



# IATA Updates

2018 ULD CARE Annual Conference  
Guangzhou, P. R. China, 8-11 October 2018

## Introduction

# Smart Facility Program & Operational Capacity Audit (SFOC)





# Smart Facility

## Transparency in cargo handling



### Our vision

The Smart Facility project is part of StB Cargo and aims at creating transparency in cargo handling services and to enhance basic cargo operations capacities to a consistently higher baseline level across the industry.

Further the Smart Facility program aims to reduce the audit complexity between Carriers and Cargo Terminal Operators (CTO) by providing an operational capacity audit and accreditation scheme (SFOC) that validates a CTO's capacities to handle cargo within the cargo facility.

### Our Goals

- Create visibility on cargo facilities' capacities, offered services and qualifications
- Build trust in the operational capacities information through different levels of validation
- Increase operational handling capacities to a consistently higher baseline level
- Reduce industry audit complexity and redundancies



# Value Statement A

Create visibility for a more transparent transportation chain

## Benefits

- Easy to access online platform
- Raise CTO profiles on the global market place
- Easier matchmaking between CTOs, airlines, freight forwarders and shippers
- More efficient route network development
- Raising handling operations standards to a consistently higher baseline level across the industry

## How do we achieve it?

### Publicly accessible platform

- listing CTOs by location
- displaying their capacities and
- available cargo services

### Ensuring authenticity of the published information through:

1. Remote Validation
2. Smart Facility Operational Capacity Audit (SFOC)



# Smart Facility Platform



\*Mockup of platform

# Smart Facility Platform – Search

### Smart Facility Operational Capacities

- ☐ Airmail
- ☐ Live Animals - AVI
- ☐ Perishable Cargo - PER
- ☒ Pharma - PIL
- ☒ Dangerous Goods - DG

### Certifications / Accreditations

- ☒ ISAGO
- ☒ CEIV
- ☒ CARGO IQ
- ☒ IEnvA

### Location

☒ Distance from (in km)

☒ Specific Airport

### Transit Stations

1 — 2 — 3

Achieved SF Accreditation including capacities in Special Cargo? Prove your Excellency and distinguish yourself through CEIV.

Origin

Commodity

Destination

Connected Facilities Only

**Outbound**

**TACT Online**

**Inbound**

**TACT Online**

**Facility ABC** DEF Airport

- Contact Details**  
Address, Website, Phone
- Facility Overview**  
Opening Hours, Handled Carriers etc.
- Facility Equipment**  
Scanners, Screening, GSE, etc.
- Facility Infrastructure**  
Storage, Cool Rooms, Build-Up Area, etc.
- Electronic System Capabilities**  
Storage, Cool Rooms, Build-Up Area, etc.

**Certifications**

**Accreditations**

**Smart Facility Capacities**

☒ Dangerous Goods ☐ Perishables ☐ Airmail

☒ Live Animals ☐ Pharma

**Accreditation Re...**

Combination of a cargo terminal operator's existing facility, physical infrastructure, equipment and the procedures to operate them in accordance with IATA Resolutions and Recommended Practices.

Indicates baseline capacities to handle special cargo commodities within a cargo terminal.

**Facility XYZ** GHI Airport

- Contact Details**  
Address, Website, Phone
- Facility Overview**  
Opening Hours, Handled Carriers etc.
- Facility Equipment**  
Scanners, Screening, GSE, etc.
- Facility Infrastructure**  
Storage, Cool Rooms, Build-Up Area, etc.

**Remote Validation Profile with Equipment Listing**

No information about certification / accreditation / capacities

**Facility GHI** DEF Airport

- Contact Details**  
Address, Website, Phone
- Facility Overview**  
Opening Hours, Handled Carriers etc.
- Facility Equipment**  
Scanners, Screening, GSE, etc.
- Facility Infrastructure**  
Storage, Cool Rooms, Build-Up Area, etc.
- Electronic System Capabilities**  
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**Certifications**

**Accreditations**

**Smart Facility Capacities**

☐ Dangerous Goods ☐ Perishables ☐ Airmail

☐ Live Animals ☐ Pharma

**Accreditation Re...**

Combination of a cargo terminal operator's existing facility, physical infrastructure, equipment and the procedures to operate them in accordance with IATA Resolutions and Recommended Practices.

