

# IATA Air Cargo Operations Conference

29 – 31 October 2019, Amsterdam, Netherlands







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29 – 31 October, Amsterdam, Netherlands



# Opening

Brendan Sullivan

Head Cargo Operations & E-Commerce

IATA

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**AIR CARGO**  
**OPERATIONS**  
**CONFERENCE**



**Amsterdam, Netherlands**  
29-31 October 2019





#IATA\_Cargo



*coffee break*





# IATA Competition Law Compliance

Do not discuss:

- Pricing, including fares, service charges, commissions, etc.
- Bids on contracts or allocation of customers
- Geographic/Product market allocations and marketing plans, including
  - Expanding or withdrawing from markets
  - Group boycotts
  - Your commercial relations with agents, airlines or other third parties

Any discussion aimed at influencing the independent business decisions of your competitors

You will be asked to leave the meeting, and the meeting may be terminated, if the above-mentioned discussions occur.

Remember: All discussions count, even informal ones outside the meeting room!



# Thank you to all our sponsors!



Shaping Europe's smartest cargo hub at Amsterdam Airport





# Why are we here?

Air Cargo  
Operations –  
Amsterdam 2019



30 October 2019



# You Asked

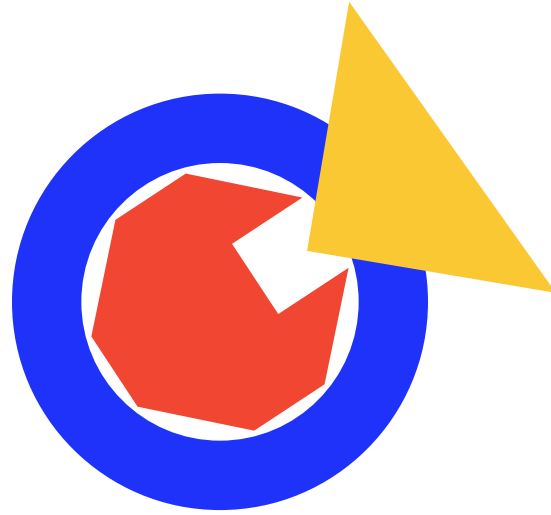




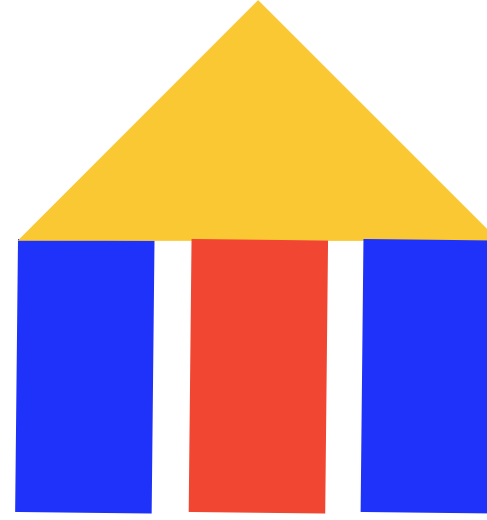
# Case for Change



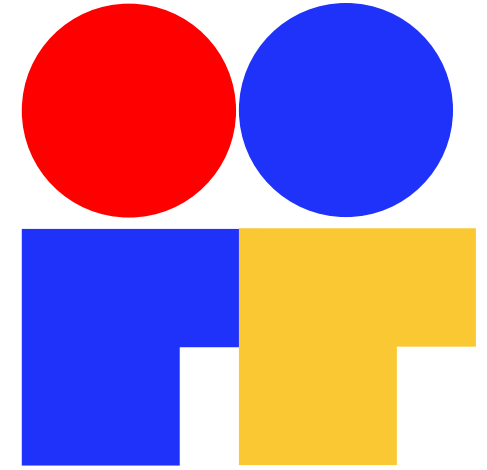
- Industry set to double in size by 2035
- Strong E-Commerce growth (20-25% per year)



- E-Commerce, Drones, Automation, AR/AI all driving process change



- Ongoing regulatory demands and complex changes



- Organizational capability
- Labor constraints
- Training and competencies

# Welcome Address

Hendrik Leyssens

Vice President Global Operations Cargo

Swissport International





# Keynote Speech

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# Cargo Operations in 2035

Alan White

Vice President, Group  
Operations, Middle East  
National Air Cargo

Robert Fordree

Executive Vice  
President Cargo  
Menzies Aviation

Henrik Ambak

SVP, Cargo Operations  
Worldwide  
Emirates SkyCargo

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# Networking break 10:30 – 11:00

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**Amsterdam, Netherlands**  
29-31 October 2019

# E-Commerce: the Customer Perspective

Arne B. Andersson  
e-Commerce Advisor  
PostNord







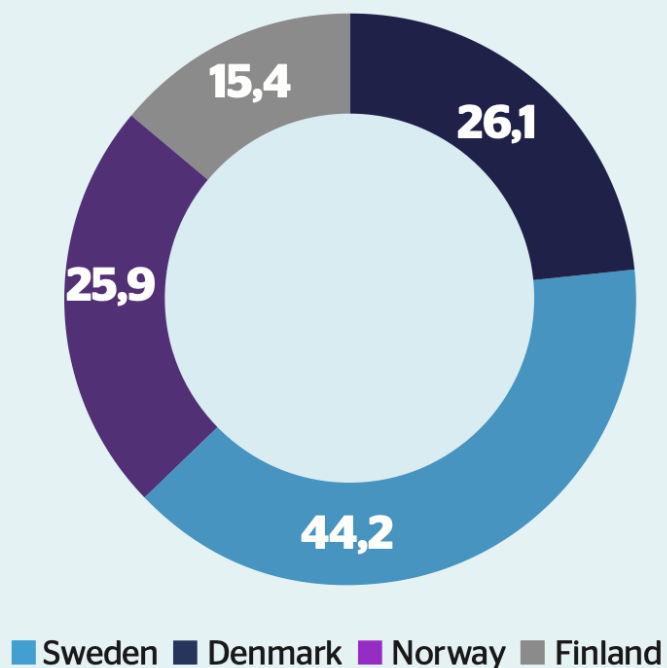


# The growth of e-commerce

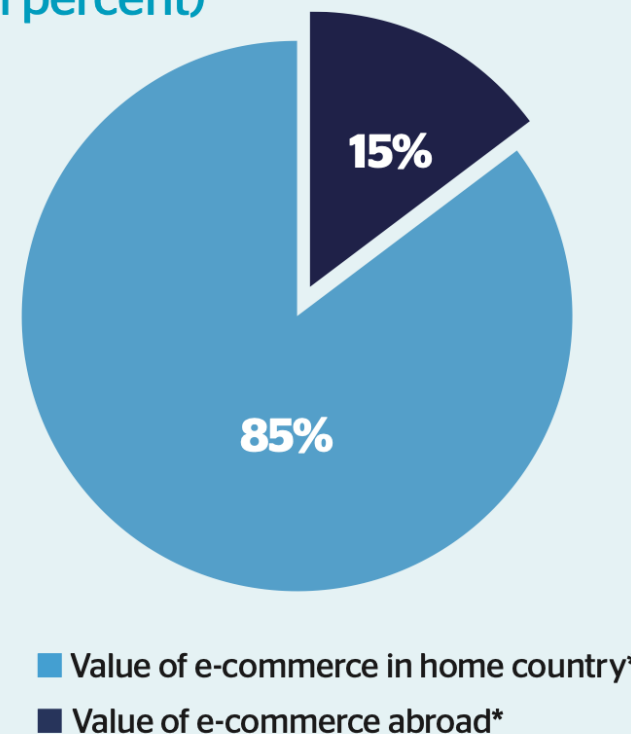
postnord



### Value of Nordic consumers' e-commerce during the first six months of 2019\* (in SEK billions)



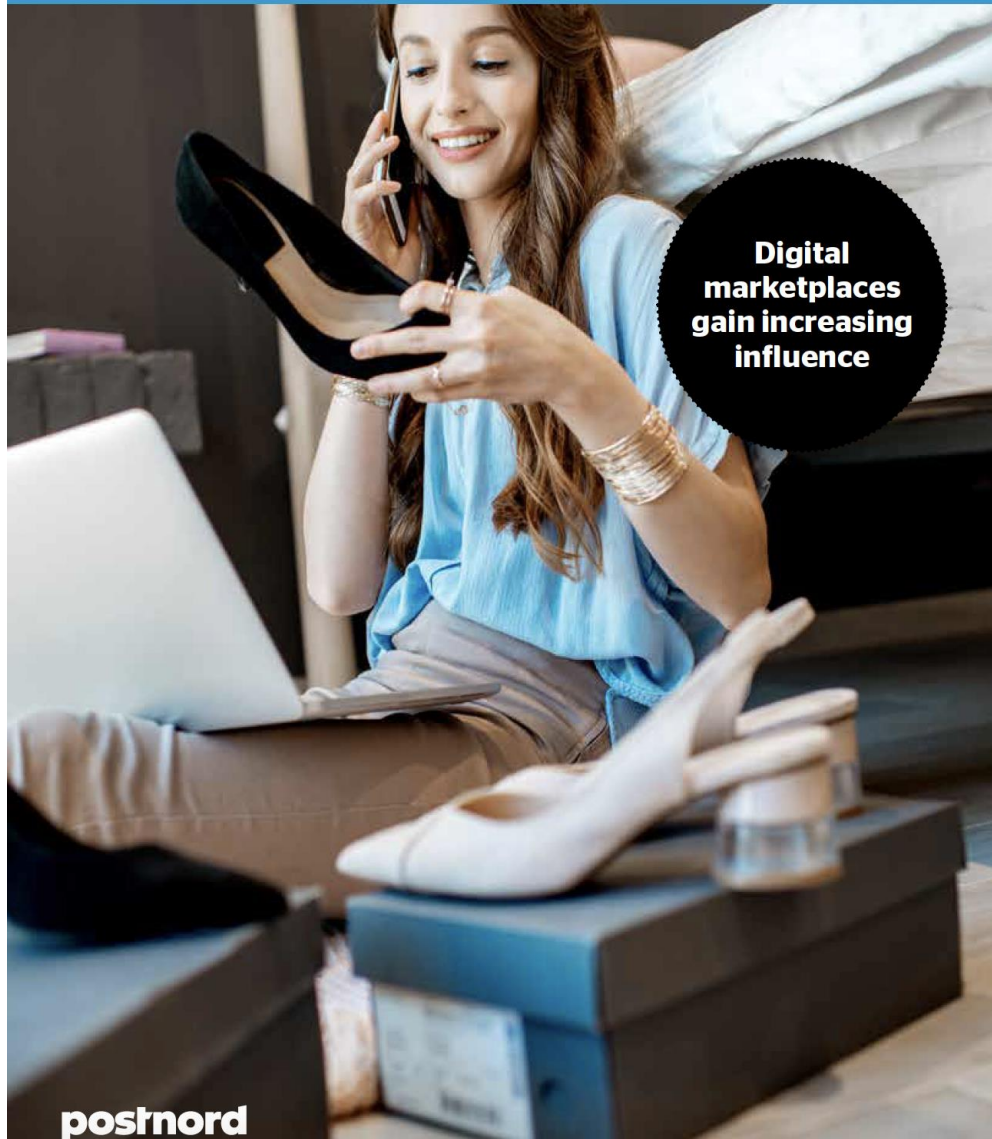
### Value of Nordic consumers' e-commerce in each respective country as well as abroad during the first six months of 2019 (in percent)



Calculated based on each country's respondents' answers to the question: "What total amount do you estimate that you have spent on products online in the past 30 days?" (Basis: Have shopped online in the past 30 days)

\*Based on consumers' estimates

# E-commerce in Europe 2019



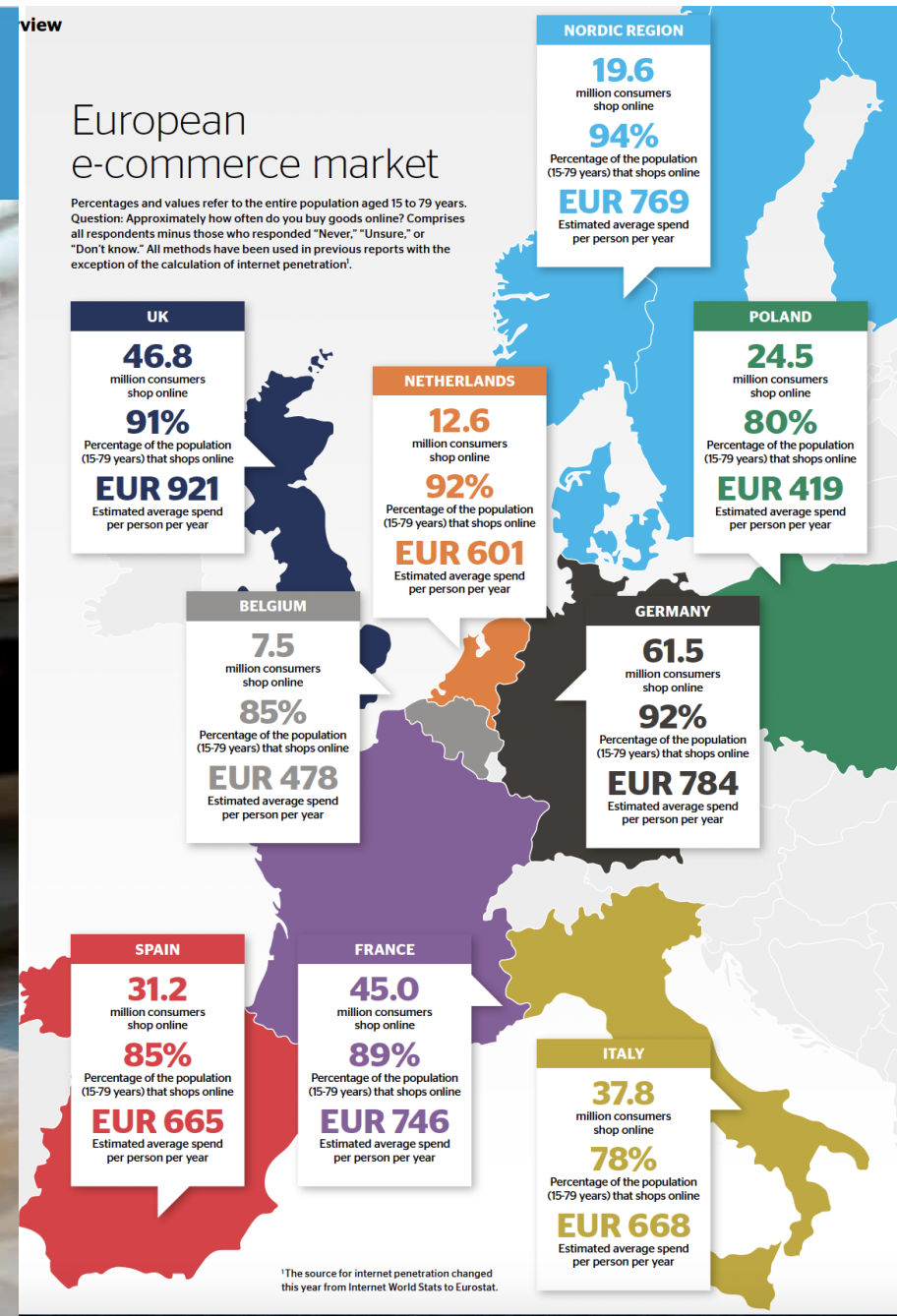
**Digital marketplaces gain increasing influence**

postnord

view

## European e-commerce market

Percentages and values refer to the entire population aged 15 to 79 years. Question: Approximately how often do you buy goods online? Comprises all respondents minus those who responded "Never," "Unsure," or "Don't know." All methods have been used in previous reports with the exception of the calculation of internet penetration.

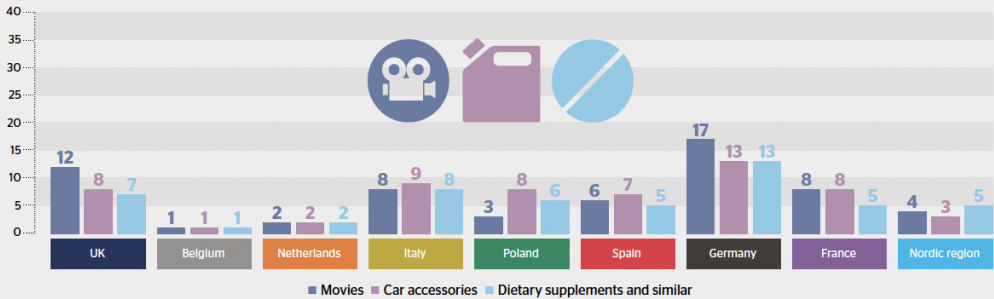
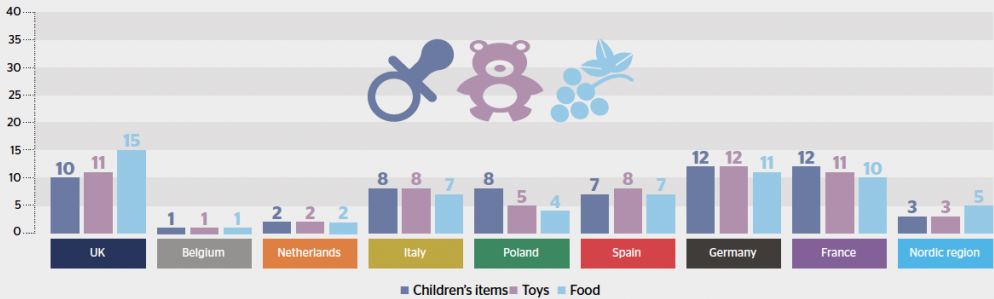
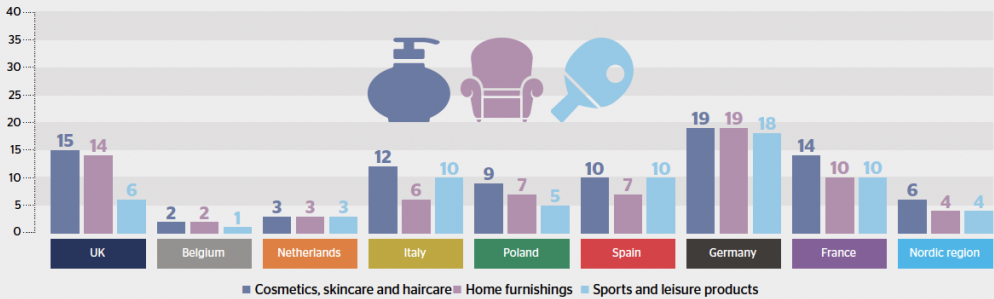
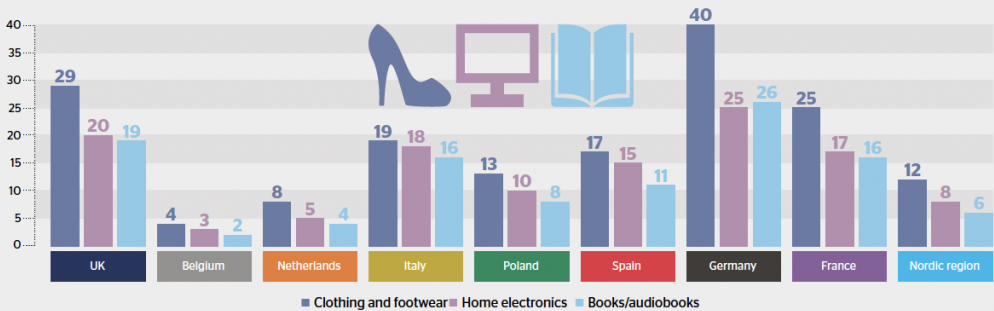


postnord

\*The source for internet penetration changed this year from Internet World Stats to Eurostat.

