



IATA Position Paper

Standardization requirements

<IATA Cargo>

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Extract: “Advance Electronic Information for Risk Assessment”

DOCUMENT CONTROL & DISTRIBUTION

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1 Introduction

Many countries in accordance with the WCO Framework of Standards require advance electronic data submission, for example, the USA (Air AMS) and Canada (ACI), to facilitate security risk assessments. The EU implemented similar processes for import, export and transit (EU Regulation 648/2005 and implementing provision 1875/2006). More and more countries may be planning to implement similar procedures.

More recently, due to the events of October 2010 where goods items within consignments contained explosive materials, the current advance electronic information reporting systems may be considered lacking efficiency from the regulators point of view. Intelligence concerning the consignment itself, e.g. the goods, consignor, consignee, etc. must be gathered earlier in the process for risk assessment purposes and that risk assessment must be accomplished before the consignments can be loaded onto the aircraft.

Such potentially disastrous situations have led authorities to further secure the supply chain and the release of ad-hoc directives for which compliance can be very difficult and impractical for the industry to comply with.

The international air-cargo industry is now facing an unprecedented level of security regulations. In order to meet government-imposed requirements industry systems need to communicate with authorities¹ through the use of adequate standard procedures and electronic messaging.

This IATA position paper is the product of meetings, surveys, consultations and work among industry experts from the airfreight supply chain. Although, the positions expressed herein do not reflect the positions of all industry stakeholders, they do represent the concerns and approaches that IATA Members have determined would best serve the industry as a way forward in light of the many challenges facing the industry.

2 Objective

IATA believes it is essential that a standard approach be adopted to avoid the costly requirement for shippers, freight forwarders and airlines to develop systems, messages and interfaces to accommodate the initiatives of individual authorities.

As the development costs can be exponential if trade has to provide each authority with different formats, standardization and harmonization are essential. This will also facilitate mutual assistance between authorities.

The objective of this document is to articulate the IATA position on key issues related to the provision of advance electronic information.

IATA will use this position paper to influence and lobby authorities for standardization and harmonization in this regard.

¹ The terminology "authority" used in this document may vary depending on the countries as risk assessment may be performed by different governmental entities e.g. Customs and/or aviation security regulators.

Regulatory authorities are encouraged to engage in discussions with the industry stakeholders and to conduct pilot tests with industry stakeholders prior to making any regulatory decisions.

3 Scope

This paper describes the procedures, the roles and the responsibilities for the provision of standard advance electronic information related to the goods and the cargo.

It is envisioned that the goods (waybill) information will be used for risk assessment purposes and the cargo (flight manifest) information may not be required.

At this stage the procedures described herein are for conventional airlines and are not describing processes related to the express industry and/or express airlines.

The process of dealing with exempted goods will be defined in a future annex and this will follow the same principles as set down in this position paper.

In addition the special cargo such as (but not limited to) medical care, emergency aircraft parts and other time sensitive shipments would require special consideration(s).

A multi-layered approach combining risk assessment of advance electronic information and physical security is recommended.

This paper does not describe the physical screening information requirements which are part of another document: "IATA Electronic Cargo Security Declaration" functional specifications.

4 Definitions

AGENT: An entity who is contracted to perform a service for a person involved in a particular consignment.

AUTHORITIES: Any government entity which is responsible for the oversight, inspection or security of a consignment(s).

AUTHORIZATION TO PROCEED: An approval given by a regulatory authority which indicates that it has provided authorization for a consignment to proceed.

CARGO DECLARATION (WCO): Information submitted prior to or on arrival or departure of a means of transport for commercial use that provides the particulars required by the Customs relating to cargo brought to or removed from the Customs territory.

Note that the nature and contents of Cargo declarations may vary from country to country according to the commercial means of transport used. The particulars of the cargo (freight) may include kind, number, marks and numbers of packages, brief description of the goods, gross weight, etc. In some countries, these particulars may be submitted by electronic means.

CARRIER: An entity which operates a particular flight directly or indirectly.

