

## Forwarders to have a greater say in IATA's cargo programme

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The Cargo Agency Conference (CAC) will in the future be required to consult with freight forwarder councils before any future resolutions are made.

Following a recent decision, CAC, which is entirely composed of airlines, will have to consult with Regional Joint Councils before any future resolutions, or amendments to resolutions, are proposed and considered by the CAC.

The Regional Joint Councils are composed of local freight forwarder associations affiliated with the International Federation of Freight Forwarders Associations (FIATA), as well as individual freight forwarders and airlines.

“Obtaining Regional Joint Council views in advance of adopting resolutions will strengthen the Air Cargo Program by ensuring the efficient global implementation of resolutions,” IATA said in a statement.

Muhammad Albakri, IATA’s senior vice president for customer, financial and digital services, said: “This is a major improvement for all concerned. The Air Cargo Program works to improve the safety, security, and efficiency of cargo distribution. Considering the views of all interested parties at the beginning of the decision-making process is a win-win.

“The freight forwarders and their associations will have a stronger voice to influence the process. The CAC will be able to make better decisions with broader input to the decision-making process. And once decisions are made, they can be implemented universally with stronger support from all parties.”

IATA, which is the secretariate for the CAC, said the new streamlined consultation process will help to run the Air Cargo Program more efficiently, reduce costs, and improve and enhance cargo distribution performance throughout the industry.

“This is particularly crucial during these times of a global pandemic and economic crisis,” it added.

The CAC deals with relationships between airlines and sales intermediaries involved with the selling and processing of international air cargo.

It meets once per year and is charged with strengthening industry capabilities, promoting industry reputation and enhancing commercial success for both airline and agent participants.

IATA has been working with FIATA in recent years to update the relationship between the two parties as forwarders have transitioned from being ‘selling-agents’ for airlines into ‘purchasing customers’.

In 2017, it began [rolling out the long-awaited Air Cargo Program \(IFACP\)](#) which replaces the existing Cargo Agency Program. It will be managed jointly by freight forwarders and airlines as equal partners in the decision-making process.

The rollout is currently on hold as the pilot in Canada raised some questions among the constituencies FIATA and IATA related to liability, commercial relationship and the variety of roles of the Forwarders in the supply chain.

“A lot of positive progress is being made, but work is still in progress and there are on-going discussions to bring clarity to these questions for the industry,” IATA said.