

Welcome

Air Mail

For an efficient, safe, secure
and seamless delivery

Andre Majeres

Head of e-Commerce & Cargo Operations

IATA

Competition Law Guidelines

This meeting is being conducted in full compliance with antitrust and competition law.

The following Agreements and Activities are Prohibited:

- Any collective agreement concerning prices or charges, allocating markets, territories, customers, suppliers, agents, etc.

It is Prohibited to disclose the following information:

- Individual airline cost, rates, charges, surcharges or customer
- Individual airline intentions regarding increasing, reducing or reallocating aircraft capacity
- Sensitive commercial or proprietary information without consent

Delegates are cautioned that any discussion regarding topics outside the scope of the agenda, either on the floor or off, is strictly prohibited. The foregoing applies equally to email discussions, instant messaging and social media discussions

IATA Introduction





290+ airlines

83% of the world's air traffic

35% of the global trade by value

Air Cargo: Supporting World Trade

1% by Volume

35% of total

World Trade

\$5.9 trillion

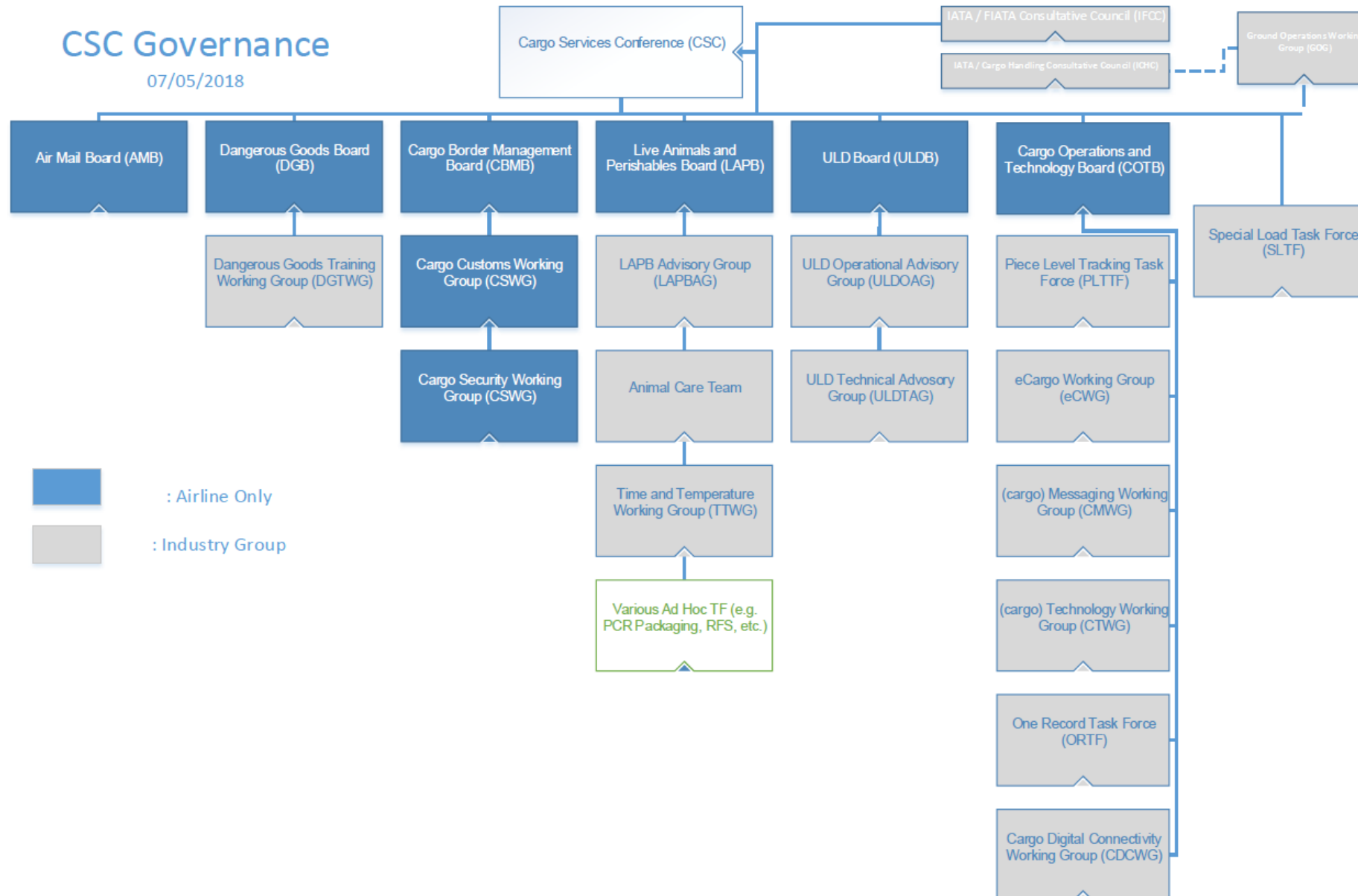
Value of cargo moved
by air



Serving the Industry



We make standards with the Industry



We collaborate with Industry Partners

Our industry partners



NB: Please note this is not an exhaustive list of the organizations we collaborate with, nor of the specializations within IATA Cargo.

Objective of the webinar: Create Awareness!

- I. Safety is our number 1 priority**
- II. Electronic Advanced Data (EAD) requirements**
- III. The eCommerce challenge**





UPU | UNIVERSAL
POSTAL
UNION

Joint IATA and UPU webinar

introduction

13 April 2022



The Universal Postal Union

- Founded in Berne in 1874 ([192 member countries](#))
- United Nations specialized agency (since 1948)

The Postal Network

- [320.4 billion](#) letter-post items
- 5.2 million employees, more than 690,000 post offices
- More than 80% of traffic comes from industrialized countries

Activities

- [Regulating](#) worldwide traffic of international mail
- Establishing quality-of-service [standards](#)
- Establishing technical standards
- Maintaining a system for [compensating](#) countries known as terminal dues
- Promoting the [development](#) of modern products and services
- [Monitoring](#) market trends
- Promoting international [cooperation](#) and technical assistance
- Fostering a [dialogue](#) among all postal sector players





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Supply chain – key challenges

Improve the interoperability of network infrastructure, by ensuring quality of service, efficient and secure supply chains, the development of standards and of information and communication technologies (ICTs), and streamlined operational processes and regulations”

Three pillars of the Supply chain:

- **Security**
- **Customs**
- **Transport**





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Scale of the regulatory challenge



Universal Postal Union

Data transfer to be mandatory. Changes to the remuneration structures.



GDPR. EU General Data Protection Regulations legislation.



EU Regulation on cross-border parcel delivery services. EU digital strategy.



Import Control System 2. Pre-departure data requirements for aviation security.



E-privacy. Defining the need to “opt in” or “out” and its impact on DM.



Modernising VAT. EU legislation shifting the tax liability to the sender.



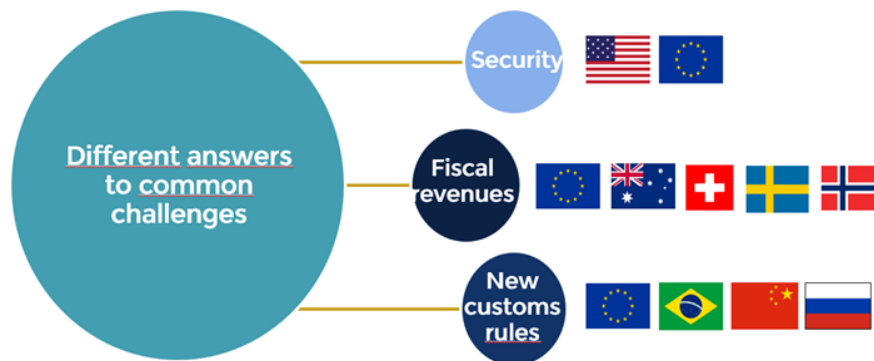
USO. Redefining the regulation in EU and how to finance the USO



US Stop Act. Data requirement on all goods required to enter the US.



Multiplication of new regulations worldwide





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Different standards... though very similar...

*EDI, handling, customs filing,
security screening...*

Necessity to align...





Lithium Batteries in the Post

Vincent J. Desiderio

Hazardous Materials Program Specialist

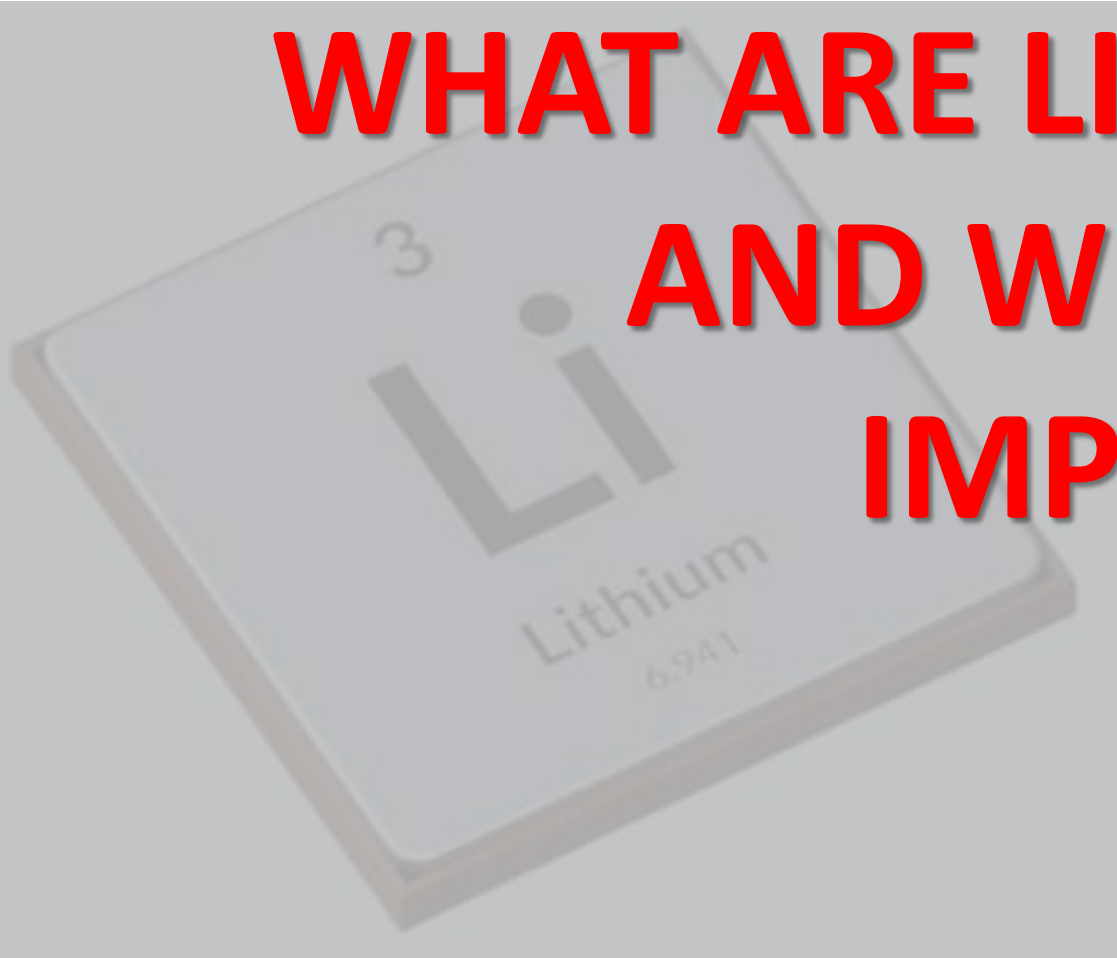
U.S. Postal Inspection Service- Security Group

USPIS HAZMAT PROGRAM

“To protect the U.S. Postal Service and its employees, customers, business partners, and infrastructure from threats posed by undeclared and improperly prepared dangerous goods in the mail.”



WHAT ARE LITHIUM BATTERIES AND WHY ARE THEY IMPORTANT?



Lithium Metal Batteries



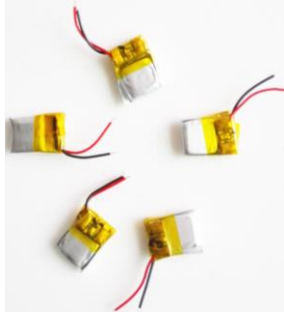
Lithium-Ion Cells



Lithium-Ion Batteries



Lithium-Ion Batteries



0.1 Wh

5.76 Wh

36 Wh

49 Wh

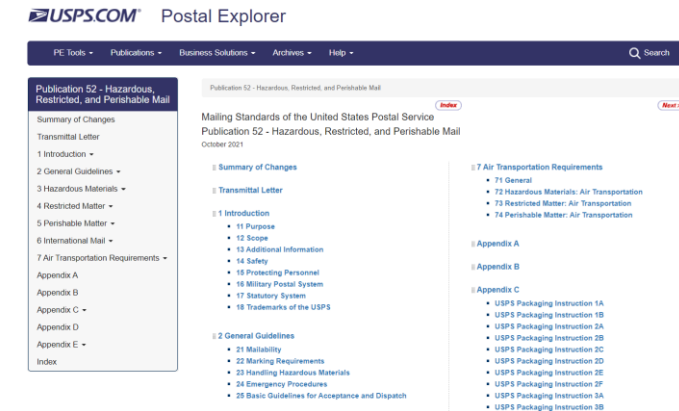
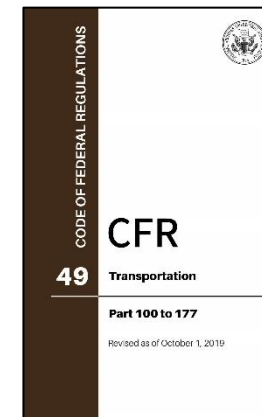
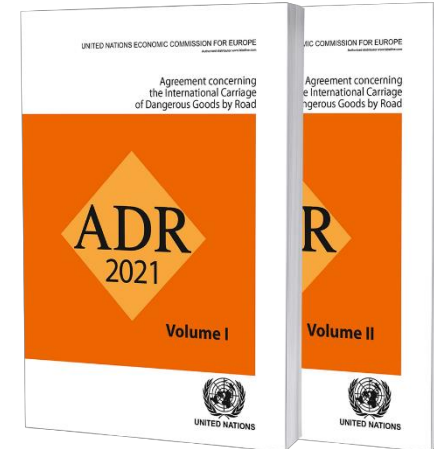
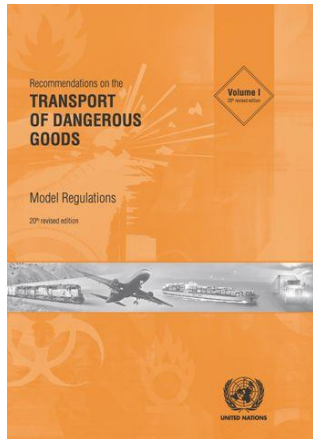
360 Wh

>5,000Wh



HOW ARE LITHIUM BATTERIES REGULATED?

DG Regulations

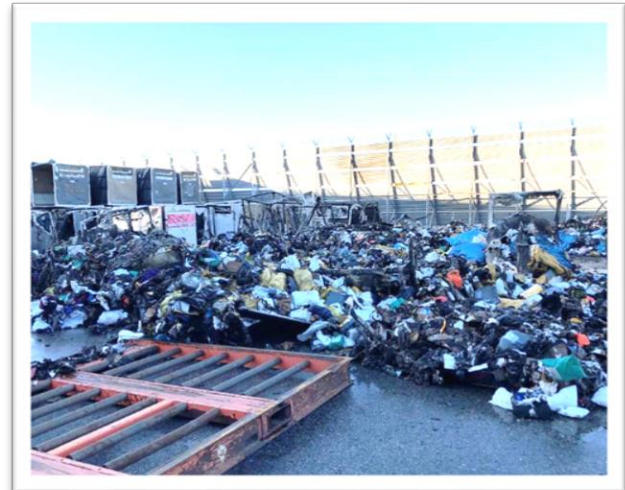
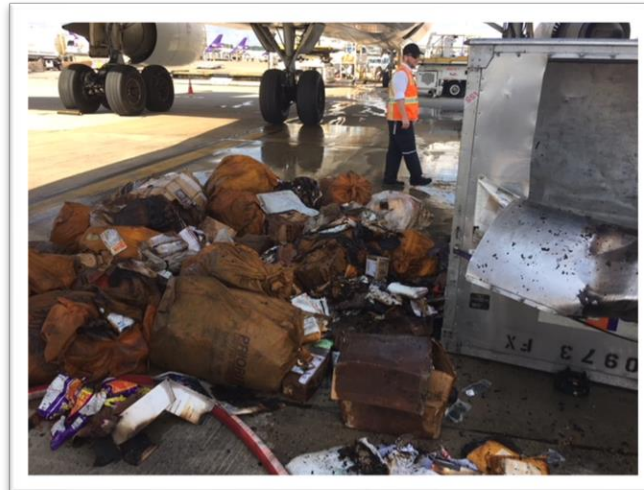
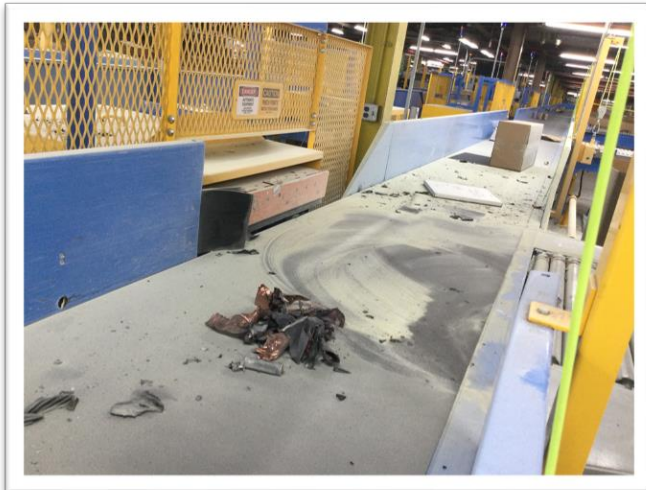




Lithium Batteries in the Post

	Domestic (USPS)		International
	Surface	Air	
UN3480	20Wh per cell or 100Wh per Battery 5lbs per package	PROHIBITED	PROHIBITED
UN3481	20Wh per cell or 100Wh per Battery 8 Cells or 2 Batteries	20Wh per cell or 100Wh per Battery 8 Cells or 2 Batteries	20Wh per cell or 100Wh per Battery 4 Cells or 2 Batteries (Contained In Equipment Only)
UN3090	1g Per Cell or 2g Per Battery 5lbs per package	PROHIBITED	PROHIBITED
UN3091	1g Per Cell or 2g Per Battery 8 Cells or 2 Batteries	1g Per Cell or 2g Per Battery 8 Cells or 2 Batteries	1g Per Cell or 2g Per Battery 4 Cells or 2 Batteries (Contained In Equipment Only)