CONSIGNMENT: A consignment consisting of a single shipment which has been originated by a single person which has made an agreement for carriage by air with a carrier directly or another entity other than the operating carrier

CONSOLIDATION (IATA): A consignment consisting of more than one shipment, which has been originated by more than one person each of whom has made a separate agreement for carriage by air with another person other than the operating carrier.

DECLARANT (WCO): Any person who makes a Goods declaration or in whose name such a declaration is made.

EXPORTER (businessdictionary.com): For customs purposes, the party who makes (or on whose behalf an agent or broker makes) the export declaration. The exporter sells its goods to someone in another country, known as the importer.

GOODS DECLARATION (WCO): A statement made in the form prescribed by Customs, by which the persons interested indicate the Customs procedure to be applied to the goods and furnish the particulars which the Customs require to be declared for the application of that procedure.

Note that the persons interested may be the importer, the exporter, the owner, the consignee, the carrier, etc., of the goods or their legal representative, according to the country concerned.

IMPORTER (businessdictionary.com): For customs purposes, the party who makes (or on whose behalf an agent or broker makes) the import declaration, and who is liable for the payment of duties (if any) on the imported goods. Normally, this party is named either as the consignee in the shipping documents and/or as the buyer in the exporter's invoice.

RISK ASSESSMENT: An action where by a consignment's risk is assessed using electronic data and/or physical screening.

SAFE (Wikipedia): The WCO SAFE Framework is a non-binding instrument that contains supply chain security and facilitation standards for goods being traded internationally, enables integrated supply chain management for all modes of transport, strengthens networking arrangements between customs administrations to improve their capability to detect high-risk consignments, promotes cooperation between customs and the business community through the Authorized Economic Operator (AEO) concept, and champions the seamless movement of goods through secure international trade supply chains.

TRANSIT (IATA): an en-route stopping place where cargo remains on-board

UNIT LOAD DEVICES (IATA): Any type of container, container with integral pallet, aircraft container or aircraft pallet, whether or not owned by a Member, as specified in the IATA ULD Technical Manual.

5 Submission of Data

All countries requiring advance security information for risk assessment should utilize the World Customs Organization SAFE Framework of Standards, to allow harmonisation along the airfreight supply chain.

Under this document the terms "export goods declaration" and "import goods declaration" are used as per the connotation as defined in the WCO SAFE Framework of standards.

5.1 Goods Declaration² (waybill level information)

The exporter or his or her agent has to submit an advance electronic export Goods declaration to the Customs at export prior to the goods being loaded onto the means of transport or into the container being used for their exportation³ and prior to tendering Goods to the carrier (airline). For security purposes the Customs should not require the advance export Goods declaration to contain more than the details listed below.

The importer or his/her agent has to submit an advance electronic import Goods declaration to the Customs at import prior to arrival of the means of transport at the first Customs office. For security purposes, Customs should not require more than the details listed below.

- Exporter name and address or code
- Consignor name and address or code (if different from exporter)
- Airline identification or name if no ID
- Importer name and address or code
- Consignee name and address or code (if different from importer)
- Notify party name and address or code (if no code)
- Delivery destination, if different from importer's or consignee's address
- Country(ies) of routing, coded, to the extent known
- Agent, name and address or code if applicable
- Tariff code number (Customs)
- Description of goods, if no tariff code
- UNDG Number (Dangerous Goods Code), if applicable
- Type of packages identification
- Number of Packages
- Total gross Weight (incl. Measure unit qualifier)
- Equipment identification number, if containerized and available
- Equipment size and type identification
- Seal number, if applicable and available
- Total invoice amount (incl. currency, coded)
- Unique consignment reference number

5.2 Cargo Declaration⁴ (flight manifest level information)

The airline or his/her agent has to submit an electronic cargo declaration to the Customs at export and/or at import. For all other modes and shipments, it should be lodged prior to arrival of the means of transport at the Customs office at export and/or import. For security purposes, Customs should not require more than the details listed below.