Indicates baseline capacities to handle special cargo commodities within a cargo terminal.

**Facility QRS** GHI Airport

- Contact Details**  
Address, Website, Phone

**BASIC PROFILE**

No information about equipment, certification / accreditation / capacities

**Facility QRS** GHI Airport

- Contact Details**  
Address, Website, Phone

**BASIC PROFILE**

No information about equipment, certification / accreditation / capacities

**Facility QRS** GHI Airport

- Contact Details**  
Address, Website, Phone

**BASIC PROFILE**

No information about equipment, certification / accreditation / capacities



# Value Statement B

Reduce industry audit frequency, complexity and cost

## Benefits

- **SFOC data to complement airlines risk analysis**
- **SFOC Accreditation reduces**
  - **audit frequency**
  - **audit complexity**
  - **audit cost**
  - **business disruptions**
- **SFOC increases airlines' audit efficiency**

## How do we achieve it?

### **Standardized, mutually recognized industry audit**

- **Accrediting a CTO's capacities in accordance to the applicable industry baseline standard**
- **Using Smart Facility Standards Manual (SFSM), referencing all relevant cargo handling standards**
- **SFSM – Largest common denominator between carrier specific audit contents**

**Ensuring audit quality and consistency through IATA CoPA pool of auditors**



# Smart Facility Standards Manual

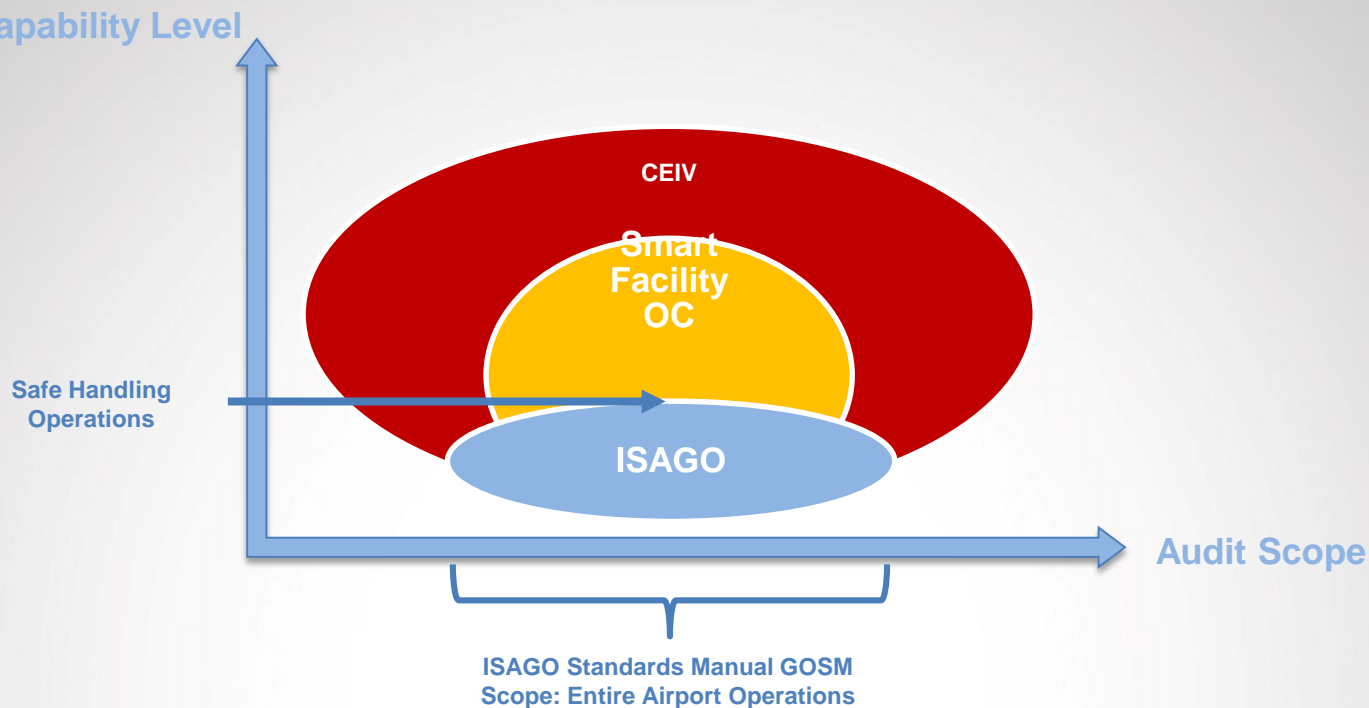




# IATA Audit Landscape



# IATA Cargo Audit Landscape

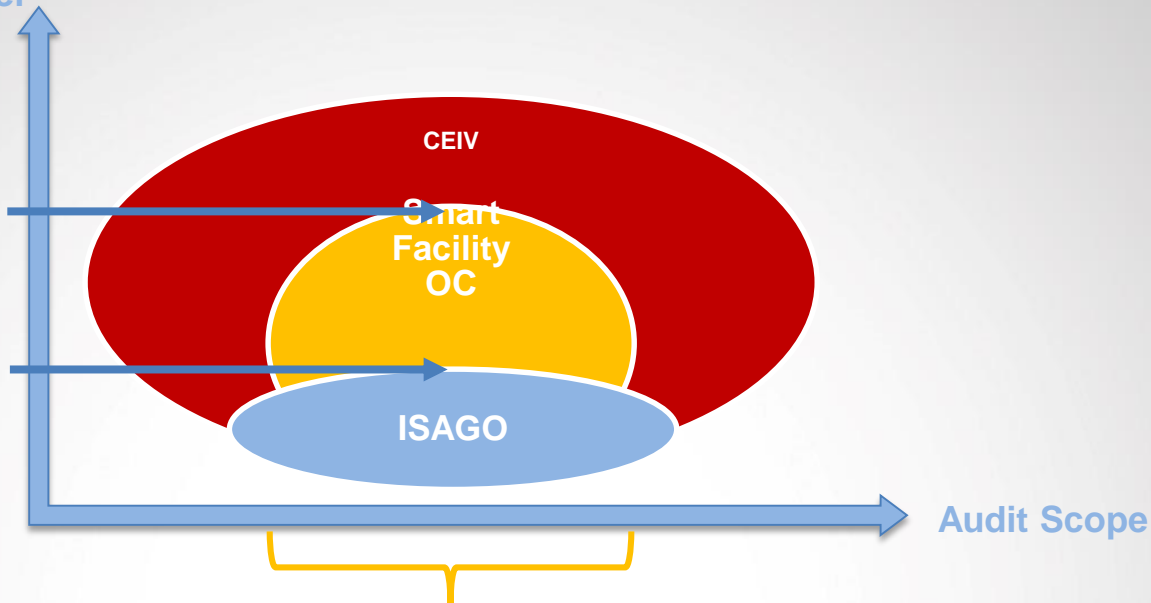


# IATA Cargo Audit Landscape

Capability Level

Basic Operational  
Capacity in Cargo  
Handling

Safe Handling  
Operations



IATA Cargo Handling Manual (ICHM) + div. IATA Standards Manuals  
Scope: Cargo Warehouse