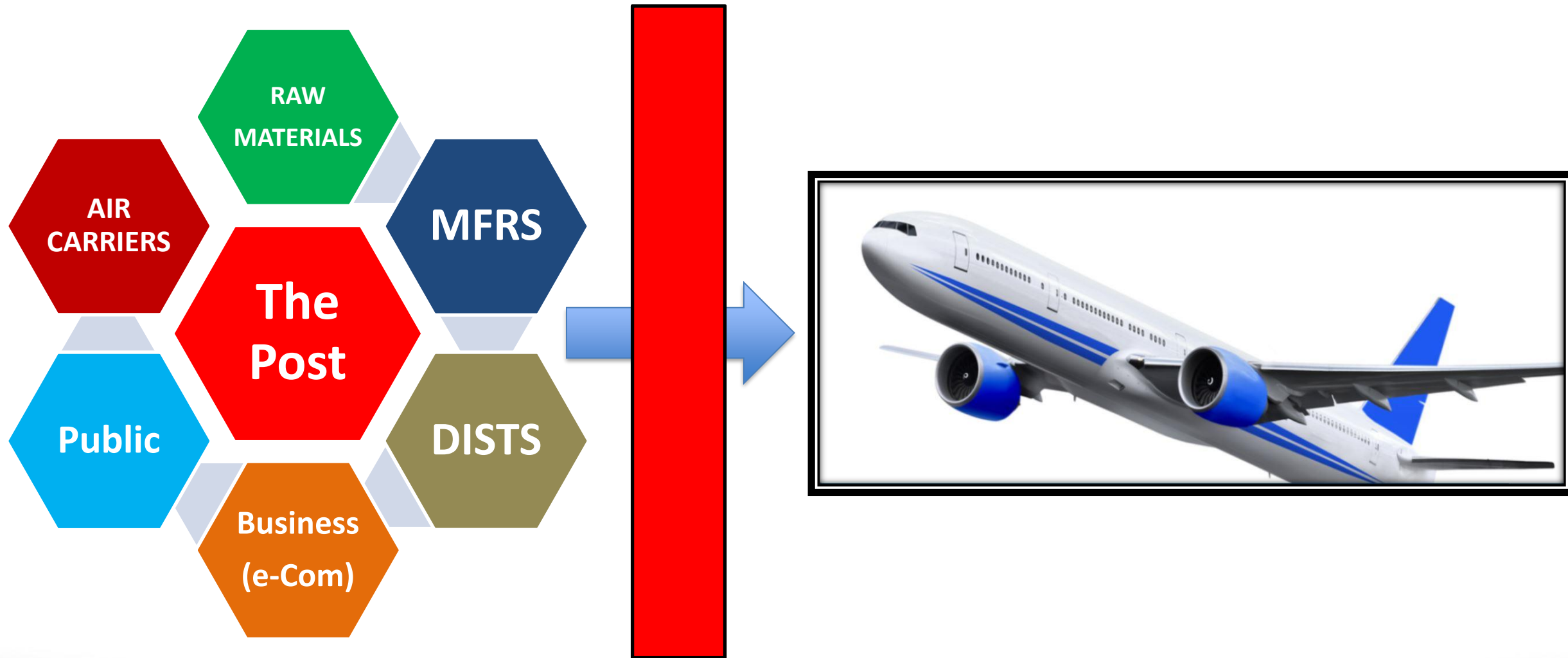
WHY IS THIS IMPORTANT?



June 4, 2019



Shared Responsibility



Risk Spectrum: Shipper Types

Low Volume

High Volume



Isolated Incidents
Possible Major
Significance
Unlikely to Recur

**The Wild
West**

Frequent Incidents
Typically Minor
Severity
Unlikely to Recur

The Nexus



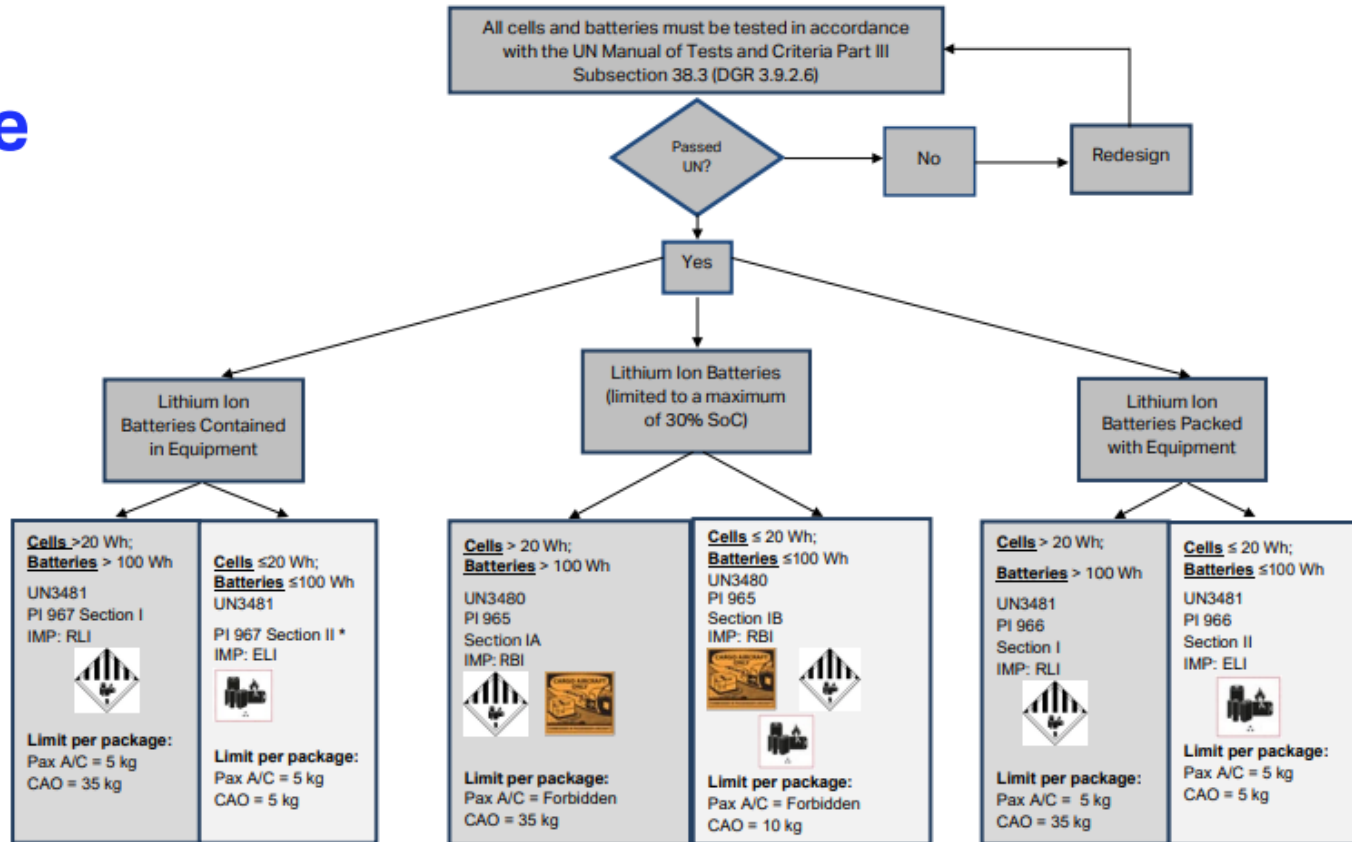
Resources and Initiatives



2022 Lithium Battery Guidance Document

Transport of Lithium Metal and Lithium Ion Batteries

Classification Flowchart – Lithium Ion Batteries



* exceptions exist to the marking requirements
– see PI 967 Section II

<https://www.iata.org/en/programs/cargo/dgr/lithium-batteries/>

<https://www.iata.org/contentassets/05e6d8742b0047259bf3a700bc9d42b9/lithium-battery-guidance-document.pdf>

UPU Joint Initiatives

- Dangerous Goods Training (ICAO-UPU)
- IATA-UPU Mail Safety Guidelines*
- Dangerous Goods Search Tool (UPU)
- Equipment Containing Lithium Batteries (ECLB) Roadmap
- Lithium Battery Training (Multiple)

[*https://www.iata.org/contentassets/15ee3a255dc447b886d9a7e91fa65dbe/mail-safety-requirements.pdf](https://www.iata.org/contentassets/15ee3a255dc447b886d9a7e91fa65dbe/mail-safety-requirements.pdf)

THANK YOU!



VJDESIDERIO@USPIS.GOV



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CARGO COMPARTMENT SAFETY

IAN KNOWLES
A/C/OPS



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CARGO COMPARTMENT SAFETY OUTLINE

- ANNEX 6 - CONTEXT
- CHAPTER 15 – CARGO COMPARTMENT SAFETY
 - DOC 10102 - *GUIDANCE FOR SAFE OPERATIONS INVOLVING AEROPLANE CARGO COMPARTMENTS*
- COMPLEMENTARY STANDARDS





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Annex 6 - Context

- Annex 6, Part I
- International Commercial Air Transport — Aeroplanes
 - *Scheduled international air services and non-scheduled international air transport operations for remuneration or hire*





Chapter 15

- Cargo compartment safety
 - Adopted March 2020
 - Applicable November 2020

CHAPTER 15. CARGO COMPARTMENT SAFETY

Note — Guidance on the hazards associated with the transport of items in the cargo compartment, the conduct of a specific safety risk assessment in accordance with the Safety Management Manual (SMD) (Doc 9138), and the responsibilities for the transport of dangerous goods, is contained in the Guidance for Safe Operations Involving Cargo Compartments (Doc 10192).

15.1 TRANSPORT OF ITEMS IN THE CARGO COMPARTMENT

15.1.1 The State of the Operator shall ensure that the operator establishes policies and procedures for the transport of items in the cargo compartment, which include the conduct of a specific safety risk assessment. The risk assessment shall include at least the:

- hazards associated with the properties of the items to be transported;
- capabilities of the operator;
- operational considerations (e.g. area of operations, diversion time);
- capabilities of the aeroplane and its systems (e.g. cargo compartment fire suppression capabilities);
- containment characteristics of unit load devices;
- packing and packaging;
- safety of the supply chain for items to be transported; and
- quantity and distribution of dangerous goods items to be transported.

Note — Additional operational requirements for the transport of dangerous goods are contained in Chapter 14.

15.2 FIRE PROTECTION

15.2.1 The elements of the cargo compartment(s) fire protection system, as approved by the State of Design or State of Registry, and a summary of the demonstrated cargo compartment fire protection certification standards, shall be provided in the aeroplane flight manual or other documentation supporting the operation of the aeroplane.

Note — Guidance on the elements of cargo compartment fire protection and associated demonstrated standards are provided in the Guidance for Safe Operations Involving Cargo Compartments (Doc 10192).



Chapter 15

- 2 elements:
 - Operator risk assessment
 - Information from TC/STC holder

CHAPTER 15. CARGO COMPARTMENT SAFETY

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Operator risk assessment

- Originated from lithium battery work
 - Expanded to ALL items
 - Understanding that airworthiness issues not addressed
 - Includes cargo, baggage and mail



Operator risk assessment

- Risk from transport of items:
 - Need to consider all hazards
 - Special focus on fire
 - Possibility to overwhelm aircraft fire suppression





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Operator risk assessment

- Risk assessment basis
 - Operations, not individual flight
 - Passenger flight, cargo
 - Periodic review





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Operator risk assessment

- Risk assessment considerations
 - Elements described in Chapter 15
 - Not intended that operator 'regulate'
 - Mitigations may be identified



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Guidance material

- Risk assessment considerations
 - Describes Standards
 - Explains risk assessment process
 - Identifies mitigations





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Guidance material

- Example - Supply chain:
 - Restrictions on types of cargo
 - Obligations/requirements on forwarders
 - Detection processes





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Guidance material

- Example – Pax baggage:
 - Batteries, perfume etc.
 - Information to pax
 - Staff training, clear guidelines
 - Screening





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Information from TC/STC

- Information on fire protection system
 - Demonstrated certification standards
 - Aeroplane flight manual

CHAPTER 15. CARGO COMPARTMENT SAFETY

Note — Guidance on the hazards associated with the transport of items in the cargo compartment, the conduct of a specific safety risk assessment in accordance with the Safety Management Manual (SMD) (Doc 9138), and the responsibilities for the transport of dangerous goods, is contained in the Guidance for Safe Operations Involving Cargo Compartments (Doc 10102).

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Guidance material

- Chapter 6 guidance
 - Classification
 - Details equipment and procedures etc.

	Class A	Class B	Class C	Class D	Class E	Class F
Fire detection	Detection via crew/passenger	Automatic fire (smoke) detection	Automatic fire (smoke) detection	No (automatic) detection except if compartment is ventilated	Automatic fire (smoke) detection	Automatic fire (smoke) detection
Principal crew action	Hand-held fire extinguishing	Hand-held fire extinguishing	Activate fire suppression system	No action unless indication of fire is present	Depressurize and set to a prescribed flight level	Depends on design
Aeroplane fire fighting means	Active fire-fighting via hand-held extinguisher	Active fire-fighting via hand-held extinguisher	Built-in fire suppression system	Isolation	Flight level procedure, reducing oxygen partial pressure	Depends on design
Fire fighting principle	Extinguishing	Extinguishing	Fire suppression via extinguishing agent	Fire containment and oxygen consumption	Oxygen starvation	Depends on design
Post-fire suppression conditions or actions	Monitoring	Monitoring	Suppressed environment until end of flight (see paragraph 6.2.9)	(Small) increase of oxygen partial pressure during descent phase	(Large) increase of oxygen partial pressure during descent phase	Depends on design

Complementary Standards

- Annex 8
 - Airworthiness
 - Amendment 109 (Nov 22)
 - Requirement to provide information



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Thank You



ICAO Annex 6, chapter 15

Mandatory risk assessment on all items carried in an aircraft cargo hold

Ed Boon | Operational Safety & Dangerous Goods Policies KLM Cargo

Arnoud Wink | Manager Border Control & Regulatory Affairs KLM Cargo





Concerns over large PEDs as Checked Baggage

POSITION PAPER | 31 March 2017

"The new ban on PEDs in the passenger cabin therefore has the potential to create safety risks that could prove to be more harmful than allowing passengers to carry them as hand baggage."

Source:
<https://www.eurocockpit.be/positions-publications/concerns-over-large-peds-checked-baggage>

**Safety & Security Concerns over large Personal Electronic
Devices as Checked Baggage**

**NEW RISK CARGO COMPARTMENT SAFETY PROVISIONS PROPOSED FOR ANNEX 6,
PART I**

Insert following new chapter:

CHAPTER 15. CARGO COMPARTMENT SAFETY

Note.— Guidance on the hazards associated with the transport of items in the cargo compartment, the conduct of a specific safety risk assessment in accordance with the Safety Management Manual (SMM) (Doc 9859), and the responsibilities for the transport of dangerous goods, is contained in the Cargo Compartment Operational Safety Manual [working title] (Doc 10102).

15.1 Transport of items in the cargo compartment

15.1.1 The State of the operator shall ensure that the Operator establishes policy and procedures for the transport of items in the cargo compartment which include the conduct of a specific safety risk assessment. The risk assessment shall include at least the:

- a) hazards associated with the properties of the items to be transported;
- b) capabilities of the operator;
- c) operational considerations (e.g. area of operations, diversion time);
- d) capabilities of the aeroplane and its systems (e.g. cargo compartment fire suppression capabilities);
- e) containment characteristics of unit load devices;
- f) packing and packaging;
- g) safety of the supply chain for items to be transported; and
- h) quantity and distribution of dangerous goods items to be transported.

Note.— Additional operational requirements for the transport of dangerous goods are contained in Chapter 14.



This is:

- ✓ 1 Shipment on AWB (hybrid scenario)

In fact:

- ✓ Multiple shippers
- ✓ Consolidation without Houseway bills (HWB)
- ✓ No CN avail (that would also be NOT ALLOWED)
- ✓ Can be considered co-loading
- ✓ Becomes mail when arrived on dest.

Mail and cargo cannot be interchanged

- Cargo on AWB is a consolidation of 'House' waybills
- The HWB is in this case (in fact) the receptacle
 - Mail is consolidation on receptacle level
 - Receptacle is a consolidation of postal items (of which in general 90% are individual identifiable packages)
- Consolidatie (Master)
 - Consolidatie (house = receptacle)
 - pieces (missing)

The issue; we don't know what's in the pieces

What keeps you awake at night?

Five compliance commitments:

- ✓ We know what we transport
- ✓ Catch discrepancies as early as possible
- ✓ No! ... means NO!
- ✓ Prepare for continuous change
- ✓ Integrate & innovate

The duty to investigate

Transit and the transport service providers – victims or facilitators?



Transport companies are the backbone of global supply chains, carrying our goods around the world. But should they be liable for compliance with export controls when often they are unaware of the true nature of the goods they are carrying, ask Gerard Kreijen and Martin Palmer with reference to recent Dutch enforcement actions.



Warsaw Convention 1929 + Montreal Convention 1999

Shipper Responsibilities

Art. 6: to meet the formalities of customs, police and similar public authorities, shall deliver a document indicating the nature of the cargo.

Art. 10.1: The Shipper is responsible for the correctness of the particulars and statements relating to the cargo,

Art. 16.1: The shipper must furnish such information and such documents as are necessary to meet the formalities of customs, police and any other public authorities before the cargo can be delivered to the consignee.

Airline Responsibilities

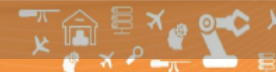
Art. 6. This provision creates for the carrier no duty, obligation or liability resulting therefrom

Art. 16.2 The carrier is under no obligation to enquire into the correctness or sufficiency of such information or documents.

The duty to investigate

If one contrasts this risk with the developments in international trade – especially the limited transactional

The extensive scope of the applicable regulation in combination with the wilfulness criterion applied by the Dutch court, effectively resulted in a kind of strict liability for TSPs failing to obtain the required licence.





ICS2:

The new EU Customs Advance
Cargo Information System

The European Union is implementing a new customs pre-arrival security and safety programme, underpinned by a large-scale advance cargo information system – **Import Control System 2 (ICS2)**.

WHAT IS ICS2?

ICS2 is a new IT system created to collect data about all goods entering the EU prior to their arrival. Economic Operators (EOs) will have to declare safety and security data to ICS2, through the Entry Summary Declaration (ENS).

The system aims to better protect Europe's single market and its citizens with new customs safety and security measures and will facilitate free flow of trade through improved data-driven customs security processes, adapted to global business models.