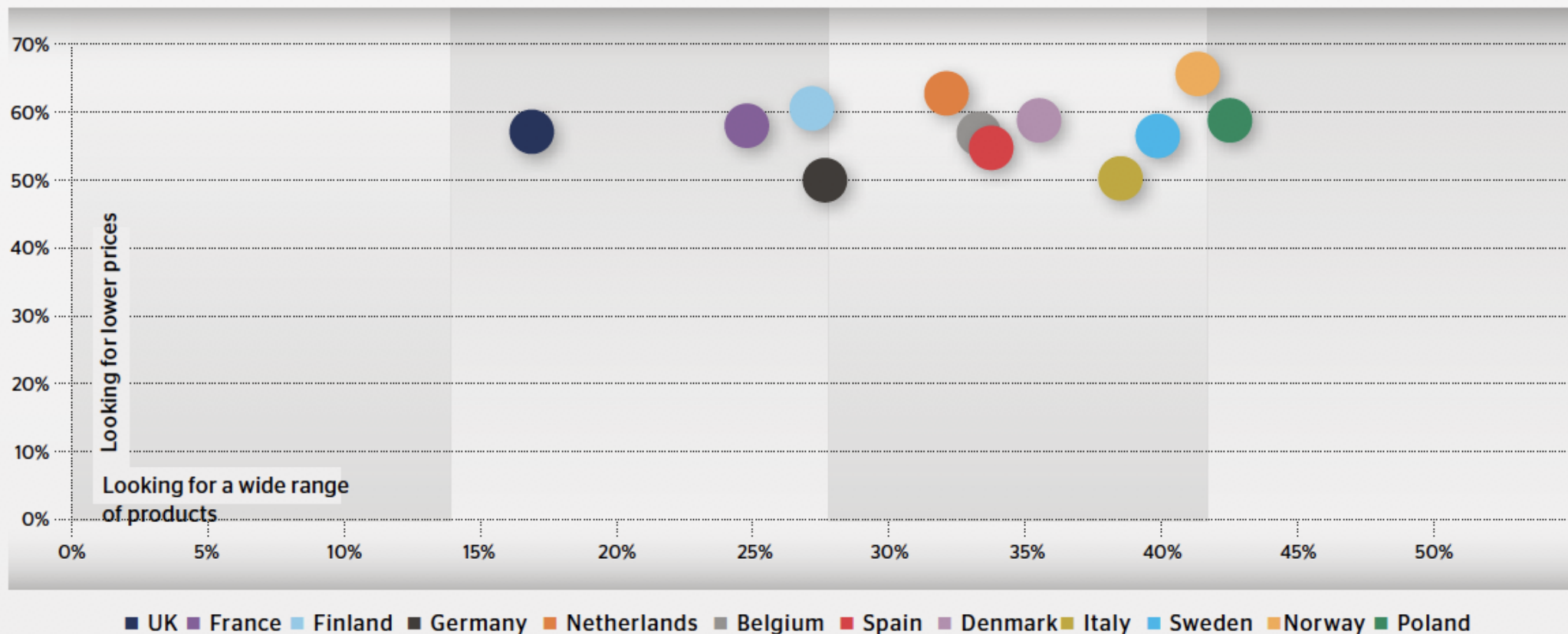
# Top product categories among European online shoppers

(millions of consumers)



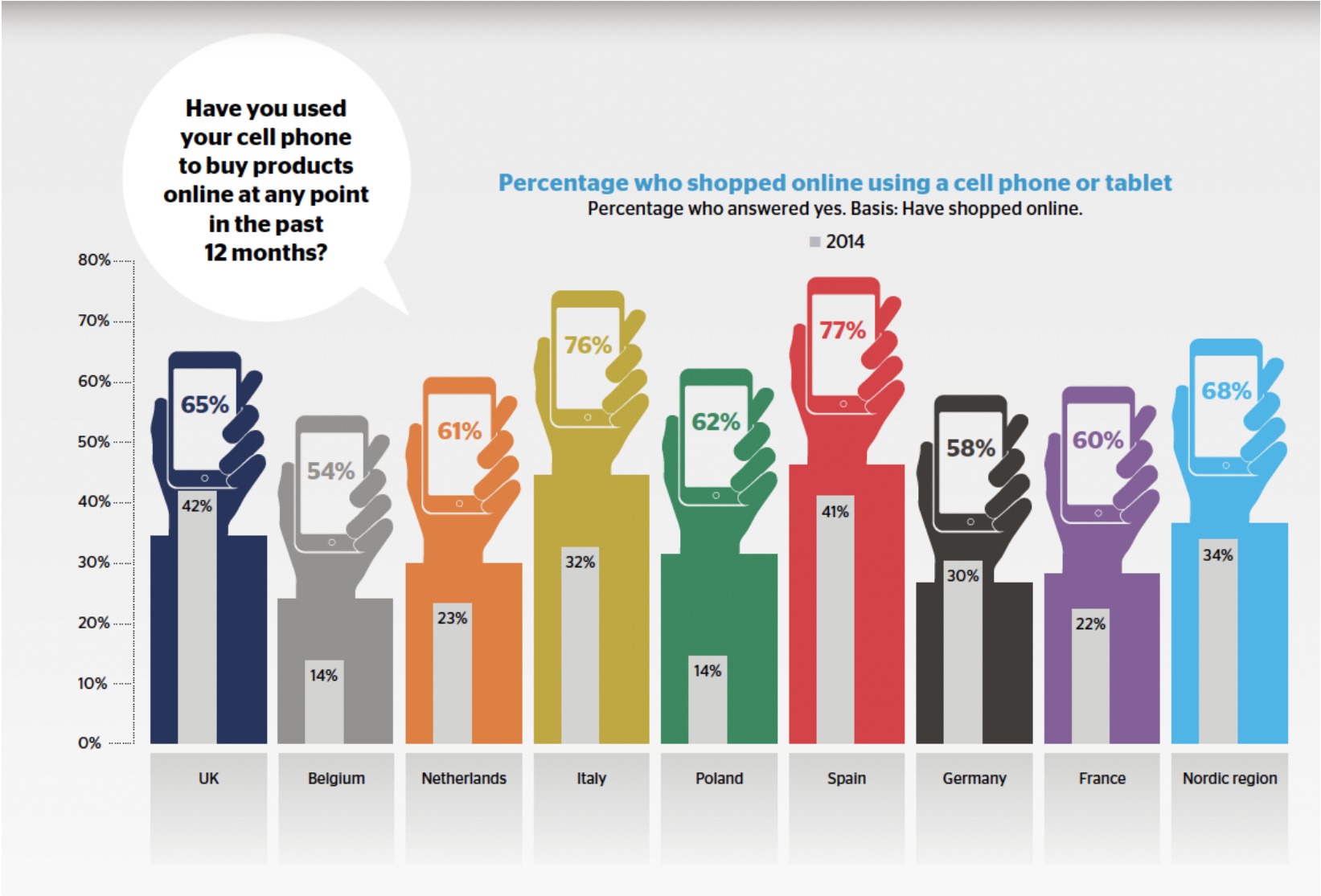
### Low prices are always important

The diagram shows that low prices are an important reason for shopping from abroad. However, a large range of products is a driving force that varies from country to country. Question: Why have you purchased products from abroad? Basis: Have shopped online from abroad.



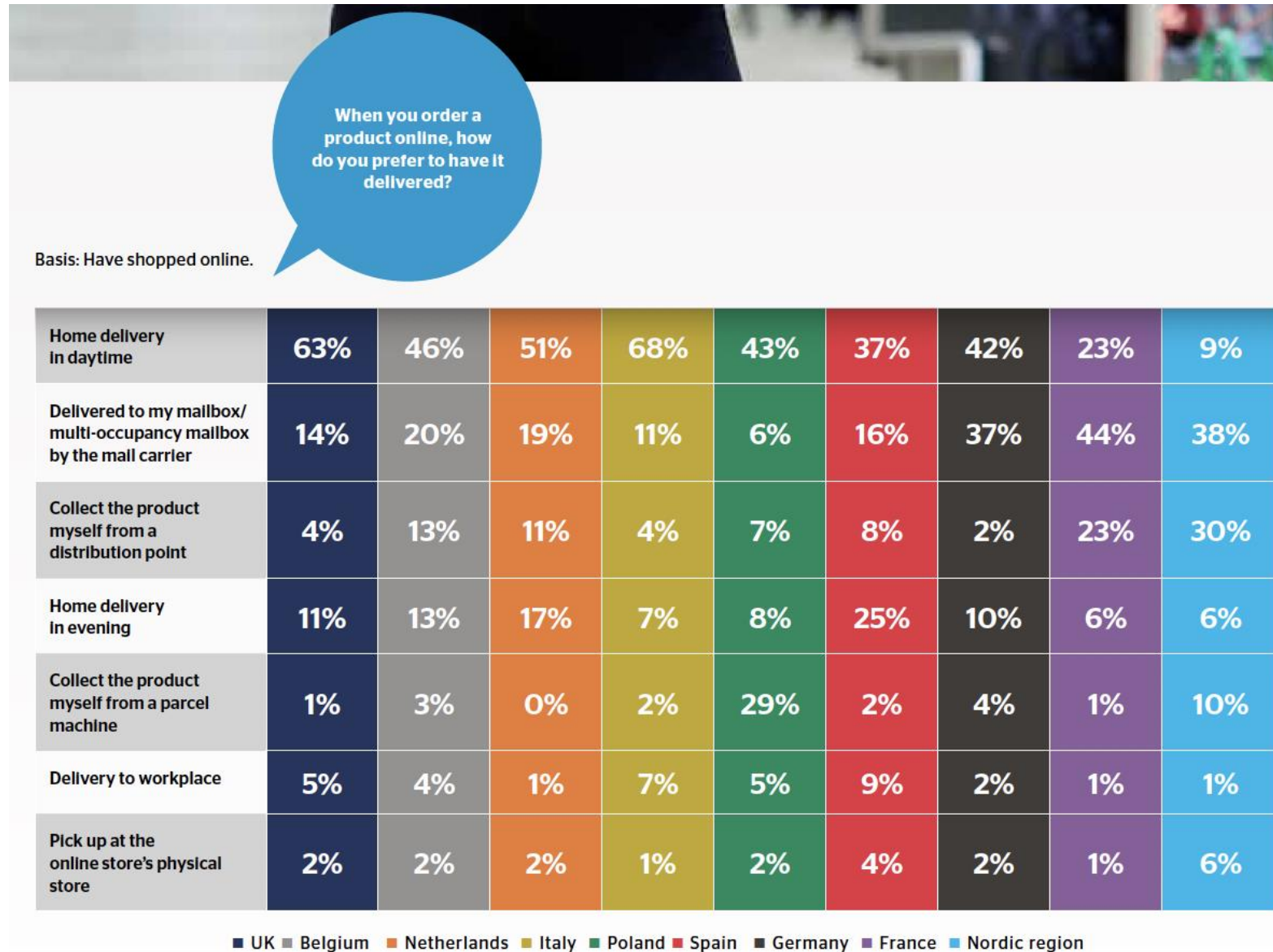


# E-commerce using the cell phone is skyrocketing



# Delivery demand differ

postnord



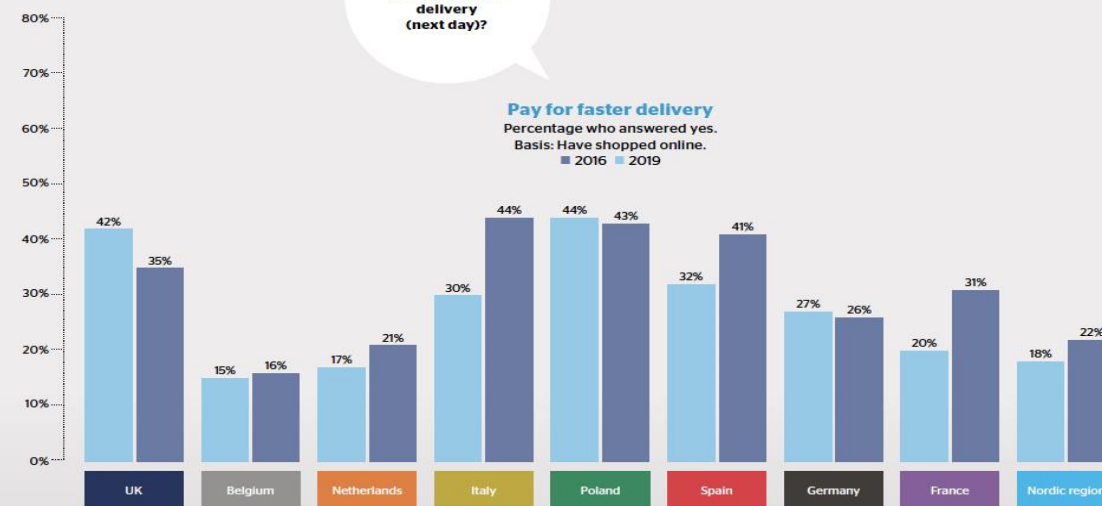


## Deliveries

Are you willing to pay for faster delivery (next day)?

### Pay for faster delivery

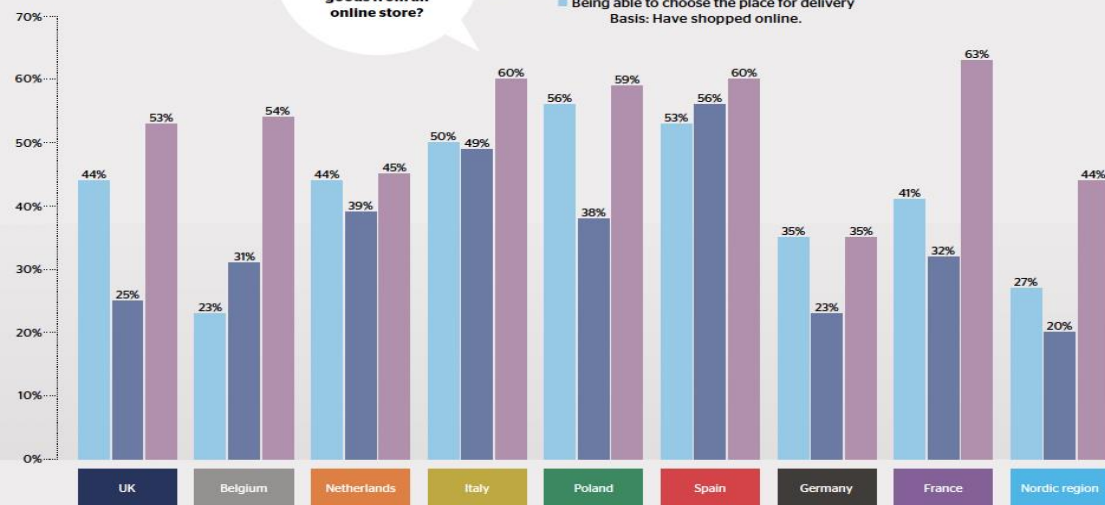
Percentage who answered yes.  
Basis: Have shopped online.  
■ 2016 ■ 2019



How important are the following factors regarding delivery in your decision to buy goods from an online store?

### Speed and freedom of choice most important for delivery

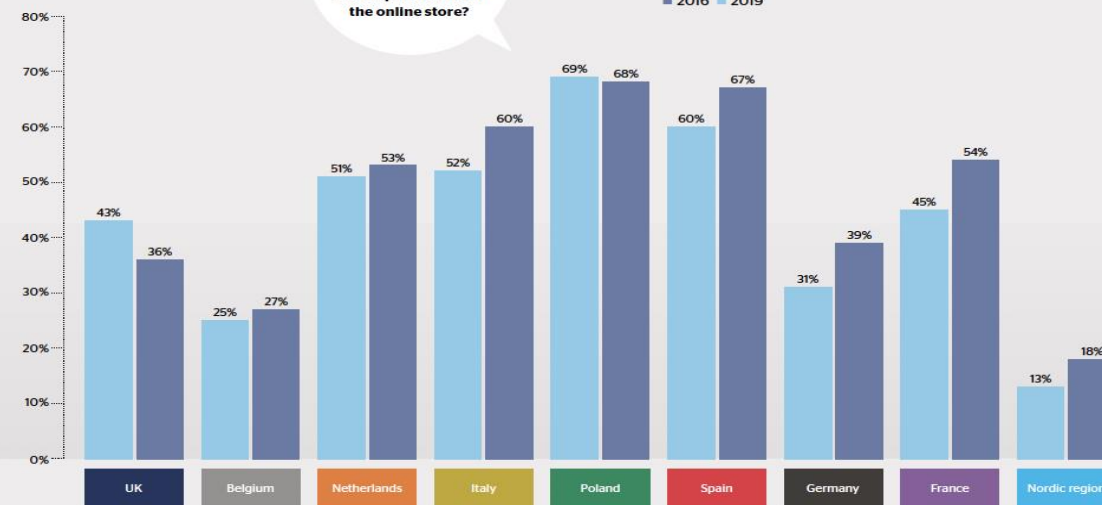
■ Fast delivery ■ Option to choose when delivery will occur.  
■ Being able to choose the place for delivery  
Basis: Have shopped online.

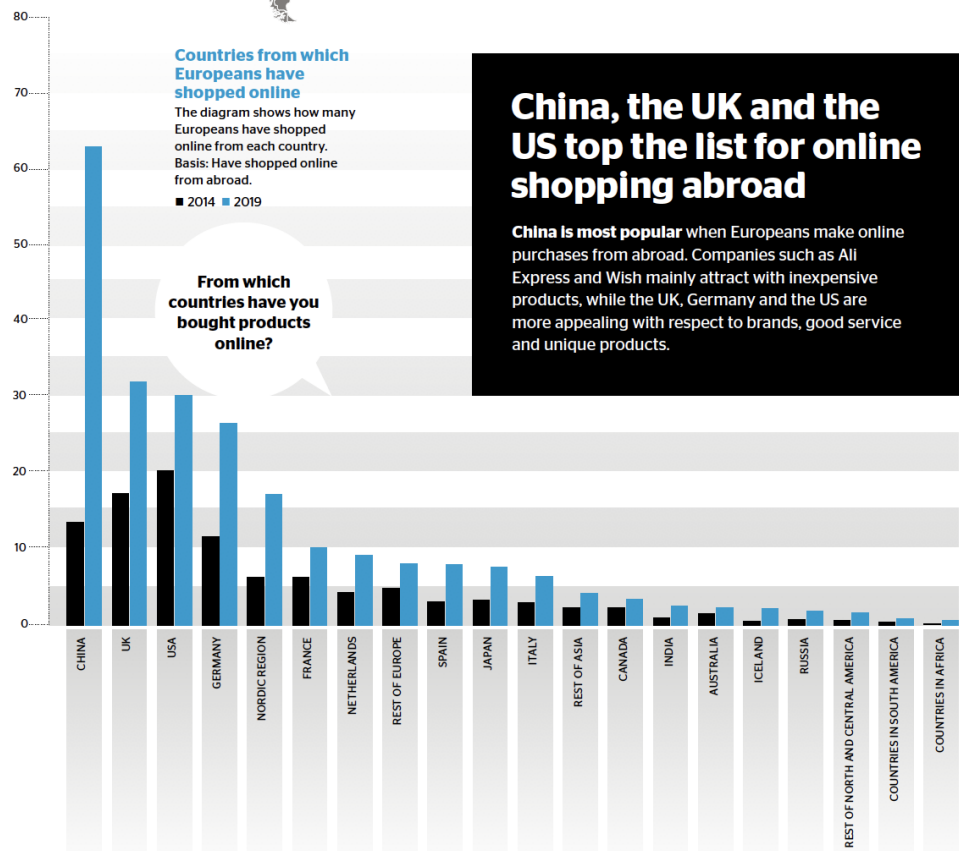
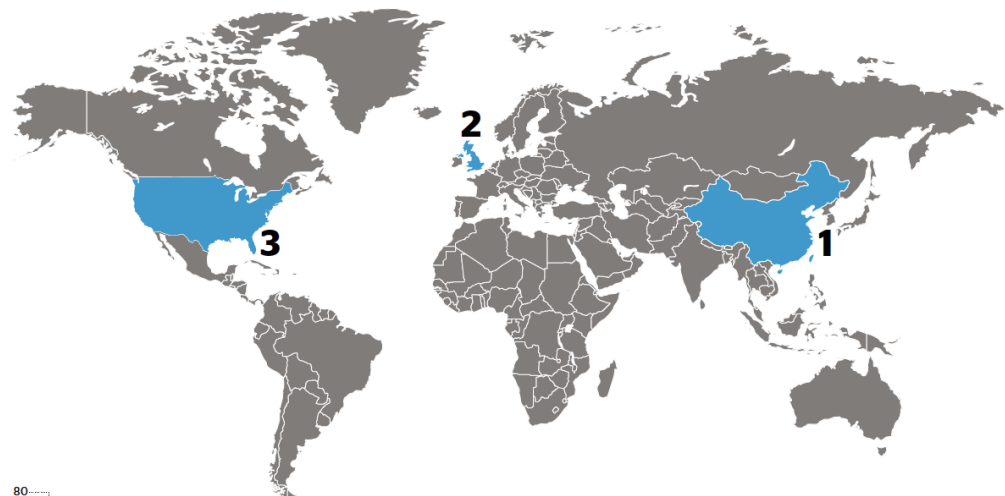


Is it important to you to be able to change the delivery date or time after the products are dispatched from the online store?