# IATA Cargo Audit Landscape

## Capability Level

Excellency in Special  
Cargo Handling +  
Transport for  
specific commodities

Basic Operational  
Capacity in Cargo  
Handling

Safe Handling  
Operations

CEIV

Smart  
Facility  
OC

ISAGO

Audit Scope

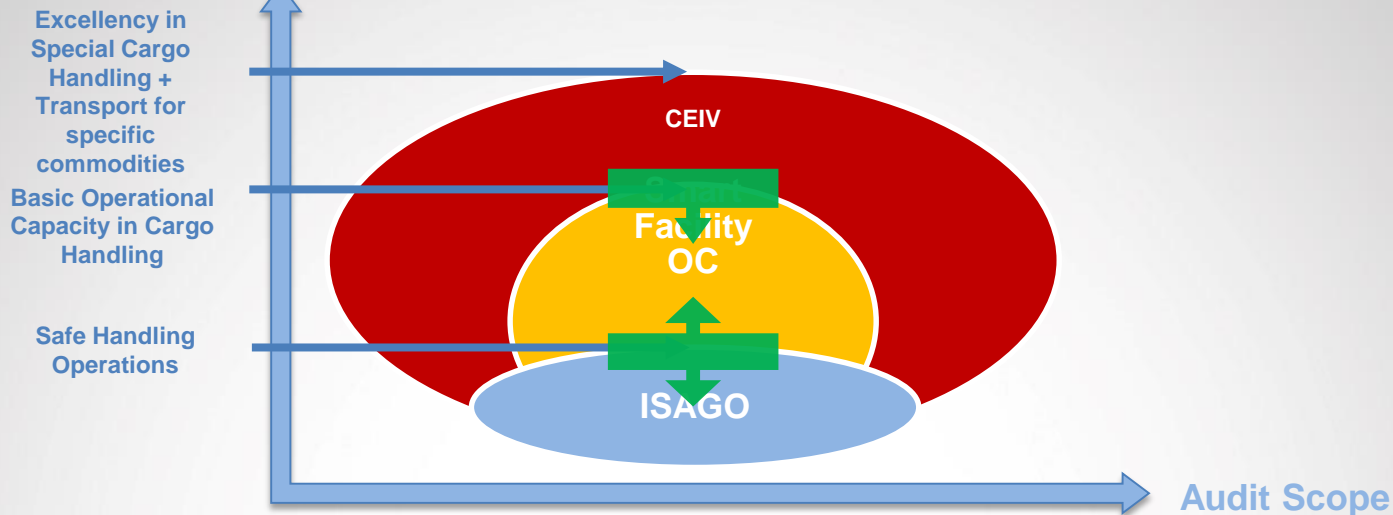
Appl. IATA Cargo Standards + International and National Regulations / Standards + Industry Best Practices + Shipper Requirements

Scope: Entire Transportation Chain from Shipper to Customer



# IATA Cargo Audit Landscape

## Capability Level



→ Existing IATA Certifications will dynamically adjust the SFOC audit scope to leverage content touchpoints and further reduce audit complexity



# Pilot Roadmap

**Hacti - Hong Kong Air Cargo Terminals Limited**  
1,369 followers  
2mo • Edited

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Hacti first with new IATA handling audit system

Hong Kong Air Cargo Terminals Limited (Hacti) – Hong Kong's largest independent cargo handler – is the first cargo terminal operator (CTO) in the world to complete a pilot for IATA's new Smart Facility Operational Capacity Audit (SFOC).

SFOC is part of the Smart Facility program which aims to provide total transparency on capacities and services offered by CTOs, by means of a multi-tiered validation process. This could save thousands of man-hours every year taken up with largely duplicated auditing effort.

Hacti 成為 IATA 智能設施運籌能力審計的首個試驗點

香港空運貨站 (Hacti) 成為全球首個完成國際航空運輸協會 (IATA) 新設立的智能設施運籌能力審計 (Smart Facility Operational Capacity Audit) (SFOC) 的試驗點之空運貨站業務。




SFOC 乃智能設施 (Smart Facility) 計劃的一部分，旨在透過多層審核過程，公開及令業界透明化空運貨站業務 (CTO) 之商業規模及設施，以減輕水平審核資料。此審核計劃預計可大大節省每年費時及昂貴的審核工作。




0 Likes

**Marc Völkl**  
Project Manager, Smart Facility at International Air Transport Association (IATA)  
1mo

Luxair Cargo (**LuxairGroup**) in Luxembourg has been the third pilot location for IATA's Smart Facility Operational Capacity (SFOC) Audit. The SFOC Pilot Audit has been conducted under the observation of **Cargolux Airlines**. We want to ...see more

45 Likes

👍 Like 💬 Comment ➦ Share

📈 2,514 views of your post in the feed



# Pilot Roadmap



Marc Völkl

Project Manager, Smart Facility at International Air Transport Association (IATA)  
2mo • Edited



Smart Facility continues to validate its program together with the industry. Last week the **International Air Transport Association (IATA)** conducted the second Smart Facility Operational Capacity (SFOC) Pilot Audit at the **Swissport** facilities at London Heathrow. This is the first test in a series of beta pilots in which we invite carriers to join as observers and conduct gap analysis between the Smart Facility Standards Manual and their own respective audit standards.