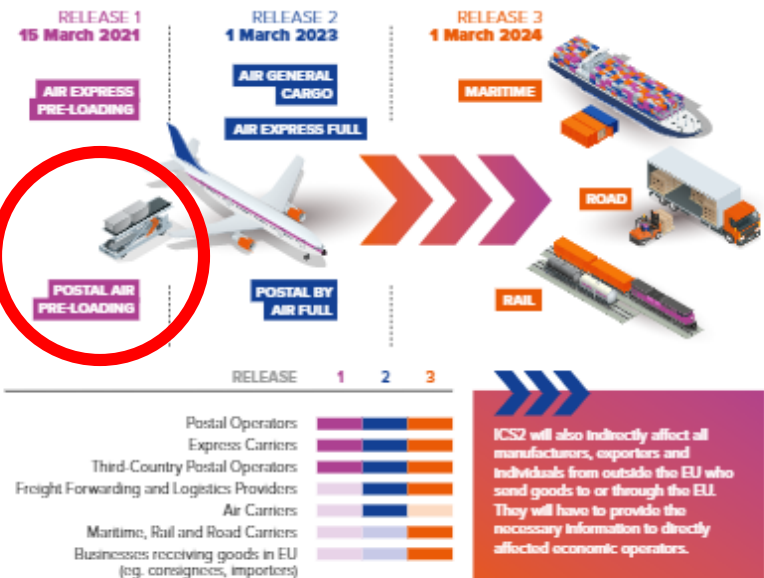
WHAT ARE THE BENEFITS OF ICS2?

- Increasing the protection of EU citizens and the internal market against security and safety threats.
- Allowing EU Customs authorities to better identify high-risk consignments and intervene at the most appropriate point in supply chain.
- Supporting proportionate, targeted customs measures at the external borders in crisis response scenarios.
- Facilitating cross-border clearance for the legitimate trade.
- Simplifying the exchange of information between EOs and EU Customs Authorities.

WHO IS DIRECTLY AFFECTED BY ICS2?



WHEN WILL ICS2 BECOME EFFECTIVE?



HOW TO GET READY:

- Get informed and gain understanding of the new requirements.
- Start preparing the update of your IT system and adapt your business processes.
- Take steps to ensure high-quality, precise data is provided.
- Provide training support to your staff.

WHAT WILL HAPPEN IF EOs ARE NOT READY IN TIME?

- Consignments and freight will be stopped at the EU customs borders.
- The goods in question will not be cleared by the customs authorities.
- Inadequate declarations will either be rejected or subject to intervention, with possible sanctions imposed for non-compliance.



STAY ON TRACK FOR ICS2
VISIT THE WEBSITE TO GET STARTED: ec.europa.eu/ICS2

Major questions remain:

Security

Receptacles need 100% 'Assessment complete' (on piece level) – How is this arranged? Do we (the airline) get the result also?

Safety

How do we know what's in the mailbag?

How does the DPO assess risk on their customer?

ULD (International Post Mail) Fire at ICN

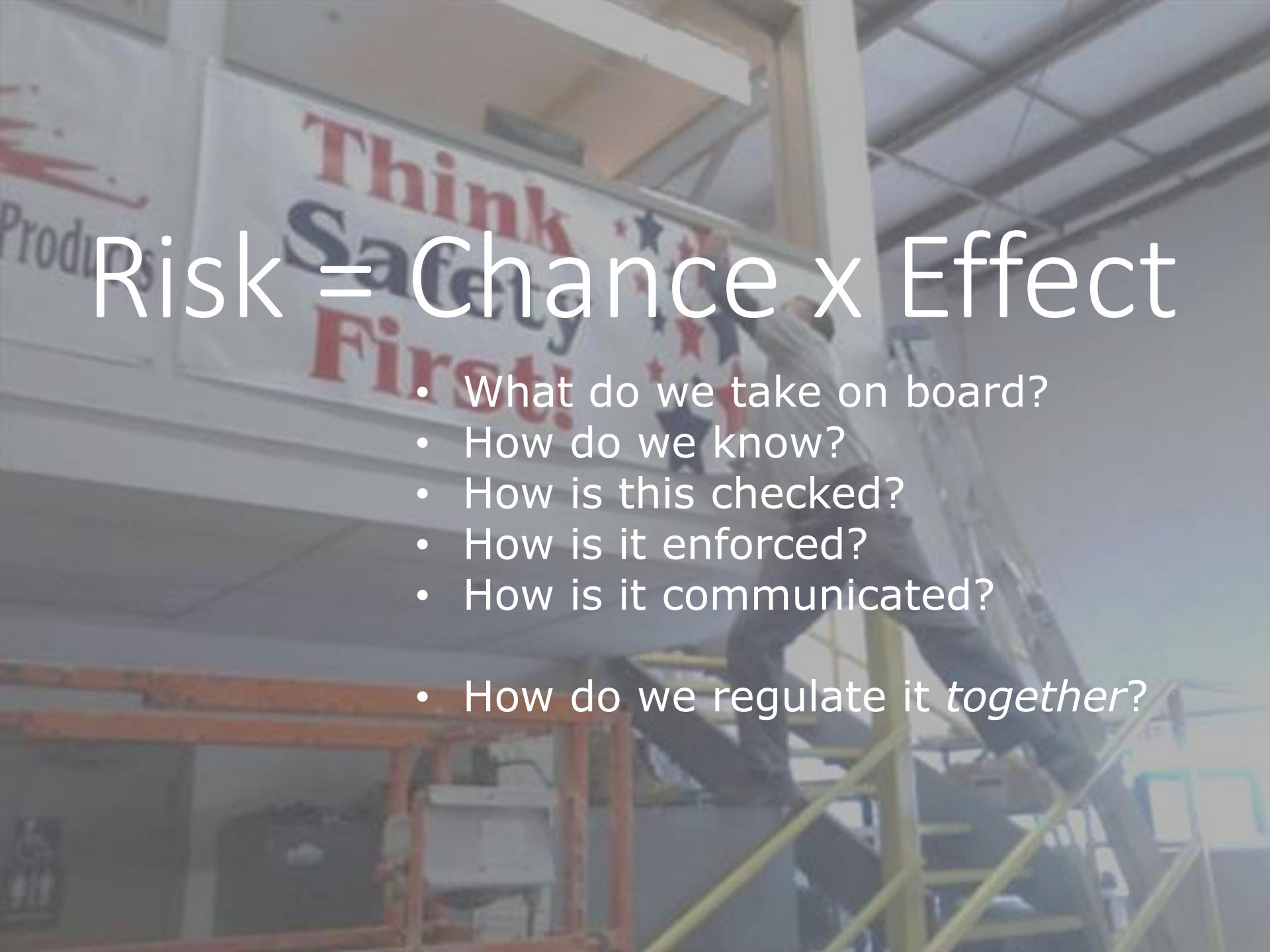
- A fire broke out in the ULD waiting to be loaded on the aircraft in 01JAN2022.
- The ULD built up as only International mail from Korea.

List of mail commodity from investigation

Calendar box set
Snack, Sanitary ware, Noodle
dried laver, Noodle, Clothes
Fashion Hats
Book
Clothes
Book
Snack clothes
Pants, Shirt, Clothes dress, Iron
Laver, Snack, Sunscreen
Instant foods, Household medicine, Cushions, Bath supplies, Instant foods
Toy, Chocolate, Snack, Seaweed
Vest
Seaweed, Color cosmetics, Stomach medicine
Earphones, Green tea, **For electric lighting** For anti-droplet, Earphones, Green tea,
Jelly, Candy, Postcard
cracker, cookie, biscuit, Candy
bag
Diary
Shoes
Albums



**NO Lithium
Battery found
at investigation
for cause of fire
(No evidence
left due to burn
out)**

A worker in a grey shirt and dark pants is standing on a yellow scissor lift, reaching up towards a banner. The banner is white with red and blue stars and the text 'Think Safety First!'. The background shows a warehouse interior with a high ceiling and structural beams.

Risk = Chance x Effect

- What do we take on board?
- How do we know?
- How is this checked?
- How is it enforced?
- How is it communicated?
- How do we regulate it *together*?

Thank you . . .



ELECTRONIC ADVANCE DATA (EAD)

Progress on process

After handover to carrier

Update April 2022

IATA UPU Webinar April 13, 2022

Authors:

Wijnand Aalberts – PostNL

Bernard Heuzeveldt - KLM



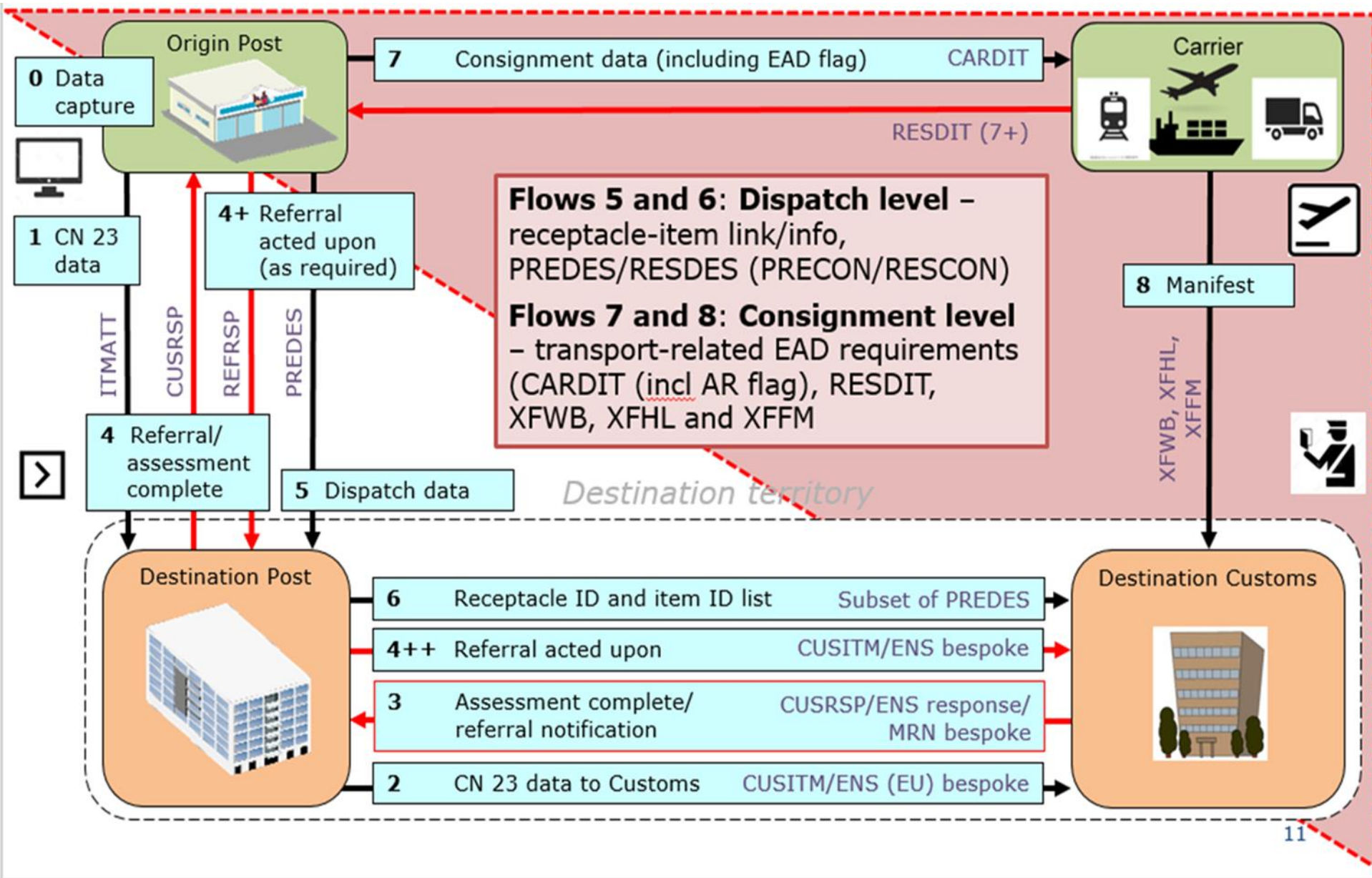
Content of the presentation

- Background/introduction
- Basis: Global Postal Model
- Happy flow: item still in postal domain
- Referrals (general)
- Protocol in case of late referral (RFI/RFS/DNL)
- Additional information
- Way forward/call to action

Background/introduction

- Several countries or regions are working on introduction of new regulatory electronic advance data (EAD) requirements
- The basics of the EAD-requirements are approved by the International Civil Aviation Organization (ICAO) and the World Customs Organization (WCO) via the Joint WCO–ICAO Guiding Principles for Pre-Loading Advance Cargo Information (PLACI))
- Examples of countries and regions that are working on EAD-requirements are
 - ❑ United States of America (Air Cargo Advance Screening – ACAS)
 - ❑ Canada (Pre-Loading Air Cargo Targeting – PACT)
 - ❑ European Union (Pre-Loading Advance Cargo Information – ICS2 PLACI)
 - ❑ United Kingdom (Pre-Departure Information for Cargo Targeting – PreDICT)
- New regulatory requirements for European Union will become in place 1 March 2023
- Expectation is that other countries will follow soon

Basis: Global Postal Model

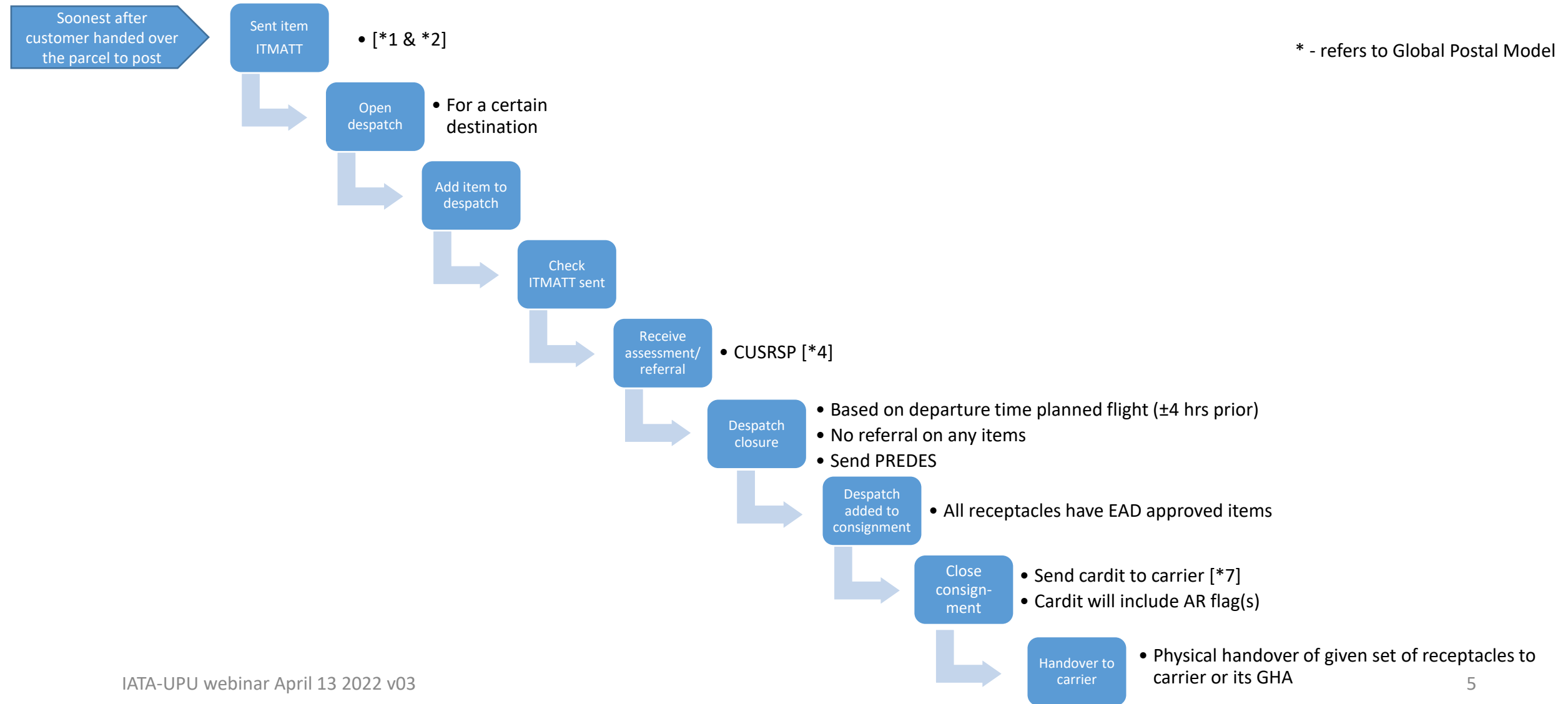


Between origin post, destination post and destination Authority information on item level is exchanged resulting in either an item allowed to be transported or not transported.

When it is not allowed to be transported the item will not be handed over to the carrier.

