

E-FREIGHT

The icon consists of a green cube with a white letter 'e' on its front face.

The Problem

In today's electronic world, air cargo still relies heavily on paper documentation for the exchange of information. Each international airfreight shipment can require more than 30 different paper documents – increasing the cost of airfreight and lengthening transport times.

The Solution

The e-freight project aims to take the paper out of air cargo and to replace it with the exchange of electronic data and messages. Initiated by IATA, the project became an industry-wide initiative involving carriers, freight forwarders, ground handlers, shippers, customs brokers and customs authorities.

The Benefits

- Lower costs: average annual savings of between US\$3.1 and US\$4.9 billion for the industry* – depending on the level of adoption.
- Faster supply chain transit times: the ability to send shipment documentation before the cargo itself can reduce the end-to-end transport 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 have a lower risk of being misplaced, so shipments will no longer be delayed because of missing documentation.
- Regulatory Compliance: where it is implemented, 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.
- Better for the environment: e-freight will eliminate more than 7,800 tonnes of paper documents, the equivalent of 80 Boeing 747 freighters.

* when fully implemented

IATA's Approach

- To participate in e-freight, a location (a country or a territory with separate customs regime) must first pass a High Level Assessment (HLA) and a Detailed Level Assessment (DLA)
- Once these assessments are passed, the location is certified as ready for e-freight, and moves to the implementation phase
- In this phase, local Supply Chain participants including ground handlers, airlines, freight forwarders, shippers and customs officials, define an e-freight Operational Procedure (e-FOP) for that location
- Once an e-FOP is in place, Supply Chain participants can start conducting e-freight between that location and other locations where e-freight is already implemented
- The e-freight Handbook, the complete guide to e-freight Implementation, is available on the IATA homepage (www.iata.org/whatwedo/cargo/efreight)

The Targets

By end 2011 e-freight was live in 42 locations (representing over 80% of international tonnage) and 430 airports offered e-freight.

The vision is to have 100% e-freight by 2015.