

Transshipment Cargo Joint Position Paper by AEA – CLECAT – FFI

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1. Background

The European Commission launched two years ago a process of revising the security rules applying to air cargo. In this context, a Regulation is about to be [has been] adopted by the Regulatory Committee on Aviation Security, which will bring much needed clarity and enhancements to the present European air cargo security framework.

Two important issues are not included in this revision, since they are enshrined in the Framework Regulation, Regulation 2320/2002 which cannot be amended by the comitology procedure. It is nonetheless the Commission's intention to discuss these issues before the Framework Regulation's revision is finalised. One of them is "transshipment cargo", a term used to define cargo which arrives by air and is transferring onto another aircraft in an EU airport.

The current rules applying to transshipment cargo are that cargo flying in from a third country needs not be re-screened, provided it is protected from unlawful interference at the point of transfer in the EU. The view among several EU Member States, the Commission and industry representatives is that this is not enough. Solutions are under discussion in order to apply satisfactory security controls to transfer cargo without unnecessarily impairing the flow of cargo.

2. Industry Objectives

2.1. Avoid re-screening: Cargo cannot be put "in the same box" as passengers and baggage. While re-screening passengers and baggage transferring in an airport can be re-screened, the same cannot be said of cargo which arrives consolidated from aircraft. Breaking down pallets into individual consignments in order to screen them takes considerable time, creates very high costs and can put the European cargo industry at large at a competitive disadvantage compared to other cargo platforms e.g. in the Middle East. This is the reason why the "secured supply chain" concept has been adopted at EU level.

2.2. Secure at the point of departure: From a forwarder and an airline's perspective, air cargo must be secured as early as possible. It is inconsiderate from an industry point of view not to be asked to apply security controls when the cargo starts flying, but to incur high costs and the complications of screening cargo after several hours of flight. The European industry repeats that it applies EU-level security standards to its cargo in third countries. Putting regulatory focus on verifying this will be a clear sign that the EU is

concerned about security overall and recognises the importance of a smooth flow of cargo.

- 2.3. **Ensure that any additional measure applied to cargo transferring in the EU is financed through public funds:** Cargo consists of a complex chain of actors. Instoring screening procedures at airports for a portion of the cargo flying through, will create difficulties in how and to whom the costs are passed on. The industry has already incurred high costs in setting up the security of the supply chain with the future [new] EU Cargo Regulation. Screening of transshipment cargo should be the financial responsibility of public authorities.

3. Proposal for a “Concentric Circles” Solution

- 3.1. Transshipment cargo arriving from an EU country shall be considered as secure, i.e. no additional controls at the point of transfer shall be required.

Comment: The principle of “one-stop security” intra-EU should apply fully, legally and in practice. This is all the more important for cargo because of the severe operational consequences of systematically re-screening high amounts of cargo.

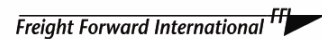
- 3.2. Transshipment cargo arriving from a non-EU country shall be considered as secure if:

- 3.2.1. It arrives from a country with which the Community has concluded a recognition agreement covering cargo (and from an airport mentioned in such an agreement); and/or
- 3.2.2. It arrives on an air carrier whose security controls in the point of departure are vetted by the appropriate authorities in the EU.

Comment: Concluding recognition agreements with “like-minded” third countries is a noble objective which we support. However, it is recognised that this will take a long time and that it will never extend to every station in which air carriers operate. An approach whereby the industry’s procedures can be vetted by regulatory authorities in the EU is a good complementary approach. Some EU Member States already perform this vetting based on security programmes and inspections in third countries, in all legality.

- 3.3. Transshipment cargo not belonging to categories 3.1. or 3.2. above shall only be re-screened if the authorities so request.

Comment: The authorities in the EU receive much relevant information about the cargo arriving from a third country, in accordance with Regulation 648/2005. In this context they can always exercise their right to request that the cargo be screened when entering the EU, based on risk assessment which includes security. However, any requirement to re-screen cargo for security reasons should be limited to the transshipment cargo referred to in 3.3.



Associations Descriptions & Contacts

- The Association of European Airlines (AEA) brings together 30 major airlines, who collectively carry more than 300 million passengers each year, employ over 350,000 staff and operate more than 2,500 aircraft.

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- CLECAT was founded in 1958. Today it represents the vast majority of national organisations of freight forwarders and customs agents both in the European Union and on a continental level. The most recent internal enquiry showed that CLECAT represents about 19,000 companies that employ over 1,000,000 people.

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- Freight Forward International (FFI) represents the interests of 7 of the largest global freight forwarders and logistics service providers which together employ more than 345,000 people, transporting volumes in excess of 374 million tons with a turnover of over 25,4 billion euro. The grouping focuses on policies of a non-competitive nature that enables forwarders and logistics service providers to offer and perform client oriented services and on policies that enable them to diversify the range and scope of their services as integrated-service providers. FFI consists of: ABX Logistics Worldwide, DHL Logistics, Geologistics, Kuehne + Nagel, Panalpina, Schenker and UTi.

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