Note: GPM does not include transshipment /transfer/transit filing yet. This is under development

Happy flow - ITMATT approved – Post domain



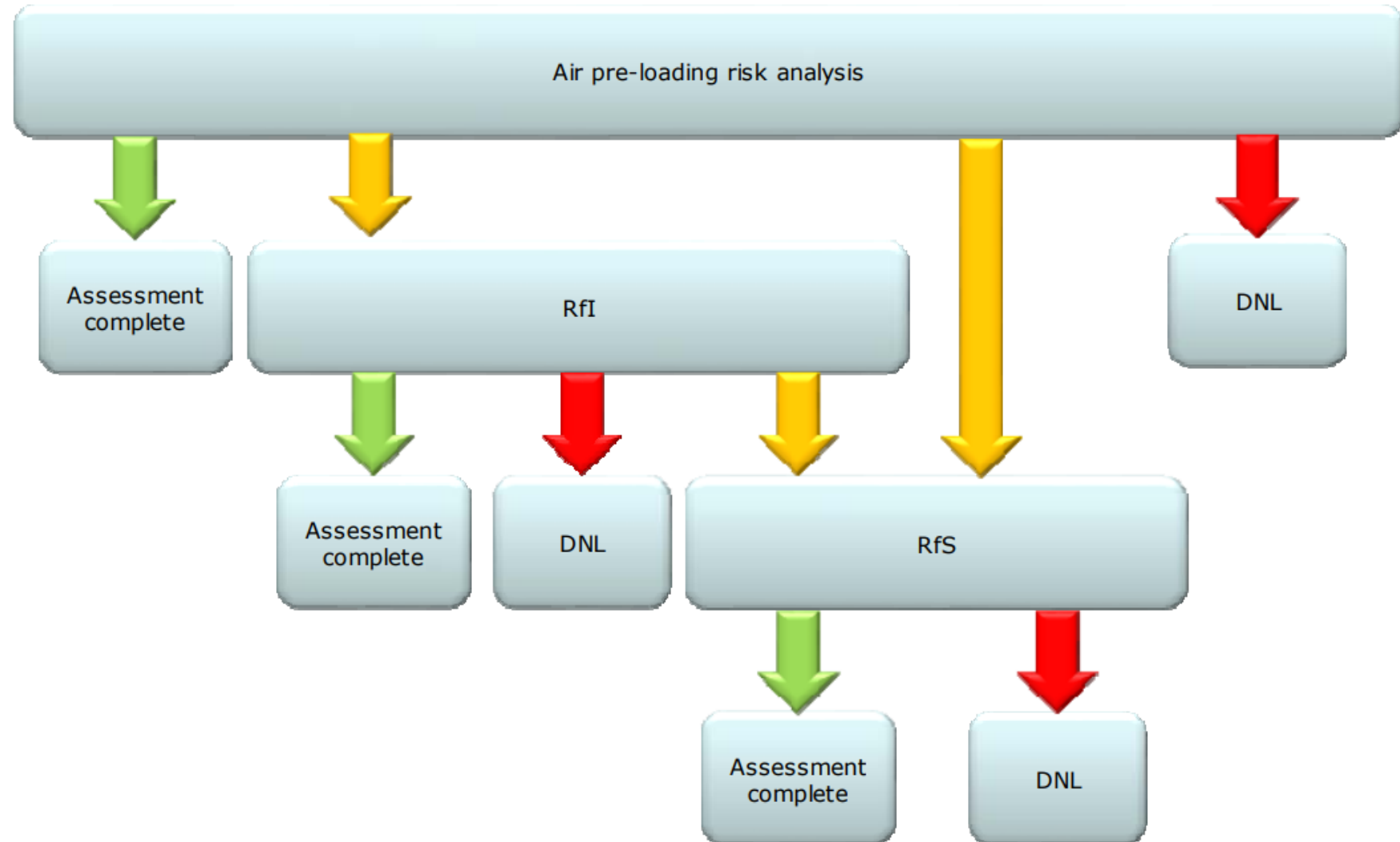
Referrals

* - refers to Global Postal Model

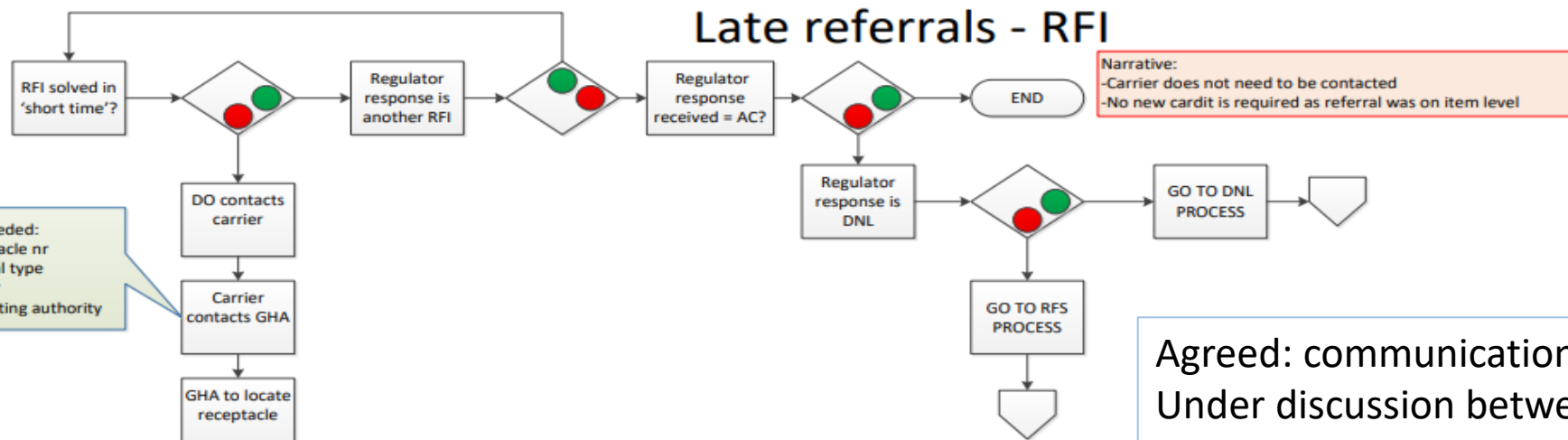
- For airmail the Post is responsible as EO (Economic Operator) to file EAD to authority. This is based on mail items. Carrier only files the ICS.
- Referral are responses from authority [*4] that require (direct) attention
- Speedy back and forth communication channel between origin post, destination post and destination authority must exist to answer [*4+, 4] to referrals.
 - No existing (UPU or IATA) messaging between DO and carrier for referrals
- Late referrals are referrals that are received by the origin DO after physical handover to carrier
- When late
 - For these cases there must be an agreed protocol between origin Post and carrier
 - Post and carrier processes must have an exception handling process in place

Referral scenarios

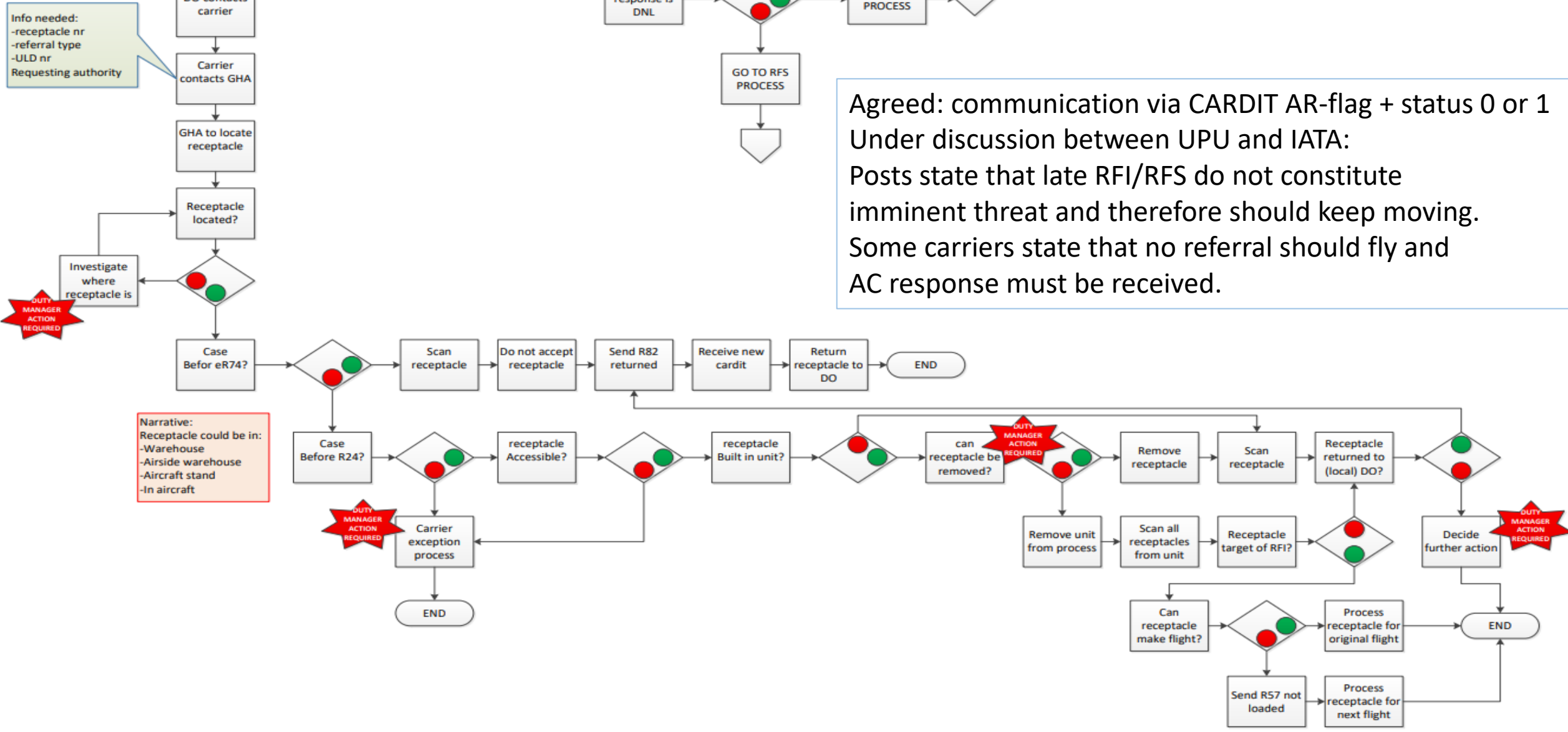
Source: EU guidance on air cargo referral protocols



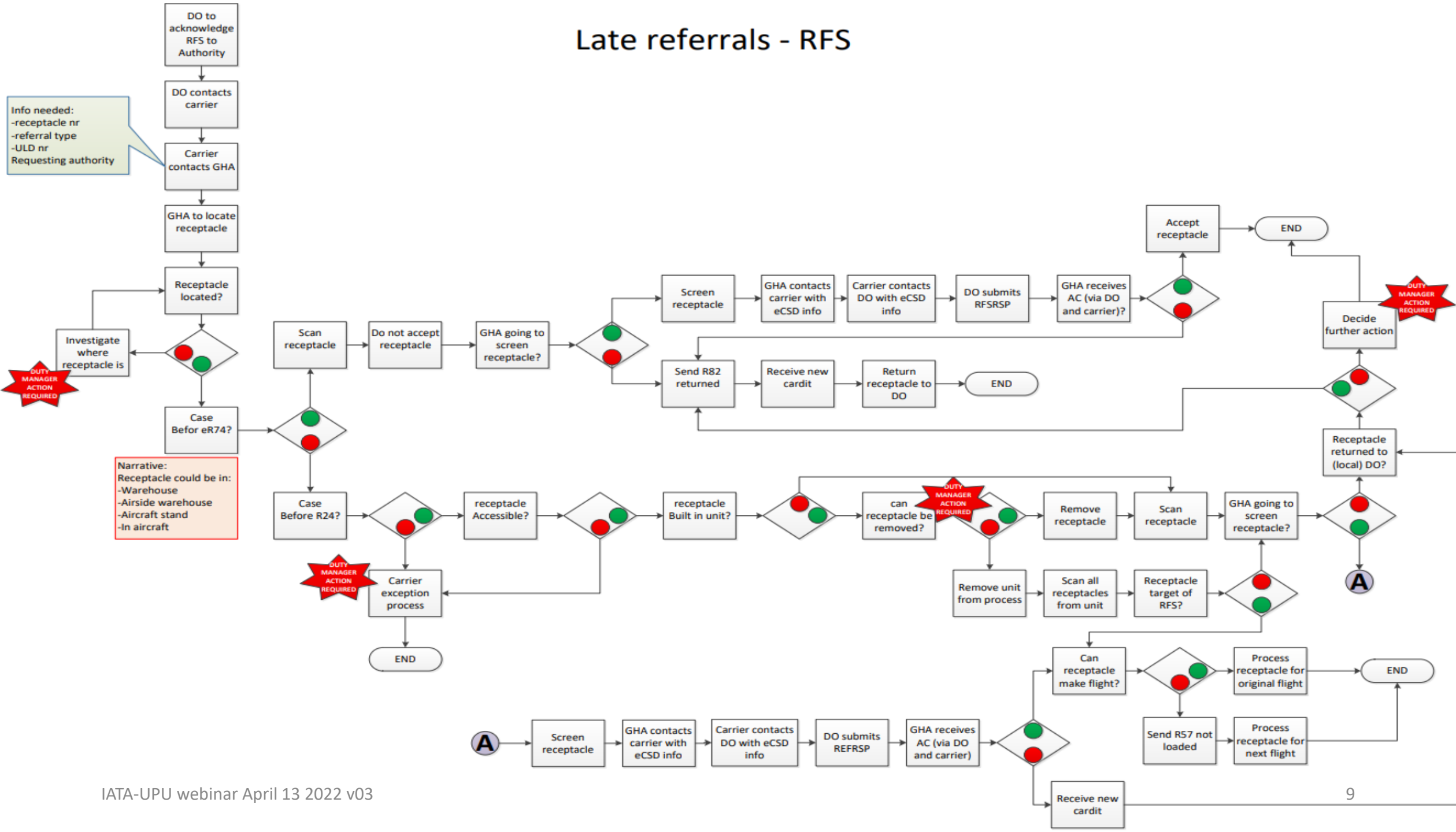
Late referrals - RFI



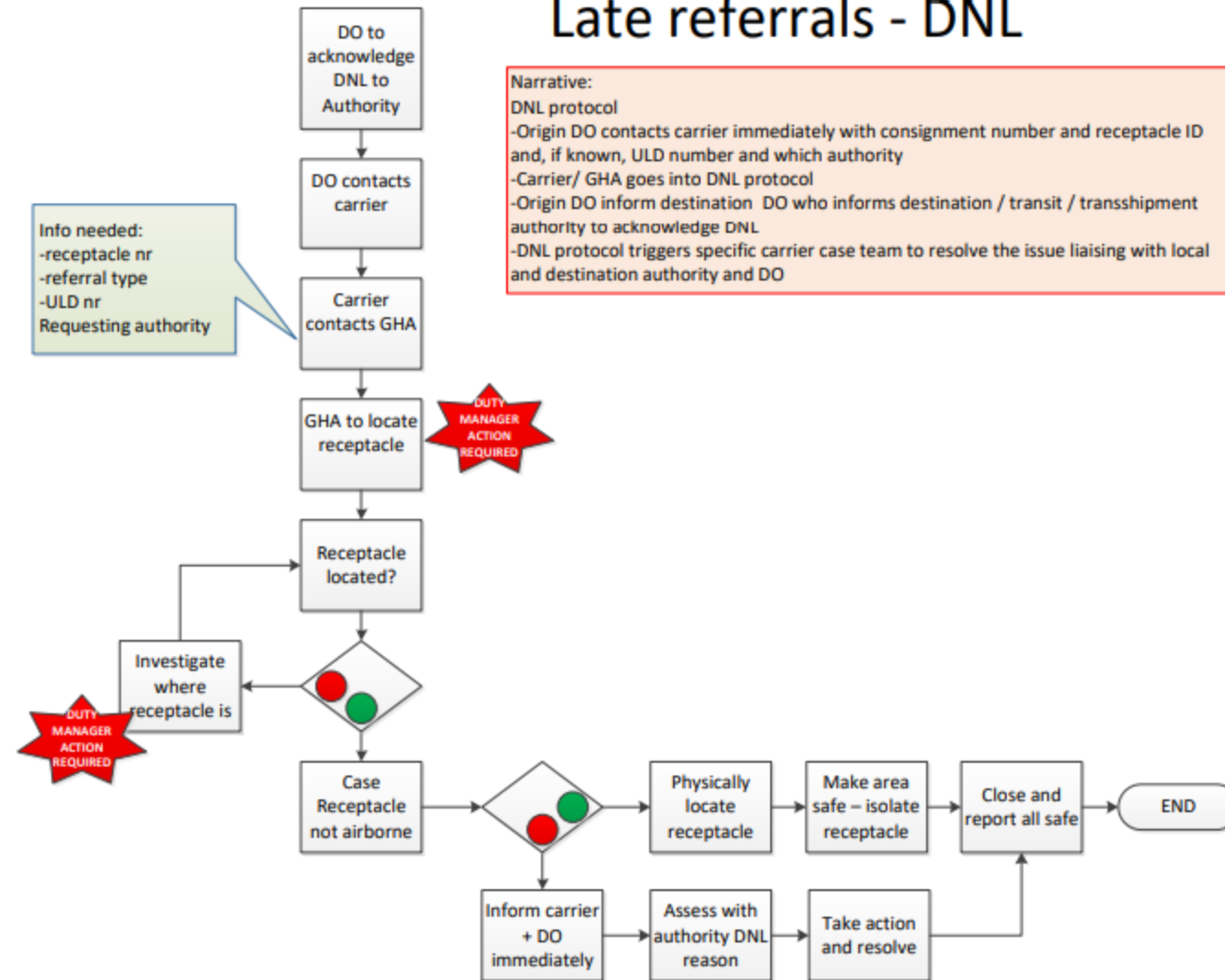
Agreed: communication via CARDIT AR-flag + status 0 or 1
Under discussion between UPU and IATA:
Posts state that late RFI/RFS do not constitute imminent threat and therefore should keep moving.
Some carriers state that no referral should fly and AC response must be received.



Late referrals - RFS



Late referrals - DNL



Additional information

- The IATA–UPU expert team on EAD will supplement the protocols with a clear statement on the existing regulations, responsibilities and technical requirements for compliance.
- Also the following relevant information will be included in the documentation regarding the protocols:
 - ☐ excerpt of the relevant WCO–ICAO principles;
 - ☐ terminology and definitions of terms;
 - ☐ Global Postal Model (GPM);
 - ☐ Framework of a DNL protocol.

Way forward

- The presented procedures can be used as the draft framework to be tailored and fine-tuned locally between airlines, handlers and posts, based on the specific local situation of Posts and airlines
- Some aspects are still under discussion. The EAD-expert team is aiming to have these aspects clarified around summertime, but this is also depending on input from discussions between UPU and European Union
- Any update will be communicated via the regular communication channels of UPU and IATA
- But posts and carriers need to start as soon as possible to prepare and plan to start the work on developing a localized version of the general protocol based on the local situation and the currently available information
- This “call to action” will be included in the final version of the protocols
- Last but not least: the localized protocols need to be authorized by the relevant local security authority as this triangular protocol (post-airline-security authority) is key to achieving compliancy with the security levels required by the EAD-enforcing countries

Thank you for your attention



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Electronic Advanced Data (EAD)

IATA-UPU Webinar (13 April 2022)

Luc Larrieu-Sans, Leg-2.com

Stéphane Herrmann, UPU



EAD Check API

AR Flag in CARDIT

CARDIT/RESKIT to
XML Cargo converter



EAD Check allows **designated operators and carriers** to check that the mail they are sending, receiving or processing in open transit, closed transit or transshipment complies with the EAD requirements.

The UPU's Postal Technology Center has developed API methods in QCS Big Data to allow retrieving the EAD status for individual mail items, and for all mail items within a receptacle.

The API methods can be called by any IT system used by designated operators and carriers.