### Option to change time of delivery

Percentage who answered yes.  
Basis: Have shopped online.  
■ 2016 ■ 2019







## International marketplaces in Europe

**The latest e-commerce** trend involves digital marketplaces, a kind of digital bazaar where external salespeople compete with each other for customers. The gist is a huge offering, stiff competition and low prices, which many traditional shoppers find hard to resist.

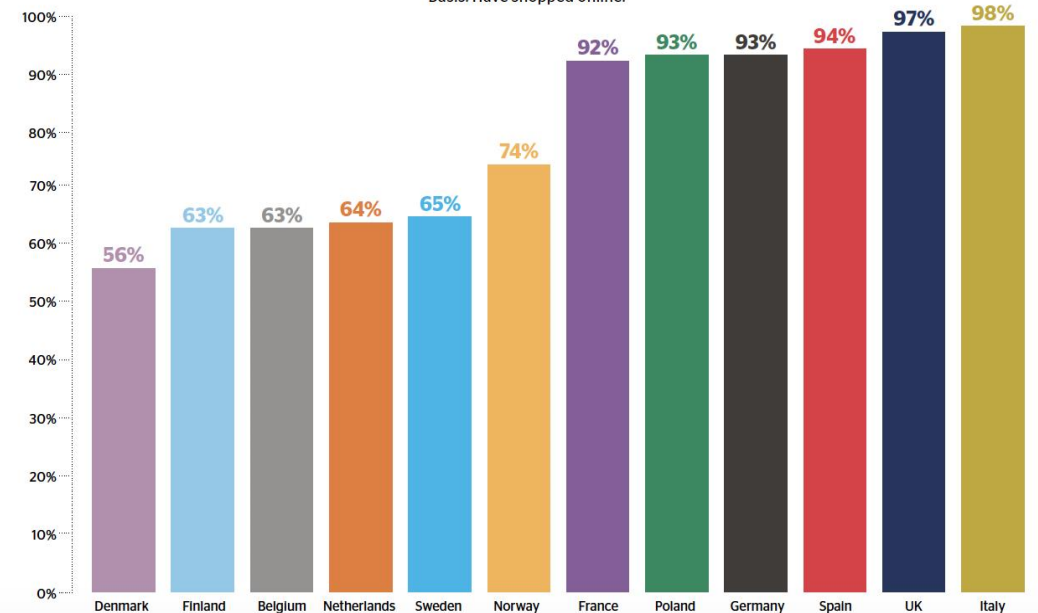
International marketplaces are common in large countries, and less common in small countries. The explanation is Amazon, which has deliberately focused on the largest markets in Europe.

Access to international marketplaces will probably increase in the smaller countries over the next few years. Most likely, the major market participants will expand, or less likely, a domestic participant will succeed in positioning itself before the giants barge in.

### Percentage who shopped online from marketplaces in the past year

The term "marketplaces" refers to Amazon, Wish, eBay, Zalando, Etzy, Alibaba, JD, or Allegro.

Basis: Have shopped online.

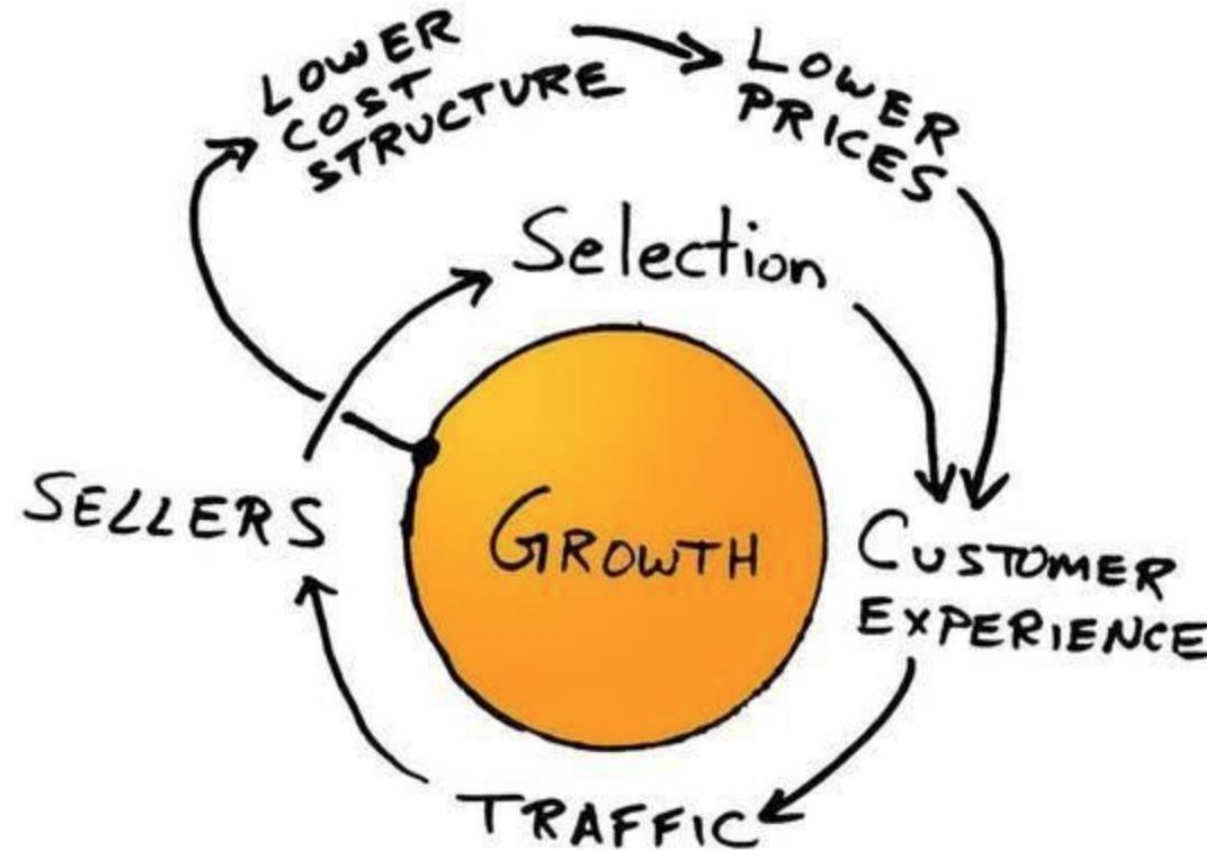






## Traditionell – Stuprör

Öka säljet:  
Försäljningen  
ökas genom att  
varor pushas med  
marknadsföring  
erbjudanden etc.



Taking a closer look at the original flywheel, it's evident that **all the pieces revolve around a continuous improvement of the customer experience**. A strong customer experience will lead to **more shoppers**, which will in turn bring **more sellers**. More sellers will **lower costs and prices** through competition while **bolstering selection for customers**. Lower prices and more selection will bring in **more customers and the cycle repeats itself**. Simple as that.





A long-exposure photograph of a city street at night. The image is filled with vibrant, multi-colored light trails from moving vehicles, primarily in shades of blue, orange, and yellow. The trails are curved and dynamic, suggesting motion. In the background, there are streetlights and the silhouettes of buildings. The foreground shows a dark, textured pavement. A semi-transparent dark rectangle is overlaid in the center, containing white text.

**Prediction  
Flexibility  
Availibility  
Speed  
Sustainibility**



# Delivery times have been **cut in half** as other retailers narrow the gap with Amazon

Average Click-to-Door Speed\* for US Digital Purchases Made on Amazon vs. Other Retailers, Dec 2015-March 2018



Note: represents activity on Slice's platform, broader industry metrics may vary; \*i.e., the number of days from a digital purchase transaction to package arrival

Source: Rakuten Intelligence, Aug 22, 2018

240629

www.eMarketer.com

## Speed of Delivery

**72** hours Alibaba anywhere in world

**24** hours Alibaba anywhere in China

**4** hours Amazon U.S. Major Cities

**1 to 2** hours Amazon Prime Now within city

**0.5** hours Alibaba New Retail within city





# The Challenge

postnord









Marcus Johansson  
Head of Logistics &  
Operations Manager,  
Eleven and Nordicfeel

” In our work with sustainable deliveries sending no air is an important part. We have calculated that if we were to limit ourselves to a few boxes that hold all products an additional 300 trucks per year would have been required to deliver the same amount of packages.

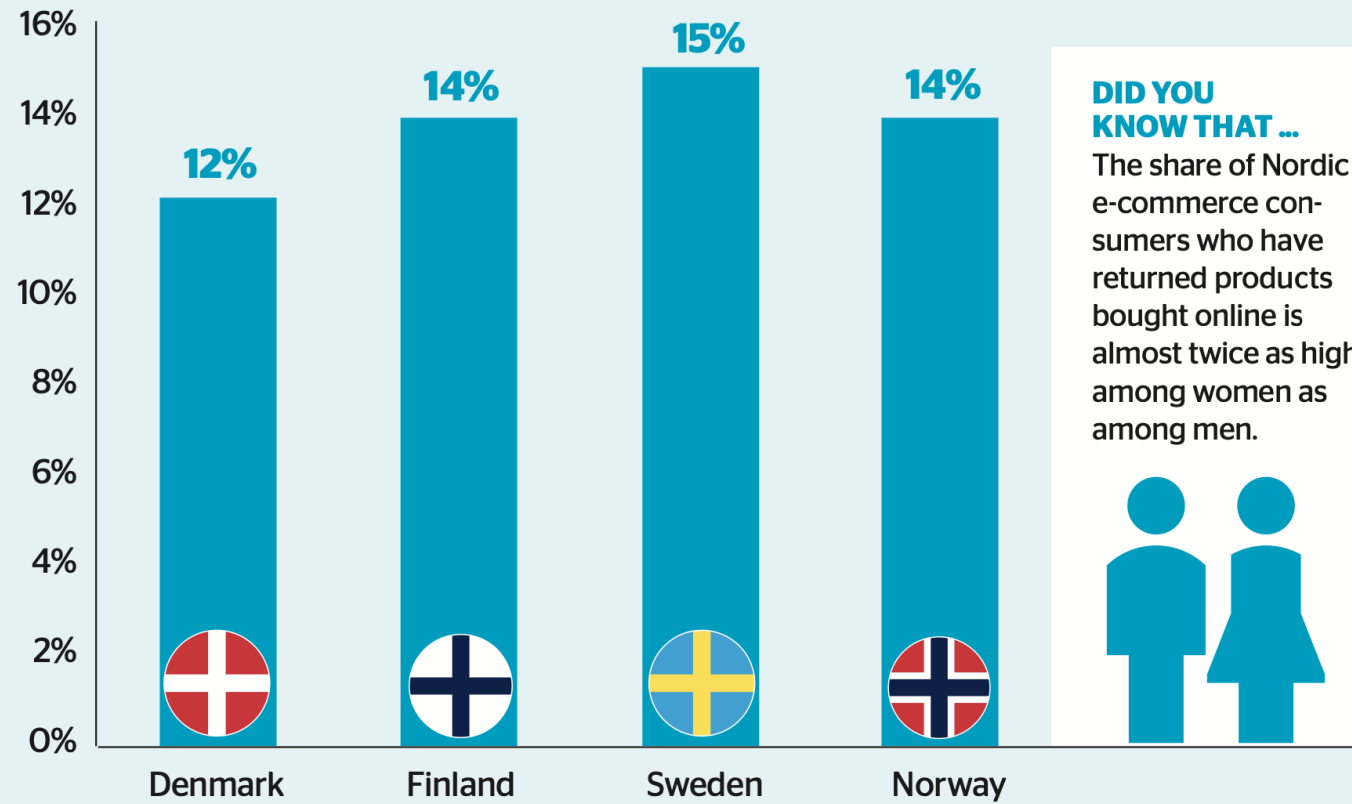




# Returns

postnord

**How many products have you sent back in return in the past 30 days?**  
(Percentage that responded that they had returned at least one product, June)



Basis: Shopped online in June 2019

Forever 21 files for bankruptcy, to shut down 178  
ASOS shares just crashed 23%. Here's  
what I'd do now

Edward Sheldon, CFA | Friday, 19th July, 2019 | More on: [ASC](#)

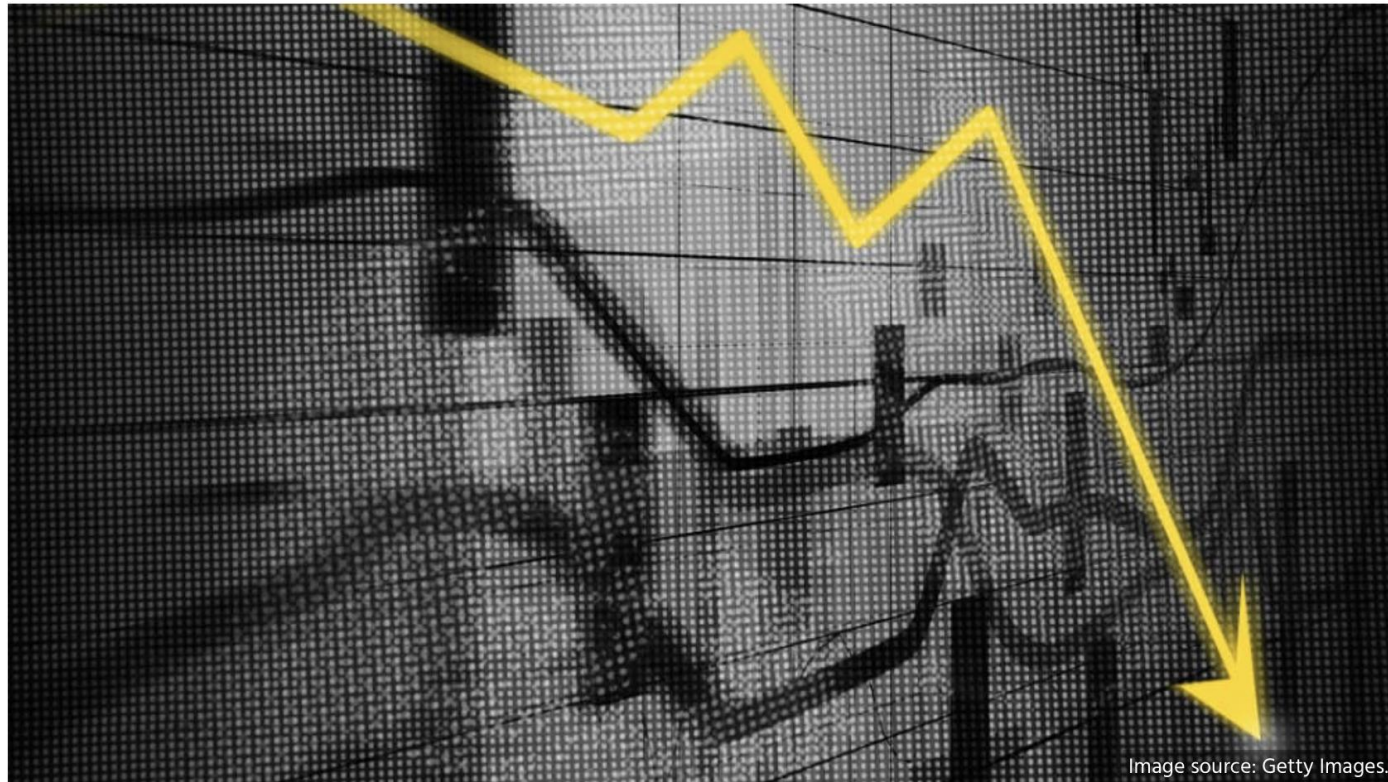



Image source: Getty Images.


+46 73 0790552

e-barometern

PostNord i samarbete med Svensk Digital Handel och HUI Research


Q2  
2019






Add profile section ▼

More...