This exercise allows for a direct comparison of audit content coverage, and will help to quantify Smart Facility's audit complexity reduction potential. The collected data will facilitate the discussion around Carrier adoption, paving the way towards a reduction in person-days spent for individual carrier audits. We want to thank Swissport's **Rupert Batstone**, **DHL - Express** **Christian Bergfelder** as the Pilot Auditor, as well as IAG Cargo's **Gabriella Tamasi** and **Davinia Gilbert-Campbell** as Observers, for their participation and valuable feedback that will help us to enhance the SFOC Auditing Standards going forward.

**#IATA #SmartFacility #CargoTerminals #CargoHandling #Capacity #Transparency #AuditComplexity #Reduction**



Marc Völkl

Project Manager, Smart Facility at International Air Transport Association (IATA)  
1w • Edited

**SATS Ltd.** in Singapore has been the first CTO to participate in the "ISAGO + Smart Facility Operational Capacity (SFOC) Joint Audit" proof of concept (PoC).

...see more



37 Likes · 3 Comments



Like



Comment



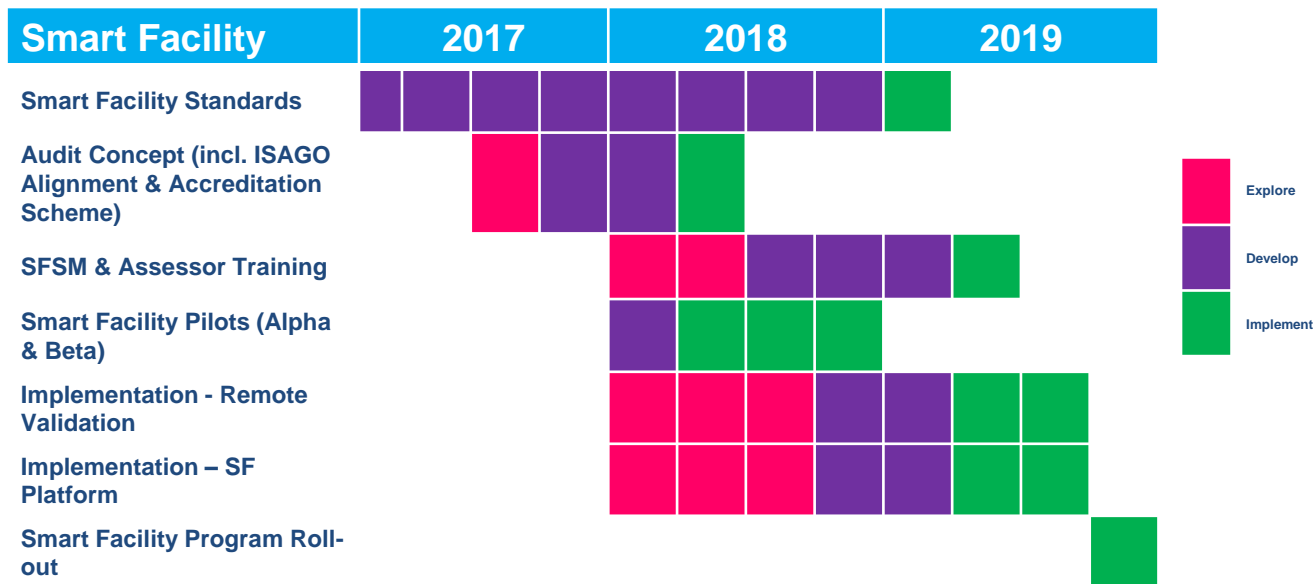
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# Smart Facility – Project timeline