November 2021

**Available for IPS users
(112)**

Upgrade to the latest
version planned/to be
planned by each post

November 2021

**API available for all
posts and carriers**

April 2022

**Upgrade of IPS.post
planned
(81 users)**



The **API request** sent to CDS/QCS Big Data allows specifying either

- a S10 mail item identifier or
- a S9 receptacles identifier



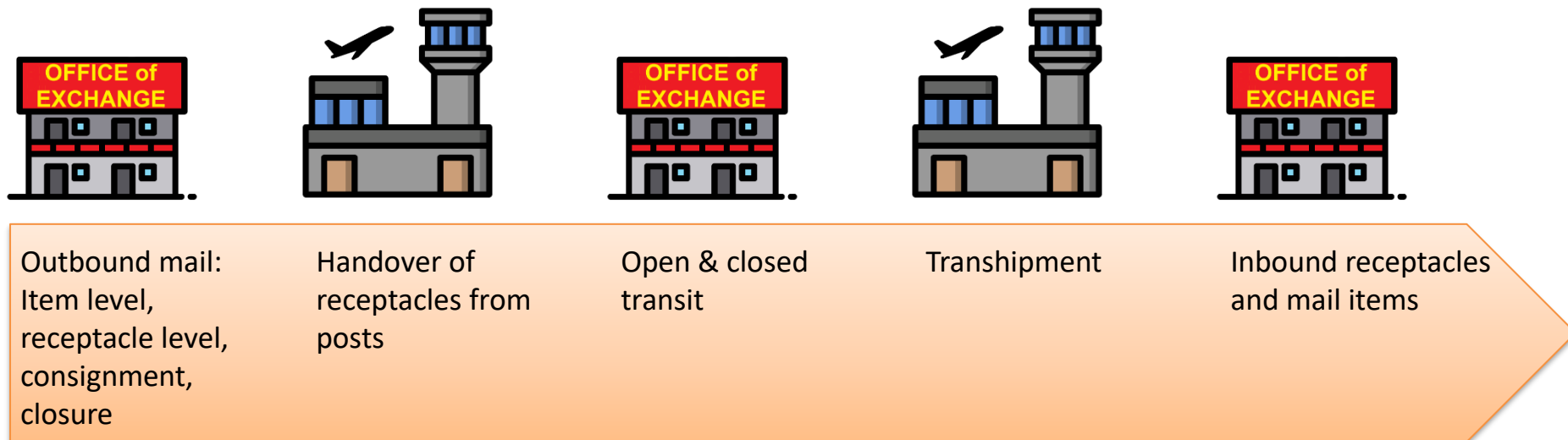
The **API response** from CDS/QCS Big Data returns for each mail item in the request:

- Item identifier
- Whether or not an ITMATT was sent for the item
- List of referrals (ITMREF messages) of type RFI, RFS or DNL for the item.

For each referral:

- Referral type
- Whether it was responded or not (i.e. if a REFRSP message was sent, linked to the ITMREF)

Support of ASC to be
implemented in 2022



- EAD Check provides the status of individual mail items
- The status is not included in any EDI messages



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Agenda

EAD Check API

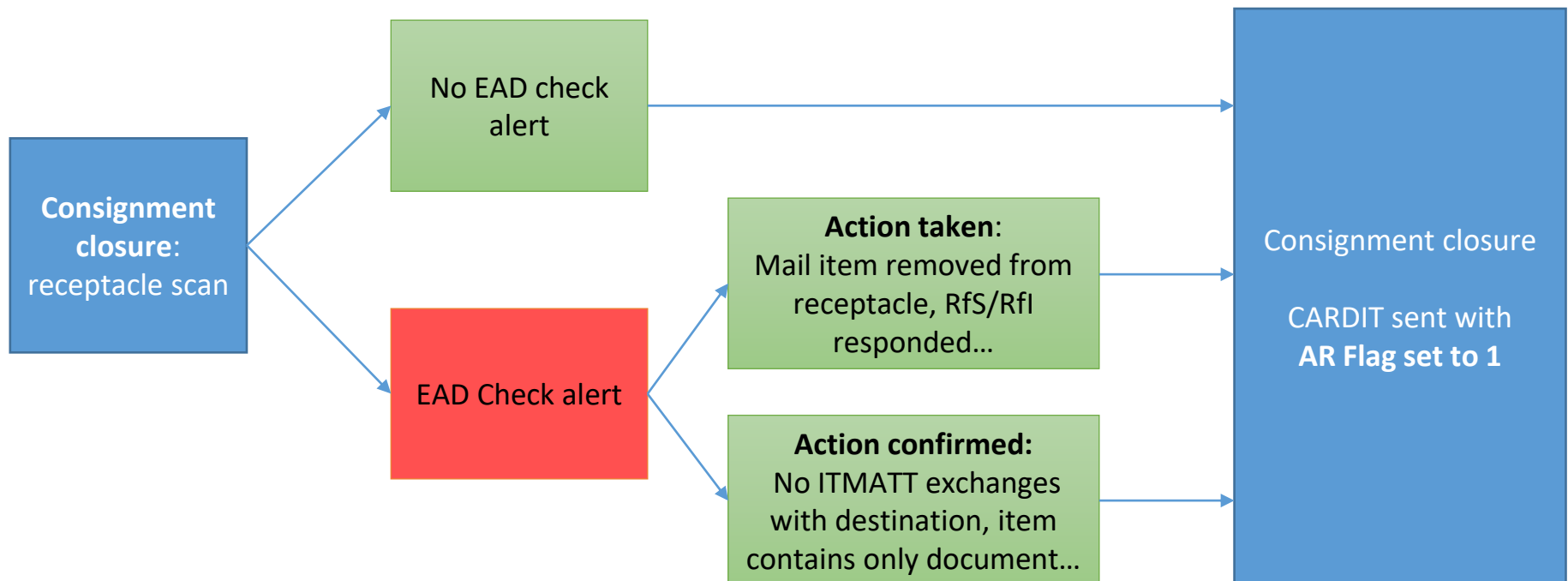
AR Flag in CARDIT

CARDIT/RESKIT to
XML Cargo converter



EAD Check will help designated operators assess whether an action should be taken before closing the consignment

Implementation of AR Flag in IPS/IPS.post/IPS Cloud:





EAD Check API



AR Flag in CARDIT



CARDIT/RESKIT to
XML Cargo converter

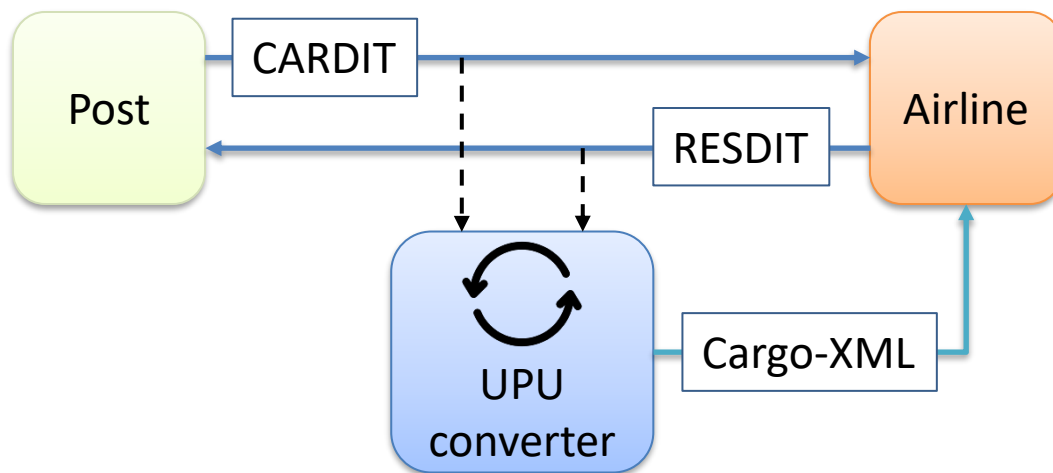


CARDIT/RESKIT to Cargo-XML converter

UPU has developed a tool to **convert CARDIT-RESKIT messages into Cargo-XML messages.**

Airlines that do not have the ability to perform the conversion can request the UPU to perform the conversion and make the Cargo-XML messages available through APIs.

If airlines are interested in testing, please contact UPU.



PAWB mandatory

Conversion based on CARDIT if PAWB included or based on RESKIT



Leg-2.com has helped some non EU postal operators to implement CARDIT / RESDIT exchanges with the Airmail Data application.

Several tests have been conducted in the first quarter of 2022.

Easy identification of the AR flag segment when it exists

Setting up an alert both for the airline and the postal operator if the AR flag segment is missing while the destination requests it.

CARDIT messages converted in CARGO-IMP messages if necessary.

Satisfactory usage of the UPU XML conversion tool





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Thank you!

Luc Larrieu-Sans

Founder & CEO Leg-2.com

luc@leg-2.com

Stéphane Herrmann

Lead Technical Account Manager, UPU

stephane.herrmann@upu.int

e-Commerce

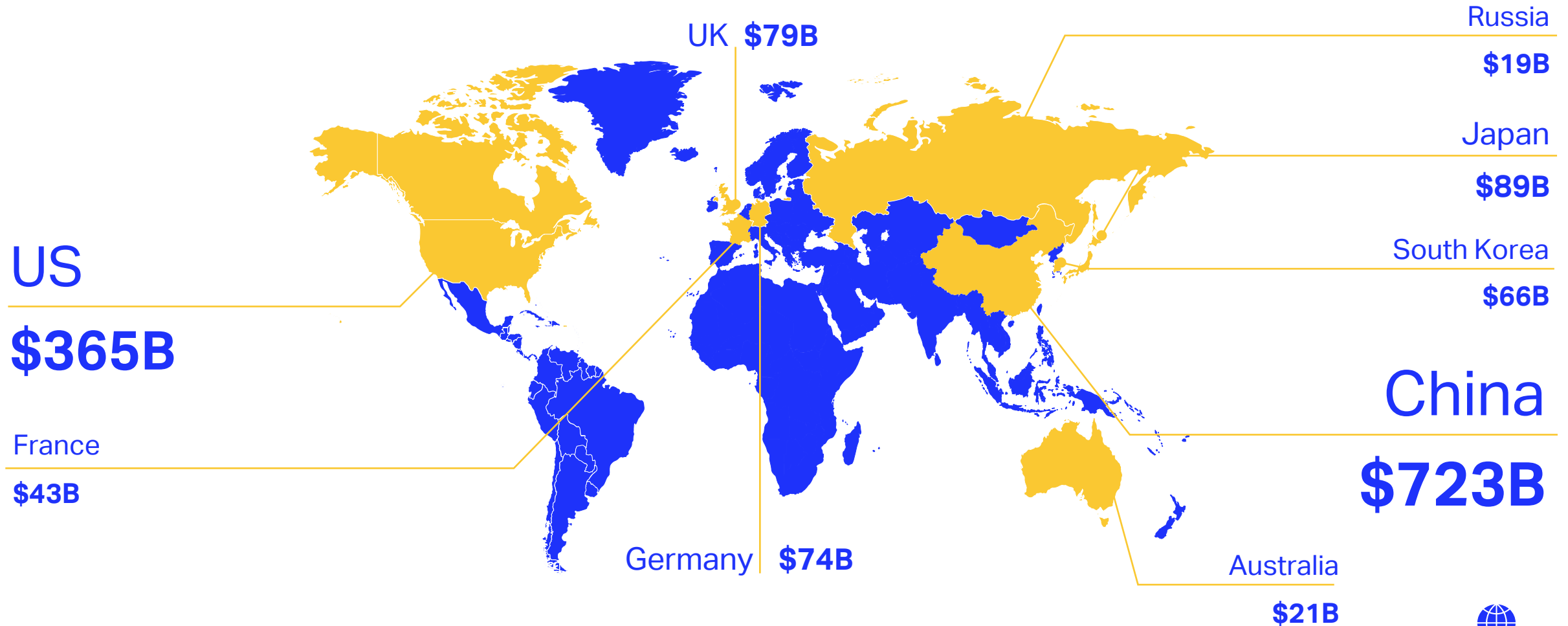
Andre Majeres

Head of E-Commerce & Cargo
Operations majeres@iata.org

19 April 2022



E-Commerce Global Distribution - 2019

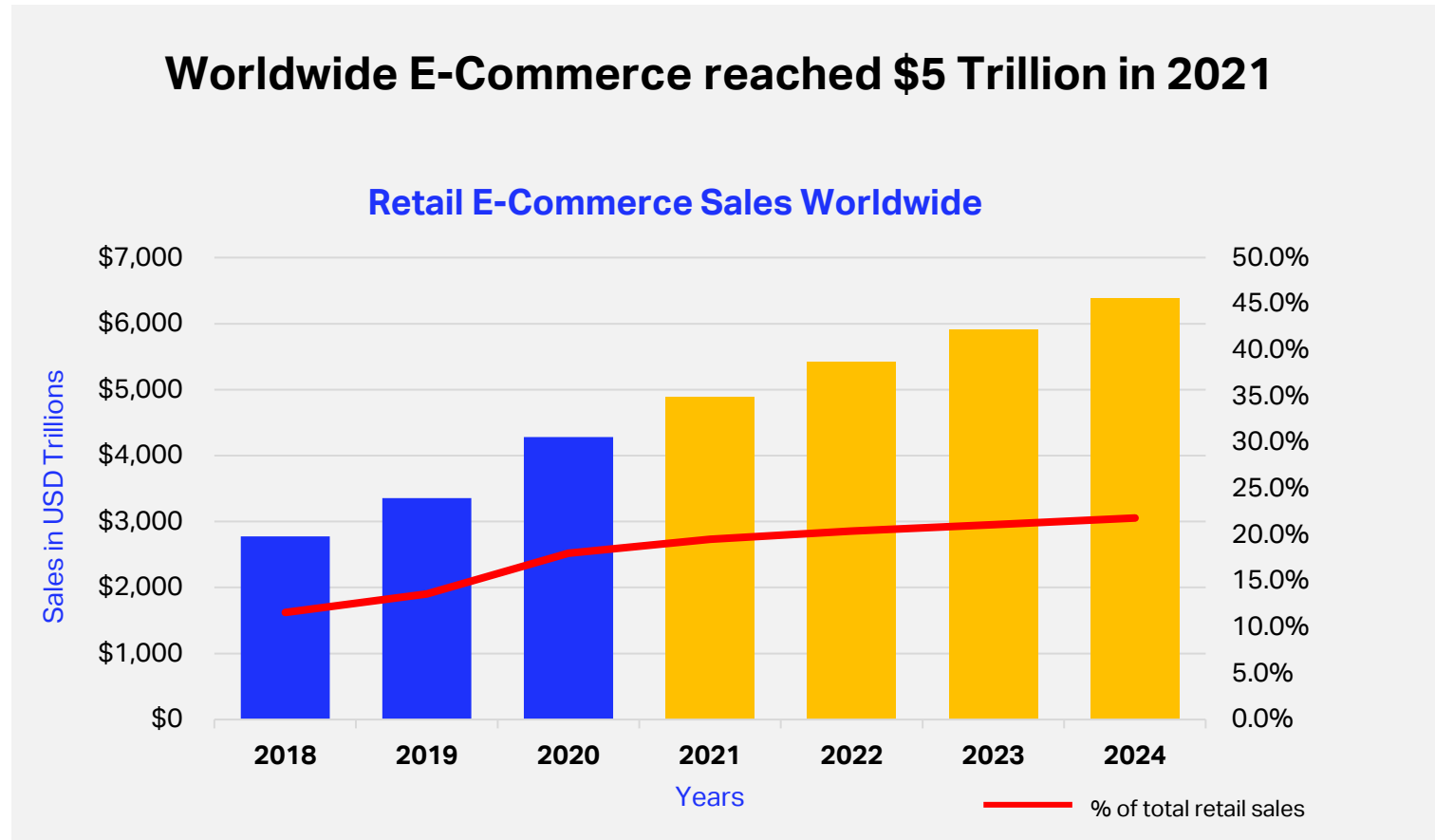


Source: Statista

* Figures currently including services, already identified source for potentially excluding services, at sales levels, potential to include share of the top-50 players by country