 Postnord

Arne B Andersson

Nordic Ecommerce advisor

Stockholm, Sweden · [500+ connections](#) · [Contact info](#)



# E-Commerce: Operational Challenges & Opportunities

Andre Majeres

Manager Cargo, Mail and  
e-Commerce Operations

IATA

Bart Pouwels

Head of Cargo  
Schiphol Airport





# IATA - E-Commerce







# Facts and Figures



# 20%

On average growth per  
year of global e-  
commerce

Source: Euromonitor

Twice as fast as  
domestic e-Commerce

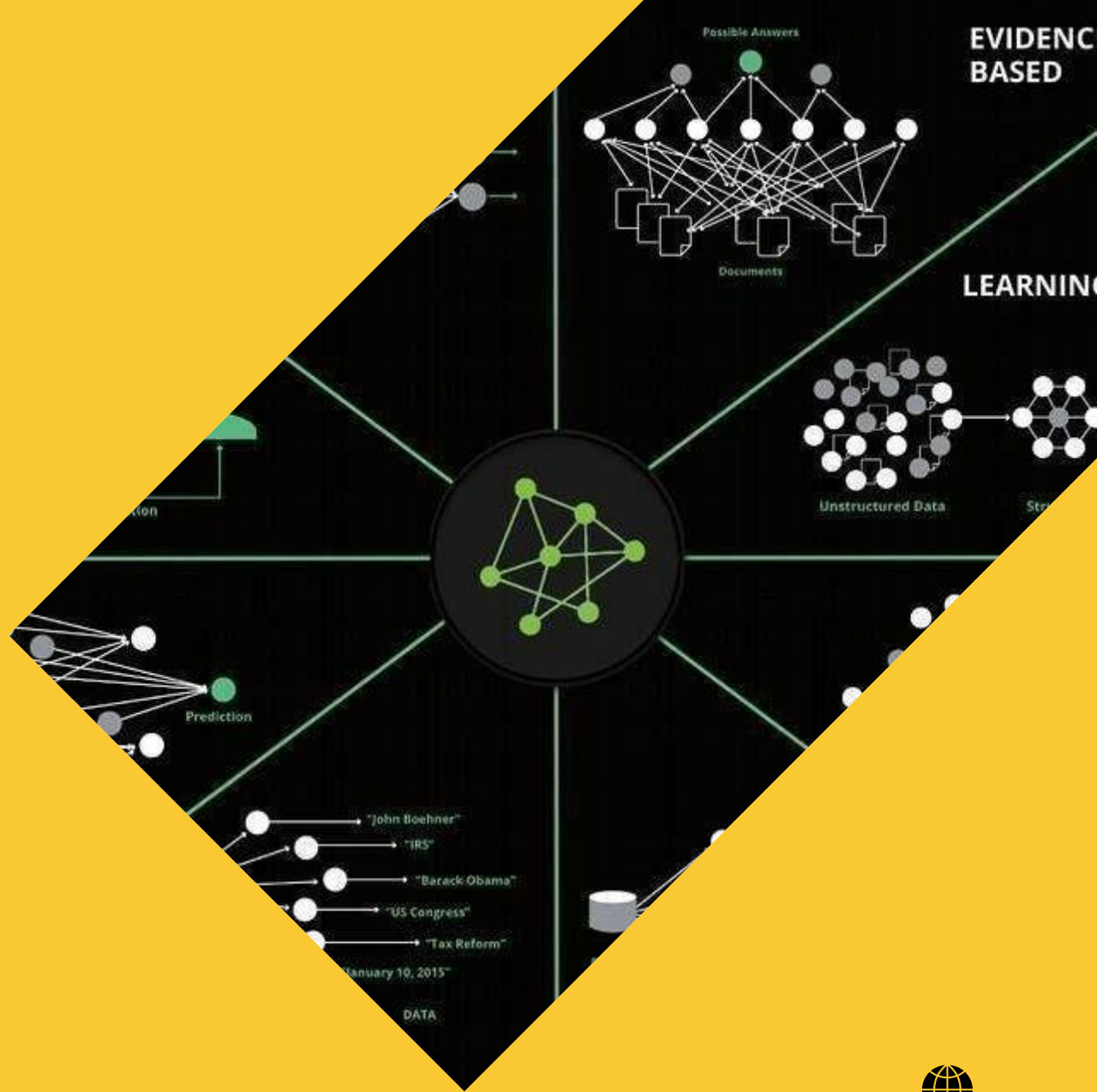
Source: International Post Corporation



# 14.6%

Share of e-Commerce  
retail sales VS global  
retail sales in 2020

Source: *eMarketer*



# Air cargo serving e-commerce

e-commerce growth is the "***not-to-be-missed***" opportunity!

- 2.3 trillion USD in 2017
- 2.9 trillion USD in 2018
- 3.5 trillion USD in 2019
- 4.1 trillion USD in 2020
- 6.5 trillion USD in 2023

Source: *Online Sales* (2020: est.)





# 3,050B EUR

**By 2023 (includes physical products ordered online via any device, regardless of method of fulfilment (excludes travel, tickets, services))**

Source: Euromonitor International, IPC analysis



# Singles Day – 11.11

## Facts and figures from 2013 to 2018

- From 5.7b\$ to 30.8b\$
- From 9 to 2.6 days delivery time  
(for the first 100 million parcels)
- 152 million to 1.88 billion parcels  
(1 billion orders)
- 40% is cross-border e-Commerce

Source: Euromonitor International, IPC analysis, Post and Parcel Technology International



# Air cargo serving e-commerce



Cross-border e-commerce is mainly low cost and light-weight.

- 36% < 25 EUR
- 81% < 2 kg

Consequence: a Tsunami of Parcels

*Online Sales (2020: est.)*



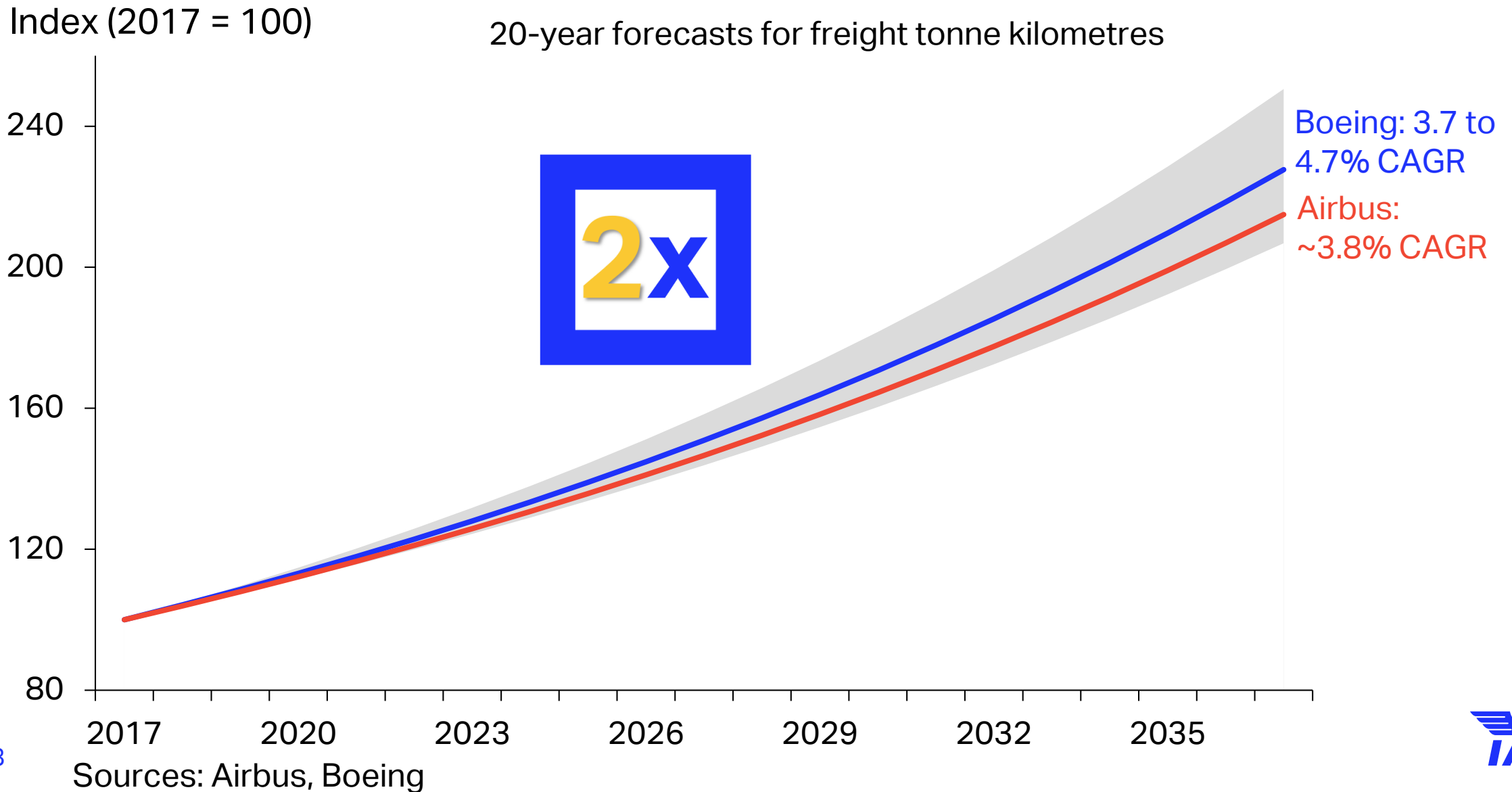
# More and more reasons to buy online

## E-Commerce event opportunities for the year 2019

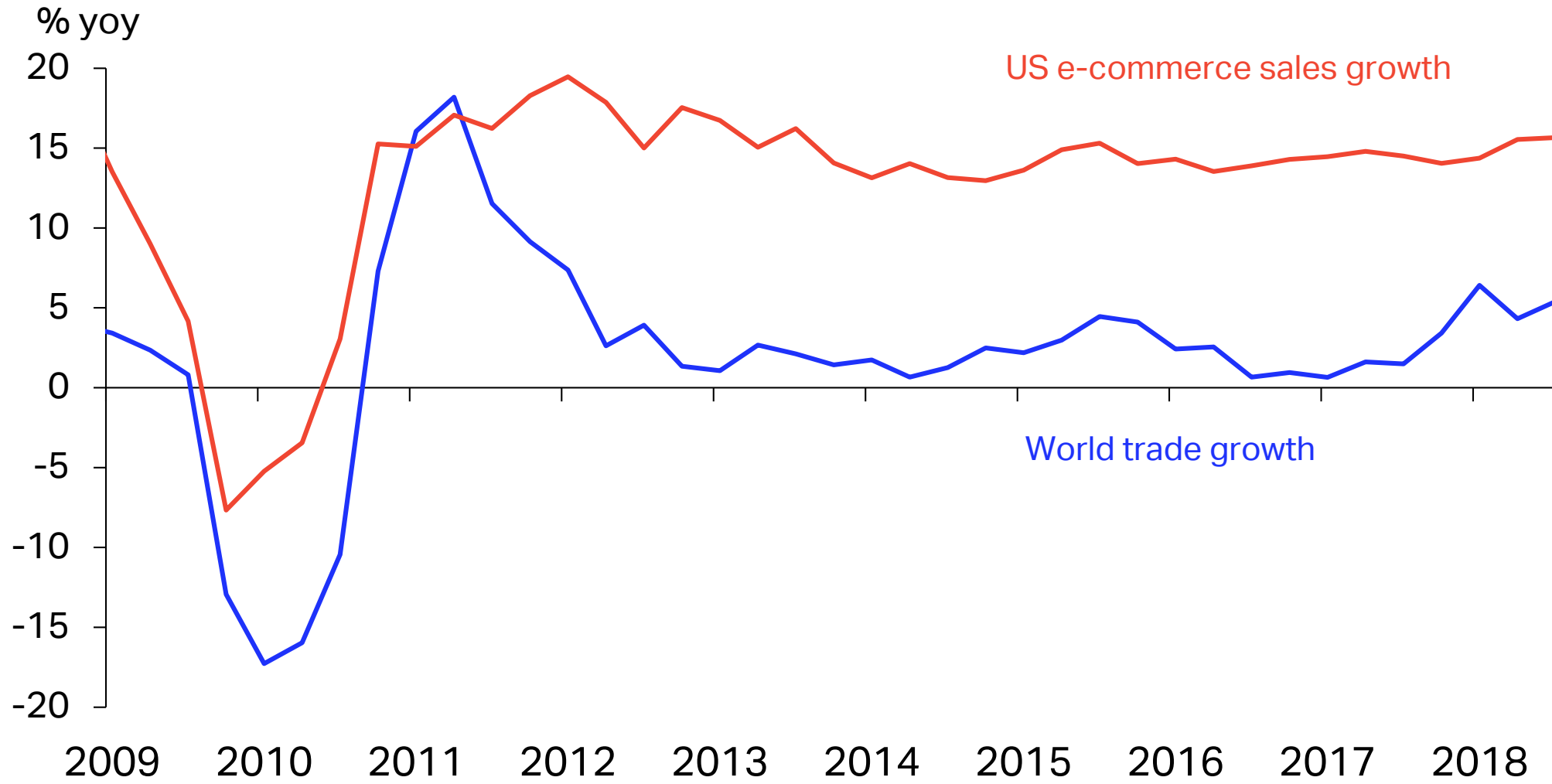
Source: DHL



# Doubling expected within next 20 years



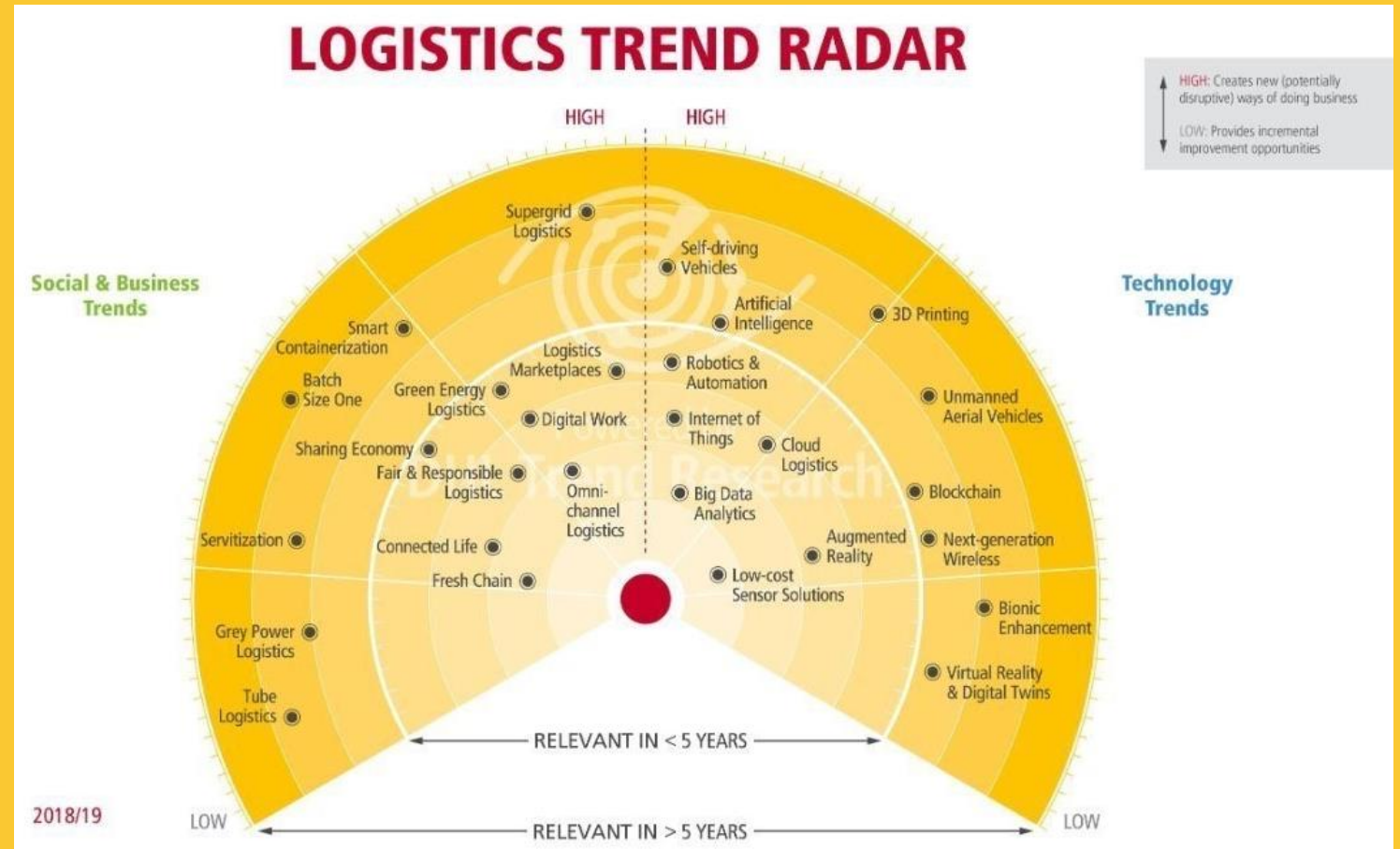
# E-commerce is part of the story





# Air cargo serving e-commerce

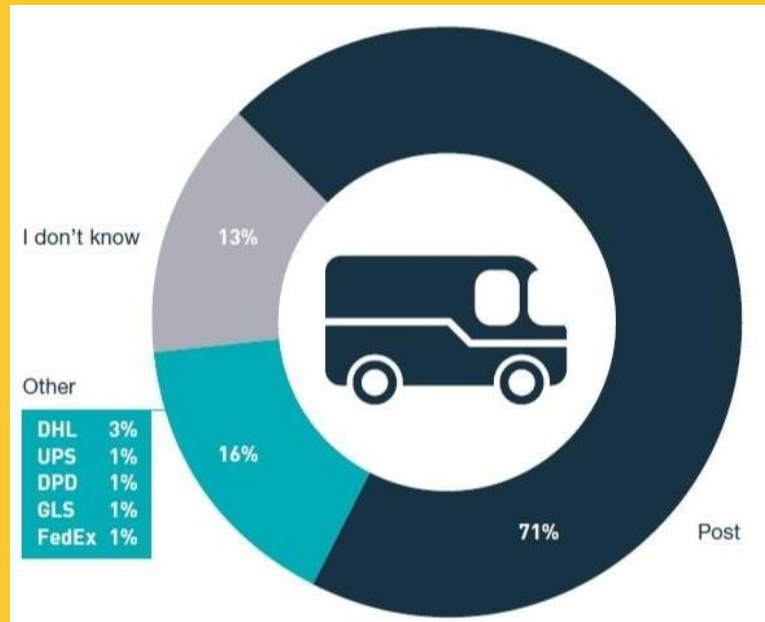
- E-Commerce Logistics trends
- Business & Technology



Source: DHL



# Last mile



More than **70%** last mile deliveries performed by postal operators

Source: International Post Corporation (IPC)

We may see a shift from Mail to Cargo in the future...



