the packing list, invoice or certificate of origin – work for air, sea and land shipments.

Interchange of data between IATA e-freight participants:

- Interoperability is a key criteria in the development of IATA e-freight messaging standards. The 13 electronic documents standards developed – and the 3 more on the way in 2009 – already work for companies large and small and allow systems to communicate with each other, including systems operated by customs and civil aviation authorities.
- New document standards are being developed using XML standard.
- Current messages that do not use an XML standard are being progressively migrated to XML standard.

The pace of the IATA e-freight rollout:

- In one year, the number of IATA e-freight locations (countries or governmental areas) has tripled from 6 to 18. In 2009, the number of live locations will grow to 23 – and the number of live airports will be 44. A major story in 2009 will be the adoption of e-freight at 14 new airports. Half of these will be in the USA.
- Thirteen electronic messaging standards are now in place. By the end of 2009, three more will be added. By the end of 2010, 20 documents will be replaced by electronic standards. The remaining documents are not in scope, as they are not currently supported by international standards (not even on paper, as they are local documents)
- Locations are endorsed as ready for e-freight after passing two levels of assessments – which involve ratification of international treaties as well as national regulations relating to the electronic submission of data and documents.
- What's critical for the project is that we offer business processes and standards that make sense for all stakeholders involved. We are taking the time to make sure we listen to and incorporate feedback from all parties and also engage with the vendor community – so we have an IATA e-freight 'product' that works for the entire supply chain.
- IATA e-freight is evolving as industry stakeholders adopt e-freight processes. IATA will hold industry forums in all live locations in 2009 to raise awareness and increase the speed of roll out.

Preferred Partners:

- IATA e-freight involves a number of technology companies who provide products that meet defined IATA e-freight standards, and comply with national customs and civil aviation regulations. More information on these companies is available in the preferred partners section of the IATA e-freight homepage.