- Place of loading name or code
- Airline identification or name if no ID
- Equipment identification number, if containerized
- Equipment size and type identification, if containerized
- Seal number, if applicable
- Conveyance reference number
- Transport charges method of payment, coded
- Customs office of exit, coded
- First port of arrival, coded

² WCO Safe Framework of Standards June 2007

³ In the air mode this shall be done prior to tendering goods to the carrier (airline)

⁴ WCO Safe Framework of Standards June 2007

- Country(ies) of routing, coded, to the extent known pre-loading
- Date and time of arrival at first port of arrival in Customs territory, coded
- Brief cargo description
- Unique consignment reference number

Note: Identification and nationality of means of transport crossing the border of the Customs territory for air mode are not usually collected as separate data elements e.g. air mode does not have names for planes by country. However this could be determined by aircraft registration.

6 Responsibilities and Coordination

- 6.1.1 As per the WCO Safe framework of Standards “pillar one”, the exporting and importing authorities shall communicate between each other to the extent possible and in such case the procedure to follow is described in section 7 of this document.
- 6.1.2 It must be clear and unambiguous as to which party is responsible for providing each element of advance electronic information.
- 6.1.3 Regulatory authorities should clearly define those responsible to lodge the information and hold the appropriate party responsible for failure to provide timely, accurate or complete information.
- 6.1.4 Regulatory authority recipients of advance electronic information should provide to the declarant and to the airline if applicable an electronic confirmation that all required information has been received as well as the authorization to proceed.
- Confirmation from the recipient and the authorization to proceed shall be made as soon as possible but no later than 30 minutes after the receipt of the advance electronic information transmission.
- 6.1.5 Regulatory authority recipients of advance electronic information data should provide, as soon as possible, electronic notification to the declarant and to the airline if applicable when the advance electronic information data is incomplete or inaccurate.
- 6.1.6 Regulatory authority recipients of advance electronic information data should provide, as soon as possible, electronic notification to the declarant and to the airline if applicable when a positive risk has been identified. We recognize that in certain criminal situations Customs may not want to notify the parties.

Note: Potentially other risk management processes using approved screening (e.g. ETD) could be provided to mitigate any concerns so that cargo can be permitted to proceed.

- 6.1.7 Advance electronic information for security purposes should only become mandatory when the relevant authority:
- Has the capability to receive the submission electronically;
 - Has the capability to respond electronically with control and release messages;
 - Does not require the same information to be re-sent in another format or in paper copy.

7 Procedures (without SAFE Pillar 1 in place)

7.1 Export Procedures (without SAFE Pillar 1 in place)

7.1.1 The advance electronic information for security purposes should be lodged by the exporter or their agent to the exporting regulatory authority electronically. The export goods declaration shall be used for that purpose, when and where required.

7.1.2 Timing for submission for advance electronic information for security purposes shall be prior to tendering the shipment to the airline.

The exporting regulatory authority shall provide accurate guidance on security assessment response times to submitting parties so that submissions can be scheduled in such a manner that all necessary authorizations to proceed are received prior to planned airline tender.

The submitting party should be allowed to transmit data as early as possible i.e. as soon as all data elements are available, and in all cases at least 2 hours prior to planned flight departure at the departing country (this information can always be provided prior to the 2hrs e.g. 6 hrs prior to departure).

As specified in section 3 of this document special consideration should be given to special cargo.

7.1.3 The exporting regulatory authority should risk assess the shipment based on the export goods declaration data.

7.1.4 The exporting regulatory authority should generate a confirmation and an authorization to proceed (e.g. UCR) and send it to the exporter or their agent as well as to the airlines if applicable.

- Confirmation from the recipient and the authorization to proceed shall be made as soon as possible but no later than 30 minutes after the receipt of the transmission.

7.1.5 The exporter or his agent ensures that the authorization to proceed is identified as an export authorization and is provided on the transport document (e.g. paper/electronic house or air waybill) for the shipment.