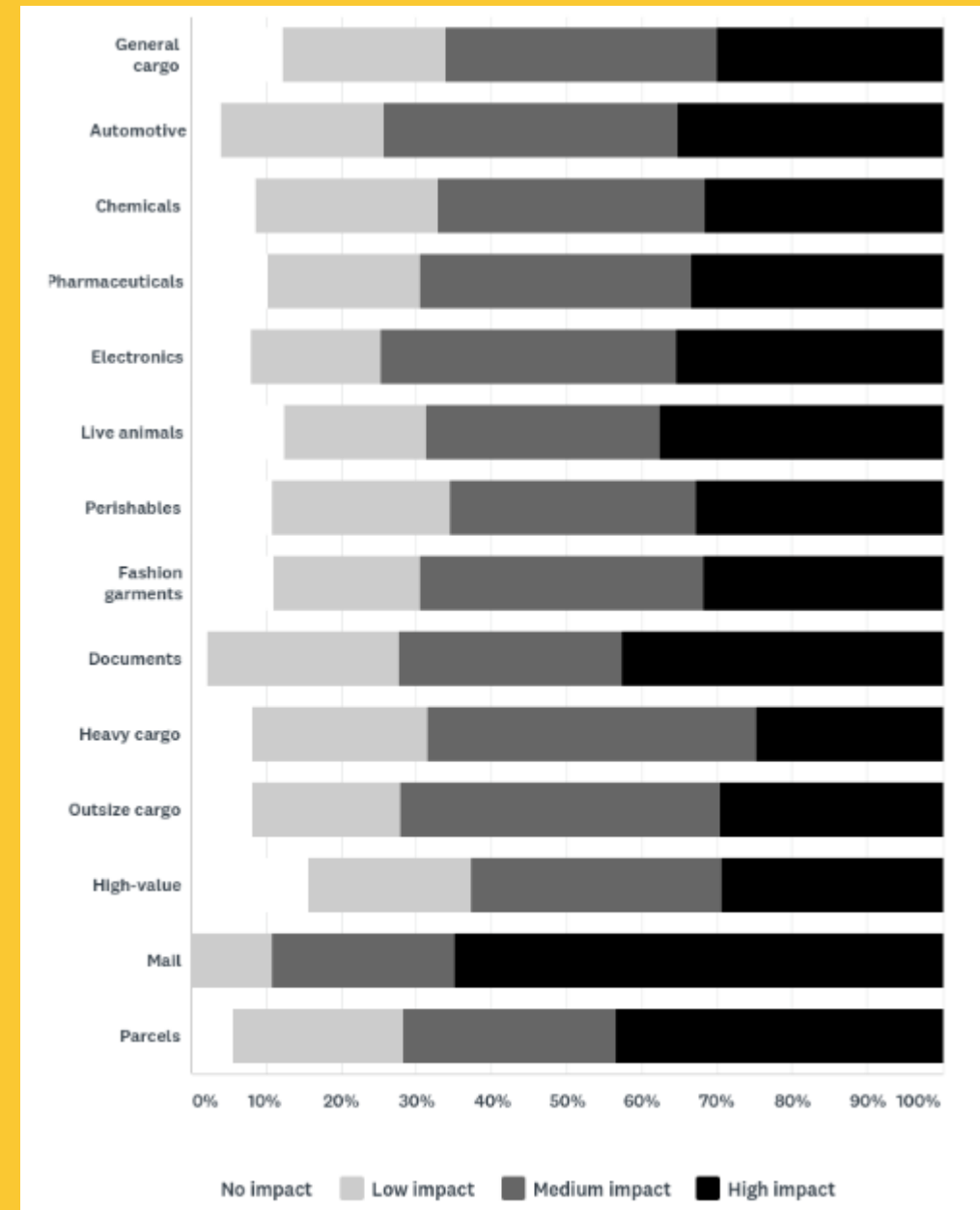
# E-Commerce Shipper Survey



# E-Commerce Survey

**66%** of shippers see e-commerce impacting or transforming their supply chain

(33% heavily, 33% moderately, 22% low, 12% no impact)



# E-Commerce Survey

**30%** of shippers think air cargo adequately serve their needs for e-commerce

**59%** said partially

**11%** said not at all

**The industry needs to adapt to e-commerce!**



# E-Commerce Survey

**77%** of the e-commerce shippers would be ready to participate in a program that would speed up the processing of regulatory formalities ("Known Shipper")

**83%** of e-commerce shippers would be ready to sign a "Code of Conduct" to combat counterfeits, illegal wildlife trade, illegal narcotics



# IATA Activities



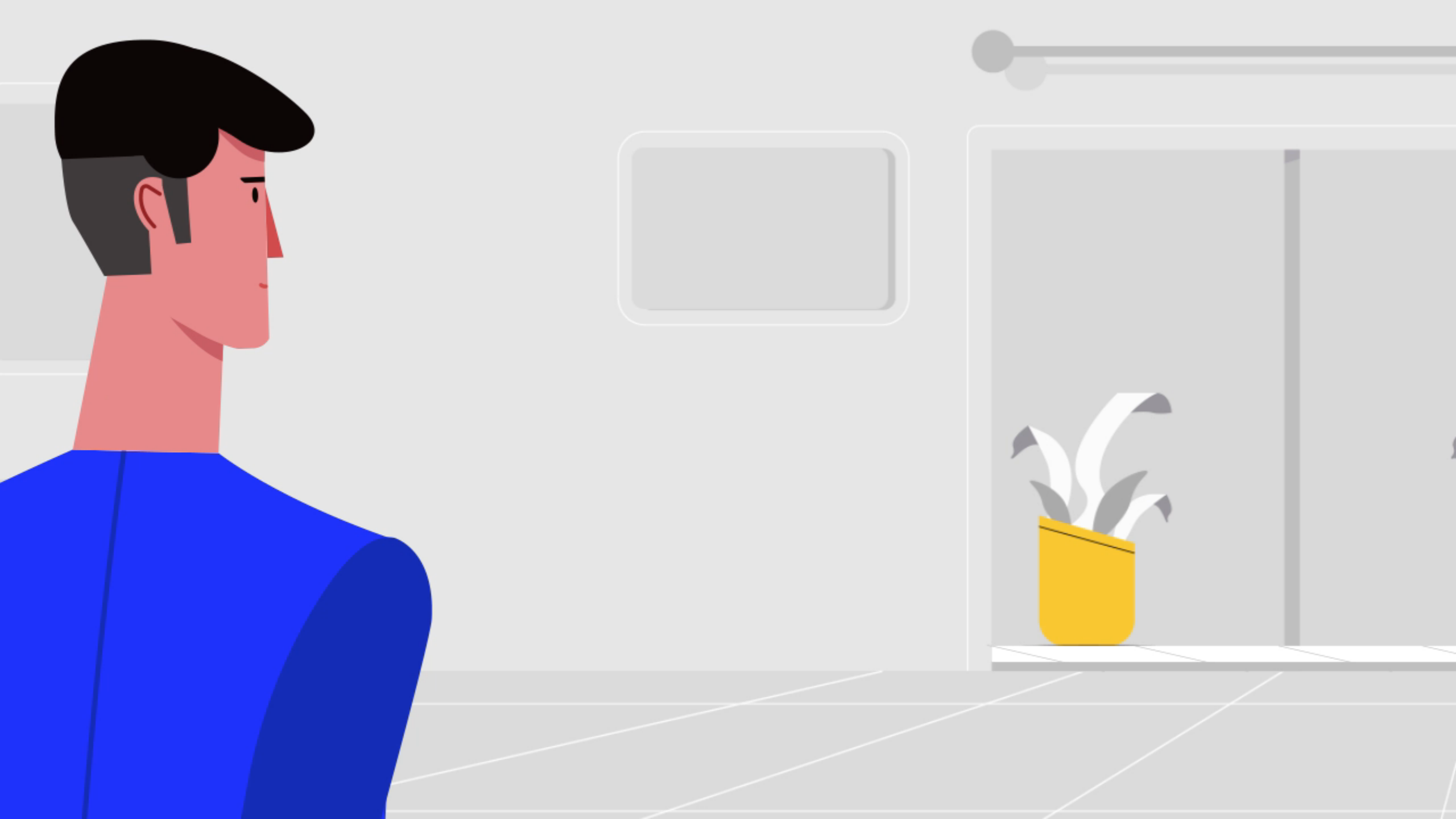
# Air cargo serving e-commerce

*Parcel delivery **volume** more than **doubled** in the past decade.*

***Digital** technologies have **revolutionized** the retail industry, buying patterns & consumer expectations, and will continue to do so.*

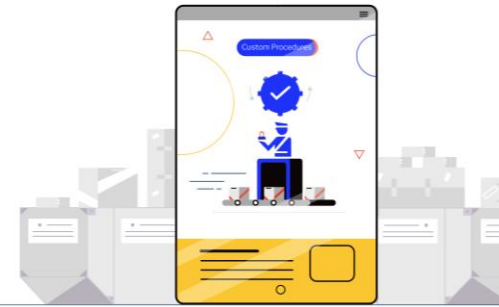
*Our **industry** is set to **double in size** by **2035**.*

*IA TA's role is to facilitate the growth of civil aviation and cut airline costs by creating a better regulatory and business environment for our member airlines, and the stakeholders of the air cargo industry.*



Safety &  
Security

Digitalization



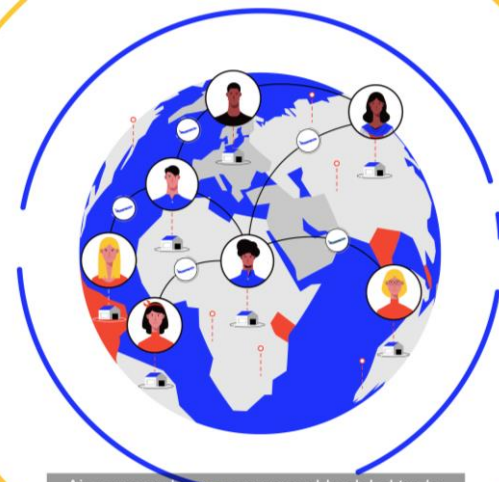
speedy customs procedures

Stakeholder  
Engagement

Sustainability

Data

Operational  
Efficiency



Air cargo and e-commerce enable global trade.

Border  
Procedures

New Business  
/ Enhancements

8 key IATA work streams for e-commerce logistics  
IATA White Paper: "*Air Cargo Serving e-Commerce*"







# E-Commerce Dashboard



Safety and Security



Strengthen safety and security for air cargo and airmail

- Position Paper finally endorsed at UPU POC in February 2019
- Airline lead on a Working Group to draft "Mail Safety" guidelines for postal operators to implement.
- CBM Bulletin on lithium battery issues

Border Procedures



Encourage trade facilitation and border procedures aligned to international standards using modern approaches

- PLACI and Mail EAD advocacy

Stakeholder engagement



Increase level of engagement with major and emerging e-commerce players to capture needs, challenges and guide relevant global industry standards development

- Discussions started with WCA (e-Commerce certification for members). Possible link to SF.
- Ongoing discussion with major e-commerce providers (see WCS)
- Investigation for an e-Tailer code of conduct (ethical, counterfeits...etc)
- Shipper survey includes e-commerce

Data, Economics, Insight



Use data to provide industry insights on e-commerce and create lobbying positions.

- Investigating an e-commerce monitor
- MoU to be signed with IPC

Operational Efficiency / Infrastructure



Simplify processes, optimize flows and speed up the transaction, introducing industry best practices based on stakeholder requirements.

- ICHM handling standards.
- Working on Fast Cargo vision and deliverables.
- Investigation for including Risk Assessment in ICHM mapped to MOP
- Smart Facility to validate efficiency
- Cooperation with UPU for dimensions
- Ongoing work with UPU for integrating Mail and Cargo Systems.
- Ongoing work with IPC on mapping mail processes to the Cargo Industry MOP.
- Review of cargo terminal infrastructure requirements by the ICHC

Sustainability



- Initiative with IPC on "e-Packets"
- Initiative with UPU on usage of mail parcel size (box size) and issue of returns
- IWT?

New Business Models / Enhancement



Monitor new and emerging trends to call for and promote stronger industry coordination

- Cargo Facility of The Future (Robotics, Drones, AI...)

Digitalization



Encourage the industry to embrace new technologies that will ensure greater visibility, transparency and efficiency

- Usage of CARDIT 2.1
- Conversion of EDIFACT into XML
- Usage of e-AWB
- Investigation of ONE Record e-commerce elements





# Cross-Border e-commerce Framework of Standards

<http://www.wcoomd.org/en/topics/facilitation/activities-and-programmes/ecommerce.aspx>

## Key principles and standards

### Advance Electronic Data and Risk Management



Standard 1: Legal Framework for Advance Electronic Data  
Standard 2: Use of International Standards for Advance Electronic Data  
Standard 3: Risk Management for Facilitation and Control  
Standard 4: Use of Non-Intrusive Inspection Technology and Data Analytics

### Facilitation and Simplification



Standard 5: Simplified Clearance Procedures  
Standard 6: Expanding the Concept of Authorized Economic Operators to Cross-Border e-Commerce

### Fair and Efficient Revenue Collection



Standard 7: Models of Revenue Collection  
Standard 8: De Minimis

### Safety and Security



Standard 9: Prevention of Fraud and Illicit Trade  
Standard 10: Inter-Agency Cooperation and Information Sharing

### Partnerships



Standard 11: Public-Private Partnerships  
Standard 12: International Cooperation

### Public Awareness, Outreach and Capacity Building



Standard 13: Communications, Public Awareness and Outreach

### Measurements and Analysis



Standard 14: Mechanism of measurements

### Leveraging Transformative Technologies



Standard 15: Explore Technological Developments and Innovation



# Thank you

Andre MAJERES

Manager Cargo, Mail and e-Commerce  
Operations and Standards

[majeres@iata.org](mailto:majeres@iata.org)



<https://www.iata.org/whatwedo/cargo/Pages/e-commerce-logistics.aspx>



# Networking Lunch 12:30 – 14:00



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**Amsterdam, Netherlands**  
29-31 October 2019



# Operations and Handling Standards

## What is in the toolbox?

Alan Glen

Vice President  
Cargo Development  
Menzies Aviation

Andre Majeres

Manager Cargo, Mail and  
e-Commerce Operations  
IATA



# Menzies Cargo

## Operations and Handling Standards – What is in the IATA toolbox?



Date 29 Oct 2019

# FEATURES OF OUR SERVICE

We provide integrated Cargo management services, from aircraft unloading to delivery to customers.



# OUR CARGO BUSINESS TODAY

\*2018





# STANDARDS BASED AND QUALITY DRIVEN

We've aligned our GOM and MCHM to the IATA GOM and ICHM, ensuring we continue to coordinate all of our procedures and quality materials to the highest standards.



# Implementing the safest working methods

## Our top priority

Safety and security is our top priority, our systems ensure we *"work the right way, everyday"*

## Aligning standards

We are fully aligned to the IATA standards in Ground Handling and Cargo

## Process mapping

Online process maps have made our operating processes easier to understand, reducing risk across our operations

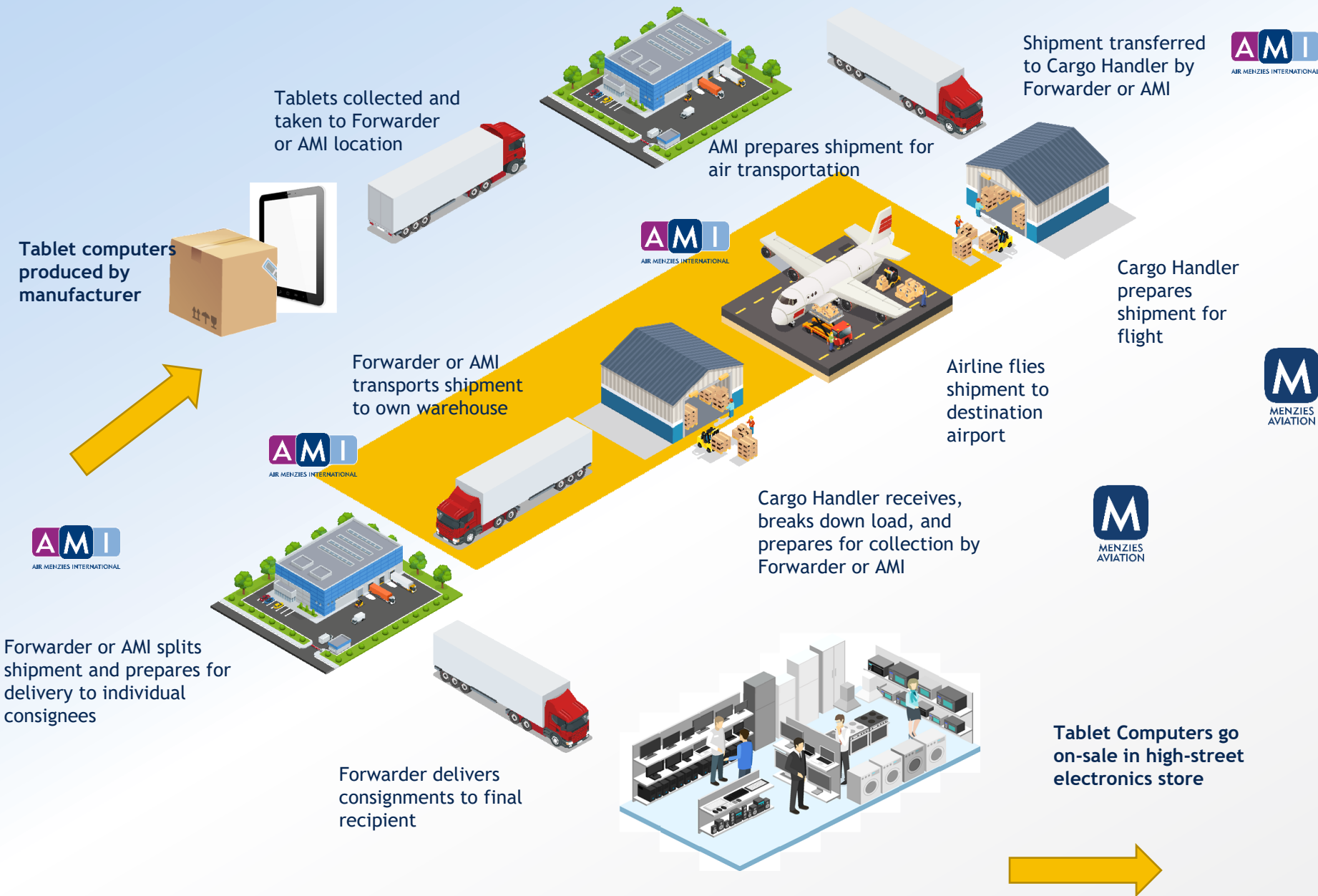
## Bespoke auditing

We can incorporate Customer specific inspection requirements into our SMART app, reducing your audit requirements across our network



## Driving

- Processes
- Procedures
- Training
- Cargo Systems



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# MCHM - Chapter 8- Accept Shipments as Ready for Carriage

Change request?

Document information:

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Bookmarks to the headings on this page:

Chapter 8 - Accept Shipments as Ready for Carriage

Symbol	Meaning	Chapter 8 - Accept Shipments as Ready for Carriage
□	Addition of a new item.	Back to top
△	Change to an item.	
⊗	Cancellation of an item.	

#### Revisions

Revision	Date	Section	Amendment
Original Issue	1st May 2019	All	-

## Chapter 8 - Accept Shipments as Ready for Carriage

(ICHM 8)

The primary objective for cargo acceptance is to ensure that consignments are "Ready-for-Carriage" in compliance with:

- carrier requirements;
- local export rules and regulations;
- rules and regulations of the transit airport(s) and air spaces, if any;
- import regulations of the destination country or station.

### 8.1 Verify if Shipments are Security Cleared

CGM 1.1.1

Verify the security status of individual shipments based on Shipment Information and origin, en-route and destination security regulations, as defined by government bodies and initiatives.

Documentation Received from a Regulated Agent or from a Known Consignor

(MA) Refer Security Manual14.3.3 (MA/)

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# دليل مينيزيس لمناولة البضائع (MCHM) - الفصل 8 - قبول الشحنات باعتبارها جاهزة للنقل

تغير الطلب؟

معلومات المستند:

الإصدار الحالي	1.0
تاريخ آخر رفع	30 أبريل 2019
تم الرفع بواسطة	داميان أتكينز
المؤلف	آلان جلين
تم الإصدار في تاريخ	01 مايو 2019
بدء السريته من	08 مايو 2019
رقم تعريف الأصول	#129420
Language	<div> <div>🇸🇦</div> <div>العربية</div> <div>▼</div> </div>

[الصفحة الرئيسية](#) / [مكتبة الوثائق](#) / [العمليات](#) / [عمليات الشحن](#) / [دليل مينيزيس الجديد لمناولة البضائع MCHM](#) / [دليل مينيزيس لمناولة البضائع \(MCHM\) - الفصل 8 - قبول الشحنات باعتبارها جاهزة للنقل](#)

Bookmarks to the headings on this page:

الفصل 8 - قبول الشحنات باعتبارها جاهزة للنقل

الرمز	المعنى	الفصل 8 - قبول الشحنات باعتبارها جاهزة للنقل
□	إضافة بند جديد	Back to top
△	تعديل بند	
⊗	إلغاء صف	

المراجعة	التاريخ	القسم	التعديل
الإصدار الأصلي	1 مايو 2019	الكل	-

## الفصل 8 - قبول الشحنات باعتبارها جاهزة للنقل

(دليل مناولة الشحنات الصادر عن اتحاد النقل الجوي الدولي ICHM رقم 8)  
 يتناول الهدف الرئيسي من قبول الشحنة في التأكد من أن الشحنات "جاهزة للنقل".  
 التزمًا بما يلي:

- متطلبات الناقل؛
- قواعد التصدير المحلي ولوائح؛
- اللوائح واللوائح بشأن مطارات المرور والمحاذاة الجوية، إن وجدت؛
- لوائح الاستيراد السارية لدى بلد الوجهة المقصودة أو محطة الوجهة المقصودة.