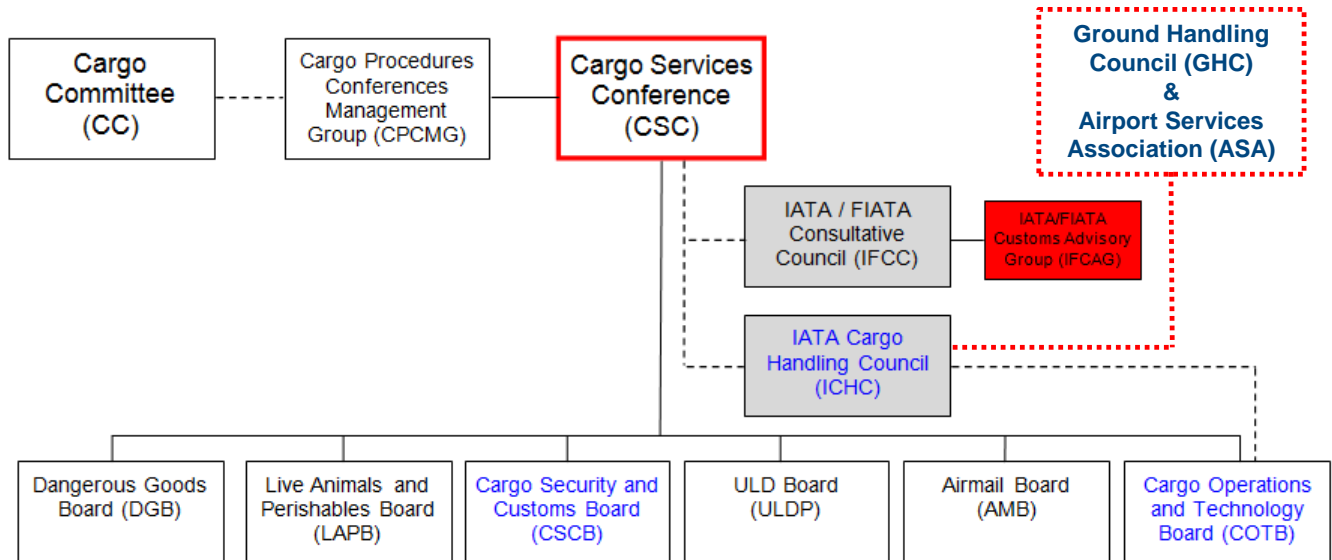




# Cargo Operations

IATA Cargo Handling Council  
(IHC)

**16 members (8 Cargo Handlers and 8 Airlines) under the Cargo Service Conference (CSC).**



*The ICHC will be consulted and will liaise on all cargo handling standards developed by CSC sub-groups.*

## ICHC - Activities

- Cargo handling is a critically important component of the air cargo supply chain and is performed at **thousands of airports** all over the world by **hundreds of handlers**. This creates a high potential risk for deviations in quality and consistency of handling.
- The IATA Cargo Handling Consultative Council (ICHC) connects airlines and ground handling agents. ICHC's objective is to develop best-practices to address all aspects of cargo acceptance and handling.

# ICHC - Activities

## Objectives

The workgroup aims to:

- Include operations in cargo industry's initiatives, such as the [e-Cargo program](#)
- Integrate cargo operations in related IATA standards, like the Standard Ground Handling Agreement (SGHA)
- Improve IATA manuals linked to cargo operations, such as the [Airport Handling Manual \(AHM\)](#)
- Overlook the IATA training courses covering the acceptance, handling and uplifting of air cargo and mail
- Review the standards on cargo electronic messaging regarding cargo handling activities, such as [Cargo-XML](#)
- Streamline core cargo operations in the new [IATA Cargo Handling Manual \(ICHM\)](#)

# ICHC - Activities

## IATA Cargo Handling Manual (CHM) – Edition 3 – 2019

### ➤ **Goals:**

- To align all cargo handling procedures with current practices;
- Under CSC governance structure for faster adoption of new standards;
- Align with members' operations manual structure (normally cargo handling is separate from other ground ops);
- Include content not permitted in IGOM scope currently found in airline handling manuals (e.g. processes, recommended SLA, Facility Matrix, etc.).

### ➤ **New in 2019:**

- The ICHC worked in close collaboration with the IGOM Technical Group to define the handover procedures for freight from the warehouse to the ramp and vice-versa. This includes the serviceability checks for ULDs.
- The ICHC has also drilled down the mail handling procedures to better align with the Industry Master Operating Plan (MOP).
- The ICHM also now includes the Competency Based Training elements for Cargo Build-Up.

## ICHC - Activities

### **Cargo/ULD Build-up and handling requirements for Freight Forwarders**

#### ➤ INPUT

- ICHC members stated the need to spread our standards for Cargo/ULD Build-Up to the Freight Forwarders. The members wished to have the Freight Forwarders replicate the standards used by the Carriers and/or the Cargo Handlers, for compliance and safety.
- The ICHC members decided to develop a position paper which would be shared with FIATA, TIACA and the GACAG.
- The members agreed that carriers need to understand the safety aspect of Built ULDs from Freight Forwarders and that they need to have more discussions with them regarding training and compliance with standards.

