



What you need to know about e-freight



What is it?

The airfreight supply chain faces increasing challenges:

- Customers want faster transit times, lower costs and more reliability
- Regulators want more security and demand electronic information in advance
- Slow economic growth means less revenue

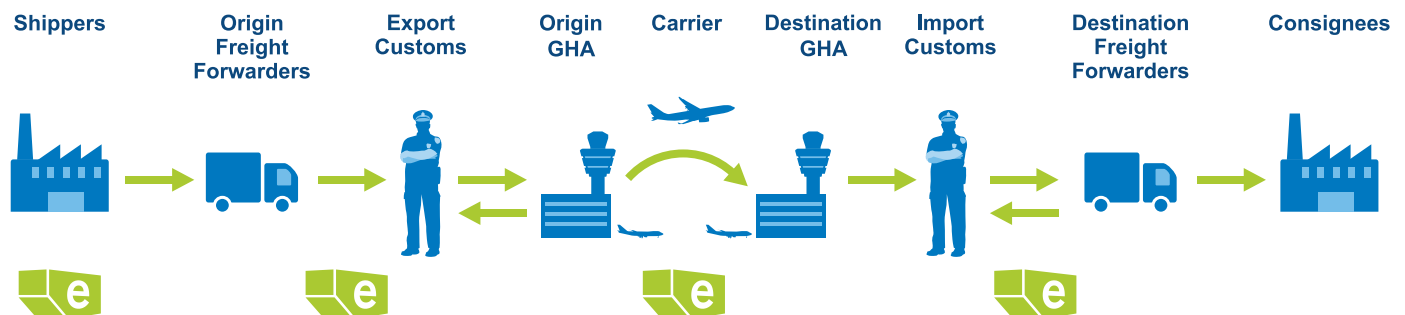
Today the air cargo industry still relies on paper-based processes to support the movement of freight. The average airfreight shipment generates up to 30 different paper documents – increasing the cost of airfreight and lengthening transport times.

e-freight is an initiative for the air cargo supply chain, by the air cargo supply chain. It involves carriers, freight forwarders, ground handlers, shippers, customs brokers and customs authorities. It replaces paper documents with electronic messages, reducing costs, improving transit times, accuracy and the competitiveness of airfreight.

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.

By the end of 2010, 20 paper documents can be replaced with electronic messages. The remaining documents are not in scope of e-freight, as they are not currently supported by international standards.

e-freight: Scope of Documents



1. Invoice
2. Packing List
3. Certificate of Origin
4. Letter of Instruction
5. Dangerous Goods Declaration
6. CITES certificate
7. Master Air Waybill

8. House Waybill
9. House Manifest
10. Export Goods Declaration
11. Customs Release Export
12. Flight Manifest
13. Transfer Manifest
14. Export Cargo Declaration

15. Import Cargo Declaration
16. Transit Declaration
17. Security Declaration
18. Freight Book List
19. Import Goods Declaration
20. Customs Release Import

2010: 20 Documents in scope

12 Mandatory

8 Optional

64% of the paper volume

What it means for the airfreight supply chain

Benefits

- Document Processing Costs
- Improved Delivery Time
- Reduced Inventory Time
- Increased Market Share for the Air Cargo Industry

Better service

- **Faster supply chain transit times:** the ability to send shipment documentation before the cargo itself can reduce the industry cycle time by an average of 24 hours.
- **Greater accuracy:** electronic document 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 are less likely to be misplaced, so shipments will no longer be delayed because of missing documentation.
- **Better tracking:** data entered electronically gives organisations the opportunity to track shipments en route – allowing for real-time status updates.
- **Better for the environment:** e-freight will eliminate more than 7,800 tonnes of paper documents, the equivalent of 80 Boeing 747 freighters.

Increased security

- Electronic documents are only made available to parties who require them for the completion of a shipment.

Where can I do e-freight?

At the end of December 2011, e-freight was live in 42 locations and 430 airports:

Australia	Hong Kong	New Zealand
Austria	Hungary	Norway
Belgium	Iceland	Romania
Canada	Ireland	Singapore
Chile	Israel	Slovakia
Chinese Taipei	Italy	Slovenia
Colombia	Japan	South Korea
Cyprus	Kenya	Spain
Czech Republic	Luxembourg	South Africa
Denmark	Malaysia	Sweden
Dubai	Malta	Switzerland
Finland	Mauritius	Thailand
France	Mexico	United Kingdom
Germany	Netherlands	United States



How can I get involved?

- Visit www.iata.org/efreight. It provides up-to-date information on the project vision, strategy, and the e-freight status of countries around the world. It also includes all the message standards and suggested operational procedures.
- Download the e-freight handbook, available at no charge. The handbook is a comprehensive guide to implementation.
- Contact your supply chain partners that are already involved and start planning your implementation of e-freight on live trade lanes. A list of companies participating in each location is available on the project website.
- Attend an e-freight local adoption meeting. A schedule of these meetings is available on the IATA website.
- Questions? Check out the e-freight FAQs or email the project team at e-freight@iata.org.

What the supply chain says about e-freight

“e-freight is very much relevant to battle the crisis and build the future”

Victor Mok, EVP Head of Global Air Freight,
DHL Global Forwarding

“As a carrier, we have no limitation on increasing our e-freight volumes. Processing an e-freight shipment is more efficient than processing a normal shipment.”

Jan Vreeburg, Programme Director Infrastructure and Security, KLM

“To take full advantage of the benefits offered by e-freight, we need the willingness to change processes”

Felix Keck, Managing Director, Traxon