### 8.1 التحقق ما إذا كانت الشحنات قد حصلت على التصاريح الأمنية

CGM رقم 1.1.1

التحقق من الحالة الأمنية للشحنات الفردية بناءً على معلومات الشحنة ونقطة المنشأ واللوائح الأمنية على الطريق واللوائح الأمنية للوجهة المقصودة. حسبما تحدد السلطات الحكومية وصاربتها.

المستندات المسجلة من الرقيل المنظم أو من ثامن معرف

# Menzies Cargo Handling Manual (MCHM)

IATA Content as the core

Menzies additions are highlighted

Follows Numbering which also follows the IATA MOP.

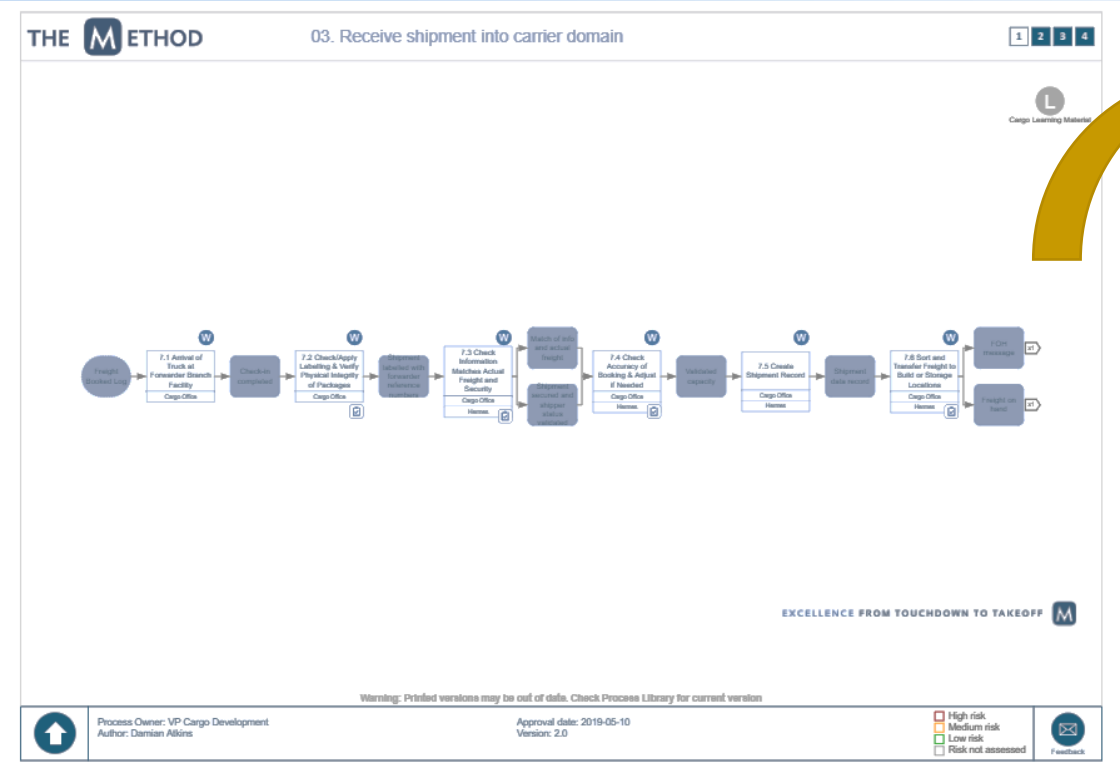
Includes ISAGO references

Multi Lingual Capability





# Menzies Method Links to Menzies Cargo Handling Manual



Document information:

Current Version	1.0
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Uploaded by	Oswania Hajar
Author	Alan Glen
Issued on	01 May 2019
Effective from	08 May 2019
AssetID	#120102
Language	ENGLISH

## MCHM - Chapter 7 - Receive Shipments into the Carrier Domain

Change request?

Home / Document Library / Operations / Cargo Operations / MCHM / MCHM - Chapter 7 - Receive Shipments into the Carrier Domain

Bookmarks to the headings on this page:

- Chapter 7 - Receive Shipments into the Carrier Domain
- 7.1 Channel Forwarder Information to Applicable Parties
- 7.1.1 Documentation acceptance process
- 7.2 Assign Unloading Slot and Position to Delivery Truck
- 7.3 Validate Security/Customs Status Truck
- 7.4 Unload Truck/Receive Transfer Shipments
- 7.5 Secure Cargo as Applicable
- 7.6 Check if Booking Information Matches the Actual Freight
- 7.7 Mail Handover at Origin and Building Load Plan

Chapter 7 - Receive Shipments into the Carrier Domain

7.1 Channel Forwarder Information to Applicable Parties

(MA) This is the point at which the cargo Warehouse acts for the carrier, (MA/)

7.1.1 Documentation acceptance process

7.2 Assign Unloading Slot and Position to Delivery Truck

7.3 Validate Security/Customs Status Truck

7.4 Unload Truck/Receive Transfer Shipments

7.5 Secure Cargo as Applicable

7.6 Check if Booking Information Matches the Actual Freight

7.7 Mail Handover at Origin and Building Load Plan

Back to top

Not For Operational Use Before 8th May 2019

Change identification

Symbol	Meaning
□	Addition of a new item.
△	Change to an item.
■	Cancellation of an item.

Revisions

Revision	Date	Section	Amendment
Original Issue	1st May 2019	All	-

### Chapter 7 - Receive Shipments into the Carrier Domain

(CGM 7 - Receive Shipments into the Carrier Domain)

(MA) This is the point at which the cargo Warehouse acts for the carrier, (MA/)

#### 7.1 Channel Forwarder Information to Applicable Parties

CGM 1.1.2, CGM 1.5.1, CGM 1.5.5, CGM 2.4.2

Channel Forwarder Information to Applicable Parties Advise the necessary shipment information and shipment details to the carrier's Cargo Handling Agent. It is recommended to send this information through electronic means of communication.

This includes the following:

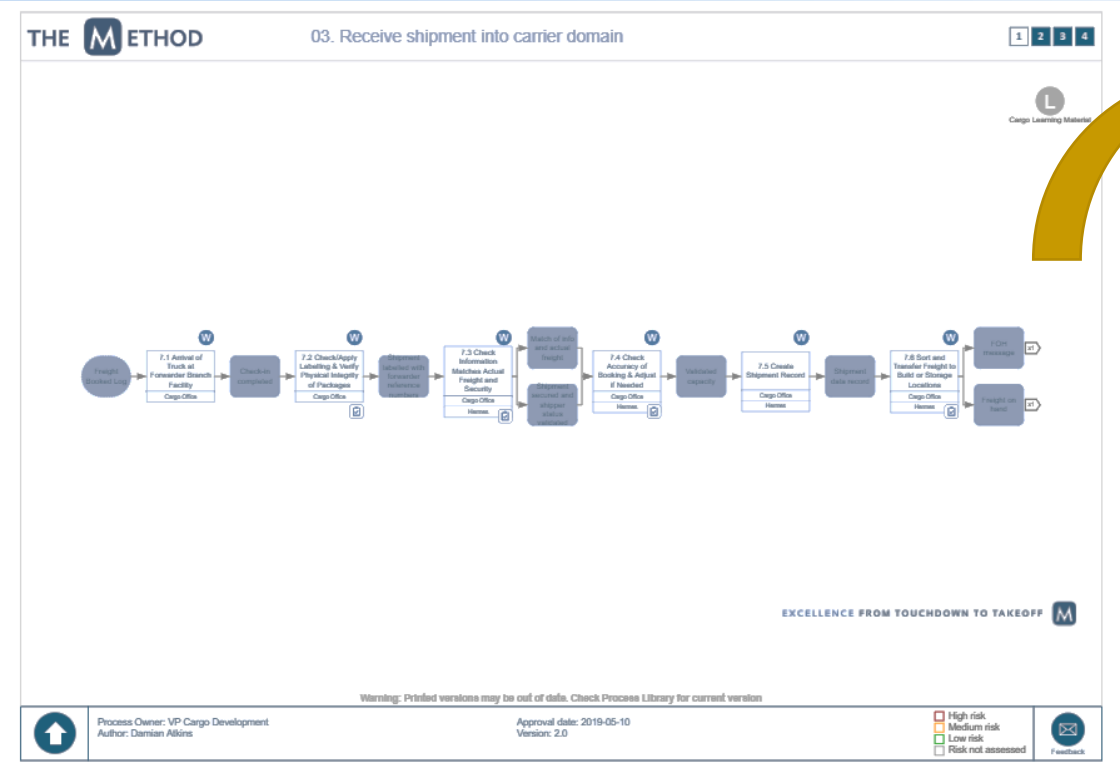
- (a) Electronic air waybill information;
- (b) Electronic house waybill information for consolidated shipments;
- (c) Truck number and type (if available);
- (d) Estimated arrival time (if available);
- (e) Security screening marks (if known/available).

Where necessary, obtain special endorsement from the carrier and perform an embargo check on on-route and destination ports.

This information must be provided to the carrier.



# Menzies Method Links to Our Training



Home Groups Learning Knowledge Base

Introduction To Cargo-Powerpoint-GCEX-EN-230419.pptx  
James Callum · about 1 month ago · Creator: James Callum · 19 Views  
Cargo Ser... / Content / Introd... / PowerPoint

Open Download Upload Check Out Comment on item Edit

13 of 55 Jump To 13

## Business Model

The diagram illustrates the business model for cargo handling, showing the flow from manufacturer to final recipient. Key steps include: Tablet computers produced by manufacturer, Tablets collected and taken to Forwarder or AMI location, Forwarder or AMI transports shipment to own warehouse, Forwarder or AMI splits shipment and prepares for delivery to individual consignees, Forwarder delivers consignments to final recipient, Tablet Computers go on-sale in high-street electronics store, AMI prepares shipment for air transportation, Cargo Handler prepares shipment for flight, Airline flies shipment to destination airport, Cargo Handler receives, breaks down load, and prepares for collection by Forwarder or AMI, and Shipment transferred to Cargo Handler by Forwarder or AMI. The diagram is marked with 'EXCELLENCE FROM TOUCHDOWN TO TAKEOFF'.

Tags

Add a new tag

Related Content



Introduction To Cargo-Pow...  
James Callum  
about 1 month ago  
19 Views

Introduction To Cargo- Les...  
James Callum  
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Air Cargo Security Duties <...  
Marco Mare  
about 0 months ago  
16 Views

How helpful was this item?  
1 total ★★★★★

# IATA Cargo Handling Manual to Menzies Cargo Handling Manual – Gap Analysis

	ICHM Vs. Menzies CHM Menzies Ed 1 to ICHM 3				Actions Log --	
	ICHM References	MCHM References	Updated Status	Notes		
7. Receive Shipment into the carrier domain						
7.1 Channel forwarder information to applicable parties		7.1	Conformity	Added section 7.1.1 Document Acceptance Process		
7.2 Assign unloading slot and position to delivery truck		7.2	Conformity			
7.3 Validate Security / Customs Status Truck		7.3	Conformity	Added Section 7.3.1 Acceptance security checks		
7.4 Unload truck / Receive transfer shipments		7.4	Conformity			
7.5 Secure freight as applicable		7.5	Conformity			
7.6 Check if booking information matches the actual freight		7.6	Conformity	Added additional information		
7.7 Mail Handover at Origin and Building Load Plan		7.7	Conformity			
8. Accept Shipments as Ready for Carriage						
8.1 Verify if Shipments are security cleared		8.1	Conformity	Added MA requirements and links to Security Manual		
8.2 Perform Ready for Carriage checks	8.2.1 Document check against actual cargo	8.2.1	Conformity	Added MA guidance on IAT, added amplification		
	8.2.2 Acceptance of Special Cargo	8.2.2	Conformity	Added link to MA Dangerous goods manual, added more detail to processes		
8.3 Validate Information Against the Booking & Update		8.3	Conformity	Added MA guidance and added amplification		
9. Prepare Cargo for Transport						
9.1 Receive Transit and Transfer Shipments		9.1	Conformity	Added MA requirements		
9.2 Shipments in Transit are Security Cleared		9.2	Conformity	Added MA requirements		
9.3 Plan Flight & Send Booking List to Warehouse		9.3	Conformity			
9.4 Collect Freight & Unitise as planned	9.4.1 Prepare ULDs and Accessories	9.4.1	Conformity	Added references to MA ULD Handling procedures		
		9.4.1.1 Servibility checks on a container	9.4.1.1	Conformity	Added references to MA ULD Handling procedures	
		9.4.1.2 Servibility checks on a pallet	9.4.1.2	Conformity	Added references to MA ULD Handling procedures	
		9.4.1.3 Servibility checks on a net	9.4.1.3	Conformity	Added references to MA ULD Handling procedures	
	9.4.2 Collect Freight	9.4.2	Conformity			
	9.4.3 Prepare Bulk Loads	9.4.3	Conformity			
	9.4.4 Unitise Freight as planned	9.4.4	Conformity	Added references to MA ULD Handling procedures		
		9.4.4.1 Weight Spreading/Spreading requirements	9.4.4.1	Conformity	Reminder to follow airlines procedures	
		9.4.4.2 Centre of Gravity Requirements	9.4.4.2	Conformity		
	9.4.5 Raising of freight	9.4.5	Conformity			
		9.4.5.1 Stacking of Packages	9.4.5.1	Conformity		
		9.4.5.2 ULD Build-Up of Special Loads	9.4.5.2	Conformity		
		9.4.5.3 Tie-Down Material and Attachment Points	9.4.5.3	Conformity		
		9.4.6 Cargo Weighing	9.4.6	Conformity	Added MA Requirements on record keeping	
	9.4.7 The ULD-Tag	9.4.7	Conformity			
	9.4.8 Safety check after ULD build-up	9.4.8	Conformity			
9.5 Consolidate information		9.5	Conformity			
10. Send Shipments to the Flight						
10.1 Move Shipments from Warehouse to the Hold Area for Ramp Transportation		10.1	Conformity			
10.2 Move Shipments from Hold Area to Aircraft		10.2	Conformity			
10.3 Load the Aircraft as per Load Plan		10.3	Conformity			
10.4 Resolve discrepancies		10.4	Conformity			
10.5 Departure of the aircraft		10.5	Conformity			
11. Distribute Information						
11.1 Transmit Flight and Shipment Information to Down-line Stations & Authorities		11.1	Conformity			
11.2 Departure Flight Records		11.2	Conformity			
12. Unload & dispatch shipment to warehouse						
12.1 Arrive Flight at Destination Airport		12.1	Conformity	Added MA Requirements for flight monitoring		
12.2 Unload Flight		12.2	Conformity			
12.3 Move Shipments to the appropriate facility		12.3	Conformity	Added x links on storage		
12.4 Arrive Shpments at Warehouse		12.4	Conformity	Added MA Requirements		
13. Check-in Shipments						
13.1 Receive Shipments in Warehouse		13.1	Conformity	Added MA Amplification		
	13.1.1 ULD Breakdown	13.1.1	Conformity	Added references to MA ULD Handling procedures		
	13.1.2 ULD Cleaning	13.1.2	Conformity			
	13.1.3 Return to Storage	13.1.3	Conformity	Added references to MA ULD Handling procedures		
13.2 Move Shipments in Transit to Appropriate Location		13.2	Conformity	Added MA Requirements		
13.3 Move Shipments to be transferred to Other Carrier		13.3	Conformity			
14. Store & Shipments						
14.1 Store Freight for Import		14.1	Conformity			
14.2 Notify Consignee or Forwarder that Shipment and Information are On Hand at Destination		14.2	Conformity			
14.3 Handover of Documents to Consignee or Forwarder		14.3	Conformity			
15. Handover the Freight to the Forwarder						
15.1 Check the Customs Release Status		15.1	Conformity	Added MA Requirements		
15.2 Prepare the Freight for Handover		15.2	Conformity			
15.3 Handover the Freight to the Forwarder		15.3	Conformity	Added MA Requirements		
EXCELLENCE FROM TOUCHDOWN TO TAKEOFF						

All standards met or exceeded.

Additional explanatory info added where required.

Numbering system maintained for ease of cross reference.

# Hermes our Cargo System



## Hermes – Our Cargo System

- Real-time data
- Reducing handling errors
- Identifying operational inefficiencies
- Preventing revenue leakage
- Championing inbuilt best practice
- Creating automated processes
- Avoiding SLA failures
- Highly configurable to meet customer needs for messaging, products and SLA



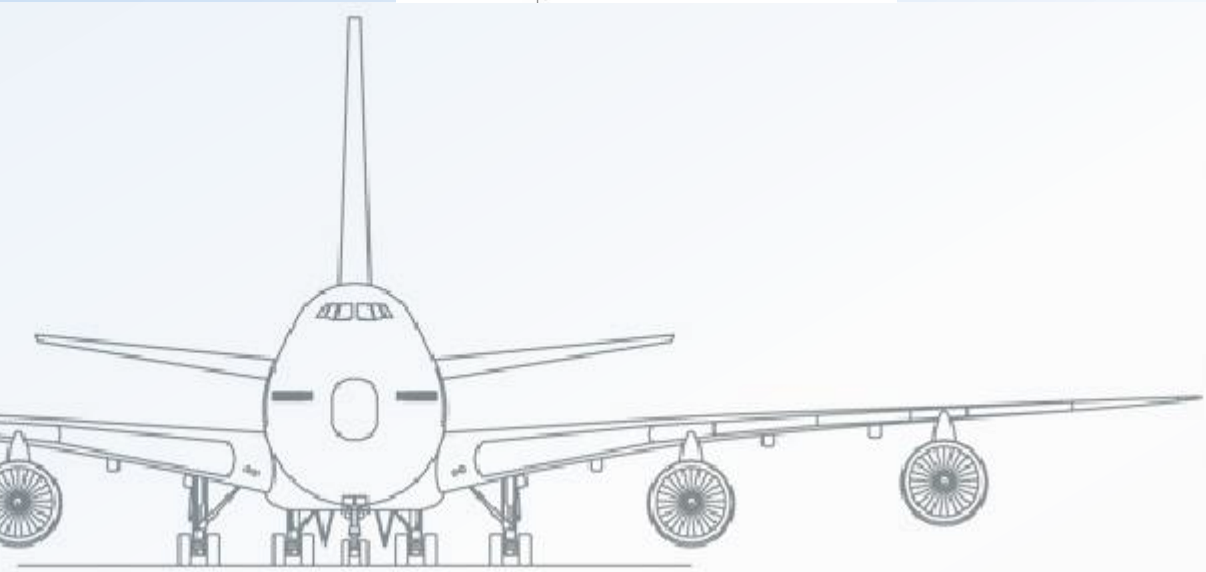
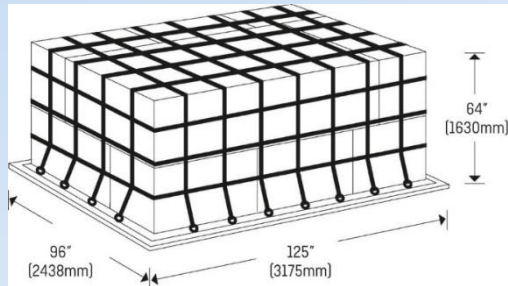
# The Challenges