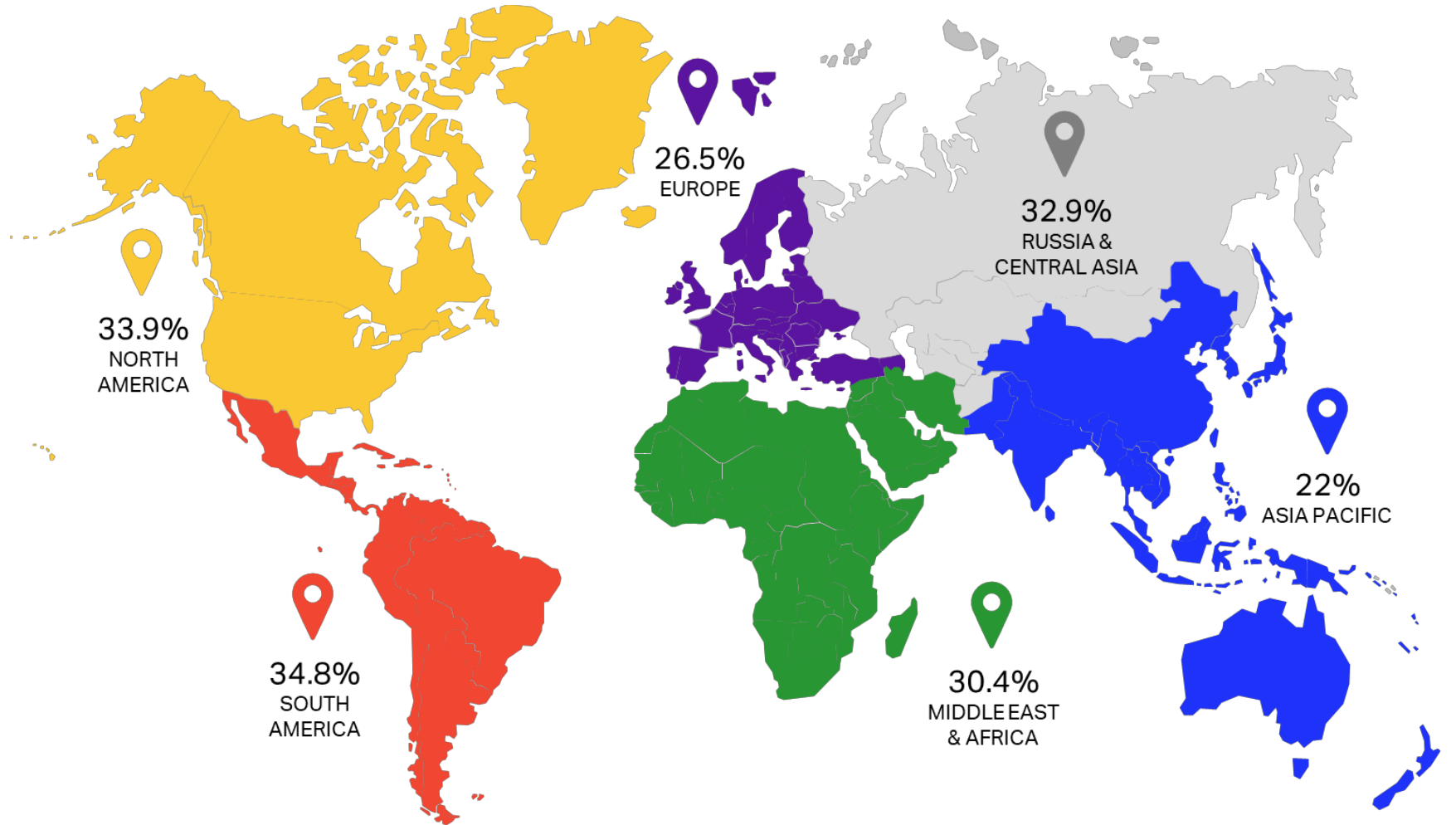


Consumer behavior changed in 2020

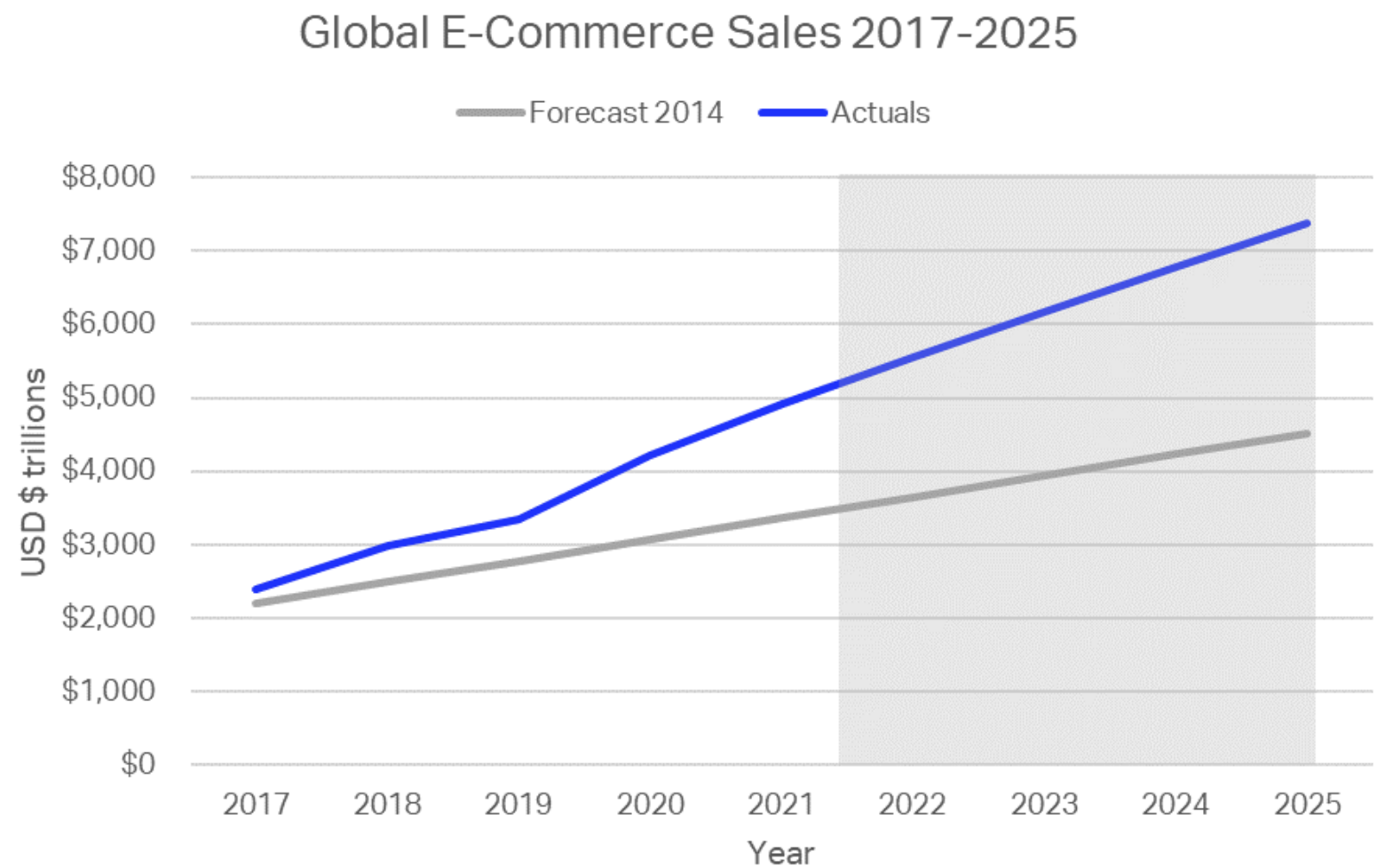


Source: <https://www.emarketer.com/>; <https://www.freightwaves.com>

E-Commerce - Volume growth - 2021



Forecasts have underestimated e-Commerce

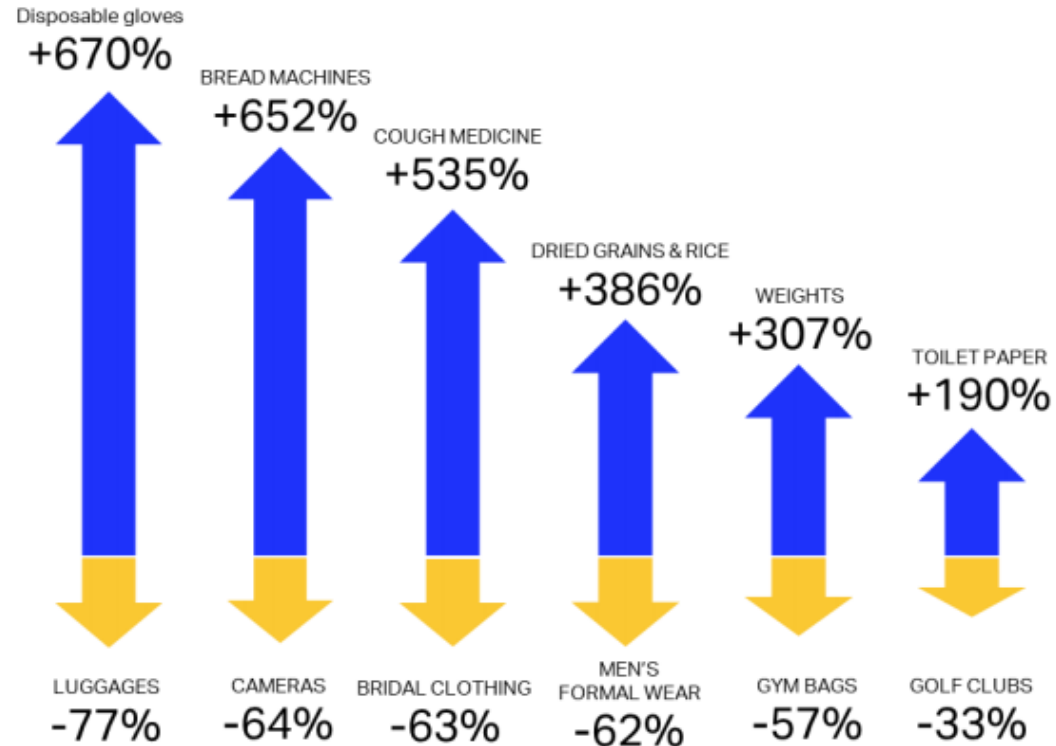


Consumer behavior during the pandemic



In 2021, online buyers
predicted to reach
2.14 billion

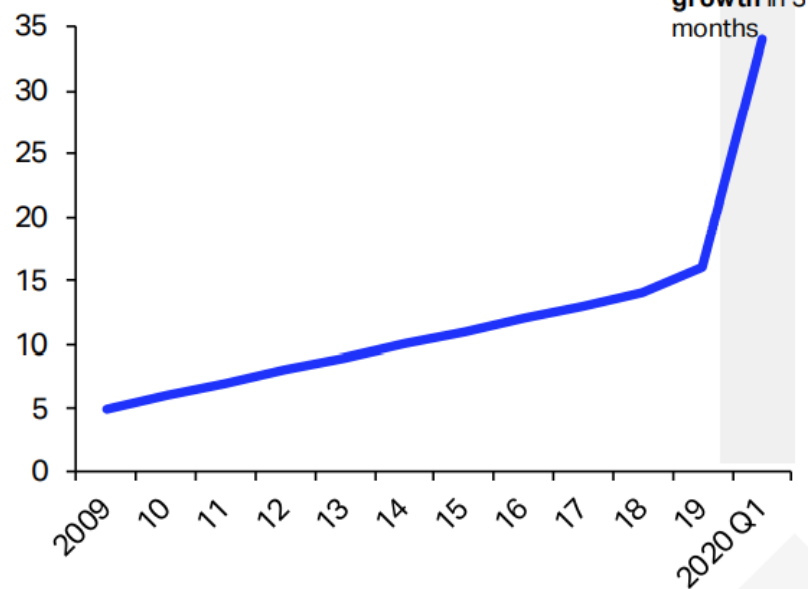
Shift in consumer priorities due to COVID-19



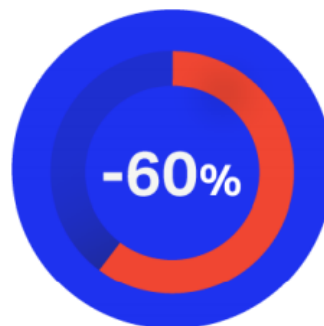
Anchored trend or addiction ?

E-commerce moved 10 years in 90 days

US e-commerce penetration, %



According to McKinsey & Co*, "E-commerce has moved **10 years ahead in just 90 days**." However, there has also been a decrease of 60% in postal parcels sent, due to lack of capacity.



Drop in postal parcels

e-Commerce Events 2021



* Dates to be confirmed

iata.org/e-commerce

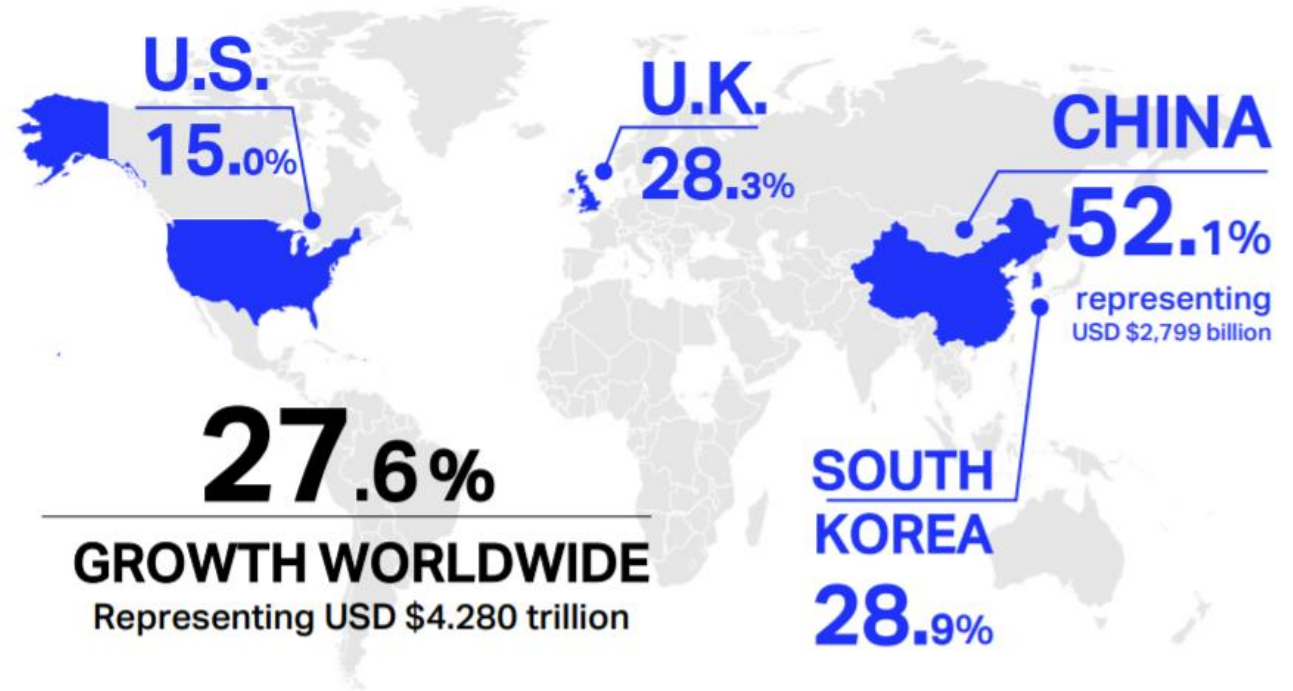


One year after the beginning of the pandemic

Thanks to the global roll-out of vaccinations, consumers are slowly returning to brick-and-mortar stores, supermarkets, restaurants, and cultural events.

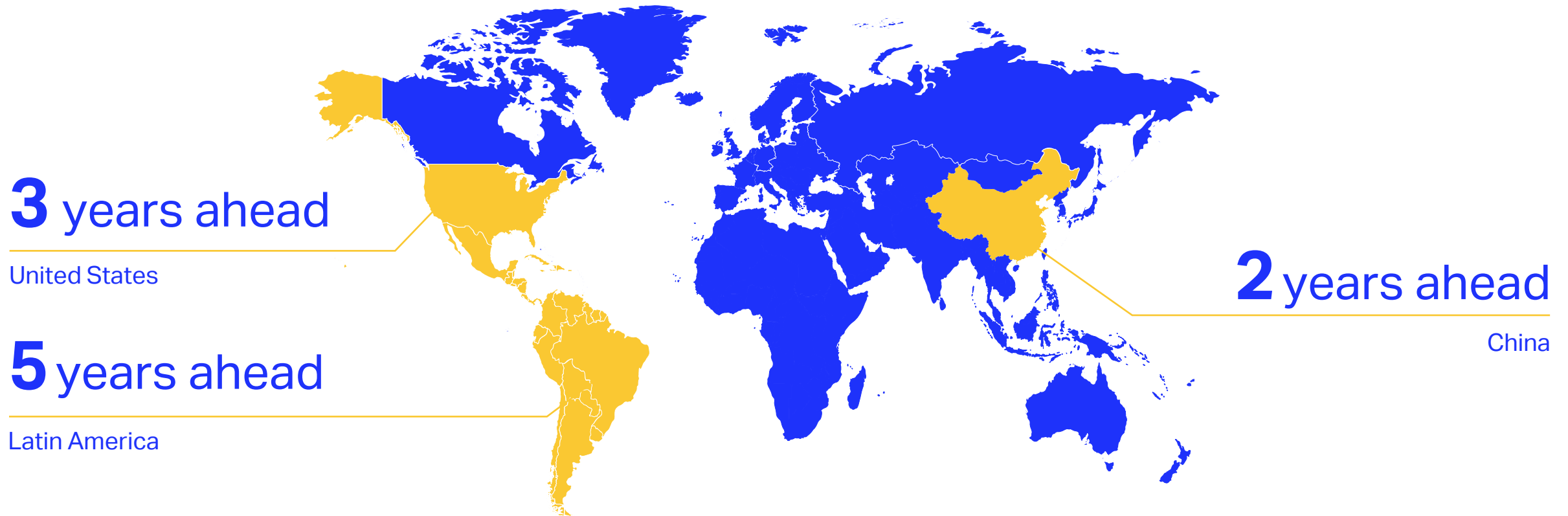
But even if we can already start to feel like we are returning to a sense of normalcy, the transition will take time.

Total online retail sales 2021



Pandemic Period e-Commerce Growth

COVID-19 has grown E-Commerce exponentially across the world, especially in the U.S., Latin America, Europe and China



A few numbers... from the giants

Alibaba - 84.5 Bn\$

JD - 48.7 Bn\$

2.3
BILLION PACKAGES

LOGISTICS BEHIND 11.11

3 MILLION
WORKERS

500,000
TRUCKS

4,000
PLANES

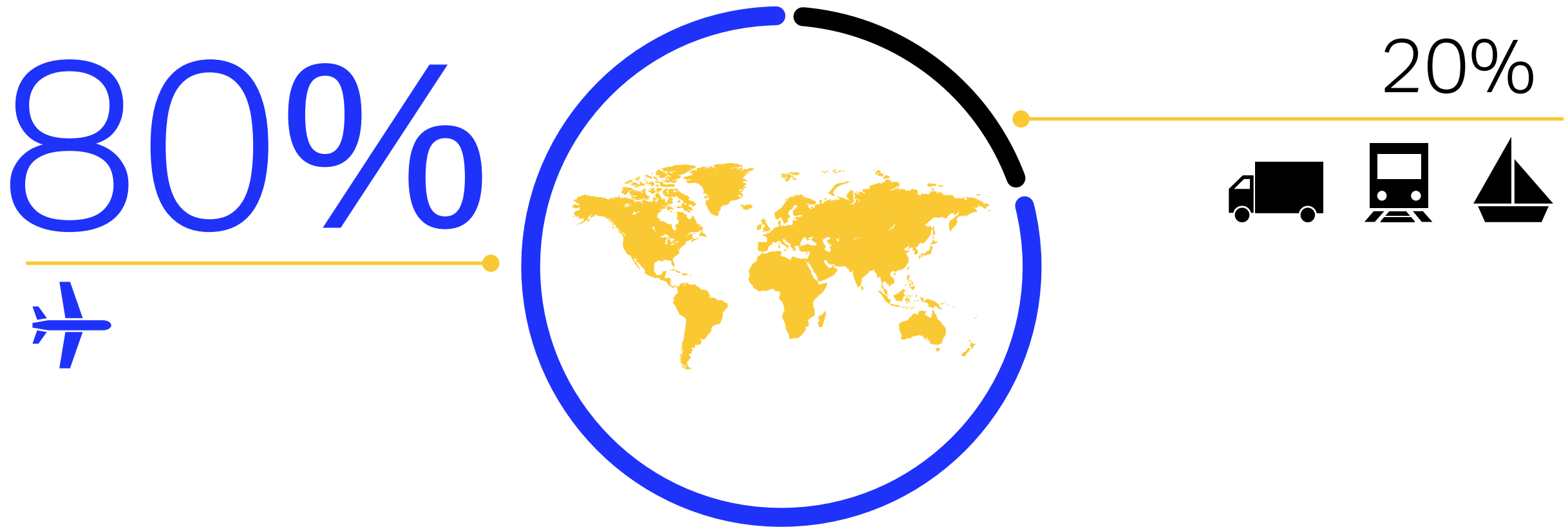
430 billion
sheets of paper saved in
6 years equivalent to
43 million
trees

127.5 billion
packages | 2025
equivalent to a carbon footprint of
116 million tons

86 Million
Meters of plastic
tape were saved
due to the use of
190,000 zipper
boxes during
11.11.2020
Enough to wrap around the world twice

More than 80% of 11.11 orders were predicted
by Cainiao's AI algorithm based on shopper's behavior.