- 7.1.6 The agent associates the authorization to proceed with a house waybill(s), and any Unit Load Device (ULD) that the house waybill(s) shipment is loaded therein, which is in turn associated to a master air waybill consignment.
- 7.1.7 The exporter or his agent sends the (master) air waybill information to the airline, including any ULD identifiers used and the authorization to proceed.
- 7.1.8 Subsequently, the exporter or his agent may send the house waybill information with the associated authorization to proceed to the airline, including the ULD identifier that contains the specific house waybill shipments.
- 7.1.9 Any consignments tendered to a carrier (or airline) without all authorization to proceed should not be accepted as “ready for carriage” as per IATA Cargo Agency Conference Resolution 833. This handover principle of providing the authorization to proceed along with the cargo should be legislated (and is legislated in some countries).
- 7.1.10 The airline verifies the export authorization(s) as approval to proceed with the movement of the cargo.
- 7.1.11 The airline submits the export cargo declaration to the applicable exporting authority, if required.
- 7.1.12 Timing for submission for the export cargo declaration (flight-manifest level information) should be at/or after flight departure.

Because all pre-departure risk assessment has been completed by the export regulatory authority at the goods (waybill information) level prior to manifesting, and to ensure the accuracy of manifest information delivered to the government authority, no pre-departure export cargo declarations should be required.

If any pre-departure cargo declaration is required, it should be no earlier than 30 minutes prior to actual departure with the capability to provide an amended cargo declaration after departure.

7.2 Import Procedures (without SAFE Pillar 1 in place)

- 7.2.1 The advance electronic information for security purposes should be lodged electronically by the importer or their agent to the importing regulatory authority and any applicable en-route regulatory authorities. The import goods declaration shall be used for that purpose if possible.

- 7.2.2 Timing for submission for advance electronic information for security purposes shall be prior to tendering the shipment to the airline.

The importing regulatory authority shall provide accurate guidance on security assessment response times to submitting parties so that submissions can be scheduled in such a manner that all necessary authorizations to proceed are received prior to planned airline tender.

The submitting party should be allowed to transmit data as early as possible i.e. as soon as all data elements are available, and in all cases at least 2 hours prior to planned flight departure at the departing country (this information can always be provided prior to the 2hrs e.g. 6 hrs prior to departure).

As specified in section 3 of this document special consideration should be given to special cargo.

- 7.2.3 The importing regulatory authority and any applicable en-route regulatory authorities should risk assess the shipment based on the advance electronic information for security purposes.

- 7.2.4 The importing regulatory authority and any applicable en-route authorities should generate a confirmation and an authorization to proceed, (e.g. UCR) and send it back to the importer or their agent as well as to the airlines if applicable.

- Confirmation from the recipient and the authorization to proceed shall be made as soon as possible but no later than 30 minutes after the receipt of the transmission.

- 7.2.5 The importer or his agent ensures that the authorization(s) to proceed is identified as an import authorization and is associated to the transport document (e.g. paper/electronic house or air waybill) for the shipment.

- 7.2.6 The agent associates the authorization(s) to proceed with a house waybill(s), and any Unit Load Device (ULD) that the house waybill(s) shipment is loaded therein, which is in turn associated to a master air waybill consignment

- 7.2.7 The importer or his agent sends the (master) air waybill information to the airline, including any ULD identifiers used and the authorization to proceed.

- 7.2.8 Subsequently, the importer or his agent may send the house waybill information with the associated authorization(s) to proceed to the airline, including the ULD identifier that contains the specific house waybill shipments.

- 7.2.9 Any consignments tendered to a carrier (or airline) without all the authorization(s) to proceed should not be accepted "ready for carriage" as IATA Cargo Agency Conference Resolution 833. This handover principle of providing authorization(s) to proceed along with the cargo should be legislated (and is legislated in some

countries).

- 7.2.10 The airline at the departing country verifies the import authorization(s) as approval to proceed with the movement of the cargo.
- 7.2.11 The airline submits the import cargo declaration to the applicable importing regulatory authority and any applicable en-route regulatory authorities.
- 7.2.12 Timing for submission for the import cargo declaration (flight-manifest level information) should be at/or after flight departure.

Because all pre-departure risk assessment has been completed by the import regulatory authority at the goods (waybill information) level prior to manifesting, and to ensure the accuracy of manifest information delivered to the government authority, no pre-departure import cargo declarations should be required.

If any pre-departure cargo declaration is required, it should be no earlier than 30 minutes prior to actual departure with the capability to provide an amended cargo declaration after departure.