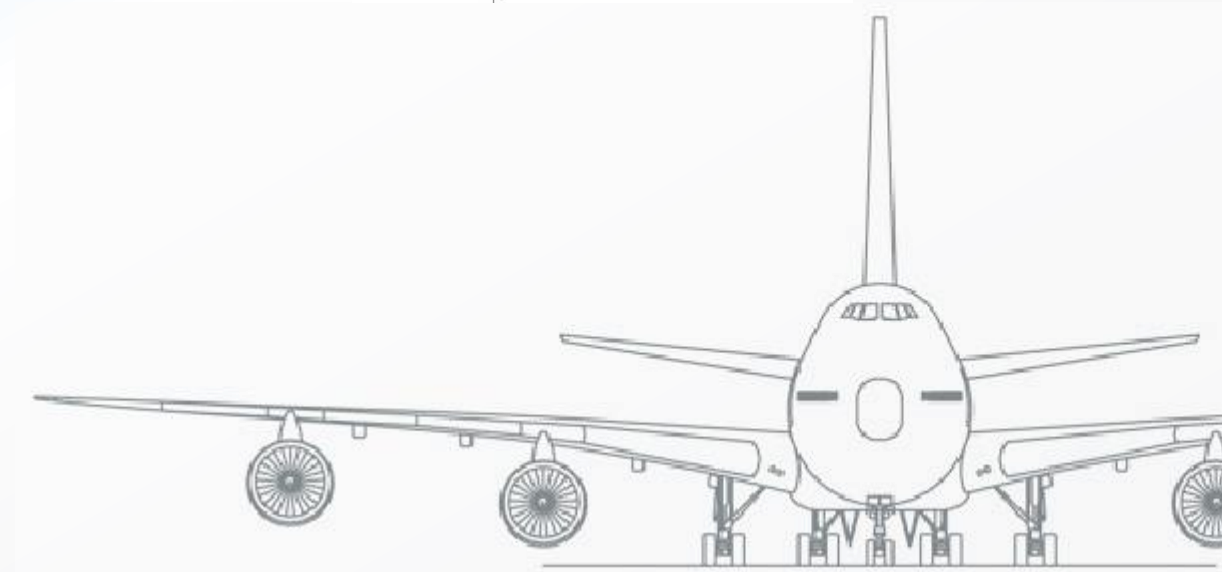
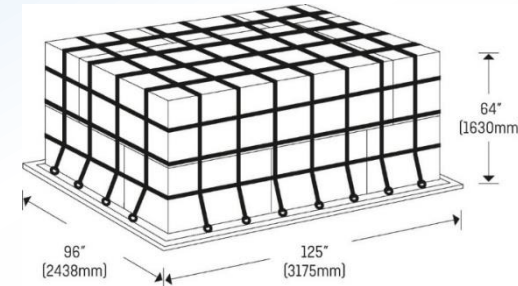


# Same Aircraft Model - Same Pallet - Different Carrier

4,500Kg Max



4,600Kg Max



# Aligning our processes to the carriers requirements

Handler  
process



Customer  
Process

# Double Data Entry – One Cargo Two Systems





**Thank you**





# Cargo Training

Ensuring successful application  
of working instructions and  
make people confident.

30 October 2019





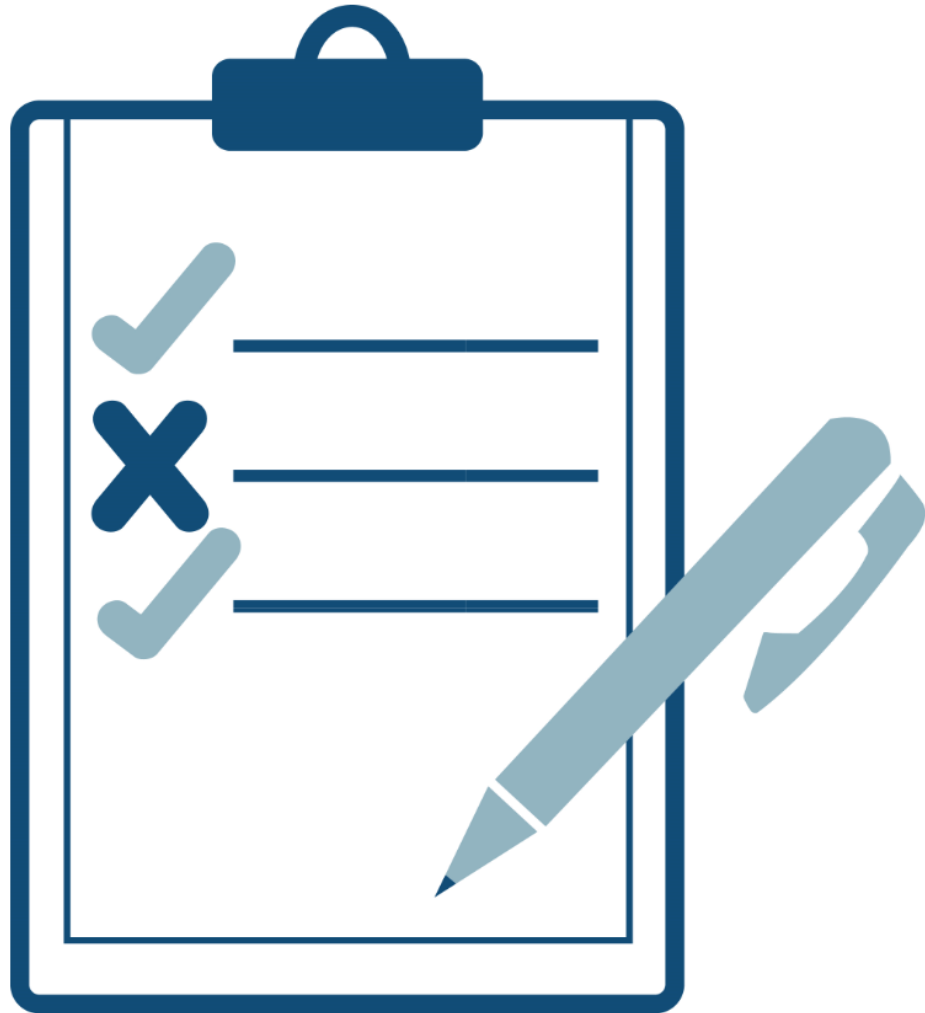
# Standardized Training Requirements



After publishing the first edition of the IATA Cargo Handling Manual (ICHM) in March 2017, the IATA Cargo Handling Council (IHC) brainstormed about the best way to efficiently provide the working instructions through training.

The members provided a list of common cargo trainings provided within their own organization and agreed on mandatory, optional and conditional trainings required

# Standardized Training Requirements



The ICHC defined the training requirements for one training and developed a matrix for cargo build-up based on the Competency Based Training and Assessment (CBTA) methodology.

However as this activity was very much time consuming and the group thought that they had the required instructional expertise, they tasked IATA to create a larger group to evaluate existing training requirements in air cargo and develop non-existing ones.



# Cargo Training Task Force (CTTF)

IATA created the CTTF with the objectives to provide recommendations to the specific Boards of aligning and benchmarking training requirements based on existing regulations, manuals, RPs across cargo operations, and future common training standard for design and development under the competency-based training and assessment (CBTA) approach.

The CTTF will identify the current training requirements if available, provide recommendations on corrective actions to align them considering today's work environment needs but also establish the potential future needs and create new training requirements where none exist.





# Smart Facility

Transparency in  
Cargo Handling

30 October 2019







# What we want to do?

Build a common industry audit program focusing on operational capacity in cargo facilities

## Objective 1 - Reduce audit complexity, redundancy and cost for CTOs and Airlines

Build an industry platform for cargo capacities and IATA certifications, providing the same user experience known from prominent online search platforms into the cargo industry

## Objective 2 - Create transparency and visibility for customers





# Objective 1 - Reduce audit complexity, redundancy and cost for CTOs and Airlines

Do you know  
how much  
CTOs & Airlines  
**spend** on  
operations  
audits?

>70 k

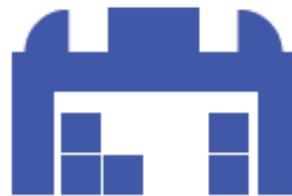
Facility Audits



Airline

\$250M

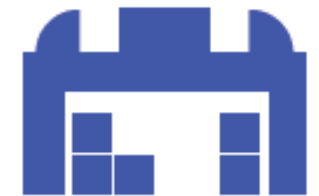
Auditing Cost



CTO

715k

Person Days



CTO



# Facility Operational Capacity Audit

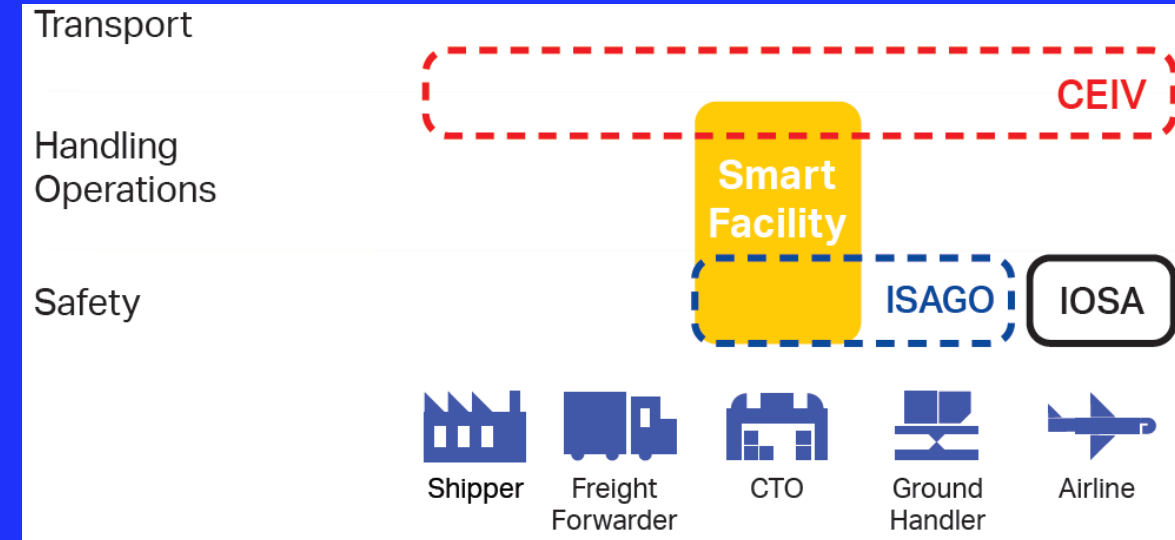
- Validates ICHM implementation
- Assesses all IATA Regulations relevant to Cargo Handling Operations, e.g. ICHM, DGR, ULDR etc.
  - a. Remote Validation: Infrastructure
  - b. SFOC On-sight Audit: Procedures + Infrastructure
- Allows Airlines to reduce audit scope to SLAs and unique services, reducing industry burden up to 50%
- Allows CTOs to benchmark against industry standards and identify gaps in processes
- Increases operational handling capacities to a consistently higher baseline level



# Facility Operational Capacity Audit

## Complements existing IATA Cargo Accreditations

- Full alignment with ISAGO and CEIV standards
- Leverages content touchpoints with existing IATA certifications for further audit scope reduction:
  - a. Mutual recognition – allowing for audit scope reduction for entities with existing IATA Certifications (CEIV and ISAGO)
  - b. Complementary joint audits – allowing combined audits utilizing the same auditor to attain multiple certifications in one audit session (ISAGO confirmed, CEIV under investigation)

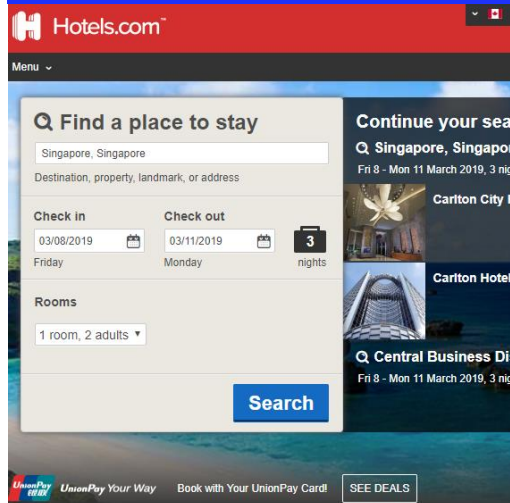




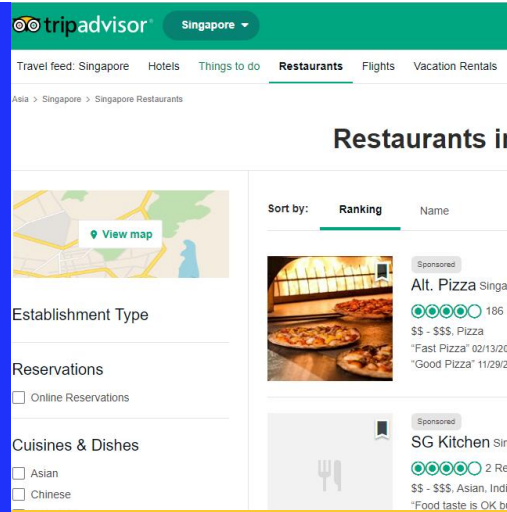
## 2. Objective - Create transparency and visibility for customers

How do you find your...

Hotel?



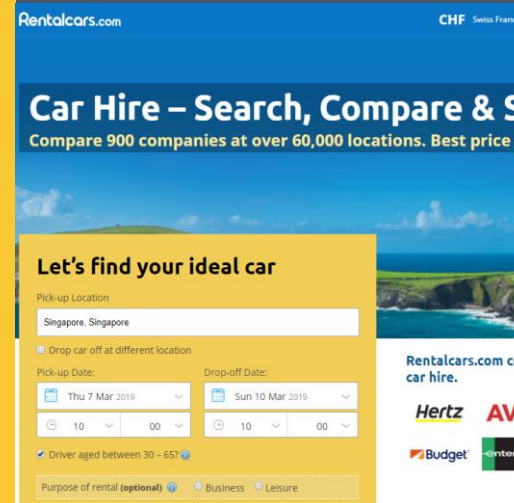
Hotels.com search interface showing a search bar with "Singapore, Singapore" entered, check-in and check-out dates (03/08/2019 to 03/11/2019), and a search button.



TripAdvisor search results for Restaurants in Singapore, showing a list of restaurants with ratings and photos.

Restaurant?

Rental Car?



Rentalcars.com search interface showing a search bar with "Singapore, Singapore" entered, pick-up and drop-off dates (Thu 7 Mar 2019 to Sun 10 Mar 2019), and a search button.

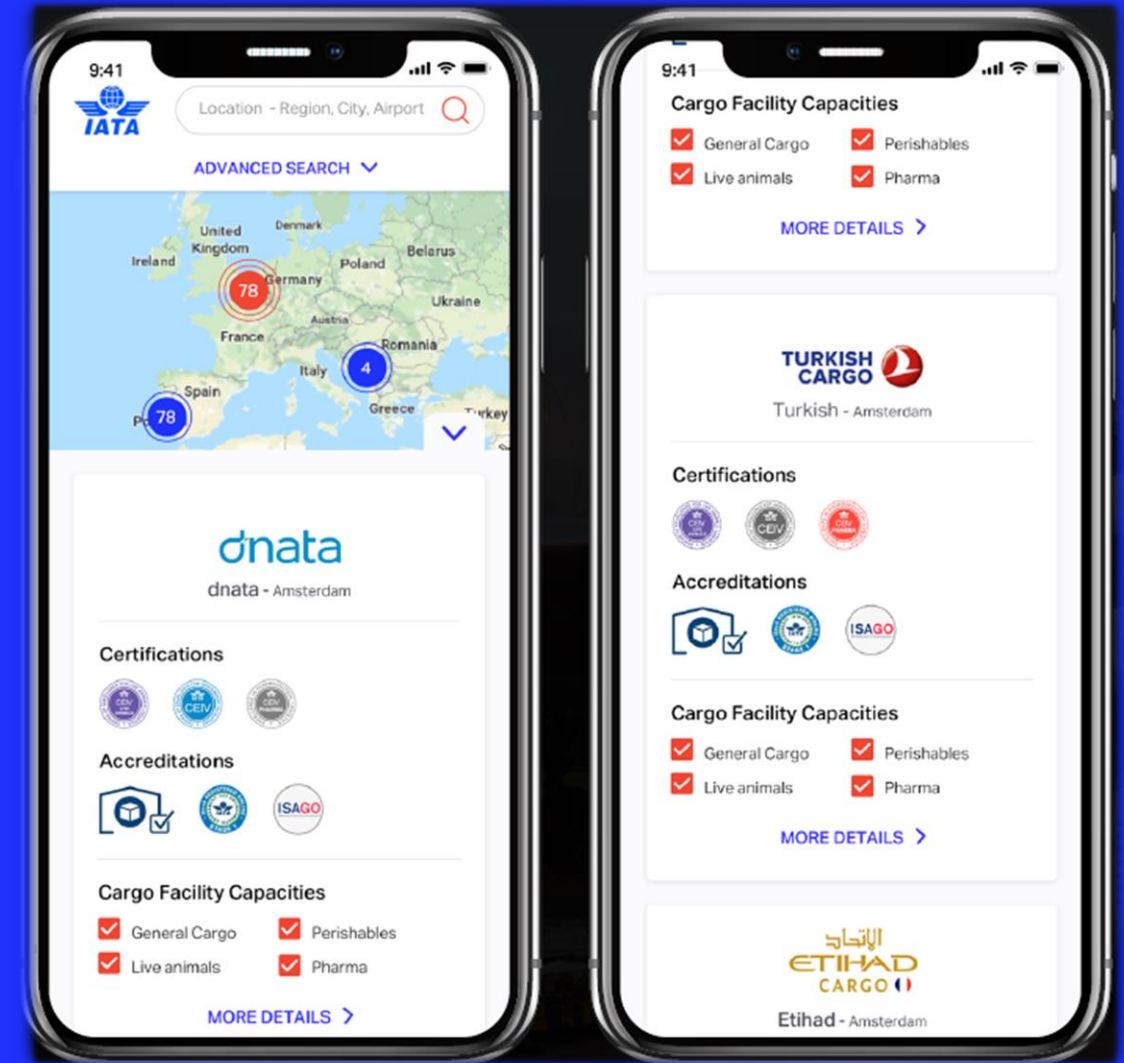


Cargo Terminal Operator?

# IATA Capability Finder

## The Industry Platform for validated cargo capability and infrastructure information

- One stop shop for all IATA Cargo Accreditation Programs, i.e. CEIVs, ISAGO, IenVA, CargoIQ
- Industry Management for IATA Accreditations including booking, maintenance of data, renewals
- Bringing the Tripadvisor experience into the Cargo Industry
- Search for any type of IATA Accreditation or facility infrastructure





An aerial photograph of a large airport cargo terminal complex. The terminal consists of several long, parallel buildings with white roofs and blue-tinted glass facades. In the foreground, a Cargolux cargo aircraft is parked on the tarmac. Numerous semi-trailers are parked in front of the terminal, and a curved road runs along the side. The background shows a green hillside with some buildings and a construction crane.