Cross-border B2C e-Commerce



Cargo represent today approximately 35% of airlines' revenues... and approximately 18-20% of air cargo is eCommerce, forecasted to be 22% in 2022.

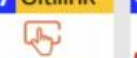
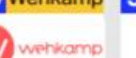
Source: ICAO, McKinsey, PwC Analysis



The e-Commerce Logistics Landscape

The COVID-19 crisis has accelerated the expansion of e-Commerce towards new companies, customers, and product types.

The pandemic has added diversity in a sector that was already very dynamic, with many different players, big and small, and various business models

Top-50 e-commerce players									
1 Taobao*	2 TMall*	3 Lazada & AliExpress	4 Amazon	5 JD.com	6 ebay	7 Pinduoduo	8 Shopify	9 Rakuten	10 Apple
									
11 Yahoo JP	12 Mercado Libre	13 OTTO	14 Wish	15 Jumia	16 1688*	17 Suning	18 Walmart	19 Alibaba*	20 vip.com
									
21 Snapdeal	22 Shopee	23 The Home Depot	24 Zalando	25 Lojas Americanas	26 Wayfair	27 macy's	28 Flipkart	29 Best Buy	30 allegro
									
31 Target	32 carousell	33 Etsy	34 Cnova	35 Bukalapak	36 MSH	37 Bol.com	38 Asos	39 Yandex	40 Newegg
									
41 Wildberries	42 GFG	43 Farfetch	44 Cool Blue	45 Nasper's eMAG	46 Digitec	47 Citilink	48 M.video	49 Wehkamp	50 Qoo10
									
* Part of the Alibaba Group									

Air cargo models & e-tailers

Owned and fully dedicated air transport capabilities

Firms reduce their dependence on 3rd party carriers, limiting risks and increasing margins.

Air freight shippers

Companies move the goods to fulfillment centers in freight format and perform local ground distribution in the destination country

Hybrid model

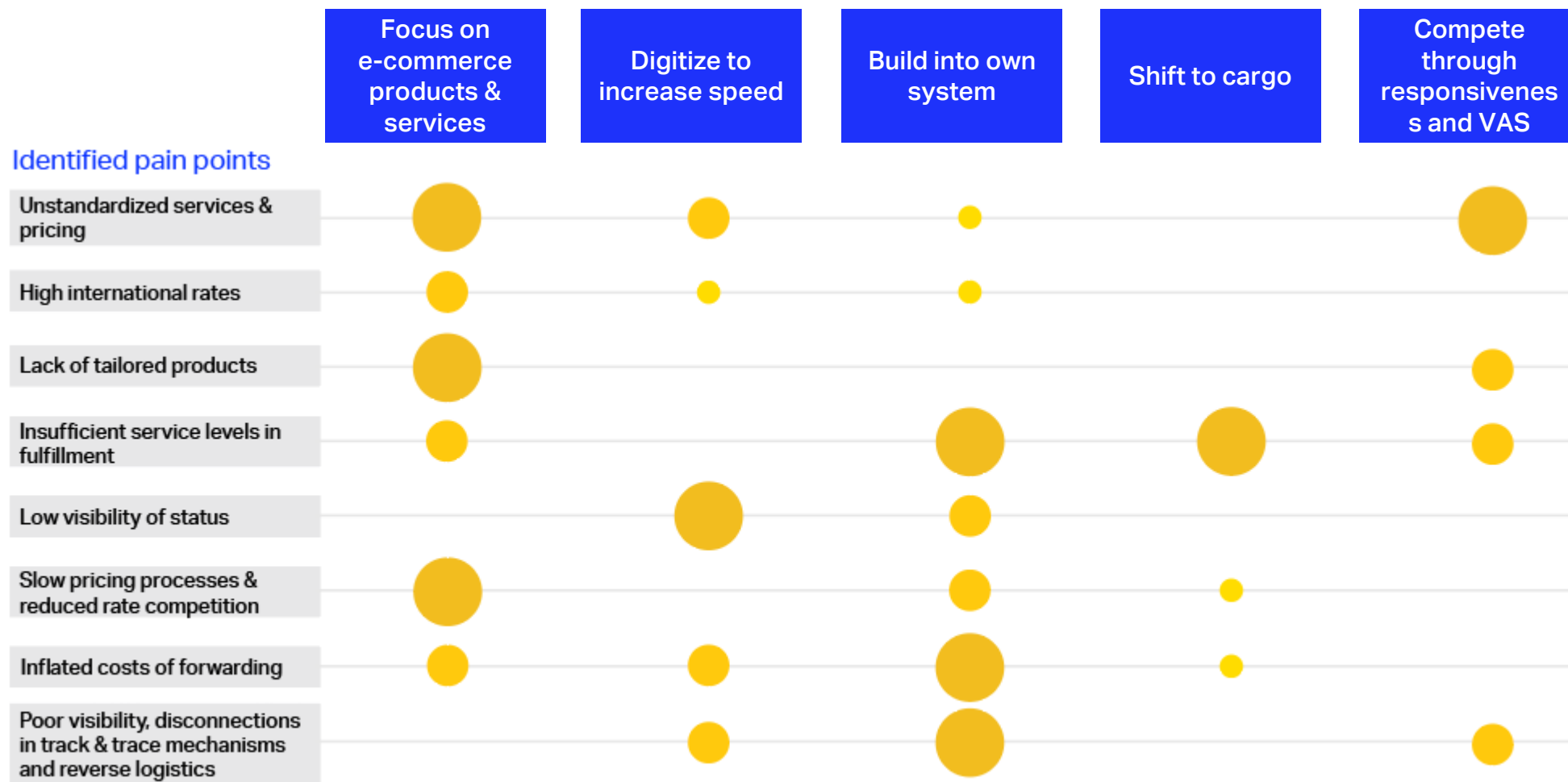
Mixed-use of internal and external capabilities to move freight to fulfillment centers, and also shipping of single parcels to consumers via air cargo

Air parcel shippers

Firms rely on standard Courier-Express-Parcel & airmail. It is common for marketplaces due to their high dispatch fragmentation



Five strategies for transformation



80 %

of cross border e-commerce is transported by air

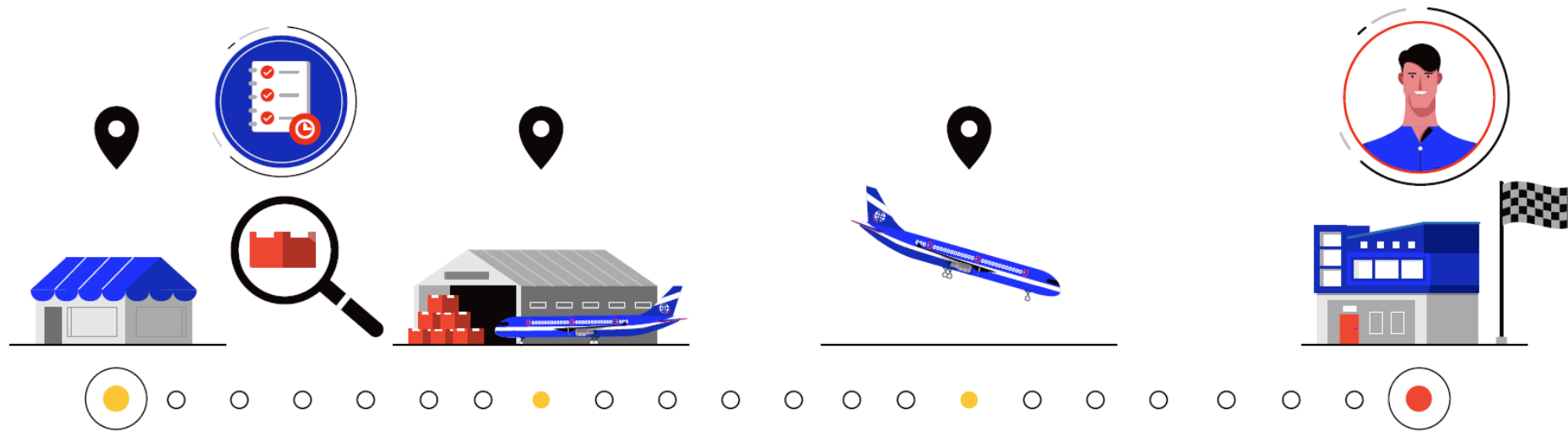
36 %

air cargo airline revenue in 2020

82 %

of consumers want recyclable packaging

Transform to build a robust air cargo



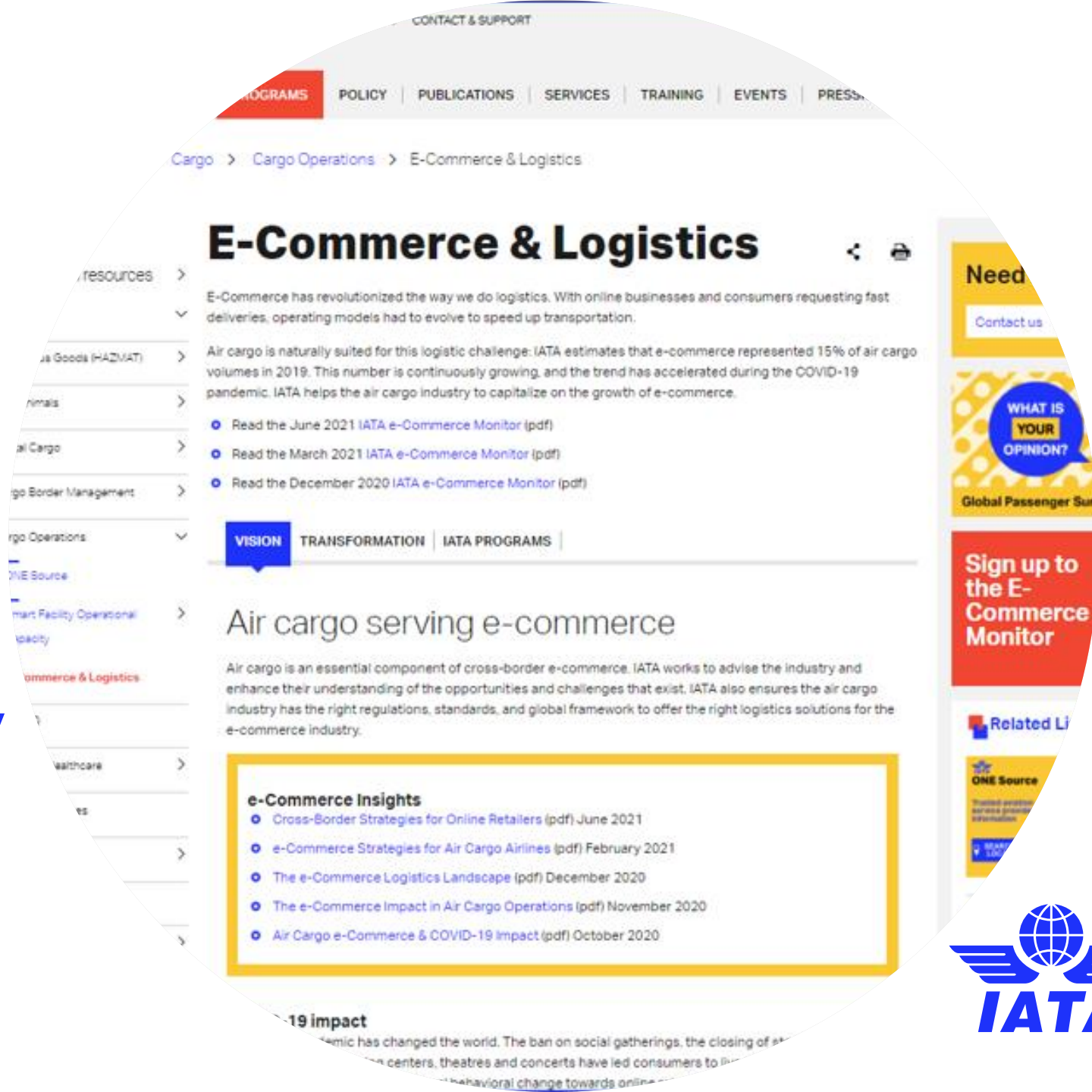
COVID-19 has accelerated e-commerce penetration and solidified the shift in consumer behavior.

e-commerce is key for industry prosperity/survival

carriers need to address existing pain points through the 5 strategies in order to adapt to e-tailers needs

Before the
pandemic, e-
Commerce was key
to air cargo...

Now air cargo is key
to e-Commerce



Thank you

More information, insight articles
and the IATA e-Commerce
Monitor are available at
www.iata.org/ecommerce

Andre Majeres

Head of E-Commerce & Cargo Operations
majeres@iata.org



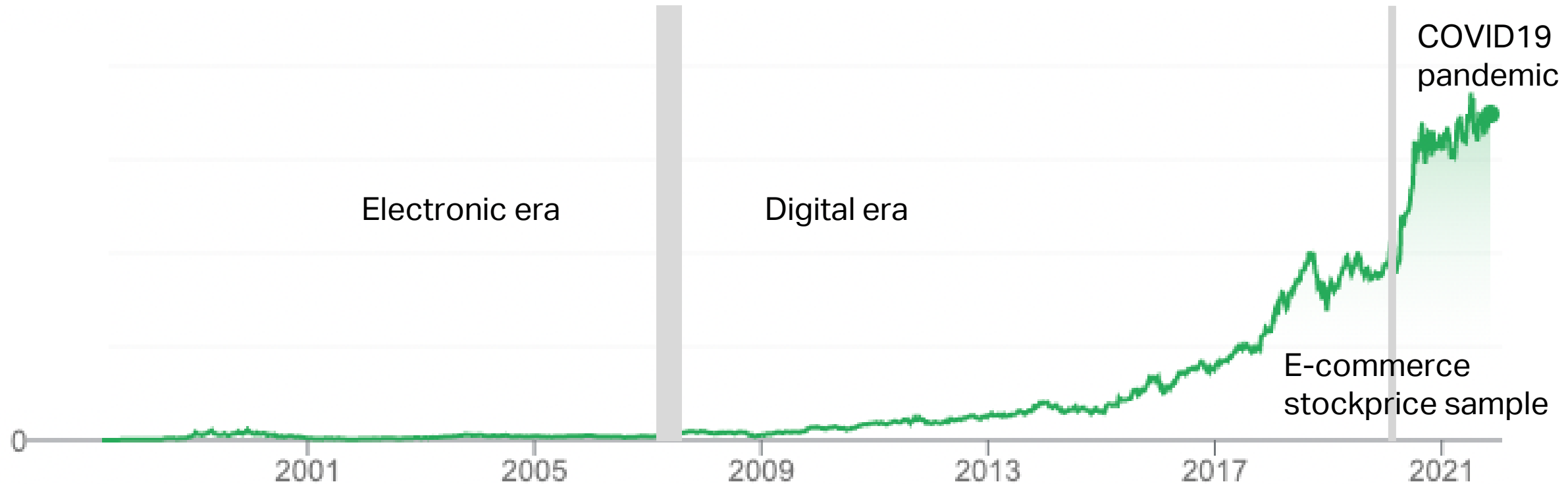
E-Commerce digitalization & IATA

Henk Mulder
Head, Digital Cargo
IATA



Why digitalization of air cargo? Why now?

By 2025: 24.3% of the global economy is digital (vs 15.5 % in 2016)¹



- 1) Oxford Economics

Digital needs for e-Commerce

Visibility

- Real time issue detection and management

Trackable

- Customer process transparency and predictability

Fast

- Avoid data lag. No time to "look for data"

Shared data

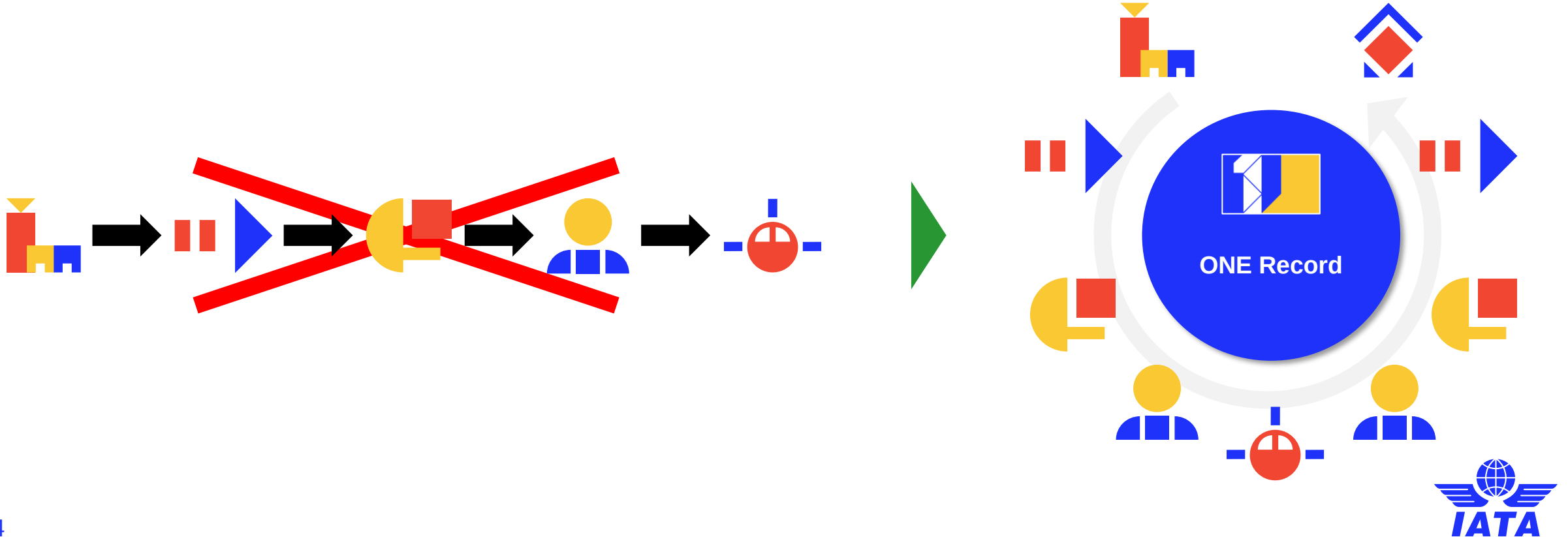
- Access to heterogeneous and shared supply chain and logistics