8 Procedures (with SAFE Pillar 1 in place)

8.1 Export Procedures (with SAFE pillar 1 in place)

- 8.1.1 The advance electronic information for security purposes should be lodged by the exporter or their agent to the exporting regulatory authority electronically. The export goods declaration shall be used for that purpose if possible.
- 8.1.2 Timing for submission for electronic information for security purposes shall be prior to tendering the shipment to the airline.

The exporting regulatory authority shall provide accurate guidance on security assessment response times to submitting parties so that submissions can be scheduled in such a manner that all necessary authorizations to proceed are received prior to planned airline tender.

The submitting party should be allowed to transmit data as early as possible i.e. as soon as all data elements are available, and in all cases at least 2 hours prior to planned flight departure at the departing country (this information can always be provided prior to the 2hrs e.g. 6 hrs prior to departure).

As specified in section 3 of this document special consideration should be given to special cargo

- 8.1.3 The exporting regulatory authority should risk assess the shipment based on the advance electronic information for security purposes.

- 8.1.4 The risk assessment results or the advance electronic information for security purposes should be provided by the exporting authority to the importing authority and any applicable en-route authorities.
- 8.1.5 The importing regulatory authority and any applicable en-route authorities should either accept the risk assessment of the exporting authority or conduct its (their) own risk assessment on the shipment based on the information provided by the exporting authority.
- 8.1.6 The importing regulatory authority and any applicable en-route authorities should send back electronically an authorization to proceed to the exporting authority.
- 8.1.7 The exporting regulatory authority should generate an authorization to proceed identifier, (e.g. UCR) and send it to the exporter or their agent and the importing authority as well as any applicable en-route regulatory authorities.
 - Confirmation from the recipient and the authorization to proceed shall be made as soon as possible but no later than 30 minutes after the receipt of the transmission.
- 8.1.8 The exporter or his agent ensures that the authorization to proceed is associated to the transport document (e.g. paper/electronic house or air waybill) for the shipment.
- 8.1.9 The agent associates the authorization to proceed identifier with a house waybill(s), and any Unit Load Device (ULD) that the house waybill(s) shipment is loaded therein, which is in turn associated to a master air waybill consignment.
- 8.1.10 The exporter or his agent sends the (master) air waybill information to the airline, including any ULD identifiers used and the authorization to proceed.
- 8.1.11 Subsequently, the exporter or his agent may send the house waybill information with the associated authorization to proceed to the airline, including the ULD identifier that contains the specific house waybill shipments.
- 8.1.12 Any consignments tendered to a carrier (or airline) without all the authorization(s) to proceed should not be accepted "ready for carriage" as IATA Cargo Agency Conference Resolution 833. This handover principle of providing the authorization(s) to proceed along with the cargo should be legislated (and is legislated in some countries).
- 8.1.13 The airline verifies the authorization to proceed identifier(s) ensuring that the cargo can be uploaded.

8.1.14 The airline submits the export cargo declaration to the applicable exporting authority and any applicable en-route authorities.

8.1.15 Timing for submission for the advance export cargo declaration (flight-manifest level information) should be at/or after flight departure.

Because all pre-departure risk assessment has been completed by the export regulatory authority at the goods (waybill information) level prior to manifesting, and to ensure the accuracy of manifest information delivered to the government authority, no pre-departure export cargo declarations should be required.

If any pre-departure cargo declaration is required, it should be no earlier than 30 minutes prior to actual departure with the capability to provide an amended cargo declaration after departure.

8.2 Import Procedures (with SAFE pillar 1 in place)

8.2.1 The airline submits the advance import cargo declaration to the applicable importing authority and any applicable en-route authorities.

8.2.2 Timing for submission for the import cargo declaration (flight-manifest level information) should be at/or after flight departure.

Because all pre-departure risk assessment has been completed by the export and import regulatory authorities at the goods (waybill information) level prior to manifesting, and to ensure the accuracy of manifest information delivered to the government authority, no pre-departure import cargo declarations should be required.

If any pre-departure cargo declaration is required, it should be no earlier than 30 minutes prior to actual departure with the capability to provide an amended cargo declaration after departure.