# IATA Capability Finder - Benefits

- Single point of validated information provides trust in existing IATA Certifications, provided service offerings & capacities
- Visibility allows for efficient business matchmaking
- Transparency stimulates healthy competition and fosters higher handling baseline standards across the industry
- APIs provide industry with audit report data to enhance risk assessment systems, facilitating industry audit reduction



# Thank you

Andre Majeres

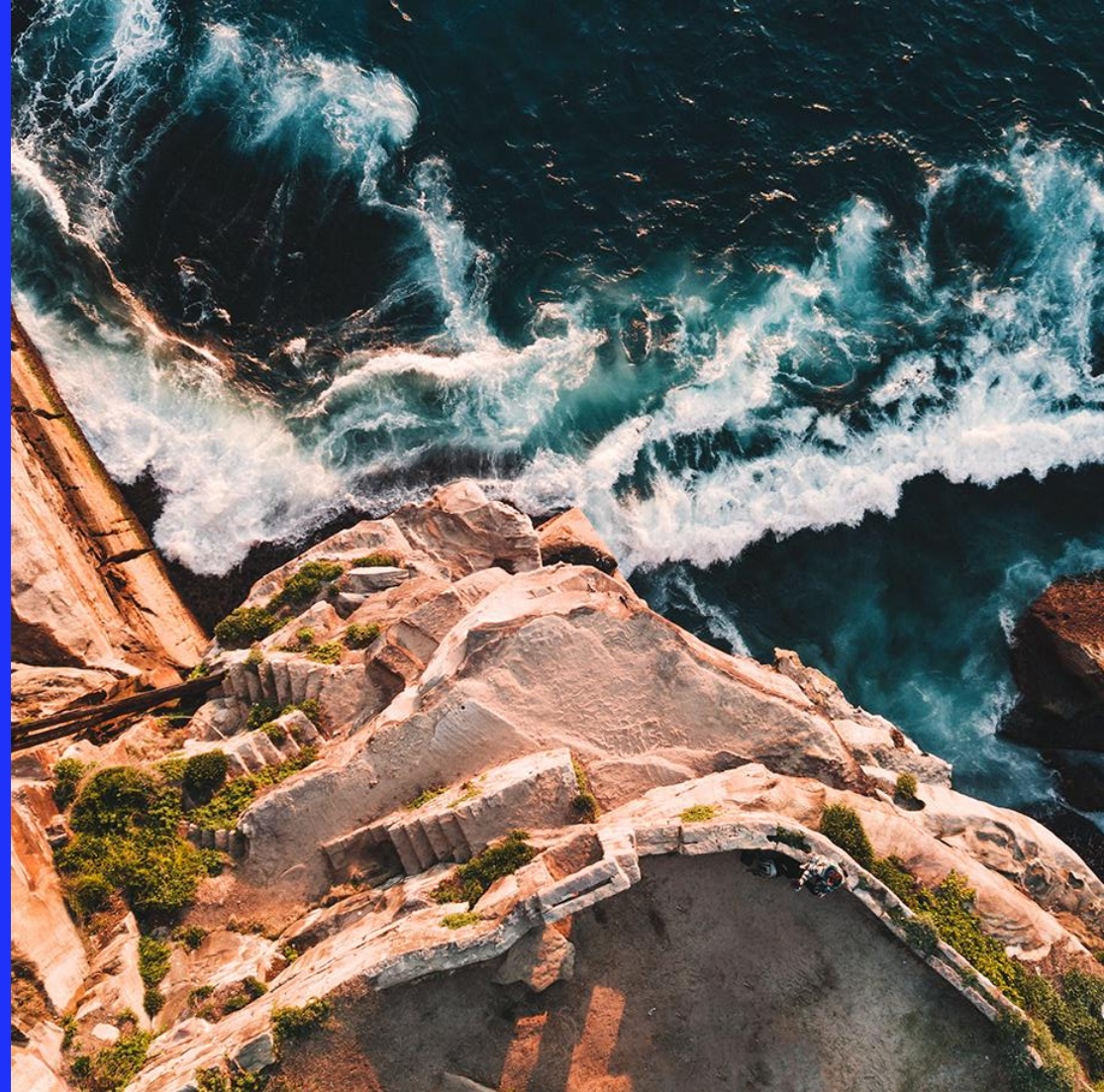
[majeres@iata.org](mailto:majeres@iata.org)

[www.iata.org/cargo-operations](http://www.iata.org/cargo-operations)

[www.iata.org/ichc](http://www.iata.org/ichc)

[www.iata.org/smartfacility](http://www.iata.org/smartfacility)

[www.iata.org/ecommerce](http://www.iata.org/ecommerce)



# Operations and Handling Standards Opportunities for improvement

Jussi Mattila

Manager Global Ground Handling

Cargolux Airlines

Arnaud Wink

Manager Compliance & Safety Execution

KLM Cargo



The background of the slide features a complex, abstract network diagram. It consists of numerous nodes of varying sizes and colors (dark blue, light blue, and grey) interconnected by a web of thin, light grey lines. Some nodes are highlighted with larger, concentric circles. The overall aesthetic is modern and technological, suggesting a global or interconnected system.

# TRUST AND MUTUAL RECOGNITION TROUGH OUT THE SUPPLY CHAIN

---

J. Mattila / Cargolux  
A. Wink / KLM



# HOW?

What are the building blocks of mutual recognition in our day to day logistic business and how can we earn trust of each other and amongst the stake holders involved?



# BUILDING BLOCKS



Process

MOP



How to

(I)CHM



Shared truth

Agreements, SLA's, KPI's



Compliance

ISAGO IOSA CEIV



People

Competency Training



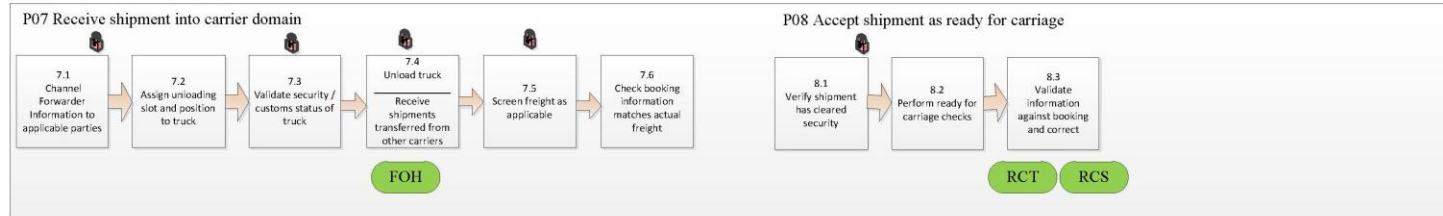
Facilitation

Facilities, IT

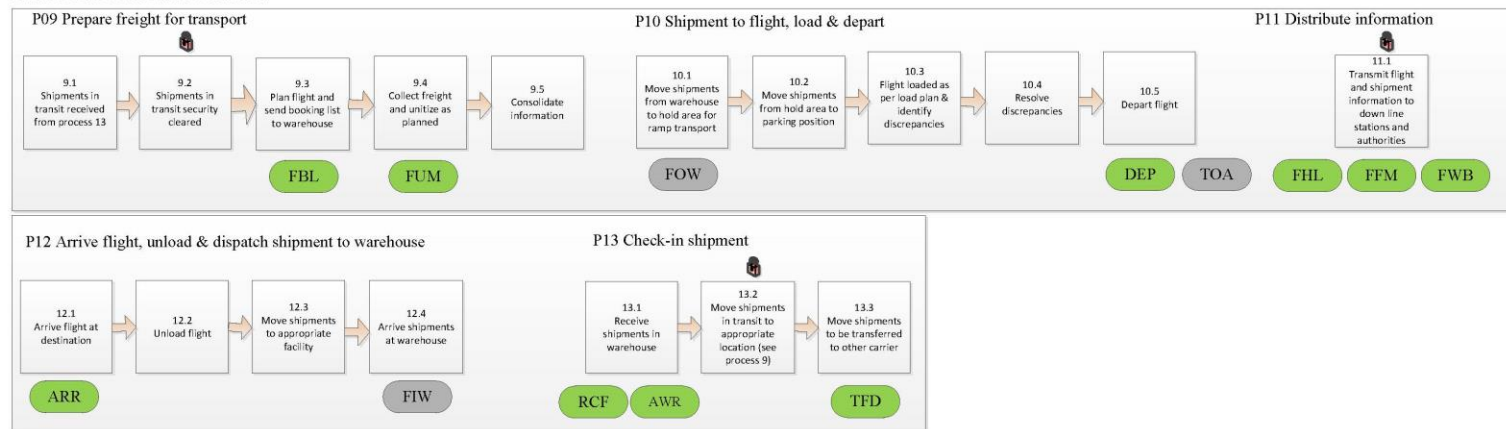
# PROCESS

## Master Operating Plan / CARRIER PART

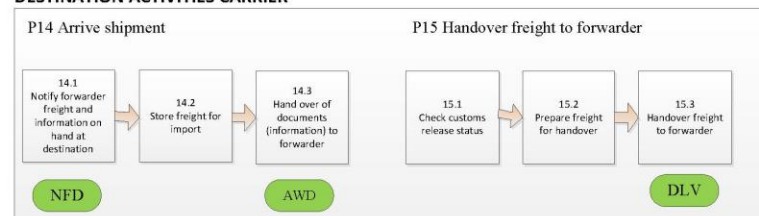
### ORIGIN ACTIVITIES CARRIER



### TRANSPORT ACTIVITIES CARRIER



### DESTINATION ACTIVITIES CARRIER



This diagram is based on version 3.1 of MOP  
Summary: Only 3<sup>rd</sup> level process flow  
© Heuzeveldt/ IMO/ V1.0 Feb 2014

Legend:  
Security related  
Message  
Message (can be disregarded)





# HOW TO

A common way of doing is needed to gain the transparency

All airlines in the world operate on production platforms build by a very few manufacturers, thus all airlines approach the business very differently.

- PMC is all production platforms – can the basic processes be standardized?



# SHARED TRUTH

To gain trust a fair picture of state of the shared business is essential.

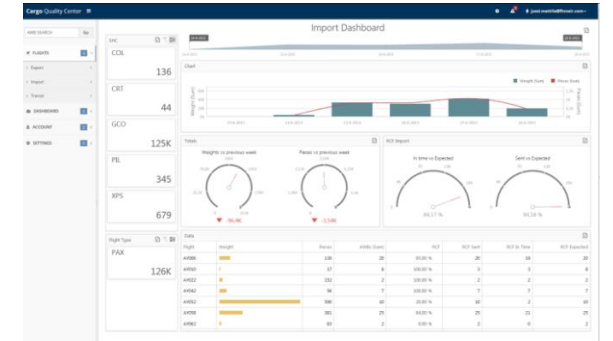
It is of the utmost importance that everyone knows their role, who is doing what and how it is measured.

Measuring the performance must reflect the process and be as effortless as possible.

Service Level Agreements are essential and as the name says service level...

The SLA KPI's must be in the very essence of how the business relationship is not only measured, but also managed continuously by both partners.

Robust KPI's also bring transparency to all stake holders involved



# COMPLIANCE

Industry certifications and standards do yield to transparency.

IOSA, ISAGO, CEIV etc. are global and base line.

## IOSA & ISAGO

IOSA	ISAGO
➤ An audit of <b>Air Operators</b> (passenger and cargo)	➤ An audit of <b>Ground Service Providers</b>
Common elements	
<ul style="list-style-type: none"><li>➤ Safety and security of flight operations<ul style="list-style-type: none"><li>➤ ISAGO includes safety of <i>ground ops personnel</i></li></ul></li><li>➤ Audit based on internationally recognized operational standards and recommended practices</li><li>➤ Highly trained and experienced auditors conduct audits</li><li>➤ Audit sharing</li><li>➤ A system of registration</li></ul>	



# PEOPLE

How do we attract young people into our business?

How do we make sure that the staff involved to daily operations are competent and trained in a manner that enables smooth and flawless processes?

How do we assure best potential performance by making people available at the right place and time?

# FACILITATION

Big differentiator from passenger business in cargo is the facilities available to handle air cargo.

Facilities do matter and have an impact to the performance of the ground handler.

IT is and becomes more and more important in day to day business. The magical 7+1 data elements are not only used for AWB, but necessity also for different PLACI programs in global picture.

The screenshot displays the 'Cargo Quality Center' interface. It features a sidebar with navigation options: HOME, FLIGHTS, DASHBOARD, ACCOUNT, and SETTINGS. The main content area shows a table of flight data with columns for Flight Number, Date, Type, A/C, STA, ETA/ATA, Airfreight, Progress price, Progress weight, SLA time, and Connection time. The table is filtered for 'Inbound Flights for outbound CXK1628 04 sep'. The data is presented in a grid format with various status indicators (green, red, yellow) and numerical values. The interface is clean and professional, with a dark blue header and a light gray background for the data tables.

#	Flight Number	Date	Type	A/C	STA	ETA/ATA	Airfreight	Progress price	Progress weight	SLA time	Connection time
1	CXK1274 04 sep	VEE	PAX	321	07:10	07:28 A	0	0	0	0	0
2	CXK1800 04 sep	BST	PAX	320	08:05	08:18 A	0	0	0	0	0
3	CXK1310 04 sep	LED	PAX	319	09:15	09:25 A	0	0	0	0	0
4	CXK1628 04 sep	MXP	PAX	ARL	12:30	12:54 A	0	0	0	0	0

# TRUST IS GAINED



SHARED PROCESS  
COMMON KPI'S



BASIC STANDARDIZATION



COMPETENT PEOPLE IN RIGHT  
ENVIRONMENT WITH  
FUNCTIONING TOOLS

Plan

Do

Perform



# Joint Session

## Lithium Battery Workshop, Cargo Security & Facilitation Forum and Air Cargo Operations

### Moderator:

Dietmar Jost

Customs & Security Advisor

GEA

### Panelists:

Howard Stone, VP Aviation Security, UPS

Liz Merritt, Managing Director Cargo, A4A

Alex Rodriguez, Compliance Manager, MSA Security

Eric Gillett, Policy Specialist Dangerous Goods, UK CAA

Jimmy Pang, Managing Director, Alliance Knowledge Mngt Ltd



Amsterdam, Netherlands  
29-31 October 2019



# IATA Lithium Battery Workshop: Safety Risk from Undeclared/Misdeclared Lithium Batteries



Eric Gillett, Policy Specialist Dangerous Goods

29<sup>th</sup> October 2019

# Undeclared/Misdeclared in Cargo



# CAA Workshop Recommendations

**How can product designers, manufacturers and distributors be made more aware of UN 38.3 test requirements and dangerous goods shipping requirements?**

- Establish national regulations requiring importer to obtain evidence of tests
- Reshaping consumer demand by focusing on verifiable test status during marketing
- Global access to test credible test reports via databases
- Measures to stop abuses of certification marks, e.g. UL
- States to promulgate IATA lithium battery guidance, e.g. via social media



# CAA Workshop Recommendations

**How can counterfeit, poorly manufactured or untested batteries be prevented from entering the supply chain, or be intercepted at the earliest opportunity?**

- Further scrutiny of the supply chain by air operators stemming from emerging ICAO Annex 6 requirements
- ICAO to resolve responsibilities of freight forwarders and explore opportunities for detection through screening (Flight Ops WG-Safe Carriage of Goods)
- IATA commitment to develop protocol for sharing non-compliance data between members without breaching anti-trust regulations
- Enhancement of IATA Air Cargo Agent accreditation process

# Detection through screening

- Lithium batteries within small parcels are identifiable through visual x-ray
- UK cargo sector is developing similar methodologies but recognising that cargo packages and consignments are often larger making visual screening more complex.

**Alkaline**



**Nickel Metal Hydride**

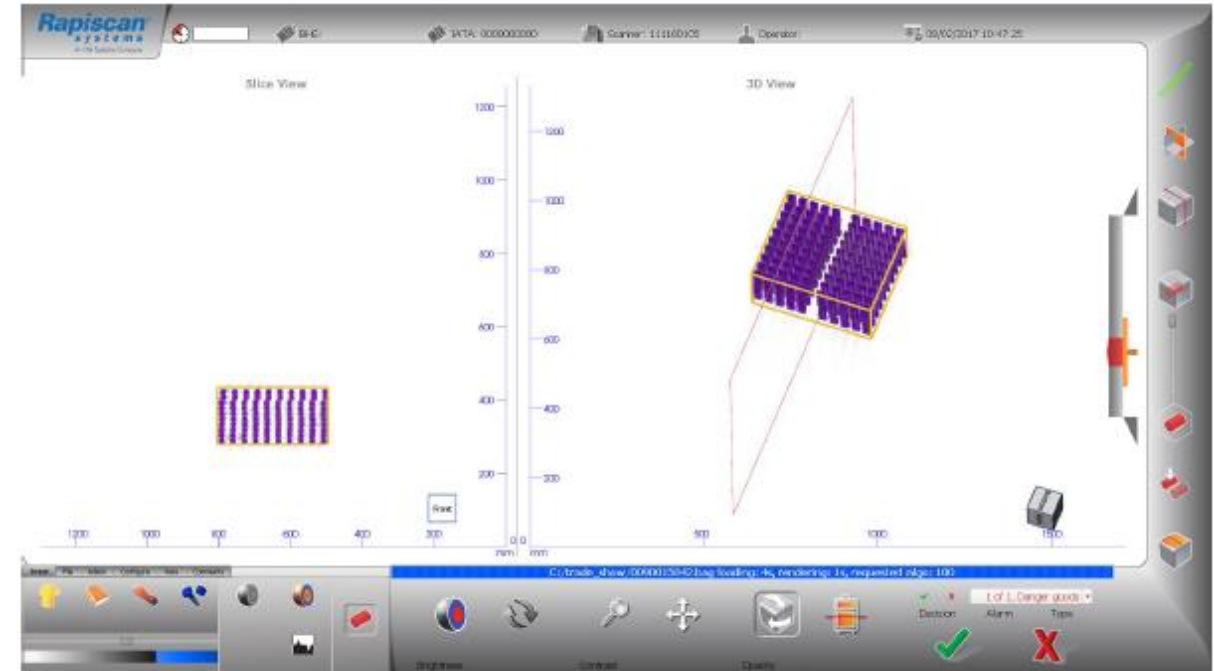


**Lithium**



# Automated Screening Solutions

- On advanced screening equipment, algorithms can be developed to detect particular dangerous goods
- Good potential for machine learning (AI) solutions
- Operational within one UK express courier sector site
- Low False Alarm Rate



# Workshop Questions

**How can freight forwarders, air operators and their agents leverage existing data to identify potential shipments of undeclared or misdeclared dangerous goods?**

- Potential electronic systems to analyse:
  - Air waybill and customs declaration data using natural language processing and fuzzy matching against list of dangerous goods from the ICAO Technical Instructions, synonyms, etc.
  - Package mass density
  - Shipper/forwarder compliance history data



# Workshop Questions

## **How can the various regulators and other agencies collaborate more effectively on investigation and enforcement?**

- CAA to establish working group with Customs, Office for Product Safety (trading standards), etc. to develop agency agreements for sharing intelligence and collaborative enforcement.
- Better coordination of related activities by ICAO, Universal Postal Union, IATA, World Customs Organisation, International Federation of Freight Forwarders Associations (FIATA) and The International Air Cargo Association (TIACA)

Niá:wen  
 谢谢  
 masi chok  
 T'ooyaksiy' nisim'  
 Graciās  
 màhsì' You  
 Merci  
 Obrigado  
 Se:kenh:  
 Miigwech

# Day 1 Closing Remarks

Hendrik Leyssens

Vice President Global Operations Cargo

Swissport International



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Shaping Europe's smartest cargo hub at Amsterdam Airport





# Welcome Reception 18:00 – 19:30

## Exhibition Hall area

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Amsterdam, Netherlands  
29-31 October 2019



