

FIATA

Schaffhauserstrasse 104, P.O. Box 364, CH-8152 Glattbrugg, Switzerland
Tel. +41 (0)43 211 65 00, Fax +41 (0)43 211 65 65
E-Mail info@fiata.com, Internet <http://www.fiata.com>



Glattbrugg, 7th of March 2014

e-CSD Workshop at the World Cargo Symposium

In previous years, airfreight security regulations based on ICAO Annex 17 entered into force in various ICAO member states. The related implementing provisions that were established clearly stated that air-cargo shipments must be accompanied by a security declaration, either in writing or transmitted by electronic means. This then enables the receiving party to determine whether a consignment has been originating from a trustworthy entity and that the required security controls had successfully been applied or whether the goods should be screened.

Although regulators established in the implementing provisions which kind of security data had to be shown on the declaration, no harmonized layout was decided upon. It was then left up to industry stakeholders, regulated agents and air carriers, or governmental bodies to establish a suitable solution in their respective sphere of responsibility for the purpose of fulfilling the pre-advice requirements.

The lacking common global standard resulted in the coexistence of numerous security declaration formats. Even at a single airport dozens of versions coexisted, as each regulated agent or carrier insisted in using its own format, often as an additional document attached to the airway bill or by printing the required security data in various segments of the airway bill.

As a consequence of such a heterogeneous set up, additional complexity was added to the acceptance process (which already belonged to the most critical and time-consuming processes in the supply chain) causing the following effects:

- reduced process efficiency as each "security declaration" looked different and had to be individually reviewed regarding completeness of the required information
- increasing number of handling errors, especially during peak times
- increasing number of consignments downgraded to status "not secured cargo" by mistake incurring additional costs for screening

Besides the mentioned disadvantages, the implementation of various paper-based security declarations was also conflicting with the IATA e-freight initiative, which had been aiming to replace paper documents by transmitting electronic messages, in order to increase efficiency in airfreight process chain.

Presently, with the rolling out of e-freight in Europe, the existing conflicts were discussed in the responsible e-freight working groups and the decision was taken to develop a suitable industry-wide solution.

IATA together with European regulators, industry stakeholders and relevant trade associations founded the e-CSD advisory group to develop a common global industry standard with a view to fulfilling the following requirements:

- compliant with international security regulations
- acceptable to regulators internationally and to airfreight industry
- supporting all shipment levels, e.g. House-Airway bill, Master-Airway bill, Direct-Airway bill, Consolidations and Direct shipments
- providing an audit trail
- capable to include additional textual statements by country (e.g. text passages in accordance with Emergency Amendments)
- transmittable by electronic means in an internationally agreed standard
- providing status information
- providing encoded screening methods used
- allowing efficient usage for all industry stakeholders
- easy to understand
- Supporting a standard paper format for the transition period

In various pilots, electronic messages, in accordance with the developed e-CSD standards, have been exchanged between airfreight supply chain partners. The pilots were then followed by audits conducted through various international regulators, which were all passed successfully. Finally the e-CSD standard was adopted by the ICAO AVSEC Committee and has recently been published in the ICAO guidance material section attached to ICAO Annex17.

As previously mentioned, e-CSD approach closes an existing gap in the industry's endeavour to transform the current paper-steered process into a paper-free supply chain. In this respect, e-CSD may also serve as a technical enabler for the transmission and acceptance of the security status issued by another regulated agent; in respect of transfer and transit shipments it helps to avoid redundant screening at the transfer-or transit gateway.

By linking data extracted from e-CSD to warehouse management systems or to forwarding systems in use in individual companies, the acceptance process times will be significantly reduced. If no security breach was detected (and former security status was subsequently downgraded manually) the system logic will automatically assign the security status to a consignment upon scanning. Based on the security status, the system will either auto-generate a driving job to the screening area or to the storage area, thus reducing the handling error ratio and significantly improving efficiency.

The integration of full data content of regulated agent and known consignor databases into the IT infrastructure of regulated agents and carriers will allow an automated mapping of valid regulated agent and known consignor accreditations against the incoming e-CSD messages. In the event of a discrepancy, the system logic will automatically downgrade the security status to "not secured" in the operational and subsequent systems (as warehouse management systems), thus helping to reduce process times by more one and a half minutes per job, which is not a negligible saving at all if the large volume of jobs processed per day is taken into consideration.

In summary, FIATA wishes to emphasize that the e-CSD project should be considered as a good example of how close and fruitful collaboration between regulators and industry may contribute to the increase of security standards on one hand, as well as process efficiency on the other. In turn it is a solution that is helping to facilitate international trade to the benefit of all.

Andreas Wilhelm, Kuehne & Nagel, Schindellegi, CH

Member of the FIATA Advisory Body Security Matters