# ICHC - Activities

## Cargo/ULD Build-up and handling requirements for Freight Forwarders

### ➤ OUTPUT

- The output of this discussion is reflected in the position paper attached in [Annex A](#) of these Minutes of Meeting.



Microsoft Word  
17 - 2003 Document

- The members put an emphasis on the requirement for compliance with IATA standards as a Cargo Handler would be required to do, to put an emphasis on the necessity for training and awareness in accordance with the requirements laid out by IATA and the necessity for Carriers to audit their Freight Forwarders and investigate the possibility of a Smart Facility Operational Capacity (SFOC) Audit as for the Cargo Handlers.
- ICHC members also indicated their interest to see a similar project like Smart Facility Operational capacity (SFOC) Audit being developed for auditing Freight Forwarders. This would allow for verification and validation of Freight Forwarders' capacities.



# **ACID**

## **Air Cargo Incident Data**

**StB Cargo**

Strengthen today, build tomorrow



# Table of content

- ❑ The ACID Story
- ❑ Fact sheet
- ❑ ACID & GADSI
- ❑ ACID & StB Cargo



# The ACID Story

## Standard slides



# The Issues

## ❑ “Flying is safe”

- No passenger fatalities on jet transport aircraft last year
- 45 accidents worldwide in 2017 (↓ avg 75 in 5 years before)
- Zero fatal accidents or hull losses in 2017 for IATA Member Airlines – incl. jet and turboprop aircraft

## ❑ BUT

- 13 cargo aircraft accidents, 29% of the total
- 12 of the 19 onboard fatalities and 35 on-ground fatalities involved cargo aircraft



# Current Industry Status

- ❑ Do you know how many incidents there are involving cargo in a given year?
- ❑ Do you think we have the data required to provide trend reports on an industry level?



# Background



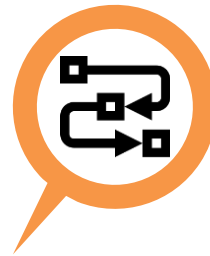
# The Complexity



Many handover  
points



Airline responsibility  
but ~70-80%  
outsourced  
operations



Reporting processes  
differ by State / Region  
/ Organization



# The Approach – Setting Priorities

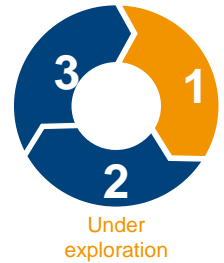
- ❑ Priority I: Safety & Security incidents
  - Aligns to the GADM Project.
- ❑ Priority II: Operational / Service-related incidents
  - Results from the initial industry request and industry survey.





# ACID

## Better data for better decisions



### Our vision

The ACID (Air Cargo Incident Data) aims to collect and provide de-identified air cargo incident data in a secure environment for airlines and ground handlers and other parties to pool safety and operations information, supporting a proactive data-driven approach for advanced trend analysis, predictive risk mitigation and improvement programs.

### Industry supports ACID vision

- Global industry survey in summer 2017, Strong interest and support of the ACID principles
- List of requirements and concerns to be addressed

### Coming next

- Improve current IATA safety reporting environment (GADM), (taxonomy descriptors, needs analysis for reports
- Analyze existing reporting (syntax, semantics, exchange, processes).
- Move to Development Phase



# Celebration of ULD Birthday: 1959 – 2019

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## 13th World Cargo Symposium



The World Cargo Symposium (WCS) is the largest and most prestigious annual event of its kind and the only one to bring together key stakeholders from the entire air cargo supply chain. Learn more about [IATA Air Cargo](#) now!

When: **March 12 - March 14, 2019**

Where: Singapore, Singapore

Venue: Marina Bay Sands

Audience: **Open to all**



### Advertisement

### Air Cargo Innovation Awards

Submit your idea that will transform the air cargo industry!



# Evidence of the embryonic form of ULD

(original Lockheed photo, courtesy of Martin Bleasdale collection)





# Thank You!

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To represent, lead and serve the airline industry