End-to-End

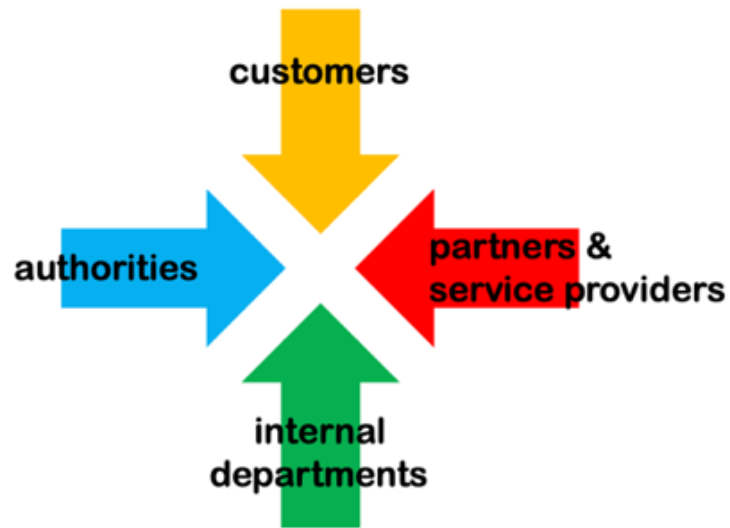
- Shipper to consignee and multimodal

Information exchange in air cargo

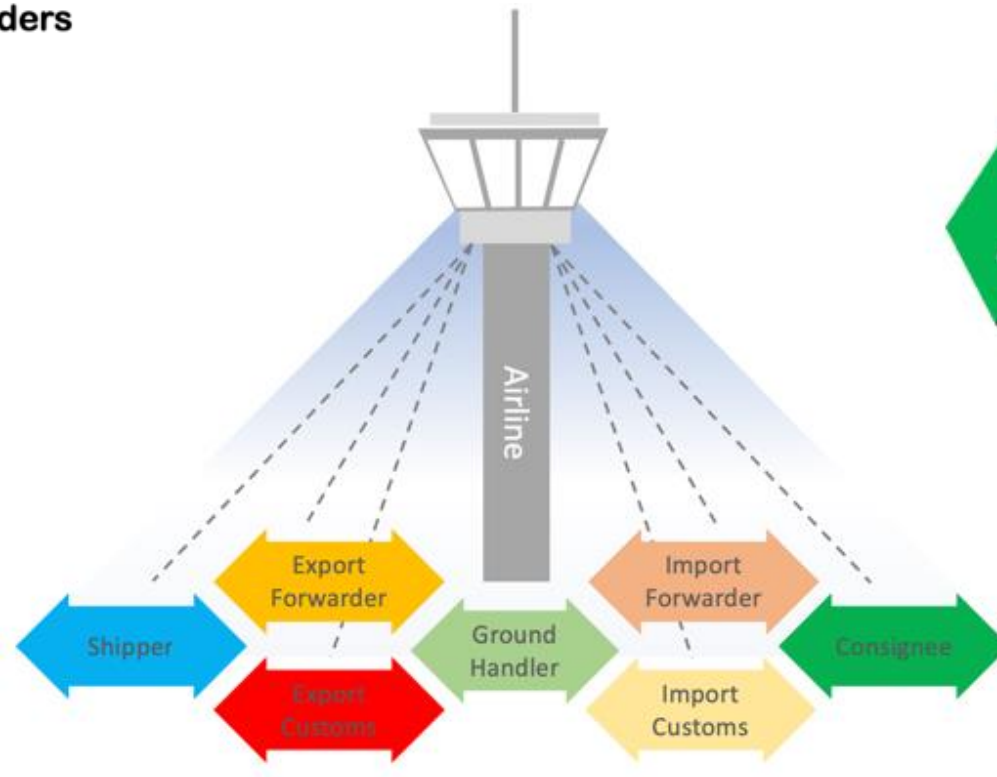
- From sequential messaging to data sharing
- From airline-forwarder to end-to-end and multimodal



ONE Record: driving digital transformation



**Direct connectivity
without intermediaries**

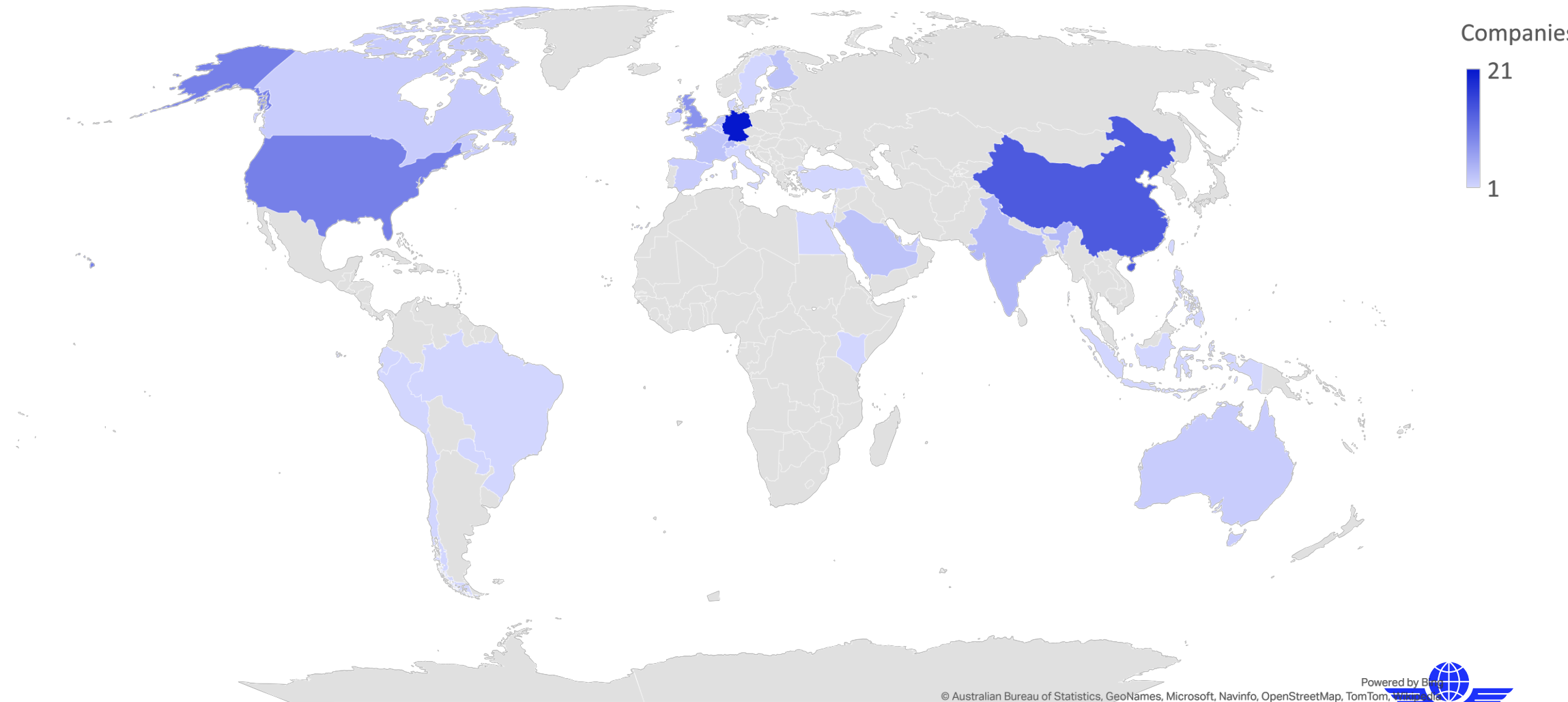


Data access and visibility

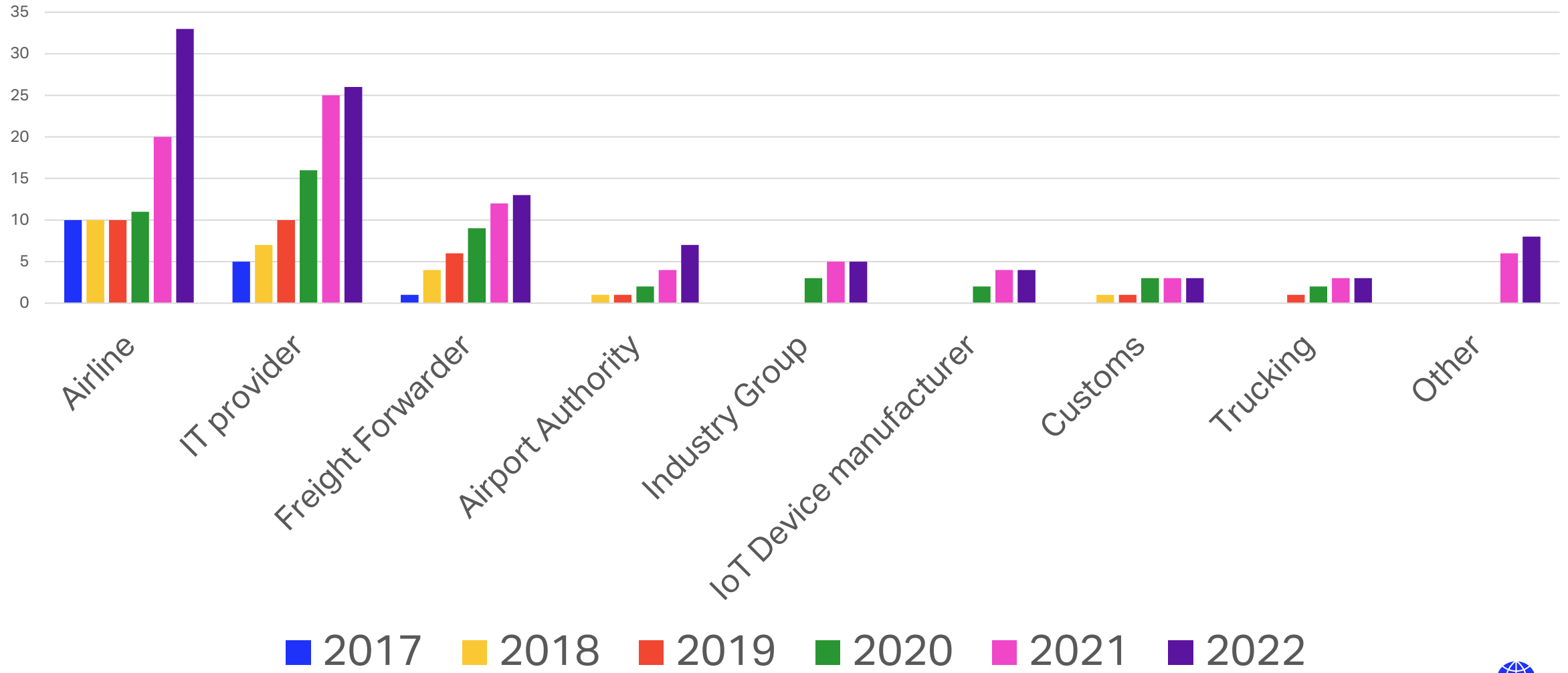


Digital Transformation

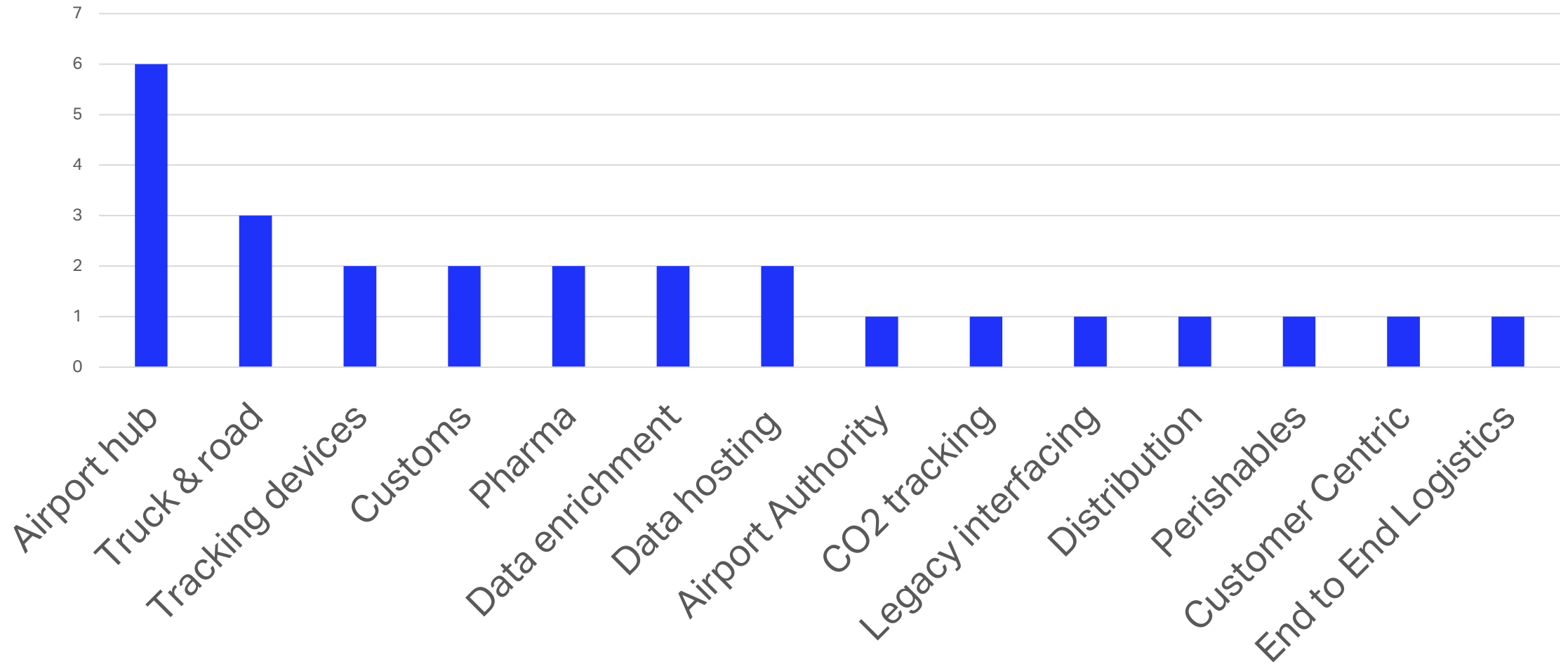
ONE Record global deployment



ONE Record stakeholder group by year



ONE Record use cases



Cooperation is the opportunity

e-Commerce is a global

e-Commerce uses most transport modes

e-Commerce uses most logistics channels

e-Commerce accesses many types of shippers, small & large

e-Commerce accesses many customer segments

Thank you

Henk Mulder
Head, Digital Cargo
IATA



Paper-free transports

Webinar
13-04-2022



postnord

Paper-free transports



- The number of EDI messages and the quality of them have increased over the years
- Both Posts and Carriers wish to improve our common processes using EDI
- Paper-free transports is one of the topics we are working on
- Paper-free transports started as an activity within Engage. Now it is a global activity
- At the latest meeting in the UPU transport group an updated guideline for creating paper free transports was presented.

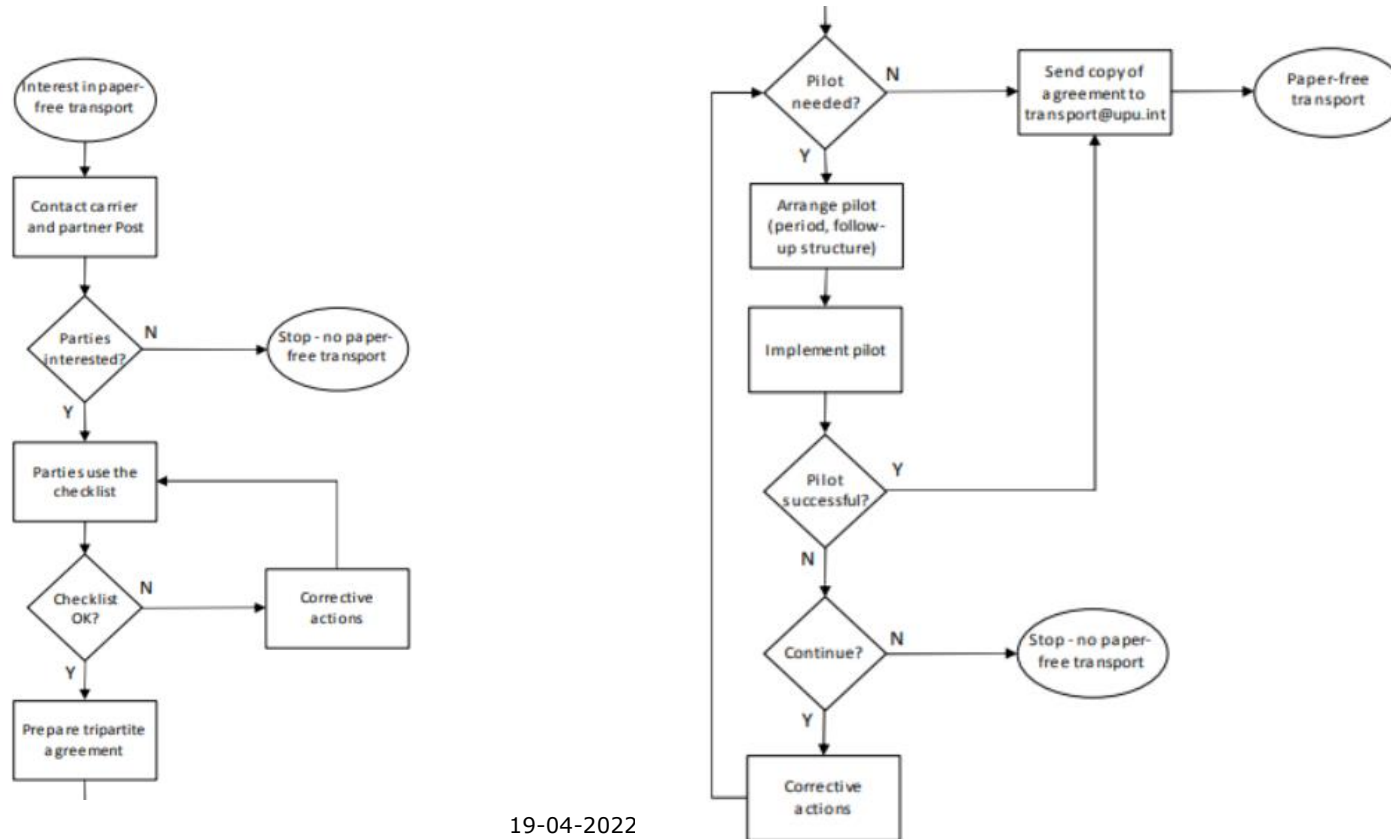


The Guidelines includes

- Background information
- Preconditions for paper-free transport
- Minimum requirements
- Scope of implementation
- Preparation and communication
- Paper-free operational and messaging procedures
- Checklist for implementing paper-free transports
- Template for Tripartite agreement
- Description of available tools

Paper-free transports - process

postnord



19-04-2022

Paper-free transport

postnord



IATA UPU Contact committee decided to create a database with contacts to Posts and Carriers that are ready to implement Paper-free transports

For further information please contact
Jan Bojnansky, email: jan.bojnansky@upu.int

Hector Martin Arias, email:
hector.martinarias@ipc.be

Questions?

postnord

